

ALASKA LEGISLATURE COMMITTEE FILES 1985-1986 80/2

4299 SRES SCR 18 - SJR 1

1179

Recommendation No. 5

GLCB should seek both statutory and regulatory changes in order to improve the protection of the public from unethical guiding practices.

One of the primary purposes of licensing and regulating guides is to protect the public from unethical guiding practices. We identified regulations and statutes that serve to block effective consumer protection action on the part of GLCB and serves to protect guides at the expense of the public. We recommend that GLCB enhance its consumer protection responsibilities by taking the following actions:

- A. Pursue amendment of statutes that limit GLCB's authority to discipline guides for unethical activity.
- B. Adopt regulations and/or recommend legislation to require guides to post performance bonds.

Statutory Constraints to Effective Disciplinary Action

Alaska Statute 08.54.200(a)(1) does not allow the Board to consider complaints of unethical or incompetent guiding practices until receiving complaints from "... three or more clients [hunters] of separate [hunting] parties."

In the course of our review we found four instances where guides had two allegations of unethical guiding activity, as defined by GLCB's regulations, but still had not been brought before the Board for review. Law enforcement officials told us that the statute requiring three separate complaints was particularly onerous for effective resolution of consumer complaints. Law enforcement officials are put in the position of consumer ombudsman, trying to mediate and negotiate settlements of hunter-and-guide or guide-and-guide disputes.

GLCB's effectiveness and visibility would be enhanced if all allegations regarding unethical guide practices was brought to it for review on a case-by-case basis. It appears that the intent of the statute was to keep down the number of frivolous and unfounded complaints against guides. Other professional licensing boards listen to, and sort through, all cases and complaints, no matter how trivial, as a means of keeping apprised of the conduct of their licensees. We recommend that GLCB begin doing the same.

Bonding of Guides

Almost all hunters who use guiding services are non-residents, a large number from outside of the United States. As a result, when disputes arise between guides and hunters it is often very difficult and expensive for the complaining

hunter to seek legal remedies or implement administrative action. This difficulty is compounded by the three complaint requirement of the statutes discussed previously.

In the course of our review, we noted four cases where a non-resident hunter and guide were disputing the refundability of a deposit. One example, two out-of-state hunters sent in deposits of \$2,500 six months in advance of a hunt. Just prior to their departure for Alaska, the guide notified them that he would have to cancel their hunt. He offered to apply their deposits to a hunt the next year, but the hunters decided they wanted a refund. The guide did not respond to requests, and due to the statutory three complaint requirement, law enforcement officials were not able to bring the dispute before GLCB. The two hunters retained a Fairbanks attorney to pursue legal remedies, but soon abandoned the effort due to costs of litigation.

We recommend that GLCB pursue the necessary statutory and regulatory changes that would implement a mandatory requirement that guides post performance bonds. Performance bonds would allow hunters with legitimate grievances and claims against guides an easier, less expensive alternative in obtaining settlement of their claims. Guiding is a large industry in the State. It is important that GLCB do all it can to maintain the integrity of the guiding industry and uphold the reputation of the Alaskan guides with hunters outside of the State. The Board should recognize the unique type of consumer for guide services and take steps to adequately protect the interest of the out-of-state hunter/consumer.

(Intentionally left blank)

ANALYSIS OF PUBLIC NEED

Limited Analysis

The following analyses indicate both positive and negative factors as they relate to the public need as defined in the "sunset" law. These analyses are not intended to be comprehensive, but to address those areas we were able to cover during our review.

- I. The extent to which the board, commission, or program has operated in the public interest.
 - A. The Board has adopted regulations defining unethical conduct which clarify and strengthen the professional's responsibility to the public.
 - B. The Board does not consistently review the Department of Fish and Game game management information prior to assignment or transfer of an exclusive guiding area (EGA) (see Recommendation No. 1).

- II. The extent to which the operation of the board, commission, or agency program has been impeded or enhanced by existing statutes, procedures, and practices which it has adopted, and any other matter, including budgetary, resource, and personnel matters.
 - A. Regulation 12 AAC 38.054(b) allows an EGA permit holder to designate the qualified guide to whom he wishes to transfer his guide area. These transfers often take precedence over other guide area assignment criteria such as joint user objections, experience in the game unit, or game management considerations (see Recommendation No. 3).
 - B. Alaska Statute 08.54.200(a)(1) does not allow the Board to consider complaints of unethical or incompetent guiding practices until receiving complaints from three or more clients of separate parties regardless of the potential magnitude of the unethical act (see Recommendation No. 5).

- III. The extent to which the board, commission, or agency has recommended statutory changes which are generally of benefit to the public interest.
 - A. Senate Bill No. 294, which was introduced in April 1985 by the Resources Committee, contains the following items which should enhance public protection if ratified:

1. An amendment to AS 08.54.010 would increase game management considerations in regulating guide activities (see Recommendation No. 2).
2. An amendment to AS 08.54.040 and a proposed new section (AS 08.54.195) would require consistency in procedures used in allocating EGAs (see Recommendation No. 1).
3. New sections would require those guides that contract with more than one client at a time (an outfitter) to maintain a surety bond of \$5,000 (see Recommendation No. 5).
4. The bill would require closer supervision over assistant guides while in the field.
5. Unethical activities would be amended to include unsafe or unsportsmanlike actions that are detrimental to the game resources of the State.
6. Statutes dictating qualifications for, and restrictions on, transporters would be repealed. Many of the services now being provided by transporters would be subject to the proposed outfitter statutes contained in this bill.

B. Additional portions of SB 294 which do not appear to us to be in the public's best interest are as follows:

1. Current law limits the number of Board members that have guide licenses to no more than three of the seven members. SB 294's amendment of AS 08.54.010 would require that at least three Board members be active guides. This amendment would increase the potential for expanding the number of industry members on the Board at the expense of public participation.
2. Currently, AS 08.54.200(a)(1) does not allow the Board to consider complaints of unethical or incompetent guiding practices until receiving complaints from three or more hunters of separate parties. SB 294 contains an amendment of this statute which would require that these complaints be received within five years prior to the hearing date. This would compound those problems outlined in Recommendation No. 5.

3. Currently, AS 08.54.210(a)(6) makes it unlawful for a master or registered guide to employ or supervise more than three assistant guides at the same time.

SB 294 would repeal this statute and could allow a master or registered guide to employ more assistants than they are capable of effectively supervising. The experience and professional judgement of the master or registered guide may not be available to clients when needed.

Alaska Statute 08.54.141 of this bill also provides that assistant guides shall be supervised at all times while in the field on guided hunts. The potential problem noted above will depend on enactment of this new section and on the Board's interpretation of the term "supervised."

4. Enactment of amendments to AS 08.54.200(c)(3) may unnecessarily restrict those hunting statutes or regulations upon which the Board can take disciplinary action.

IV. The extent to which the board, commission, or agency has encouraged interested persons to report to it concerning the effect of its regulations and decisions on the effectiveness of service, economy of service, and availability of service which it has provided.

- A. The public is invited to attend Board meetings and to give their input about the workings of the Board. Notices of meetings are advertised in at least five newspapers throughout the State. In addition, guides are notified by registered mail of meetings that might affect them.
- B. Publication of meeting information does not always precede the meeting by a reasonable time period. We found that the public was given less than a one week notice for two of the last eleven Board meetings.
- C. Teleconference meetings are not being noticed publicly. This limits public input at those meetings and may legally jeopardize Board decisions and actions.

V. The extent to which the board, commission, or agency has encouraged public participation in the making of its regulations and decisions.

- A. As stated under IV, the public is invited, by published notices in newspapers, to attend Board meetings to give their input about Board regulations or submit written testimony.
- B. Those problems noted in IV B and C above also represent potential problems in this public need area.

VI. The efficiency with which public inquiries or complaints regarding the activities of the board, commission, or agency filed with it, with the department to which a board or commission is administratively assigned, or with the Office of the Ombudsman have been processed and resolved.

- A. Since July 1983, ten complaints have been filed with the Ombudsman's Office concerning Board activity. Only one of these complaints, alleging improper denial of a registered guide license, was found to be justified.
- B. Since August 1984, 19 complaints against guides have been submitted to the Department of Commerce and Economic Development, Division of Occupational Licensing for investigation. These cases appear to have been investigated in a reasonable fashion and are pending Board action or court rulings.
- C. As mentioned in TII above and in Recommendation No. 5, AS 08.54.200(a)(1) does not allow the Board to consider complaints of unethical or incompetent guiding practices until receiving complaints from three or more hunters of separate parties.

VII. The extent to which a board or commission which regulates entry into an occupation or profession has presented qualified applicants to serve the public.

- A. As of September 1985, 46 master guides and 361 registered guides were licensed in Alaska. These individuals were required to pass both a written and an oral exam, as well as obtaining practical experience in the field, prior to licensure.
- B. The oral portion of the registered guide examination is arbitrary and inconsistent in content and grading. This is because the examination content and grading guidelines are left to the discretion of the individual examiners (see Recommendation No. 4)

VIII. The extent to which State personnel practices, including affirmative action requirements, have been complied with by the board, commission, or agency to its own activities and the area of activity of interest.

A. The Board established 12 AAC 38.010(c) whereby an applicant for licensure who:

because of a language barrier, is unable to read and competently understand the English language may be excused from taking the written examination, and may be issued a license based on successful completion of the oral portion of the examination and demonstration of his capabilities and experience.

B. Regulations also provide that when assigning guide area permits,

the board will give preference to qualifying guides whose permanent residence is within the district in which the area is located.

IX. The extent to which statutory, regulatory, budgeting, or other changes are necessary to enable the agency, board, or commission to better serve the interests of the public and to comply with the factors enumerated in this subsection.

Please refer to the previous section, Findings and Recommendations.

(Intentionally left blank)

APPENDIX A

GUIDE LICENSING AND CONTROL BOARD
REVENUES COMPARED WITH EXPENDITURES

June 30, 1985
(UNAUDITED)
(Note 1)

	<u>FY 83</u>	<u>FY 84</u>	<u>FY 85</u>
Revenues (Schedule 1, Note 2)	\$46,000	\$53,735	\$88,678
Expenditures (Note 3)	<u>21,663</u>	<u>13,483</u>	<u>11,777</u>
Excess of Revenues over Expenditures	<u>\$24,337</u>	<u>\$40,252</u>	<u>\$76,901</u>

Schedule 1
Types of Revenues
(Note 4)

<u>Revenues</u>	<u>Amount</u>	<u>Collection Time</u>
Master Guide License	\$150	Biennially
Registered Guide License	150	Biennially
Class-A Assistant Guide License	30	Biennially
Assistant Guide License	20	Biennially
Transporter License	10	Biennially
Application For A Guide Examination	25	With Application

Note 1

This revenue/expenditure comparison was prepared from available reports prepared by Occupational Licensing personnel. The records were not audited by us and, accordingly, we do not express an opinion on the Board's Revenues Compared with Expenditures.

Note 2

Revenue amounts reported do not include revenue obtained from the sale of game tags or hunting licenses. They only include revenue obtained from fees required to obtain and/or renew guide licenses.

Note 3

Expenditures consist of direct costs resulting from Board activities. These include miscellaneous contractual, travel, and per diem costs incurred by Board members and the Board's licensing examiner. The amounts do not include the administrative expenditures of the Division of Occupational Licensing such as employee salaries or the expenditures made to other departments such as the Department of Law, which assist the boards and the Division.

Note 4

Amounts reflected are those established by statute for FY 85. Chapter 37, SLA 1985 provides that the Department of Commerce and Economic Development shall set license fees effective upon adoption of said regulations.

APPENDIX B
GUIDE LICENSING AND CONTROL BOARD
EXAMINATION STATISTICS

Number of Examinations Given in FY 1984-1985 (Note 1)

<u>Fiscal Year</u>	<u>Written Exam</u>		<u>Oral Exam</u>		<u>Total</u>
	<u>Passes</u>	<u>Fails</u>	<u>Passes</u>	<u>Fails</u>	
1984	22	13	26	7	41
1985	19	9	17	4	30

Note 1

Licensure as a registered guide requires a passing score on both a written and oral examination. Licensure as a master guide requires a passing score on an oral examination only. Licensure as assistant guides and transporters does not require examination.

APPENDIX C

GUIDE LICENSING AND CONTROL BOARD
ADMINISTRATIVE STATISTICS
September 30, 1985

Currently Licensed

Master Guides	46
Registered Guides	361
Class-A Assistant Guides	139
Assistant Guides	829
Transporters	141

Board Meetings Between
July 1, 1983 and June 30, 1985

July 17-22, 1983
October 25-26, 1983
December 7-13, 1983
March 12-17, 1984
December 13-14, 1984
February 9-17, 1985
March 18-19, 1985

BILL SHEFFIELD, GOVERNOR

**DEPARTMENT OF COMMERCE &
ECONOMIC DEVELOPMENT**

DIVISION OF OCCUPATIONAL LICENSING

POUCH D
JUNEAU, ALASKA 99811
PHONE: (907) 465-2534

December 23, 1985

Mr. Gerald L. Wilkerson
Legislative Auditor
Legislative Audit Division
Pouch W
Juneau, AK 99811

RECEIVED
DEC 24 1985
**LEGISLATIVE
AUDIT**

Dear Mr. Wilkerson:

Re: Preliminary Audit Findings
Guide Licensing and Control Board

Thank you for the opportunity to comment on your preliminary audit report on the Guide Licensing and Control Board.

Our position remains the same from previous correspondence in that, we concur with your findings and recommendations, and also support continuation of the board. We once again offer the following comments regarding your recommendations:

In reference to recommendation #1, it is important to note that many of the actions or decisions made by the Guide Licensing and Control Board were made upon advice and support of counsel from the Department of Law. This is done especially in relation to your finding that hearing officer decisions are replacing that of the Guide Licensing and Control Board where setting quotas for guides are concerned. However, we believe the board has demonstrated an honest effort to act accordingly within the parameters of what they perceived to be correct, based on legal advice.

Regarding recommendation #4, this matter was brought to the attention of the board by staff of the Division of Occupational Licensing during previous board meetings. Although the board did acknowledge the need to address this issue, no time was given to address the oral examination for registered guides.

Mr. Gerald L. Wilkerson

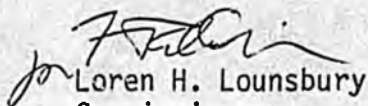
-2-

December 23, 1985

We strongly support your suggestions in recommendation #5 and feel that, although performance bonds posted by master and registered guides may not be entirely adequate to rectify all complaints, it would certainly allow some means of restitution for injured parties from receiving unethical services.

Thank you once again for the opportunity to comment on your findings and for your cooperation.

Sincerely,


Loren H. Lounsbury
Commissioner

LHL/sa1444s
122385b

The Legislature
Budget and Audit Committee
Jim Griffin, Auditor

DEC 19 1985

**LEGISLATIVE
AUDIT**

Recommendation #1

The Guide Licensing and Control Board (GLCB) uses the Statements of Financial Remunerations as proof of use and experience in areas when assigning Exclusive Guide Areas (EGA). There have been discrepancies in the past, the last year the GLCB have been adhering closely to the criteria of using SFRS. The GLCB seeks biological and Fish & Game surveys when they are available. This cannot always be done. Some areas Fish & Game haven't run surveys or recent surveys. Most of the time, the GLCB doesn't know which areas will be before them until the applicant comes before the GLCB with his application. This doesn't allow enough time to obtain the information. In cases that are held over and coming before the GLCB at a later date do allow time for soliciting biological information from the Fish & Game biologist located in the area involved. I have solicited Fish & Game information in several cases that are coming before the GLCB this next meeting in December 1985.

I hope to get a regulation passed that requires an applicant applying for an EGA to obtain this information from the Fish & Game for presentation to the GLCB.

Along these lines there also should be a regulation requiring the same criteria for a transfer be the same as a new applicant. That is to show proof of experience in the area as would a new applicant. And going farther, an applicant for a transfer from an EGA holder to himself show proof of working with the EGA holder for a certain time. One or two years. Co-signing SFRS could be used as proof as well as additional proof, either in EGAS or joint use areas.

Recommendation #2

Regulation (12 AAC 38.053 (D) (1) applies mostly to applications for joint use areas and EGAs being applied for by more than one guide. The proposal to pass a regulation requiring the applicant to obtain Fish & Game biological information on the area applied for will help in this area.

Recommendation #3

I do not agree that an EGA holder should have to surrender his EGA to the GLCB and not have the opportunity to transfer the EGA to a guide of his choice with the approval of the GLCB. There are many cases where an EGA holder has farmed his area, carefully not to over harvest, so has improved both game populations and size of the animals in the area. To enhance game populations and sportsmen enjoyment is one purpose of the GLCB. Financial investments should also be considered in transfers, land, buildings and equipment related to guiding in the area. A guide who has spent many years building up an area with improvements to game populations should certainly have something to say about who's care the area ~~XXXXXX~~ comes under. Son, ~~XXXXXX~~ Daughter, apprentice or a guide who is well qualified to guide in the area.

The GLCB has a policy not to issue a new applicant an area X in joint use. In other words filing over an area that is already in joint use, or use by only one EGA holder. The GLCB is working to eliminate as much joint use as possible. This can only be done through natural attrition. The GLCB cannot choose two permit holders out of six joint users and pull their permits without due cause. I do think, and it has been the GLCB's policy the last two years. A Ega holder is convicted of some violation that merits revoking his area that is in joint use with others, that area will not be reassigned ~~XXXXXX~~ ..

Where the area is extremely large and doesn't have many joint users some leeway should apply to a new applicant. The guide losing the area should not have a say one way or the other in the matter. However, in cases such as this very careful scrutiny in all criteria must be made. One thing along these lines. At one time the intent of GLCB to review and reassess all EGAS. Considering size, utilization and condition of game populations. This was never done, primarily because time and budget restrictions wouldn't allow it.

Recommendation #4

Oral guide examinations:

There are inconsistencies in administering oral tests. The purpose of the oral test is to determine the applicant's practical field experience and knowledge of game habits, size and the area he is being tested for. Most of this is impossible to determine with a ~~XX~~ tightly held oral tests with set questions and answers. The examiner should have some flexibility but should not be allowed to wander far afield and asking impertinent questions. There should also be a standard time for the test, say 1 or 1½ hours. One ~~xx~~ problem that keeps cropping up is first aid. I propose that an applicant be required to have passed a first aid course within the year prior to taking the guide exam.

The GLCB has been trying to upgrade this portion of the guide test. Here again, the increasing number of applications for testing each meeting is also increasing the work load of the GLCB.

Recommendation #5

There should be some changes in Statute 08.54.200 (A) (1). The change should give the GLCB some flexibility on guide complaints. Taking in consideration of the severity of the complaint. Endangering life, flagrant game violations, and unethical practices, etc. The GLCB does have a guiding ethics regulation (12AAC 38.180) The complaints are slowly being corrected since the administration was consolidated in the Department of Commerce, Division of Occupational Licensing. The GLCB investigator is investigating all complaints that come in now.

We are trying to get a section in the new guide bill, (Senate Bill #294) to satisfy the change mentioned above. Bonding is already addressed in S294.

The bill also creates an outfitter's license and repeals the transporters license. This should help to alleviate the wide spread unlicensed guiding. These unlicensed guides are a big factor in guiding complaints.

The bill also goes into more detail on what guiding is. Enforcement people say the present bill doesn't explain guiding enough for them to make a case on ~~unlicensed~~ unlicensed guiding. The new bill should give them the tools they need to enforce that section.

The GLCB would like to conduct more work on all these programs and others as well.

It is very important to the guiding industry that the GLCB not be sun setted. If the guide bill is not extended or a new bill passed, the guiding industry will be plunged into a chaos that it could never recover from. Just about everyone with a super cub or 185 will become instant guides creating an impossible situation for game populations and sportsmen safety.

An addition to recommendation #4.

At this last GLCB meeting we appointed 2 master guides and a registered guide to study the oral test and make up a new one that would standardize the test. These men ~~are~~ all have an educational background.



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 A. Smith
Signature of Camera Operator

11/24/89
Date

SCR

24

Alaska State Legislature

ARLISS STURGULEWSKI, Chairman
BETTYE FAHRENKAMP, Vice Chairman
JACK COGHILL
DICK ELIASON
VIC FISCHER
RICK HALFORD
FRED ZHAROFF



POUCH V
JUNEAU, ALASKA. 99811
(907) 485-4907

Senate Committee on Resources

MEMORANDUM

May 9, 1985

TO: All Members
Senate Resources Committee

FROM: Staff *H*
Senate Resources Committee

RE: SCR 24 Relating to appointment of representatives to the Pacific Fisheries Legislative Task Force.

SCR 24 would allow for the appointment of two members of the Senate and two members of the House of Representatives to the Pacific Fisheries Legislative Task Force. The Task Force is comprised of legislators from the states of Washington, Oregon and California and perhaps Idaho and British Columbia. The Task Force, still in its developmental stage, is requesting an expression of interest from Alaska.

The budget has not yet been detailed but would consist of four meetings per year. The California Senate Research Agency has offered to provide staff assistance to the Task Force at no cost. The State of Oregon estimates a cost of about \$15,000 per year.

Correspondence with the State of Oregon is enclosed.

Chair:
Rep. Bill Bradbury

Vice-Chair:
Rep. Larry Campbell

Jeff Johnson
Administrator

Julie Clark
Assistant



Members:
Rep. Verner Anderson
Rep. Chuck Bennett
Rep. Tom Hanlon
Rep. Paul Hanneman
Rep. Grattan Kerans

HOUSE OF REPRESENTATIVES
FISHERY RESOURCES TASK FORCE

453 STATE CAPITOL
SALEM, OREGON 97310
(503) 378-5958

December 20, 1984

Senator Dick Eliason
State Capitol
Juneau, Alaska 99811

Dear Senator Eliason:

I am writing you because I believe we share a mutual interest in our Pacific fisheries and have similar desires to see them improve.

I have been working extensively with my California legislative counterparts for the last year and have found the contact and information sharing extremely useful and the ability to act in concert on matters of mutual concern invaluable.

I am proposing that Pacific state legislators join together to work on regional problems confronting our fishery. This can be accomplished through the formation of the Pacific Fishery Legislative Task Force.

The Oregon House Fishery Resources Task Force and Senator Barry Keene of California are introducing legislation in their respective Assemblies to authorize California and Oregon's participation in such a task force. I urge you to do the same.

The Pacific Fishery Legislative Task Force could bring together legislators from Alaska, British Columbia, Washington, Idaho, Oregon and California to deal with issues of pressing concern such as the reauthorization of the Magnuson Fishery Conservation and Management Act by the U.S. Congress, or the U.S.-Canada Fisheries treaty.

The days of state-by-state management of our fishery resources has past, and the new regional management requires regional communication and action. I believe this

Senator Dick Eliason
December 20, 1984
Page 2

legislative task force to bring the various Pacific states and provinces together could help insure that regional management does not continue down its presently disastrous track.

Budget details are as yet uncertain, but the Western States Legislative Forestry Task Force budget (\$37,000 a year plus individual members' travel to quarterly meetings) is a likely starting point, and the Pacific Marine Fisheries Commission provides a good funding formula for us (80% from even split among states and provinces bordering on the Pacific Ocean, 5% from each non-Pacific state (Idaho), and the remaining 15% paid based on pounds landed commercially in each state.

I look forward to hearing from you on this proposed Task Force. I hope to be working with you soon.

My Best,

A handwritten signature in cursive script, appearing to read "Bill Bradbury". The signature is written in dark ink and is positioned above the typed name and title.

Bill Bradbury
State Senator-elect

BILL BRADBURY
COOS, CURRY, DOUGLAS COUNTIES
DISTRICT 24

REPLY TO ADDRESS INDICATED:

- Senate Chamber
Salem, Oregon 97310-1347
- P.O. Box 1499
Bandon, Oregon 97411



OREGON STATE SENATE
SALEM, OREGON
97310-1347

COMMITTEES
Chairman: Energy and Natural Resources
Vice-Chairman: Joint Water Policy
Member: Revenue
Agriculture and Forestry

FEB 13 1985

February 8, 1985

The Honorable Arliss Sturgulewski
Alaska State Legislature
Capitol, Room 508
Juneau, AK 99811

Dear Senator Sturgulewski:

There is one thing that all West Coast states share and that is our precious salmon resource. With the advent of federal/regional management of that resource, it seems wise for legislators from the affected states to meet on a regular basis to discuss matters of common concern and work toward positive solutions. Many of us on the West Coast of the lower forty-eight are hoping to create the Pacific Fisheries Legislative Task Force and we are hoping that Alaska will join us.

I have enclosed the amended House Joint Resolution 2 which establishes Oregon as a member of the Pacific Fisheries Legislative Task Force. Two senators and two representatives would meet on a regular basis with senators and representatives from other West Coast states to deal with the problems confronting our West Coast fishery.

In Oregon the bill creating the Pacific Fisheries Task Force has already moved out of committee toward the floor of the House where it is likely to be overwhelmingly approved. A similar resolution has been introduced in the State of California and numerous Washington legislators have expressed strong interest in the concept. I hope Alaska will join us.

The closest working model for the Fishery Task Force would be the Western States Legislative Forestry Task Force which meets in one of the western states quarterly and travels annually back to Washington, D.C. to discuss federal land management issues with the land managers in Washington. This Task Force was formed because so many of our western states have such large federal land ownership that the federal land management agencies are very important to our economic future. It seemed important for

Page Two
February 8, 1985

legislators from the member states to stay on top of federal actions and work in a unified manner for positive changes. I believe the same can be said almost exactly for the state of our fishery today. There is increased federal control and management by region rather than management by state. It makes sense for all of us to communicate about these important issues that affect the vital fishing industry.

The funding model we are tentatively pursuing is that for the Pacific Marine Fisheries Commission. This formula assesses most of the costs of the task force on a flat per state basis but does adjust it slightly based on the amount of fish landings made in each state each year. There is also a provision that allows a noncoastal state to be a member for 5% of the total budget.

Given all the recent activities surrounding the U.S./Canada fish treaty we also have hopes of having the provincial government of British Columbia join the task force. If California, Oregon, Washington, British Columbia and Alaska all join I'm sure we will have plenty to talk about.

I hope you will give membership in the Pacific Fisheries Legislative Task Force serious consideration during this session of the Alaska legislature. I look forward to working with you on this important matter.

My Best,


Bill Bradbury
State Senator

Please check the action taken, complete if possible, and return one copy to the Budget and Management Division and one copy to the Legislative Fiscal Office.

- Fiscal and/or organizational; analysis given below.
- Unable to anticipate costs. (Explain under "Comments" below.)
- No fiscal or organizational impact to the agency or state and local governments.

<u>Effect on Revenue (By Fund):</u>	<u>1985-87</u>	<u>1987-89</u>
	\$	
820500 General Fund Appropriation	\$27,982	\$29,241

<u>Effect on Expenditures (By Fund):</u>	<u>1985-87</u>	<u>1987-89</u>
	\$	
Legislative Administration Committee		
920500 Instate Travel	\$ 2,140	\$ 2,236
921000 Out Of State Travel	9,680	10,116
929000 Other Services & Supplies	<u>16,162</u>	<u>16,889</u>
Total	27,982	29,241

Organizational Impact:

NA

Positions: What new positions or changes in levels of positions does the proposal require?

NA

Governor's Budget: Is the proposal anticipated in the Governor's Budget? Yes ___ No X

Comments:

The projected expenditures for the Pacific States Legislative Fishery Task Force consists of travel to quarterly meetings and membership dues. Membership dues cover Oregon's share of the task force's budget.

Prepared by Marlene Jack, Agency Legislative Administration
 Title Accounting Manager Date February 4, 1985

BILL BRADBURY
COOS, CURRY, DOUGLAS COUNTIES
DISTRICT 24

REPLY TO ADDRESS INDICATED:

- Senate Chamber
Salem, Oregon 97310-1347
- P.O. Box 1499
Bandon, Oregon 97411



COMMITTEES
APR 7 8 1985
Chairman:
Energy and Natural Resources

Vice-Chairman:
Joint Water Policy

Member:
Revenue
Agriculture and Forestry

OREGON STATE SENATE
SALEM, OREGON
97310-1347

April 2, 1985

The Honorable Arliss Sturgulewski
Alaska State Legislature
Capitol, room 508
Juneau AK 99811

Dear Senator Sturgulewski:

Oregon has enacted Pacific Fishery Legislative Task Force legislation (HJR 2 enclosed).

We kept costs to a minimum (about \$4,000 for a two year period) by limiting meetings to four per year, requiring use of existing legislative staff (California Senate Research has offered to staff it free) and generally focusing on getting legislators together to talk about regional fishery management problems.

I have also enclosed a copy of the California Senate Concurrent Resolution No. 22 and a letter from its chief sponsor, Senator Mello, outlining California's offer to staff the Task Force.

At such a low cost, hope you can join us.

My Best,

A handwritten signature in cursive script that reads "Bill Bradbury".

Bill Bradbury
State Senator

A-Engrossed
House Joint Resolution 2

Ordered by the Senate March 5
Including House Amendments dated February 1 and Senate Amendments dated March 5

Ordered printed by the Speaker pursuant to House Rule 12.00A (5). Pre-session filed (at the request of House Task Force on Fishery Resources)

SUMMARY

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

Directs President of the Senate and Speaker of the House of Representatives to appoint, respectively, two Senators and two Representatives to serve on Pacific Fisheries Legislative Task Force.
Prescribes operative date.

JOINT RESOLUTION

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23

Whereas fishing on the Pacific Coast plays a vital role in economic development; and
Whereas there is an obvious need for developing means for protecting and fostering Pacific fishing so as to maximize yield while protecting the resource for future generations; and
Whereas the subjects that require interstate cooperation are many and know no state boundaries; now, therefore,
Be It Resolved by the Legislative Assembly of the State of Oregon:
(1) The President of the Senate and the Speaker of the House of Representatives, joining with the presiding officers of other jurisdictions, shall appoint, respectively, two Senators and two Representatives to represent Oregon on the Pacific Fisheries Legislative Task Force, which shall operate as a clearinghouse for opinion from all the various interests involved in Pacific fishing, and which shall include among its duties the duty to report to the legislatures of the participating jurisdictions and to the state delegations in the United States Congress concerning means of protecting and fostering Pacific fishing in the participating jurisdictions.
(2) Participation in the activities of the task force by individuals appointed to represent the State of Oregon is subject to the following conditions:
(a) Members may not attend more than four meetings in each calendar year.
(b) Members must use existing staff personnel for administrative support work.
(c) Members shall receive no compensation or per diem for service as a member, but may receive actual and necessary travel and other expenses incurred in the performance of their official duties.
(3) This resolution does not become operative until appropriate action is taken by two of the states to create a Pacific Fisheries Legislative Task Force.
(4) Copies of this resolution shall be sent to the presiding officers of the legislatures of Washington, California and Alaska.



Senate

California Legislature

HENRY J. MELLO

SEVENTEENTH SENATORIAL DISTRICT

March 14, 1985

Senate Majority Whip

The Honorable Bill Bradbury
Orego. State Senate
State Capitol
Salem, Oregon 97310

Dear Senator Bradbury:

Thank you for calling to discuss the formation of the Pacific Fisheries Legislative Task Force. The prospect of a combined western states' legislative effort to address the Pacific Coast fishing industry is an exciting one.

Enclosed is a copy of my Senate Concurrent Resolution 22, which authorizes California's participation in the Task Force. The measure is largely being co-authored by the California Legislative Joint Committee on Fisheries and Aquaculture and is being sponsored by the Pacific Coast Federation of Fishermen's Association. The Resolution may be acted upon after April 7th.

As you know, I intend to amend the bill to clarify funding of the Task Force and to invite the Task Force to locate its headquarters in Sacramento.

It is my understanding that Greg de Giere has discussed staffing the Task Force through the Senate Office of Research, to the extent that funds are available and that the work is consistent with the Office's other functions, with the SOR Director, Elizabeth Kersten.

I look forward to working with the various states on this issue. The combined effort will provide unity and strengthen the western states' influence on relevant issues.

Sincerely,


HENRY J. MELLO

HJM:TBC:lle

Enclosure: SCR 22

cc: Senator Barry Keene
Senator Milton Marks
Assemblyman Gerald Felando
Assemblyman Dan Hauser
Assemblyman Jim Costa
Assemblyman Sam Farr

Mr. J. William Yeates, PCFFA
Elizabeth Kersten, Director
Senate Office of Research
Mr. Greg de Giere, Senate
Office of Research

Introduced by Senator Mello.

(Principal coauthors: Assembly Members Felando and Hauser)

(Coauthors: Senators Keene and Marks)

(Coauthors: Assembly Members Costa and Farr)

February 28, 1985

Senate Concurrent Resolution No. 22—Relative to the Pacific Fisheries Legislative Task Force.

LEGISLATIVE COUNSEL'S DIGEST

SCR 22, as introduced, Mello. Pacific Fisheries Legislative Task Force.

This measure would require the Senate Rules Committee and the Assembly Rules Committee to appoint 2 Senators and 2 Assembly Members, respectively, to represent the California Legislature on the Pacific Fisheries Legislative Task Force and to make funds available, in equal amounts, from the Senate Contingent Fund and the Assembly Contingent Fund, respectively, for the California share of the task force expenses.

Fiscal committee: no.

1 WHEREAS, The fishing, seafood, and aquaculture
2 industries of the Pacific states and provinces of North
3 America play a vital role in the economy of the region;
4 and

5 WHEREAS, There is an obvious need to develop
6 means for protecting and fostering these industries to
7 maximize yield while protecting the resources for future
8 generations; and

9 WHEREAS, The establishment of a task force
10 composed of legislators of Pacific states and provinces

1 would serve as a clearinghouse for opinions from all the
2 interests involved in the Pacific fishing, seafood, and
3 aquaculture industries, including reporting to the
4 legislatures of the participating states and provinces and
5 to their delegations to the United States Congress and the
6 Parliament of Canada concerning means of fostering and
7 protecting those industries in the region; now, therefore,
8 be it

9 *Resolved by the Senate of the State of California, the*
10 *Assembly thereof concurring,* That the Senate Rules
11 Committee and the Assembly Rules Committee, shall
12 appoint two Senators and two Assembly Members,
13 respectively, to represent the California Legislature on
14 the Pacific Fisheries Legislative Task Force; and be it
15 further

16 *Resolved,* That the Senate Rules Committee and the
17 Assembly Rules Committee shall make funds available, in
18 equal amounts, from the Senate Contingent Fund and
19 the Assembly Contingent Fund, respectively, for the
20 payment of the California share of expenses for the task
21 force; and be it further

22 *Resolved,* That the Secretary of the Senate transmit
23 copies of this resolution to the presiding officers of the
24 legislative bodies of British Columbia, Hawaii, Idaho,
25 Oregon, and Washington.

Alaska State Legislature

APR 08 1985



House of Representatives House Judiciary Committee

The Honorable Bill Bradbury
Oregon State Senate
Salem, Oregon 97310-1347

March 9, 1985

Pouch V
State Capitol
Juneau, Alaska 99811
(907) 465-4990

Dear Senator Bradbury:

Thank you for your recent letter regarding the proposed Pacific Fisheries Legislative Task Force for West Coast states.

The idea may have merit. I have taken the liberty of forwarding copies of your letter to Speaker of the House Ben Grussendorf; Rep. Peter Goll, chairman of the House Special Committee on Fisheries; Rep. Adelheid Herrmann, Co-Chairman of the House Resources Committee; Sen. Arliss Sturgulewski, Chairwoman of the Senate Resources Committee; Sen. Fred Zharoff, member of the Senate Finance Committee; and Rep. John Sund, one of our most knowledgeable fisheries experts in the Legislature, who chairs the House Committee on Loans.

If these Alaska legislators believe that the idea has merit and will be of benefit to Alaska, I would give serious consideration to a resolution similar to Oregon's HJR 2.

Sincerely,

A handwritten signature in cursive script, appearing to read "Mike Miller".

Rep. M. Mike Miller
Juneau/District 4

cc: Rep. Ben Grussendorf
Rep. Peter Goll
Rep. Adelheid Herrmann
Rep. John Sund
Sen. Arliss Sturgulewski
Sen. Fred Zharoff

BILL BRADBURY
COOS, CURRY, DOUGLAS COUNTIES
DISTRICT 24

REPLY TO ADDRESS INDICATED:

- Senate Chamber
Salem, Oregon 97310-1347
- P.O. Box 1499
Bandon, Oregon 97411



COMMITTEES
Chairman:
Energy and Natural Resources
Vice-Chairman:
Joint Water Policy
Member:
Revenue
Agriculture and Forestry

OREGON STATE SENATE
SALEM, OREGON
97310-1347

February 8, 1985

The Honorable Mike M. Miller
Alaska State Legislature
Capitol, room 124
Juneau AK 99811

Dear Representative Miller:

There is one thing that all West Coast states share and that is our precious salmon resource. With the advent of federal/regional management of that resource, it seems wise for legislators from the affected states to meet on a regular basis to discuss matters of common concern and work toward positive solutions. Many of us on the West Coast of the lower forty-eight are hoping to create the Pacific Fisheries Legislative Task Force and we are hoping that Alaska will join us.

I have enclosed the amended House Joint Resolution 2 which establishes Oregon as a member of the Pacific Fisheries Legislative Task Force. Two senators and two representatives would meet on a regular basis with senators and representatives from other West Coast states to deal with the problems confronting our West Coast fishery.

In Oregon the bill creating the Pacific Fisheries Task Force has already moved out of committee toward the floor of the House where it is likely to be overwhelmingly approved. A similar resolution has been introduced in the State of California and numerous Washington legislators have expressed strong interest in the concept. I hope Alaska will join us.

The closest working model for the Fishery Task Force would be the Western States Legislative Forestry Task Force which meets in one of the western states quarterly and travels annually back to Washington, D.C. to discuss federal land management issues with the land managers in Washington. This Task Force was formed because so many of our western states have such large federal land ownership that the federal land management agencies are very important to our economic future. It seemed important for

Page Two
February 8, 1985

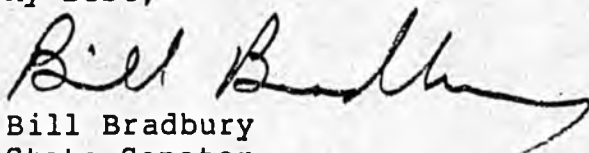
legislators from the member states to stay on top of federal actions and work in a unified manner for positive changes. I believe the same can be said almost exactly for the state of our fishery today. There is increased federal control and management by region rather than management by state. It makes sense for all of us to communicate about these important issues that affect the vital fishing industry.

The funding model we are tentatively pursuing is that for the Pacific Marine Fisheries Commission. This formula assesses most of the costs of the task force on a flat per state basis but does adjust it slightly based on the amount of fish landings made in each state each year. There is also a provision that allows a noncoastal state to be a member for 5% of the total budget.

Given all the recent activities surrounding the U.S./Canada fish treaty we also have hopes of having the provincial government of British Columbia join the task force. If California, Oregon, Washington, British Columbia and Alaska all join I'm sure we will have plenty to talk about.

I hope you will give membership in the Pacific Fisheries Legislative Task Force serious consideration during this session of the Alaska legislature. I look forward to working with you on this important matter.

My Best,


Bill Bradbury
State Senator

House Joint Resolution 2

Ordered printed by the Speaker pursuant to House Rule 12.00A (5). Pre-session filed (at the request of House Task Force on Fishery Resources)

SUMMARY

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

Directs President of the Senate and Speaker of the House of Representatives to appoint, respectively, two Senators and two Representatives to serve on Pacific States Legislative Fishery Task Force.

JOINT RESOLUTION

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17

Whereas fishing on the Pacific Coast plays a vital role in economic development; and
~~Whereas the commercial fishing industries of the Pacific states play a vital role in the economic development of these states and~~

Whereas there is an obvious need for developing means for protecting and fostering ^{Pacific} ~~these commercial~~ fishing industries so as to maximize yield while protecting the resource for future generations; and

Whereas the subjects that require interstate cooperation are many and know no state boundaries; now, therefore,

Be It Resolved by the Legislative Assembly of the State of Oregon:

(1) The President of the Senate and the Speaker of the House of Representatives, joining with the presiding ^{other jurisdictions} ~~officers of the legislatures of Washington, California and Alaska~~, shall appoint, respectively, two Senators and two Representatives to represent Oregon on the Pacific States ^{Fisheries} ~~Legislative Fishery~~ Task Force, which shall operate as a clearinghouse for opinion from all the various interests involved in ~~the Pacific states commercial fishing industries~~ ^{jurisdictions} and which shall include among its duties the duty to report to the legislatures of the participating ^{jurisdictions} ~~states~~ and to the state delegations in the United States Congress concerning means of protecting and fostering ~~the Pacific fishing in the participating jurisdictions.~~ ^{commercial fishing industries of the participating states.}

(2) Copies of this resolution shall be sent to the presiding officers of the legislatures of Washington, California and Alaska.

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

Please check the action taken, complete if possible, and return one copy to the Budget and Management Division and one copy to the Legislative Fiscal Office.

- Fiscal and/or organizational; analysis given below.
 Unable to anticipate costs. (Explain under "Comments" below.)
 No fiscal or organizational impact to the agency or state and local governments.

<u>Effect on Revenue (By Fund):</u>	<u>1985-87</u>	<u>1987-89</u>
	\$	
820500 General Fund Appropriation	\$27,982	\$29,241

<u>Effect on Expenditures (By Fund):</u>	<u>1985-87</u>	<u>1987-89</u>
	\$	
Legislative Administration Committee		
920500 Instate Travel	\$ 2,140	\$ 2,236
921000 Out Of State Travel	9,680	10,116
929000 Other Services & Supplies	<u>16,162</u>	<u>16,889</u>
Total	27,982	29,241

Organizational Impact:

NA

Positions: What new positions or changes in levels of positions does the proposal require?

NA

Governor's Budget: Is the proposal anticipated in the Governor's Budget? Yes ___ No X

Comments:

The projected expenditures for the Pacific States Legislative Fishery Task Force consists of travel to quarterly meetings and membership dues. Membership dues cover Oregon's share of the task force's budget.

Prepared by Marlene Jack, Agency Legislative Administration
 Title Accounting Manager Date February 4, 1985

STATE OF ALASKA
THE LEGISLATURE

LEGISLATIVE AFFAIRS AGENCY

LEGISLATIVE REFERENCE LIBRARY

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

May, 1986

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS date base CM 14. In order to save space copies of minutes have not been left in the files.

Jeanie Henry

SENATE RESOURCES COMMITTEE, 5/9/85, 3:00



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 A. Smith
Signature of Camera Operator

11/24/89
Date

SJR

1

STATE OF ALASKA
THE LEGISLATURE

LEGISLATIVE AFFAIRS AGENCY

LEGISLATIVE REFERENCE LIBRARY

POUCH Y - STATE CAPITOL
JUNEAU, ALASKA 99811
907-463-3800

May, 1986

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS date base CM 14. In order to save space copies of minutes have not been left in the files.

Jeanie Henry

SENATE RESOURCES COMMITTEE, 5/3/85, 1:35

Alaska State Legislature

ARLISS STURGULEWSKI, Chairman
BETTYE FAHRENKAMP, Vice Chairman
JACK COGHILL
DICK ELIASON
VIC FISCHER
RICK HALFORD
FRED ZHAROFF



POUCH V
JUNEAU, ALASKA. 99811
(907) 465-4907

Senate Committee on Resources

MEMORANDUM

May 2, 1985

TO: All Members
Senate Resources Committee

FROM: Staff *[Signature]*
Senate Resources Committee

RE: SJR 1 Proposing amendments to the Constitution of the State of Alaska relating to agricultural rights in state lands.

SJR 1 would amend the Constitution of the State of Alaska to provide for agricultural rights only on state land sales.

The amendment provides that when state land classified as agricultural land is sold or granted by the state, only the agricultural rights may be conveyed and all other interests remain with the state.

The language of the proposed new section 19 to the State Constitution is similar to the language of AS 38.05.321 (a) restricting the conveyance of state agricultural land for agricultural purposes only.

While restrictive language exists in statute, it can be amended by legislative action. A constitutional amendment would provide additional protection since a vote of the general public would be required to change state policy.

Enclosures:

1. Letter from Commissioner Wunnicke, DNR, stating no objection to SJR 1.
2. AS 38.05.321 Restriction on sale, lease or other disposal of agricultural land.
3. Excerpts from Agriculture published by the Matanuska-Susitna Borough discussing the Borough's agricultural policy of conveying only agricultural rights.
4. Letter from Alaska Association of Soil and Water Conservation Districts supporting SJR 1.
5. Letter from Salcha-Big Delta SWCD supporting SJR 1.
6. Resolution from Alaska Farmers and Stockgrowers Association supporting SJR 1.
7. Resolution from Greater Fairbanks Chamber of Commerce supporting land title to private ownerships.
8. Letter from Paul Huppert, Palmer farmer, supporting SJR 1.
9. Paper by Dr. Wayne C. Thomas, University of Alaska, supporting agricultural rights only (p. 2).
10. Testimony of Dr. James Drew on March 13, 1985 to the Senate Resources Committee discussing agricultural land title (p. 6).

STATE OF ALASKA

DEPARTMENT OF NATURAL RESOURCES

OFFICE OF THE COMMISSIONER

MAY 02 1985
BILL SHEFFIELD, GOVERNOR

POUCH M
JUNEAU, ALASKA 99811
PHONE: 907-465-2400

May 1, 1985

The Honorable Arliss Sturgulewski
Chair, Senate Resources Committee
Pouch V
Juneau, AK 99811

Dear Senator *Arliss* Sturgulewski:

The Department of Natural Resources has no objections to Senate Joint Resolution No. 1, which proposes an amendment to the Constitution of the State of Alaska relating to agricultural rights in state lands.

The proposed amendment is in accordance with the agricultural rights statute, AS 38.05.321, which requires that only rights for agricultural purposes be disposed of on state land classified for agriculture.

If I may provide additional information, please let me know.

Sincerely,

Esther C. Wunnicke
Esther C. Wunnicke
Commissioner

cc: Members of the Senate Resources Committee
Senator Jalmar Kerttula

Sec. 38.05.300. Classification of lands. (a) The commissioner shall classify for surface use land in areas considered necessary and proper. This section does not prevent reclassification of land where the public interest warrants reclassification, nor does it preclude multiple purpose use of land whenever different uses are compatible. State land, water, or land and water area may not, except by act of the state legislature, be closed to multiple purpose use if the area involved contains more than 640 acres.

(b) Not later than February 1 of each year, the commissioner shall submit a written report to each house of the legislature which describes and shows the location of all classifications of state land made under (a) of this section during the preceding year. (§ 1 art III ch 169 SLA 1959; am § 2 ch 31 SLA 1964; am §§ 33, 34 ch 85 SLA 1979; am § 40 ch 152 SLA 1984)

Cross references. — For state land and water restricted to use as public recreation areas and state parks, see AS 41.21.

Effect of amendments. — The 1984 amendment made a series of technical changes throughout subsection (a).

NOTES TO DECISIONS

Department of Natural Resources agricultural classification of lottery parcels proper. — The requirement that an act of the legislature is required where multiple purposes are closed in parcels exceeding 640 acres applied to the management of retained state land, not the disposal of it; thus, Department of Nat-

ural Resources agricultural classification of lottery parcels was proper, even though it did foreclose multiple purposes. *State v. Weidner*, Sup. Ct. Op. No. 2788 (File Nos. 6220, 6240, 6272), P.2d (1984).
Quoted in *Southeast Alaska Conservation Council, Inc. v. State*, Sup. Ct. Op. No. 2662 (File No. 5855), P.2d (1983).

Sec. 38.05.305. Notice and review. [Repealed, § 45 ch 113 SLA 1981. For current law see AS 38.05.945.]

Sec. 38.05.321. Restriction on sale, lease or other disposal of agricultural land. (a) The sale, lease or other disposal of state land classified as agricultural land transfers only rights for agricultural purposes, and all other interests in the land remain with the state unless otherwise required by law.

(b) State land classified as agricultural land which has been selected by a municipality under former AS 29.18.190 — 29.18.200 or 29.18.205(e) may be approved by the director . . . patent under AS 29.18.205(f); however, only rights in the land for agricultural purposes may be transferred and all other interests in the land will remain with the state. Agricultural land approved for patent to a municipality under AS 29.18.205(f) shall be credited, acre for acre, toward fulfillment of that municipality's entitlement under AS 29.18.201 — 29.18.203. If the director later determines it to be in the best interests of the state to transfer some or all of the additional rights in that approved or patented agricultural land, those rights shall pass without

§ 38
con
not
anc
(
(
by
29.
anc
(
unc
197

R
was
29.1
and
§ 5,
refer
by §

S
For

S
SL

S
197

S
152

Sect
500.
501.
502.

R
38.0
Rem
O;
Ball
beca
discl
XII,
resu
Resc
(e.g.

consideration to the municipality in which the land is located. The notice and review provisions of AS 38.05.945 are applicable to conveyance of rights under this section.

(c) The provisions of this section do not apply

(1) to state land classified as agricultural land that has been selected by a municipality under the provisions of former AS 29.18.190 — 29.18.200 if the selection is an approved selection before April 1, 1978 and is otherwise valid under AS 29.18.205(b); or

(2) a quitclaim of the interest of the state to the federal government under AS 38.05.035(b)(9). (§ 3 ch 71 SLA 1976; am § 3 ch 180 SLA 1978; am § 43 ch 152 SLA 1984)

Revisor's notes. — In 1984 "former" was inserted before the references to AS 29.18.190 — 29.18.200 in subsections (b) and (c). Those sections were repealed by § 5, ch. 180, SLA 1978. AS 29.18.205(e), referred to in subsection (b), was repealed by § 45, ch. 85, SLA 1979.

Effect of amendments. — The 1984 amendment, in subsection (c), designated the language beginning with "to state land" as paragraph (1), added paragraph (2), and made related technical changes in paragraph (1).

Sec. 38.05.325. Homestead entry. [Repealed, § 45 ch 85 SLA 1979. For current law see AS 38.09.]

Sec. 38.05.347. Transfer of state land to cities. [Repealed, § 6 ch 218 SLA 1976; § 15 ch 257 SLA 1976.]

Sec. 38.05.360. Waste or injury to land. [Repealed, § 21 ch 166 SLA 1978. For current law see AS 11.46.]

Sec. 38.05.362. Agricultural land classification. [Repealed, § 88 ch 152 SLA 1984.]

Article 12. State Control of Certain Land

Section

- 500. Electorate determinations
- 501. Management
- 502. Property of the people

Section

- 503. Treaties and compacts
- 504. Proceeds to the general fund
- 505. Exclusive enforcement

Revisor's notes. — Enacted as AS 38.05.500 — 38.05.570 (now 38.05.505). Renumbered in 1983.

Opinions of attorney general. — Ballot Measure No. 5 is unconstitutional because it is in direct conflict with the disclaimer provisions of §§ 12 and 13, art. XII, of the state constitution, and as a result, neither the Department of Natural Resources nor any other public agencies (e.g., the Department of Public Safety, etc.)

should attempt to implement its provisions. 1983 Op. Att'y Gen. No. 2.

Ballot Measure No. 5 probably is unconstitutional under provisions of the United States Constitution. 1983 Op. Att'y Gen. No. 2.

Any state claim to ownership of public lands under the "equal footing" doctrine, which insures that new states are admitted to the Union with the same sovereign political rights and powers as all

STATE OF ALASKA

BILL SHEFFIELD, GOVERNOR

DEPARTMENT OF NATURAL RESOURCES

P.O. BOX 945
PALMER, ALASKA 99645-0949
PHONE: (907) 745-7200

DIVISION OF AGRICULTURE

April 11, 1985

Matt Fishel
Aide to Senator Kerttula
Pouch V
Juneau, Alaska 99811

Re: SJR 1

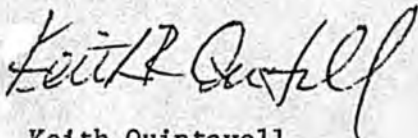
Dear Matt:

A February 27, 1985 letter from Senator Kerttula requested comments on SJR 1. Since then SJR 1 has been distributed to the nine soil and water conservation districts, and it was an item of discussion at the spring meeting of the Alaska Association of Soil and Water Conservation Districts.

At the meeting, resolution AASWCD 85-3 (copy enclosed) was proposed which would support altering the language of SJR 1. However, AASWCD 85-3 was defeated, with the AASWCD supporting SJR 1 as written. Therefore, be advised that the Alaska Association of Soil and Water Conservation Districts, as well as the nine local Soil and Water Conservation Districts through their representatives at the meeting, are in support of SJR 1 as written.

Sorry you weren't able to attend the meeting. The AASWCD appreciates all your efforts in their regard.

Sincerely,



Keith Quintavell
Conservation Coordinator

Enclosure

*Lois ons
Jenny + set up a file
ons J.P.*

SALCHA-BIG DELTA SWCD

P.O. Box 547

Delta Junction, Alaska 99737

Wednesday January 23, 1985

Senator Kerrtula
Senator Coohill
Representative Shultz
Alaska State Legislature
Juneau, Alaska

Re: SJRH:SB 39,40,41,42; HB 33.

Gentlemen:

The Salcha-Big Delta SWCD has spent considerable time reviewing the above listed legislation and so patent language.

Enclosed herewith for your information and possible use and/or response are copies of our strong recommendations on these topics:

- 1) SB 39 - Money for Nenana; support as is.
- 2) SB 40 - No Production/Loan Credit; support as revised.
- 3) SB 41 - Moratorium; support as is.
- 4) SB 42 - No Rights Law; we prefer HB 33 as we revised.
- 5) HB 33 - No Rights Law; support as revised.
- 6) SJRH - Constitutional Amendment; support as revised.

We are prepared to utilize all appropriate channels to provide rationale for our versions and to support your efforts to pass legislation as we have proposed.

We will provide additional written commentary and testimony and upon request will make every effort to appear before legislative committees as appropriate.

We are also enclosing copies of our version of an so patent based on administration working copy and your proposed legislation.

Thank you for your help.
Charles H. Fork
Senator Treasurer

SBD. 2/11/85 D supp to change 1

Introduced: 1/14/85
Referred: Resources, Judiciary
and Finance

1 IN THE SENATE

BY KERTTULA

2

SENATE JOINT RESOLUTION NO. 1

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - FIRST SESSION

5

Proposing amendments to the Constitution

6

of the State of Alaska relating to

7

agricultural rights in state lands.

8

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

9

* Section 1. Article VIII, sec. 9, Constitution of the State of Alaska,

10

is amended to read:

11

SECTION 9. SALES AND GRANTS. Subject to the provisions of this

12

section and Section 19 of this article, the legislature may provide

13

for the sale or grant of state lands, or interests therein, and estab-

14

lish sales procedures. All sales or grants shall contain such reser-

15

vations to the State of all resources as may be required by Congress

16

or the State and shall provide for access to these resources. Reser-

17

vation of access shall not unnecessarily impair the owners' use,

18

prevent the control of trespass, or preclude compensation for damages.

19

* Sec. 2. Article VIII, Constitution of the State of Alaska, is amended

20

by adding a new section to read:

21

SECTION 19. AGRICULTURAL USES OF STATE LANDS. When state land

classified by the State as agricultural is conveyed, uses of the land
inconsistent with its agricultural potential remain with the State.

25

* Sec. 3. The amendments proposed by this resolution shall be placed

26

before the voters of the state at the next general election in conformity

27

with art. XIII, sec. 1, Constitution of the State of Alaska, and the

28

election laws of the State.

ALASKA FARMERS AND STOCKGROWERS ASSOCIATION, INC.

1985 Resolution Platform

The following resolutions were adopted by the General Assembly of the Alaska Farmers and Stockgrowers Association at its annual meeting, in Anchorage, on December 5, 1984:

- 1) Requesting the institution of a State Board of Agriculture, consisting of producers and a representative of the Governor's office, whose task is to act as a liaison between the industry, the Governor, and the Division of Agriculture.
- 2) Requesting that the State of Alaska put up at least two (2) storage bins in Seward for in-state storage and distribution of grain.
- 3) Supporting the establishment of favorable agricultural rates on the State ferry system and on the Alaska Railroad.
- 4) Requesting that in all instances where state institutions use or require agricultural products, they use Alaska-grown products when those products are in season, price competitive, and of a like quality.
- 5) Supporting right-to-farm legislation.
- 6) Endorsing the concept of a petition requesting a constitutional amendment which would protect agricultural rights on State lands.
- 7) Supporting the concept that all agricultural lands sold in the future be disposed of by lottery only, and that they include agricultural development credits.
- 8) Supporting disposal of agricultural lands under the Homestead Bill enacted in 1933 to include soils classified as II, III, IV, V, and VI, and to specify that the lands be sold with agricultural rights, only, forever.
- 9) Supporting the development of a policy which classifies as agricultural land those lands containing Class II and III soils which are suitable for grazing.
- 10) Encouraging the State to rework its land lease laws to better facilitate agricultural needs (including the incorporation of "option-to-renew" clauses.)
- 11) Requesting that duties related to the agricultural industry be transferred from the Department of Environmental Conservation to the Department of Natural Resources.
- 12) Requesting clarification of the conveyance of the agricultural rights title to guarantee the rights of the purchaser.

The Agricultural Development Committee and the Board of Directors of the Greater Fairbanks Chamber of Commerce urges your support for the following legislation to encourage agricultural development in Interior and South Central Alaska.

1. Support is urged for SB39 to build the roads and bridges necessary to develop both the agricultural and mineral resources in the Totchaket area of Interior Alaska.
2. Support is urged for the concept of production credits, as outlined in SB40 and SB154, to assist Alaska's agricultural industry in its early stages of development.
3. Support is urged for SB41 to increase from five years to ten years, the moratorium on payments for the sale of state land for agricultural purposes. This bill will assist Alaskan farmers in adjusting to the new worldwide economic conditions in agriculture.
4. Support is urged for the concept of SB42 as it relates to the transfer of land title from state to private ownership. This concept will enhance the ability of Alaskan farmers to obtain financing from private sector sources for agricultural production.
5. Support is urged for SB57, which would require a clause be inserted in all state bids, requiring agricultural products originating in this state be used wherever competitively priced and available and of like quality as compared with agricultural products originating outside the state.
6. Support is urged for SB110 to increase the amounts of long term loans available from the State of Alaska to any one borrower for agricultural purposes. This legislation will increase the loan limits to be more in line with the economy of scale necessary for economically sound, modern farming and will enhance the ability of borrowers to repay.
7. Support is urged for the concept of SB155, relating to the splitting and combining of agricultural parcels, with the suggestion the bill be amended to allow the minimum parcel size be 320 acres. This legislation will permit increased flexibility in the development of economically sound full-time and part-time farming enterprises in Alaska.
8. Support is urged for SB120 to increase the limits of the Agricultural Revolving Loan Fund, to assist in the establishment of Commodity Marketing Associations, and to increase the number of members on the Agricultural Revolving Loan Fund Board.

May 2, 1985

The Honorable Arliss Sturgulewski
Chairman, Senate Resource Committee
Pouch V
Juneau, Alaska 99811

Dear Senator Sturgulewski:

I would like to support the passage of SJR 1, relating to agricultural rights in state lands, for the following reasons.

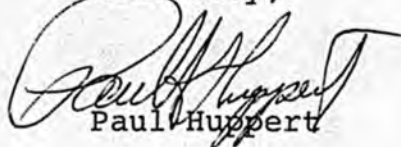
Land sold for agricultural use should be by agricultural rights only to guarantee that they will be preserved for now and future generations for food production.

Those lands sold for agricultural rights at the outset of a sale only reflect the value set for their agricultural use and if this was to change, those land owners would receive a free gift at the expense of the people of Alaska, an instant gift, which in some cases could be one-hundred fold of what was originally paid for the land.

If this legislation were to pass, it would give notice to anyone who had the intent of purchasing agricultural rights with the speculation of changing those rights to be fee simple.

Thank you for considering my views in this important matter.

Sincerely,



Paul Huppert

Alaska Agriculture Throughout the 1980s

Presented

To

The Senate Resources Committee

By

Wayne C. Thomas

Agricultural and Forestry Experiment Station

University of Alaska - Fairbanks

24 April 1985

Alaska Agriculture through the 1980s

Many people are asking how the State of Alaska should proceed in its efforts to promote agricultural development. Obviously, there are no easy answers as the issue is very complex. Its complexity stems, to a great extent, from the various, sometime conflicting, goals of the many participants. As an example, one group supports small farms, another large farms, others support export agriculture, and some can see no reason for exporting since we produce so little for the local market. Unlike any other state of the United States in the 1980s, agriculture in Alaska is trying to compress generations of work in farm development and marketing into a few short years.

The purpose of this paper is to identify possible courses of action (some of which have already taken) which the state government might wish to consider in order to manage Alaskan agriculture successfully. As troubling as it is to some, management by government is needed because private-sector forces are somewhat slow and even difficult to establish. The reasons are several: 1) the land supply is owned by government, thus private-sector land markets work with what government provides them; 2) private individuals wishing to farm agricultural land near large cities, the Matanuska-Susitna area for example, cannot compete with urban or suburban groups for the same land; 3) agricultural production for in-state markets generally requires some form of processing, and this generally takes more time to establish than the general public expects; and 4) the Alaska market is small, making it nearly impossible to establish some forms of agricultural processing. The point to remember, however, is that, even with its difficulties as a private-sector industry, Alaska agriculture exists, has existed for a long time, and has the potential to become much larger in the future.

So let us now return to the question, "Where do we go from here?" There are five areas which appear to be key to the agricultural-development process in Alaska and which can be incorporated into the state's management plans. These are: land title, farm development, loan-fund participation, development of new lands, and support for broadly based agriculture. Each of these will be considered in turn:

1. Land Title: There have been many discussions, both in and out of the media, over the meaning of the agricultural-rights-only title. Many factors are a part of this issue, and the arguments pertaining to it can become very emotional. The only thing that I am certain of is that, if the agricultural- rights-only title or some other title that does exactly the same thing is not continued in Alaska, commercial farming in the Matanuska-Susitna area will then very nearly cease to exist in the not-too-distant future.

I favor the agricultural-rights-only title now in use because it states clearly that, by law, land use is limited to agriculture. Even more to the point, such law is not administrative (regulation developed by bureaucracy), but legislative, and can only be changed by the legislature (unless it is found to be unconstitutional). Law enacted by legislation appears more permanent.

In other parts of Alaska, particularly Delta Junction and Nenana, agricultural-rights-only legislation is less important because there are few competing uses for the land. However, an agricultural-rights-only title indicates that agriculture is seen as an important land use in Alaska.

2. Farm Development. This may sound somewhat strange, but I believe the human element has, to some degree, been overlooked in the agricultural plans for Alaska. In the desire to "get modern farming established in Alaska," certain assumptions were made about how rapidly farmers could develop

raw land into highly productive farms. In retrospect, maybe too much was expected of them. It appears to have taken longer for certain lands to reach the productivity levels that we suggested in the various preliminary feasibility analyses.

Good farming takes much experience and judgement, and these are gained most effectively by "on-the-job-training." In some cases, as a farmer gains this experience, he also gains a high debt load. Many project farmers have recently been asking for some help in the form of moratoriums on land or land-clearing payments. These moratoriums do not remove the debt load, though they may lengthen the repayment period; however, full repayment is still required. A moratorium permits repayment to be postponed until farm price increases for crops currently under production or until crops with higher value, such as rapeseed, are tried. Thus, moratoriums give the farmer more time to farm and to learn how to do it successfully in Alaska. Another type of state help suggested recently is production credits. The major difference with production credits is that they can be used reduce debt load and/or reduce amount of repayment on state loans. While this is more beneficial to the farmer, it is more expensive for the state. This type of policy has been used as a means of enhancing agriculture in Alaska (example, grain incentive program of the late 1960's). Presently, no such programs are available to farmers.

3. Loan-Fund Participation. There seems to be a continuing controversy about the Alaska Agricultural Revolving Loan Fund (ARLF) and its subsidized interest rate. Several things about this loan activity are evident.

There is no direct cost to the state because fund moneys come from direct appropriation, not from bonding as is the case with some of the other state loan programs. The interest rate is now approximately that paid by most money-market funds, 8 per cent, so the opportunity cost of state funds would

seem to be fairly low. A major concern about the loan fund is security of its principal or, stated another way, its number of bad loans. Agricultural loans in the country as a whole, as well as in Alaska, have higher delinquency rates than normal because of low market prices. I personally believe that this is a short-term problem. The state government must show some patience while weak market conditions improve, and the processing sector in Alaska becomes better established.

I also believe that the state legislature should encourage participation by non-ARLF lending groups. Established loan limits will do this as long as non-state lending groups will provide loan funds to agriculture. One such group, the Alaska Commercial Fisheries and Agricultural Bank (CFAB), might even be encouraged through a resolution passed by the legislature, as it was initiated with state funds. The Federal government can also become involved through its Farmers Home Administration. The legislature should make sure the regulations used in the administration of ARLF do not prevent joint participation by CFAB and FHA.

4. Development of New Lands: It may appear that, in times of apparent crisis in farming, support of further development of new land would seem "wrong headed." I propose this idea because at least one processing industry, that for milk, would benefit from more production than will be available from the Point MacKenzie Agricultural Project in southcentral Alaska. Therefore, I recommend that more agricultural land be transferred to private farmers in the Matanuska-Susitna area for dairy production. In a recent study, of which I was a coauthor, we showed that increased local milk production would make Alaska-produced milk very competitive with milk shipped into the state. Local milk has the potential to become the price leader in the Anchorage market if sufficient volume facilitates optimum, cost-effective processing and marketing.

A second area under consideration for land development is in the Nenana area. I believe that a measured development scenario would lead to viable agricultural production in the 1990s. Development could begin with construction of the transportation corridor. I am convinced that grain produced in Nenana will someday be shipped down the railroad to southcentral livestock producers and to export markets.

5. Support for Broadly Based Agriculture. I believe that a strong case can be made for a broadly based agriculture. We have recently learned just how large the greenhouse industry is in Alaska. In total sales, it nearly equals sales for all other segments of Alaskan agriculture. Other groups, such as fur farmers and even tree farmers, are also important to the agriculture milieu.

In trying to promote and assist Alaskan agriculture, these groups should not be discouraged from participating in the several government programs for agriculture. Such agriculture groups tend to support stronger social and economic bases of the society. However, these should be considered as business propositions and evaluated as such. In these times of reduced state revenue, commercial agriculture, be it fur farming, grain farming, or dairy farming, should take precedence over "hobby" farming, in terms of state support.

I have tried to give you some insight into ways to move agriculture along in Alaska. As you are aware, I have not put quantitative values on these suggestions. There has not been enough time to do so within the context of this legislative session. I do believe that well-thought-out plans, based at least in part on these ideas, would be cost effective. Most important, agriculture in Alaska should benefit significantly from a progressive program, proposed by the legislature, to aid this fledging industry.

TESTIMONY BY

James V. Drew

Before the Senate Committee on Resources

Juneau, Alaska

March 13, 1985

My name is James V. Drew. I live at 4725 Villanova Drive, Fairbanks, Alaska. I have been associated with agricultural development in Alaska during the last ten years as Director of the Agricultural and Forestry Experiment Station, University of Alaska-Fairbanks. I very much appreciate the opportunity to testify today before the Senate Committee on Resources during hearings on agricultural legislation.

My testimony rests on the premise that expanded agricultural development in Alaska is in the best, long-term interest of Alaskans. Sound development of an agricultural industry can provide cost-effective farm production and diversify Alaska's almost total economic dependence on petroleum prices. I believe that a number of bills under consideration this year are important in strengthening and expanding Alaska's agriculture.

I also recognize that current economic conditions in the agricultural industry nationally create a difficult environment for advocates of agricultural development in Alaska. During recent weeks the news media have carried stories about farm foreclosures across the U.S. These foreclosures reflect a U.S. farm credit crisis resulting from declining farmland prices, high interest rates, and low prices for agricultural commodities.

Why, in view of these difficult times for American farmers, should we continue agricultural development in Alaska? Three reasons are important.

1. Alaska has approximately three millions acres of potential agricultural land in state ownership near the existing road and rail belt. This land could be transferred from state to private ownership for farm development and long-term productivity. Top farmers in the Delta and Point MacKenzie areas and elsewhere in the state have demonstrated that crop and livestock products of high quality can be produced in Alaska when good management is used.
2. Agricultural development, in concert with other resource development including timber production and mining, can provide the economic productivity necessary to support and improve transportation on Alaska's existing road and rail system. It can create a desirable settlement pattern for adjacent land, particularly where other resource developments are unlikely. In the more remote areas of western Alaska, an expanded reindeer industry can provide economic productivity from the tundra rangeland. Unlike petroleum extraction, agricultural development will not provide massive amounts of revenue to state government; it will provide opportunities and jobs for people.

3. Additional sales of potential agricultural land will permit Alaska's agriculture to expand beyond the stage of an infant industry. As the volume of agricultural production increases, the costs of producing, processing, and marketing agricultural products will become competitive with those in other agricultural regions. Thus, subsidies necessary for the existing, infant, agricultural industry can be reduced and eventually eliminated.

It is unlikely that today's economic conditions in U.S. agriculture will persist in the long-term, although some restructuring of the industry will undoubtedly occur. Unfortunately, current economic conditions in the U.S. timber and mining industries are also substantially below previous levels. In the long run, however, the development of Alaska's agricultural industry will provide economic and social benefits, particularly in areas of the state where opportunities for the development of other resources are limited.

With these benefits in mind, and with 200 years of agricultural history in Alaska, why does the state not have a mature agricultural industry today? Why is it that annual cash receipts from farming total \$14.3 billion in California, \$6.7 billion in Minnesota, \$2.7 billion in North Dakota, but only \$16 million in Alaska, only half as much as Rhode Island's \$32 million.

A major reason is that virtually all of the potential agricultural land in Alaska was held by the state or federal government during the time agricultural development was occurring in other states. Unlike other resource industries, crop production agriculture cannot develop effectively in the U.S. on land owned by government. Because of limited acreage in private ownership, Alaska's farmers could not take advantage of economies of scale associated with farming elsewhere. In addition, Alaska's economic infrastructure, including the transportation system, did not facilitate supplying farms with needed materials or marketing agricultural products. Thus, the cost of producing and marketing agricultural products was high.

Now that agriculture is fully developed in California, Minnesota, and North Dakota, Alaskans who are not farmers tend to forget that hundreds of millions of dollars were spent by government in developing irrigation projects to make California's agriculture cost-effective. They forget that government spent hundreds of millions of dollars to provide inexpensive barge transportation on the Missouri and Mississippi Rivers to make agriculture in Minnesota and North Dakota cost-effective.

In short, agriculture did not develop unassisted elsewhere in the U.S. In all states, it took investments from government as well as the private sector. But these investments created new wealth from land resources that would not have been productive otherwise.

Several bills introduced in the Alaska State Legislature this year will assist in the development of a productive and cost-effective agricultural industry in Alaska.

SB 40 and SB 154

The concept of production credits outlined in SB 40 and SB 154 will provide incentives necessary for Alaska's agricultural industry during its current stage of development. Production credits are a means of reducing the debt load of farmers who purchased land from the state of Alaska in 1978 to 1982 when the farmland prices in the U.S. were higher than at any other time in the nation's history. These high prices tended to inflate the price of undeveloped agricultural land sold by the state. A system of production credits to reduce the farmer's debt load is a mechanism that government can use to increase farm production and enhance the economic viability of new farming enterprises in Alaska.

SB 41

Equally important in assisting Alaska farmers to succeed in difficult times for farmers nationally is SB 41, a bill to extend the moratorium on payments from 5 to 10 years. This will help farmers through the period of land clearing and farm development when productivity is low, and enhance the opportunity for successful farm development in the long-term.

SB 120

SB 120 is needed to authorize an increase in the capitalization of the agricultural revolving loan fund, to assist in the establishment of commodity marketing associations, and to

increase the number of members on the board of the agricultural revolving loan fund.

Land Title

Successful development of a long-term agricultural industry in Alaska requires that farmland remain available for crop production and not be shifted to other, irreversible uses. However, if the mechanism that accomplishes this prevents the use of the land as collateral in obtaining agricultural development or operating loans from private financial institutions, then successful agricultural production is unlikely to occur even though the land is protected for agricultural use. I strongly urge administrative or legislative measures, developed in concert with the private financial community, that will enable Alaskan farmers to retain land for agricultural use, but also permit them to have the same opportunities to obtain credit that are available to farmers in other states.

SB 57

SB 57 is designed to enhance the marketing of agricultural products produced in Alaska. It would provide a clause in all state bids to require the use of agricultural products originating in Alaska if these products are competitively priced and of like quality when compared to agricultural products originating outside the state.

SB 110 and SB 155

SB 110 to increase the amounts of agricultural loans available from the state of Alaska to any one borrower, and SB 155 relating to the splitting and combining of agricultural

parcels will provide flexibility for developing economically viable farm enterprises in Alaska. Farming has long been a capital intensive industry. The amounts of loans from private financial sources to U.S. farmers are based on the abilities of the farmers to repay the loans, and not on arbitrarily imposed limits. Loan limits may create failure in the very situation the loan was designed to assist by not providing sufficient capital to permit an economically successful farm enterprise. In the best case, there should be no loan limits; instead the amount of the loan should be granted on the basis of a thorough and professional examination of the proposed farming enterprise. Nevertheless, increasing the loan limits as provided by SB 110 will permit the loan fund to service modern agricultural development in Alaska more effectively.

SB 155 will permit the splitting or combining of agricultural parcels sold as part of an agricultural development project to assist in the development of economically sound, full-time and part-time farming enterprises. Farms of a certain minimum size, depending on the farming enterprise, are necessary to support successful, full-time farming businesses. Smaller farms may be satisfactory for part-time farms where other income is available off the farm.

There is a tendency in urban Alaska to perceive that agricultural development may take place successfully with only part-time farms. The argument is that off-farm employment can be used to subsidize the development of the farm. Two thoughts must be kept in mind. First, the part-time farmer requires employment

off the farm. Thus, the development of part-time farms is dependent on the successful development of other sectors of the economy near the farms to provide jobs for part-time farmers. Second, successful part-time and full-time farms require a well-developed, efficient infrastructure for supplying farm inputs and marketing farm outputs. The volume of purchases and production from full-time farms is necessary to support this essential infrastructure.

Financial differences between full-time and part-time farms are illustrated by national statistics. In 1981, U.S. farms that sold \$100,000 or more in farm products accounted for 68.4 percent of cash farm receipts and earned \$19.9 billion. At the other end of the spectrum, farms that sold less than \$20,000 each in products collectively accounted for 6.5 percent of cash farm receipts and lost \$1.6 billion on farming. Nevertheless, these small farms had family incomes above the U.S. average because their farming losses were offset by \$29 billion in nonfarm income.

SB 39

SB 39 will provide an appropriation for the roads and bridges necessary to develop the agricultural, mineral, and recreational resources in the Nenana-Totchaket area of interior Alaska. Expanding agricultural production in this area will increase the volume of agricultural commodities produced in Alaska. As in any other industry, increased volume will reduce the cost of agricultural production and marketing and increase the competitiveness of

Alaska's agricultural commodities. Moreover, expanding Alaska's grain and livestock production in the proposed Nenana-Totchaket project will insure against vagaries of weather or plant diseases that could reduce yields in existing agricultural areas. Reduced grain yields, in turn, could jeopardize livestock producers who need a reliable source of grain and processors of animal products who need a reliable source of animals. Consequently, it is desirable to produce grain and livestock in more than one area of Alaska. The Nenana-Totchaket will provide this option. Access roads and bridges provided by SB 39 are essential for the successful development of farmland in this area.

Agricultural Research and Education

Progress in agricultural development supported by the Alaska State Legislature during the last ten years includes the development of new lands for farming, the construction of essential access roads and electrical power to farms, and the construction of processing facilities for agricultural commodities. Modern commercial agriculture, however, is a high technology industry. Its ability to compete depends on the continuing development and application of new technologies for crop improvement, weed and disease control, livestock health and nutrition, fertilizer efficiency, and improvements for processing and marketing agricultural commodities.

All successful agricultural industries in the world have government-supported research and teaching programs to develop new technologies. These programs are supported by government because individual farmers, unlike large industries, cannot amass

sufficient capital individually to conduct essential research. In the U.S., agricultural research is done by the system of state agricultural experiment stations in land-grant universities.

Crop varieties used in Alaska were either developed by or tested by scientists at the Alaska Agricultural and Forestry Experiment Station which is administered by the University of Alaska-Fairbanks (UAF). Essentially all management practices for crops and livestock in Alaska that are recommended by the cooperative extension service or state agencies were developed by the experiment station.

Now, however, demands for improved crop varieties, fertilizer recommendations, disease and insect control, animal health, and farm management systems for new agricultural land exceed the resources and facilities of the experiment station. In recognition of UAF's role as a land-grant university to support research and teaching for agricultural development in Alaska, UAF included an increment package in its FY 86 budget request to support research and education for Alaska's agricultural development plan. I strongly recommend the increment package. Adequate research and education are essential for the development of a cost-effective agricultural industry. Lack of an effective program now will fail to provide competitive technologies for Alaska's farmers three to five years in the future.

Summary

The importance of agricultural development in Alaska was highlighted for me in a program presented last week in Fairbanks

by Dr. Theodore Malloch, an interational economist with the U.S. Department of State. While discussing international trade, Dr. Malloch informed us about increases in exports from service and information industries in the U.S., and about our imports of resources and manufactured goods from overseas.

During the question period, I asked Dr. Malloch's advice and recommendation for economic development in Alaska as related to possible international trade. He responded that Alaska must diversify its economic base and that our only alternative for increased trade is to develop our basic resources of mining, agriculture, timber, and fisheries.

Agriculture has an important role in Alaska's future, particularly in areas where potential agricultural soils occur and other major resources are limited. In these areas, the development of cost-effective agriculture can provide economic opportunities for Alaskans, enhance communities, provide employment, and place relatively extensive areas of state-owned land in private ownership. It can help meet the policy established in Article III, Section I of Alaska's Constitution, "... to encourage the settlement of (Alaska's) land and the development of its resources by making them available for maximum use consistent with the public interest."

1 IN THE SENATE

BY KERTTULA

2 SENATE JOINT RESOLUTION NO. 1

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - FIRST SESSION

5 Proposing amendments to the Constitution
6 of the State of Alaska relating to
7 agricultural rights in state lands.

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

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

11 SECTION 9. SALES AND GRANTS. Subject to the provisions of this
12 section and Section 19 of this article, the legislature may provide
13 for the sale or grant of state lands, or interests therein, and estab-
14 lish sales procedures. All sales or grants shall contain such reser-
15 vations to the State of all resources as may be required by Congress
16 or the State and shall provide for access to these resources. Reser-
17 vation of access shall not unnecessarily impair the owners' use,
18 prevent the control of trespass, or preclude compensation for damages.

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

21 SECTION 19. AGRICULTURAL RIGHTS IN STATE LANDS. When state land
22 is classified by the State as agricultural land, only the agricultural
23 rights in the land may be conveyed and all other interests in the land
24 remain with the State.

25 * Sec. 3. The amendments proposed by this resolution shall be placed
26 before the voters of the state at the next general election in conformity
27 with art. XIII, sec. 1, Constitution of the State of Alaska, and the
28 election laws of the State.

29

WORK DRAFT

SENATE JOINT RESOLUTION
IN THE LEGISLATURE OF THE STATE OF ALASKA
FOURTEENTH LEGISLATURE-FIRST SESSION

Proposing amendments to the
Constitution of the State
of Alaska relating to
agricultural rights in
state lands.

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

Section 1. Articles VIII, sec. 9, Constitution of the State of Alaska
is amended to read:

SECTION 9. SALES AND GRANTS. Subject to the provisions of this section
and Section 19 of this articles, the legislature may provide for the
sale or grant of state lands, or interests therein, and establish sales
procedures. All sales or grants shall contain such reservations to the
State of all resources as may be required by Congress or the State and
shall provide for access to these resources. Reservation of access
shall not unnecessarily impair the owners' use, prevent the control of
trespass, or preclude compensation for damages.

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

Section 19. AGRICULTURAL RIGHTS IN STATE LANDS. All agricultural land
shall be sold in fee simple absolute to the surface estate, but the
title shall contain an agricultural covenant that the land may only be
used for agricultural purposes. The removal of the covenant may be
accomplished only by a 2/3's vote of each house of the legislature.

Sec.3 The owner of agricultural lands whose covenants have been lifted
by both houses of the legislature shall pay fair market value as
determined by the Commissioner at the time the removal is approved by
the legislature.

Bradley
3/7/86✓

Original sponsor: Kerttula

1 IN THE SENATE

BY THE RESOURCES COMMITTEE

2 CS FOR SENATE JOINT RESOLUTION NO. 1 (Resources)

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 relating to
7 agricultural rights in state lands.

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

9 * Section 1. Article VIII, sec. 9, Constitution of the State of Alaska,
10 is amended to read:11 SECTION 9. SALES AND GRANTS. Subject to the provisions of this
12 section and Section 19 of this article, the legislature may provide
13 for the sale or grant of state lands, or interests therein, and estab-
14 lish sales procedures. All sales or grants shall contain such reser-
15 vations to the State of all resources as may be required by Congress
16 or the State and shall provide for access to these resources. Reser-
17 vation of access shall not unnecessarily impair the owners' use,
18 prevent the control of trespass, or preclude compensation for damages.19 * Sec. 2. Article VIII, Constitution of the State of Alaska, is amended
20 by adding a new section to read:21 SECTION 19. AGRICULTURAL RIGHTS IN STATE LANDS. When state land
22 is classified and sold by the State as agricultural land, the convey-
23 ance shall establish restrictions by covenant or in the patent that
24 prohibit nonagricultural use.25 * Sec. 3. The amendments proposed by this resolution shall be placed
26 before the voters of the state at the next general election in conformity
27 with art. XIII, sec. 1, Constitution of the State of Alaska, and the elec-
28 tion laws of the State.
29

STATE OF ALASKA

DEPARTMENT OF NATURAL RESOURCES

OFFICE OF THE COMMISSIONER

MAY 02 1985
BILL SHEFFIELD, GOVERNOR

POUCH M
JUNEAU, ALASKA 99811
PHONE: 907-465-2400

May 1, 1985

The Honorable Arliss Sturgulewski
Chair, Senate Resources Committee
Pouch V
Juneau, AK 99811

Dear Senator *Arliss* Sturgulewski:

The Department of Natural Resources has no objections to Senate Joint Resolution No. 1, which proposes an amendment to the Constitution of the State of Alaska relating to agricultural rights in state lands.

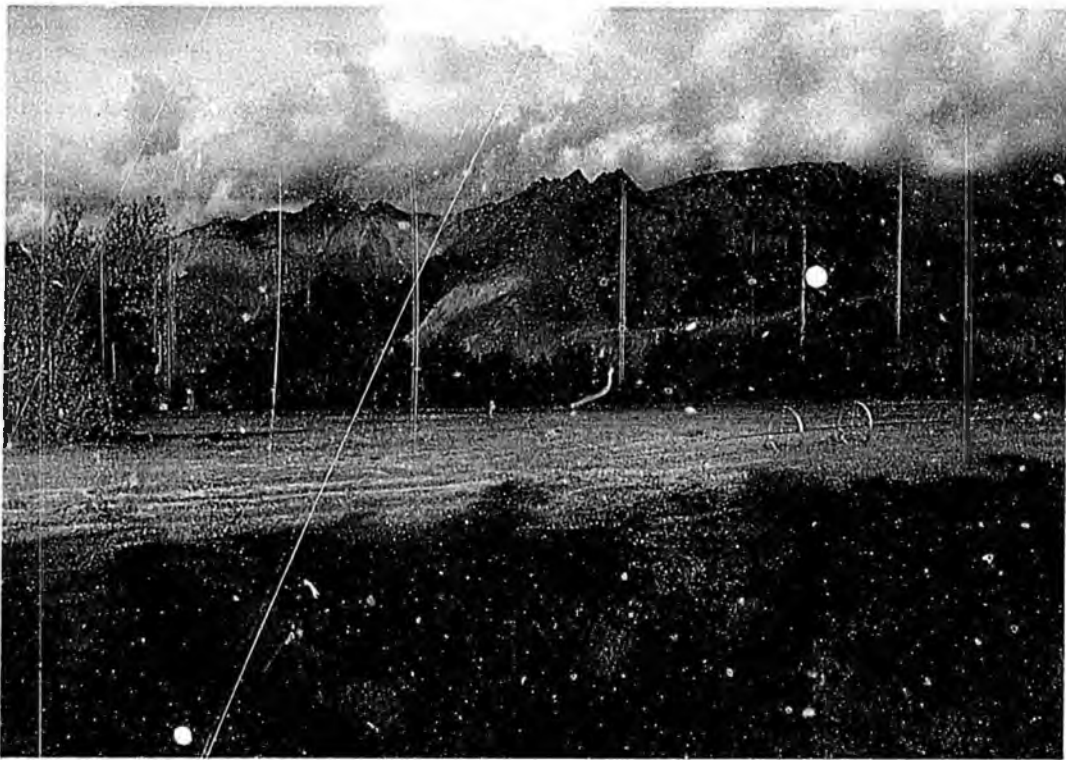
The proposed amendment is in accordance with the agricultural rights statute, AS 38.05.321, which requires that only rights for agricultural purposes be disposed of on state land classified for agriculture.

If I may provide additional information, please let me know.

Sincerely,

Esther
Esther C. Wunnicke
Commissioner

cc: Members of the Senate Resources Committee
Senator Jalmar Kerttula



MATANUSKA-SUSITNA BOROUGH

AGRICULTURE

AGRICULTURE

Matanuska-Susitna Borough

SPRING 1983



MATANUSKA-SUSITNA BOROUGH

Mayor	Edna Armstrong
Assembly Members	Elizabeth Barry
	Barbara Carr
	Dorothy Jones
	John Musgrove
	Rose Palmquist
	Al Strawn
	Vern Ungerecht
Manager	Gary Thurlow

The assistance that was received from the agricultural community for the preparation of this report is very much appreciated. Special thanks to Jerry Purser, Delon Brown, Ed Kern, Bill Heim, Dr. Charles Logsdon, Dr. Wayne Burton, Dr. L.J. Klebesadel, Dr. Roscoe Taylor, Dr. Bill Mitchell, Cathy Wright, the Mat-Su Borough Planning Department, and Gary Thurlow. The input from industry representatives, such as Terry Weiland, Richard Heaton and Brian Laughlin, and from many farmers, particularly Pat Mulligan, Jerry Giauque, and Robert Thom, has been invaluable.

Brigitte Lively
Planning, Inc.
Palmer, Alaska

TABLE OF CONTENTS

Early Observations	5
The First Days of Farming	7
World War I — Some Early Setbacks — The Colony — Heyday of Agriculture — Gradual Decline	
Recent Farming Activity	14
A Firm Foundation	
Products from Valley Farms	15
Dairying — Hay & Grasses — Grain — Potatoes — Vegetables — Beef Cattle — Pork — Eggs & Poultry Horses — Sheep & Goats — Greenhouses & Nurseries — Ornamentals — Seed & Turf — Rapeseed — Honey — Fruits & Berries — Small Livestock —	
The Land	29
Soils	
Agricultural Areas	31
Old Colony & Homestead Areas: Bodenbug Butte — Lazy Mountain — Palmer & Springer Loop — Old Wasilla Highway & Trunk Road — Farm Loop & Fishhook — Fairview Loop New Lands — Agriculture Projects: Point MacKenzie — Fish Creek — Bartlett Hills — Moose Creek — Deshka Flats — Chulitna	
The Farmer	43
Economics	44
Marketing — Potential Markets — Export Markets — Financing — Capital Costs — Production Cost	
Transportation & Utilities	48
Roads & Power — Farm Labor	
The Community	49
Education — Agency Support	
The Environment	52
Climate — Water	
Policies to Encourage Agriculture	54
Public Attitudes — Matanuska-Susitna Borough Policies: Farm Land Disposal — Agricultural Restrictions — Property Tax Deferral — Purchase of Development Rights — Justification for Retaining Farm Lands — State of Alaska Policies: Economies of Scale — State Land Sales	
Timber Resources	59
Forest Inventory — Potential Harvests — Commercial Timber Stands — Current Logging — Commercial Species — Clearing for Agriculture — Timber Proposals	

Introduction

The Matanuska-Susitna Borough Assembly saw the need for a report on the status of agriculture. It was prompted by many requests for information on Valley farming.

This is intended to show what has been done — what is being done — and what can be done. Many of us in and close to the Valley aren't aware of what is being grown or to what extent, and those farther away surely have little knowledge beyond "the big cabbage - and maybe some milk."

Most produce still comes from outside of Alaska. Why haven't we produced more here? Don't we have the know-how? Do we even have the land to grow things? And why should we be concerned about trying to grow something here when it seems there are a lot better places in the world to do it?

Well, let's find out.

A handwritten signature in cursive script, reading "Edna Armstrong".

Edna Armstrong
Mayor

Early Observations

“ . . . while for an indefinite period agriculture in Alaska will be subsidiary to other industries, it is highly important that strenuous efforts should be made to speedily discover the best ways in which agriculture may be carried on in the territory with a view to saving the native population from what is already more than a menace of starvation, and to enable miners, fishermen and other immigrants to maintain life or secure a greater degree of comfort by producing, in whole or in part, the materials which they require for food.”


“Little can be done toward the permanent organization of other industries in Alaska until it can be shown whether any considerable amount of food supplies and domestic animals

can be produced within the Territory.”

“ . . . in the Cook Inlet region there are thousands of square miles that can be utilized for agricultural purposes, and, as already stated, I believe this region to be more favorable for the development of agriculture than any other portion of the coast country . . . all that is required for the development of these resources is (1) the immigration of a hardy, industrious class of people who can readily adjust themselves to the conditions, and (2) adequate transportation facilities.”

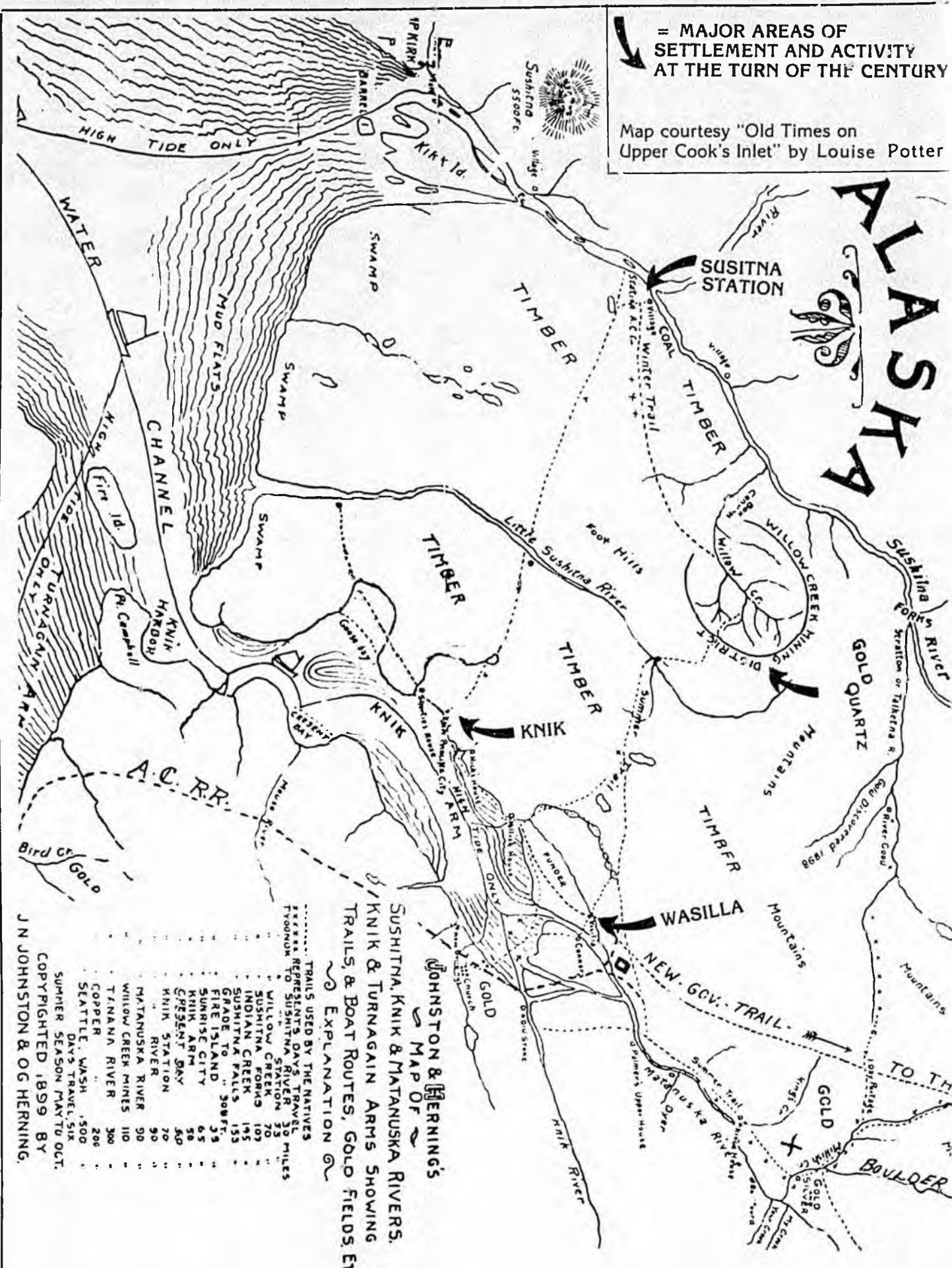
A. C. True
Director, Office of Experiment Stations
US Department of Agriculture
— 1899




 = MAJOR AREAS OF SETTLEMENT AND ACTIVITY AT THE TURN OF THE CENTURY

Map courtesy "Old Times on Upper Cook's Inlet" by Louise Potter

ALASKA



JOHNSTON & HERNING'S MAP OF

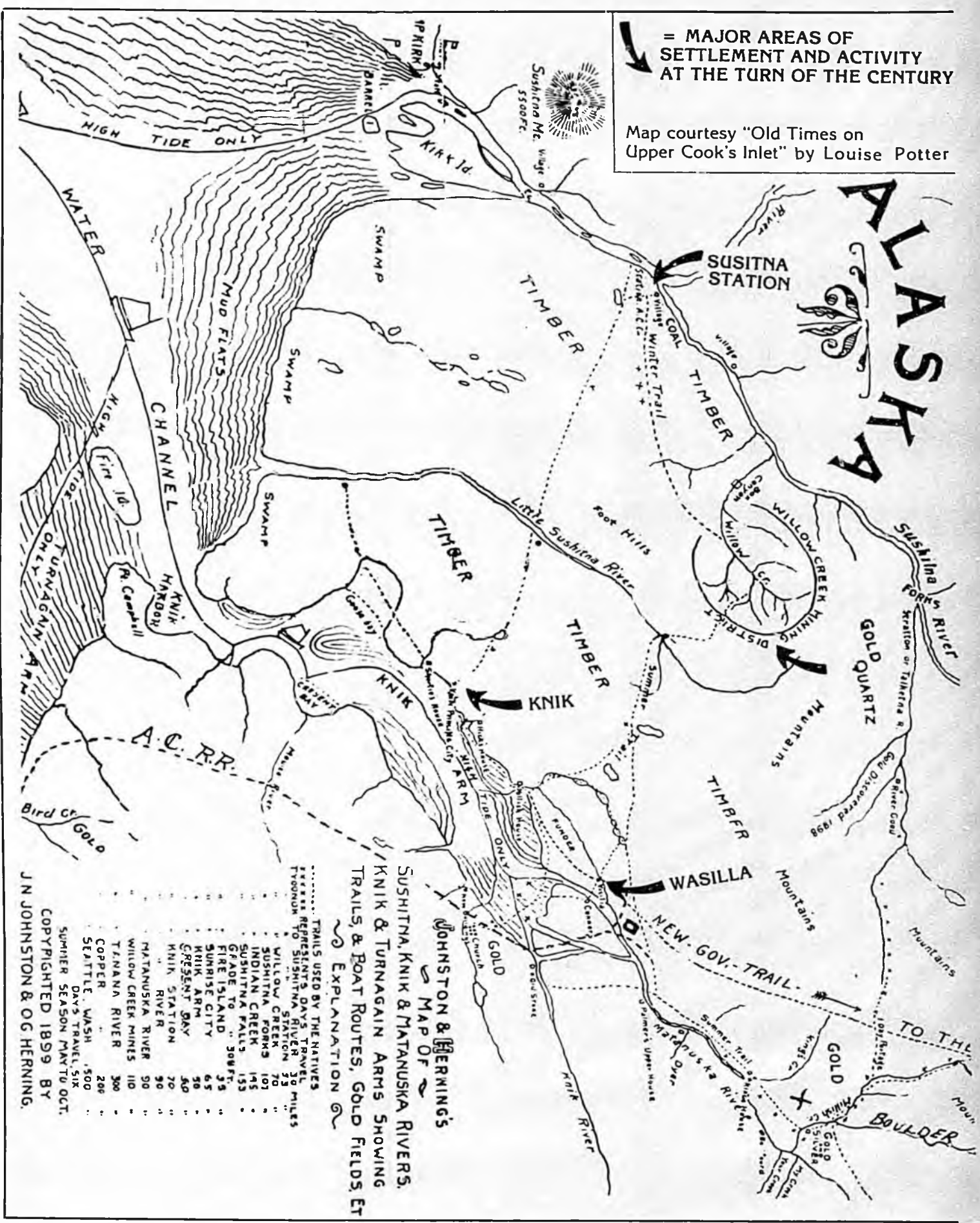
SUSITNA, KNIK & MATANUSKA RIVERS,
 KNIK & TURNAGAIN ARMS SHOWING
 TRAILS & BOAT ROUTES, GOLD FIELDS, ET
 CETERA

TRAILS USED BY THE NATIVES
 REPRESENTED BY DASHED LINES
 SUSITNA STATION 30 MILES

- WILLOW CREEK 70
- SUSITNA FORMS 107
- INDIAN CREEK 195
- SUSITNA FALLS 153
- GRADE TO FIRE ISLAND 308 FT.
- SUNRISE CITY 25
- KNIK ARM 65
- GREEN BAY 50
- KNIK STATION 70
- MATANUSKA RIVER 90
- WILLOW CREEK MINES 110
- TANANA RIVER 300
- COPPER 200
- SEATTLE WASH 1500
- DAYS TRAVEL SIX
- SUMMER SEASON MAY TO OCT.

JN JOHNSTON & OG HERNING.
 COPYRIGHTED 1899 BY

↖ = MAJOR AREAS OF SETTLEMENT AND ACTIVITY AT THE TURN OF THE CENTURY
 Map courtesy "Old Times on Upper Cook's Inlet" by Louise Potter



JOHNSTON & HERNING'S
 MAP OF
 SUSITNA, KNIK & MATANUSKA RIVERS,
 TRAILS, & BOAT ROUTES, GOLD FIELDS, ET
 AL.
 EXPLANATION

..... TRAILS USED BY THE NATIVES
 X MARKS REPRESENTS DAYS TRAVEL
 FROM SUSITNA STATION TO THE POINTS
 MILES

WILLOW CREEK	70
SUSITNA FORKS	101
INDIAN CREEK	145
SUSITNA FALLS	155
GRADE TO FIRE ISLAND	300 FT.
SUNRISE CITY	35
KNIK ARM	65
PRESENT DAY	60
KNIK STATION	70
KNIK RIVER	90
MATANUSKA RIVER	110
WILLOW CREEK MINES	110
TANANA RIVER	300
COPPER	200
SEATTLE, WASH.	500
DAVS TRAVEL SIX	..
SUMMER SEASON MAY TO OCT.	..

JN JOHNSTON & OG HERNING.
 COPYRIGHTED 1899 BY

Early Observations

“ . . . while for an indefinite period agriculture in Alaska will be subsidiary to other industries, it is highly important that strenuous efforts should be made to speedily discover the best ways in which agriculture may be carried on in that territory with a view to saving the native population from what is already more than a menace of starvation, and to enable miners, fishermen and other immigrants to maintain life or secure a greater degree of comfort by producing, in whole or in part, the materials which they require for food.”

“Little can be done toward the permanent organization of other industries in Alaska until it can be shown whether any considerable amount of food supplies and domestic animals

can be produced within the Territory.”

“ . . . in the Cook Inlet region there are thousands of square miles that can be utilized for agricultural purposes, and, as already stated, I believe this region to be more favorable for the development of agriculture than any other portion of the coast country . . . all that is required for the development of these resources is (1) the immigration of a hardy, industrious class of people who can readily adjust themselves to the conditions, and (2) adequate transportation facilities.”

A. C. True
Director, Office of Experiment Stations
US Department of Agriculture
— 1899



The First Days of Farming

There were few white people in the Matanuska-Susitna area at the start of the new century. A hundred years ago, the country was virtually unknown, and not until 1898 did the explorations of Captains Glenn and Abercrombie up the Copper River, and W.C. Mendenhall's trip up the Matanuska Valley answer the questions as to "what lies north of where the Sushitna River forms the headwaters of Cooks Inlet."

The first farmers were the prospectors who wanted to supplement shipped-in produce. The town of Knik was the hub of the Valley. Boats brought in the supplies, which then had to be freighted, by dog- or horse-power, the twenty-five and more miles to the mines. Oats for the horses were grown on the flat, open areas, the hay flats, and people started experimenting with the seed provided by the U.S. Experiment Station, then located at Sitka.

The Homestead Act of 1898, which limited land grants to 80 acres and required homesteaders to pay the expenses of surveying plus the surveyors' travel cost, did not encourage farming for profit.

The amended Homestead Act of 1903 allowed homesteaders 320 acres of surveyed or unsurveyed land, so that by 1914 some 132 people were involved in farming.

"the young plants languished, turned yellow, and died. The failure in all these cases was due to the soil and not to the climate. It points a warning at those who begin with raw ground not to expect too much nor to become discouraged if it seems unproductive at first. It may possibly also account for the condemnations of some of those who say that 'Alaska is no good for farming.' The explanation lies in the fact that the raw, water-logged soil is too acid for the growth of most cultivated plants, and is unproductive until sweetened by aeration and drainage."

C.C. Georgesson
— 1899

300 acres were cleared by then. Potatoes and vegetables were the major crops. No attempt had yet been made to raise livestock, except for some chickens, a few cows and hogs. A few cattle were ranged and fattened on native grass near the old Fishhook Inn, and sold to the miners for meat.

