

ALASKA LEGISLATURE COMMITTEE FILES 1987-1988 8672  
5227 SCRA SB 447 - SB 454

799

operations of such members or other producers, and operated in conjunction with such association. Exemption shall not be denied any such corporation because it has capital stock, if the dividend rate of such stock is fixed at not to exceed the legal rate of interest in the State of incorporation or 8 percent per annum, whichever is greater, on the value of the consideration for which the stock was issued, and if substantially all such stock (other than nonvoting preferred stock, the owners of which are not entitled or permitted to participate, directly or indirectly, in the profits of the corporation, on dissolution or otherwise, beyond the fixed dividends) is owned by such association, or members thereof; nor shall exemption be denied any such corporation because there is accumulated and maintained by it a reserve required by State law or a reasonable reserve for any necessary purpose.

(17)(A) A trust or trusts forming part of a plan providing for the payment of supplemental unemployment compensation benefit, if—

(i) under the plan, it is impossible, at any time prior to the satisfaction of all liabilities with respect to employees under the plan, for any part of the corpus or income to be (within the taxable year or thereafter) used for, or diverted to, any purpose other than the providing of supplemental unemployment compensation benefits,

(ii) such benefits are payable to employees under a classification which is set forth in the plan and which is found by the Secretary not to be discriminatory in favor of employees who are highly compensated employees (within the meaning of section 414(q), and

(iii) such benefits do not discriminate in favor of employees who are highly compensated employees (within the meaning of section 414(q)). A plan shall not be considered discriminatory within the meaning of this clause merely because the benefits received under the plan bear a uniform relationship to the total compensation, or the basic or regular rate of compensation, of the employees covered by the plan.

(B) In determining whether a plan meets the requirements of subparagraph (A), any benefits provided under any other plan shall not be taken into consideration, except that a plan shall not be considered discriminatory—

(i) merely because the benefits under the plan which are first determined in a nondiscriminatory manner within the meaning of subparagraph (A) are then reduced by any sick, accident, or unemployment compensation benefits received under State or Federal law (or reduced by a portion of such benefits if determined in a nondiscriminatory manner), or

(ii) merely because the plan provides only for employees who are not eligible to receive sick, accident, or unemployment compensation benefits under State or Federal law the same benefits (or a portion of such benefits if determined in a nondiscriminatory manner) which such employees would receive under such laws if such employees were eligible for such benefits, or

(iii) merely because the plan provides only for employees who are not eligible under another plan (which meets the requirements of subparagraph (A)) of supplemental unemployment compensation benefits provided wholly by the employer the same benefits (or a portion of such benefits if determined in a nondiscriminatory manner) which such employees would receive under such other plan if such employees were eligible under such other plan, but only if the employees eligible under both plans would make a classification which would be nondiscriminatory within the meaning of subparagraph (A).

(C) A plan shall be considered to meet the requirements of subparagraph (A) during the whole of any year of the plan if on one day in each quarter it satisfies such requirements.

(D) The term "supplemental unemployment compensation benefits" means only—

(i) benefits which are paid to an employee because of his involuntary separation from the employment of the employer (whether or not such separation is temporary) resulting directly from a reduction in force, the discontinuance of a plant or operation, or other similar conditions, and

(ii) sick and accident benefits subordinate to the benefits described in clause (i).

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or other producers, and operated in conjunction shall not be denied any such corporation if the dividend rate of such stock is fixed at not to exceed in the State of incorporation or 8 percent per cent on the value of the consideration for which the substantially all such stock (other than nonvoting stock which are not entitled or permitted to participate in the profits of the corporation, on dissolution or otherwise) is owned by such association, or members of such association, because there is no such reserve required by State law or a reasonable purpose.

forming part of a plan providing for the payment of compensation benefits, if—

(A) it is impossible, at any time prior to the satisfaction of all liabilities with respect to employees under the plan, for any part of the corpus or income to be (within the taxable year or thereafter) used for, or diverted to, any purpose other than the providing of supplemental unemployment benefits,

(B) such benefits are payable to employees under a classification which is set forth in the plan and which is found by the Secretary not to be discriminatory in favor of employees who are highly compensated employees (within the meaning of section 414(q)), and

(C) such benefits do not discriminate in favor of employees who are highly compensated employees (within the meaning of section 414(q)). A plan shall not be considered discriminatory within the meaning of this clause if the benefits received under the plan bear a uniform relationship to the total compensation, or the basic or regular rate of compensation, of the employees covered by the plan, and

(D) in the case of a plan under which an employee may designate certain contributions as deductible—

(i) such contributions do not exceed the amount with respect to which a deduction is allowable under section 215(b)(3),

(ii) requirements similar to the requirements of section 401(k)(3)(A)(ii) are met with respect to such elective contributions, and

(iii) such contributions are treated as elective deferrals for purposes of section 402(g) (other than paragraph (4) thereof).

For purposes of subparagraph (D)(ii), rules similar to the rules of section 401(k)(8) shall apply. For purposes of section 4979, any excess contribution under clause (ii) shall be treated as an excess contribution under a cash or deferred arrangement.

(19) A post or organization of past or present members of the Armed Forces of the United States, or an auxiliary unit or society of, or a trust or foundation for, any such post or organization—

(A) organized in the United States or any of its possessions,

(B) at least 75 percent of the members of which are past or present members of the Armed Forces of the United States and substantially all of the other members of which are individuals who are cadets or are spouses, widows, or widowers of past or present members of the Armed Forces of the United States or of cadets, and

(C) no part of the net earnings of which inures to the benefit of any private shareholder or individual.

(20) an organization or trust created or organized in the United States, the exclusive function of which is to form part of a qualified group legal services plan or plans, within the meaning of section 120. An organization or trust which receives contributions because of section 120(c)(5)(C) shall not be prevented from qualifying as an organization described in this paragraph merely because it provides legal services or indemnification against the cost of legal services unassociated with a qualified group legal services plan.

(21) A trust or trusts established in writing, created or organized in the United States, and contributed to by any person (except an insurance company) if—

(E) Exemption shall not be denied under subsection (a) to any organization entitled to such exemption as an association described in paragraph (9) of this subsection merely because such organization provides for the payment of supplemental unemployment benefits (as defined in subparagraph (D)(i)).

(18) A trust or trusts created before June 25, 1959, forming part of a plan providing for the payment of benefits under a pension plan funded only by contributions of employees, if—

(A) under the plan, it is impossible, at any time prior to the satisfaction of all liabilities with respect to employees under the plan, for any part of the corpus or income to be (within the taxable year or thereafter) used for, or diverted to, any purpose other than the providing of benefits under the plan,

(B) such benefits are payable to employees under a classification which is set forth in the plan and which is found by the Secretary not to be discriminatory in favor of employees who are highly compensated employees (within the meaning of section 414(q)),

(C) such benefits do not discriminate in favor of employees who are highly compensated employees (within the meaning of section 414(q)). A plan shall not be considered discriminatory within the meaning of this subparagraph merely because the benefits received under the plan bear a uniform relationship to the total compensation, or the basic or regular rate of compensation, of the employees covered by the plan, and

(D) in the case of a plan under which an employee may designate certain contributions as deductible—

(i) such contributions do not exceed the amount with respect to which a deduction is allowable under section 215(b)(3),

(ii) requirements similar to the requirements of section 401(k)(3)(A)(ii) are met with respect to such elective contributions, and

(iii) such contributions are treated as elective deferrals for purposes of section 402(g) (other than paragraph (4) thereof).

For purposes of subparagraph (D)(ii), rules similar to the rules of section 401(k)(8) shall apply. For purposes of section 4979, any excess contribution under clause (ii) shall be treated as an excess contribution under a cash or deferred arrangement.

(19) A post or organization of past or present members of the Armed Forces of the United States, or an auxiliary unit or society of, or a trust or foundation for, any such post or organization—

(A) organized in the United States or any of its possessions,

(B) at least 75 percent of the members of which are past or present members of the Armed Forces of the United States and substantially all of the other members of which are individuals who are cadets or are spouses, widows, or widowers of past or present members of the Armed Forces of the United States or of cadets, and

(C) no part of the net earnings of which inures to the benefit of any private shareholder or individual.

(20) an organization or trust created or organized in the United States, the exclusive function of which is to form part of a qualified group legal services plan or plans, within the meaning of section 120. An organization or trust which receives contributions because of section 120(c)(5)(C) shall not be prevented from qualifying as an organization described in this paragraph merely because it provides legal services or indemnification against the cost of legal services unassociated with a qualified group legal services plan.

(21) A trust or trusts established in writing, created or organized in the United States, and contributed to by any person (except an insurance company) if—

(A) the purpose of such trust or trusts is exclusively—

(i) to satisfy, in whole or in part, the liability of such person for, or with respect to, claims for compensation for disability or death due to pneumoconiosis under Black Lung Acts;

(ii) to pay premiums for insurance exclusively covering such liability; and

(iii) to pay administrative and other incidental expenses of such trust (including legal, accounting, actuarial, and trustee expenses) in connection with the insurance.

tion with the operation of the trust and the processing of claims against such person under Black Lung Acts; and

(B) no part of the assets of the trust may be used for, or diverted to, any purpose other than—

(i) the purposes described in subparagraph (A), or

(ii) investment (but only to the extent that the trustee determines that a portion of the assets is not currently needed for the purposes described in subparagraph (A)) in—

(I) public debt securities of the United States,

(II) obligations of a State or local government which are not in default as to principal or interest, or

(III) time or demand deposits in a bank (as defined in section 581) or an insured credit union (within the meaning of section 101(6) of the Federal Credit Union Act, 12 U.S.C. 1752(6)) located in the United States, or

(iii) payment into the Black Lung Disability Trust Fund established under section 9501, or into the general fund of the United States Treasury (other than in satisfaction of any tax or other civil or criminal liability of the person who established or contributed to the trust).

For purposes of this paragraph the term "Black Lung Acts" means part C of title IV of the Federal Mine Safety and Health Act of 1977, and any State law providing compensation for disability or death due to pneumoconiosis.

(22) A trust created or organized in the United States and established in writing by the plan sponsors of multiemployer plans if—

(A) the purpose of such trust is exclusively—

(i) to pay any amount described in section 4223(c) or (h) of the Employee Retirement Income Security Act of 1974, and

(ii) to pay reasonable and necessary administrative expenses in connection with the establishment and operation of the trust and the processing of claims against the trust,

(B) no part of the assets of the trust may be used for, or diverted to, any purpose other than—

(i) the purposes described in subparagraph (A), or

(ii) the investment in securities, obligations, or time or demand deposits described in clause (ii) of paragraph (21)(B),

(C) such trust meets the requirements of paragraphs (2), (3), and (4) of section 4223(b), 4223(h), or, if applicable, section 4223(c) of the Employee Retirement Income Security Act of 1974, and

(D) the trust instrument provides that, on dissolution of the trust, assets of the trust may not be paid other than to plans which have participated in the plan or, in the case of a trust established under section 4223(h) of such Act, to plans with respect to which employers have participated in the fund.

(23) any<sup>1</sup> association organized before 1880 more than 75 percent of the members of which are present or past members of the Armed Forces and a principal purpose of which is to provide insurance and other benefits to veterans or their dependents.

(24) A trust described in section 4049 of the Employee Retirement Income Security Act of 1974 (as in effect on the date of the enactment of the Single-Employer Pension Plan Amendments Act of 1986).

(25)(A) Any corporation or trust which—

(i) has no more than 35 shareholders or beneficiaries,

(ii) has only 1 class of stock or beneficial interest, and

(iii) is organized for the exclusive purposes of—

(I) acquiring real property and holding title to, and collecting income from, such property, and

(II) remitting the entire amount of income from such property (less expenses) to 1 or more organizations described in subparagraph (C) which are shareholders of such corporation or beneficiaries of such trust.

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the trust and the processing of claims against the Black Lung Acts; and

the trust may be used for, or diverted to, any

described in subparagraph (A), or

to the extent that the trustee determines that it is not currently needed for the purposes of subparagraph (A) in—

the United States,

State or local government which are not in the United States, or

credit deposits in a bank (as defined in section 3024(b)(1)(B)) or credit union (within the meaning of section 3024(b)(1)(C)) located in the United States.

Black Lung Disability Trust Fund established under the general fund of the United States Treasury (in satisfaction of any tax or other civil or criminal liability established or contributed to the trust).

The term "Black Lung Acts" means part C of the Black Lung Act and Health Act of 1977, and any State law which provides for compensation for disability or death due to pneumoconiosis.

described in the United States and established in connection with an employer plan if—

the plan is exclusively—

described in section 4223(c) or (h) of the Employee Retirement Income Security Act of 1974, and

the necessary administrative expenses in connection with the operation of the trust and the maintenance of the trust,

the trust may be used for, or diverted to, any

described in subparagraph (A), or

securities, obligations, or time or demand deposits described in (ii) of paragraph (21)(B),

requirements of paragraphs (2), (3), and (4) of section 401(a)(9) and applicable, section 4223(c) of the Employee Retirement Income Security Act of 1974, and

which provides that, on dissolution of the trust, assets shall be distributed to plans which have participated in the trust established under section 4223(f) of such Act, or to such employers who have participated in the fund. The trust must have been established before 1980 more than 75 percent of the members of the Armed Forces and a plan which provides for life insurance and other benefits to veterans.

section 4049 of the Employee Retirement Income Security Act of 1974, as amended, or section 4049 of the Employee Retirement Income Security Act of 1986.

which—

shareholders or beneficiaries,

or beneficial interest, and

exclusive purposes of—

ownership and holding title to, and collecting income

amount of income from such property (less the amount of income from such property) for such organizations described in subparagraph (C) or such corporation or beneficiaries of such

(B) A corporation or trust shall be described in subparagraph (A) without regard to whether the corporation or trust is organized by 1 or more organizations described in subparagraph (C).

(C) An organization is described in this subparagraph if such organization is—

(i) a qualified pension, profit sharing, or stock bonus plan that meets the requirements of section 401(a),

(ii) a governmental plan (within the meaning of section 414(d)),

(iii) the United States, any State or political subdivision thereof, or any agency or instrumentality of any of the foregoing,

(iv) any organization described in paragraph (3), or

(v) any organization described in this paragraph.

(D) A corporation or trust described in this paragraph must permit its shareholders or beneficiaries—

(i) to dismiss the corporation's or trust's investment adviser, following reasonable notice, upon a vote of the shareholders or beneficiaries holding a majority of interest in the corporation or trust, and

(ii) to terminate their interest in the corporation or trust by either, or both, of the following alternatives, as determined by the corporation or trust:

(I) by selling or exchanging their stock in the corporation or interest in the trust (subject to any Federal or State securities law) to any organization described in subparagraph (C) so long as the sale or exchange does not increase the number of shareholders or beneficiaries in such corporation or trust above 35, or

(II) by having their stock or interest redeemed by the corporation or trust after the shareholder or beneficiary has provided 90 days notice to such corporation or trust.

(d) Religious and apostolic organizations.—The following organizations are referred to in subsection (a): Religious or apostolic associations or corporations, if such associations or corporations have a common treasury or community treasury, even if such associations or corporations engage in business for the common benefit of the members, but only if the members thereof include (at the time of filing their returns) in their gross income their entire pro rata shares, whether distributed or not, of the taxable income of the association or corporation for such year. Any amount so included in the gross income of a member shall be treated as a dividend received.

(e) Cooperative hospital service organizations.—For purposes of this title, an organization shall be treated as an organization organized and operated exclusively for charitable purposes, if—

(1) such organization is organized and operated solely—

(A) to perform, on a centralized basis, one or more of the following services which, if performed on its own behalf by a hospital which is an organization described in subsection (c)(3) and exempt from taxation under subsection (a), would constitute activities in exercising or performing the purpose or function constituting the basis for its exemption: data processing, purchasing, warehousing, billing and collection, food, clinical, industrial engineering, laboratory, printing, communications, record center, and personnel (including selection, testing, training, and education of personnel) services; and

(B) to perform such services solely for two or more hospitals each of which is—

(i) an organization described in subsection (c)(3) which is exempt from taxation under subsection (a),

(ii) a constituent part of an organization described in subsection (c)(3) which is exempt from taxation under subsection (a) and which, if organized and operated as a separate entity, would constitute an organization described in subsection (c)(3), or

(iii) owned and operated by the United States, a State, the District of Columbia, or a possession of the United States, or a political subdivision or an agency or instrumentality of any of the foregoing;

(2) such organization is organized and operated on a cooperative basis and allocates or pays, within 8½ months after the close of its taxable year, all net earnings to patrons on the basis of services performed for them; and

# Alaska State Legislature

ARLISS STURGULEWSKI, Chairman  
TIM KELLY, Vice Chairman  
RICK HALFORD  
MIKE SZYMANSKI  
FRED ZHAROFF



P. O. BOX V  
JUNEAU, ALASKA 99811  
(907) 465-4989

## Senate Community and Regional Affairs Committee

February 25, 1988

TO: Senate Community and Regional Affairs Committee Members

FROM: Senate C&RA Staff *ME*

RE: SB 447 - "An Act relating to liability for damages or injury resulting from hazardous recreational activities."

RE: SB 448 - "An Act relating to civil liability of certain volunteers."

This pair of bills by Senator Duncan are designed to address existing liability problems. SB 447 bars legal action against the state, municipalities, and nonprofits for property damage or personal injury that results from the person's participation in a hazardous recreational activity.

SB 448 provides protection from civil liability for volunteer members of rescue organizations (Civil Air Patrol, Ski Patrol, Sea Dogs, etc.) and volunteers for the state division of parks, municipalities, and nonprofits.

A sectional analysis for each bill has been provided by Senator Duncan along with additional backup material. Copies of articles, the New Jersey statute, proposed federal legislation, and correspondence relating to the two bills are in the packet.

Representatives of the Department of Natural Resources, Department of Law, and Division of Risk Management will be at the meeting to testify or answer questions. DNR will have a fiscal note and position paper on the two bills available at the meeting.

The Association of Trail Lawyers is aware of the meeting but a representative for that organization has indicated they will probably not testify today.

SB

454

# Alaska State Legislature

ARLISS STURGULEWSKI, Chairman  
TIM KELLY, Vice Chairman  
RICK HALFORD  
MIKE SZYMANSKI  
FRED ZHAROFF



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JUNEAU, ALASKA 99811  
(907) 465-4989

## Senate Community and Regional Affairs Committee

March 29, 1988

TO: Senate Community and Regional Affairs Committee Members

FROM: Senate C&RA Staff *NCK*

RE: CS for SB 454 (C&RA) - "An Act relating to the allocation of fisheries business taxes to municipalities by the Department of Community and Regional Affairs, efd."

This CS is the same as the version that has been before the committee with one exception. At the request of the sponsor, the bill has been changed to allocate raw fish tax on an area rather than a region basis.

A memo from the drafter on this change is attached as is a letter from the Department of Revenue. This letter shows the breakdown on the distribution of raw fish tax. A representative of the department will be at the meeting to explain the letter.

A representative of the Department of Community and Regional Affairs will also be at the meeting to discuss the possible effect of this bill on borough formation.

STATE OF ALASKA  
THE LEGISLATURE

POUCH Y STATE CAPITOL  
JUNEAU, ALASKA 99811  
907 465 3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

March 28, 1988

SUBJECT: CSSB 454 (C&RA)

TO: Senator Arliss Sturgulewski, Chair  
Senate Community and Regional Affairs  
Committee  
ATTN: McKie Campbell

FROM: Jack Chenoweth  
Legislative Counsel

This revision substitutes "management area" for "management regions." I have combined my reading of "the map" with applicable Fish and Game regulations to arrive at the boundary descriptions set out in bill section 4.

In that section, please note: the map was not sufficiently detailed that I could prepare an accurate legal description for the management areas within region I (Southeast Alaska and Yakutat). The department's own regulations provide no clue as to how region I is properly subdivided into the "management areas" shown on the map. So I did not do so. Management area A is exactly the same as region I of the previous draft.

If the committee wants management area A to be further divided as indicated on "the map," the Department of Fish and Game must provide a sufficient description of the four subunits that will allow me to prepare that description.

Attachment

JBC:bb  
b4/063

I checked with Carl on this provision this morning. He said he thought it was OK. I had asked him to double check with you so if you had any problems we could change it before the meeting.

# STATE OF ALASKA

## DEPARTMENT OF REVENUE

OFFICE OF THE COMMISSIONER

STEVE COWPER, GOVERNOR

P.O. BOX 5  
JUNEAU, ALASKA 99811-0400  
PHONE: (907) 465-2300

March 23, 1988

The Honorable Arliss Sturgulewski  
Alaska State Senate  
Capitol, Room 427  
Juneau, AK 99811

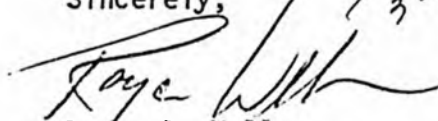
Dear Senator Sturgulewski:

With the establishment of the 1986 fisheries investment tax credit, the State will be foregoing substantial fisheries business tax revenues. Enactment of SB 454 (An Act relating to the allocation of fisheries business taxes to municipalities...) will reduce the State's take even further. Together, these measures are estimated to reduce the fish tax's general fund portion by as much as 78%. Below are the estimated numbers:

	<u>FY 87</u>	<u>FY 88</u>	<u>FY 89</u>
Shorebased Tax	17.5	6.0*	7.0
Floating Tax	9.0	9.8	9.8
	<u>26.5</u>	<u>15.8</u>	<u>16.8</u>
Shared Revenues	-7.9	-8.0	-7.8 (requested)
Net to Gen. Fund	<u>18.6</u>	<u>7.8</u>	<u>9.0</u>
HB 314/SB 454			-4.9
			<u>4.1 (G.F.)</u>

\* potential tax credit impact

Sincerely,



Royce B. Weller  
Special Assistant

*60MM for credit  
30MM total reduction  
3 to 5 years*

RBW:smc  
88-84

Original sponsor: Zharoff

1 IN THE SENATE

BY THE COMMUNITY AND REGIONAL  
AFFAIRS COMMITTEE

2 CS FOR SENATE BILL NO. 454 (C&RA)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the allocation of fisheries  
7 business taxes to municipalities by the Department of  
8 Community and Regional Affairs; and providing for an  
9 effective date."

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

11 \* Section 1. FINDINGS. The legislature finds that

12 (1) it has been a longstanding state policy to share fisheries  
13 business taxes with municipal governments in the areas in which the fishery  
14 resources are harvested;

15 (2) these shared taxes constitute an important source of revenue  
16 to municipal governments to mitigate the effects of fish harvesting and  
17 processing activities;

18 (3) there is an impact in communities that experience an in-  
19 crease in population or influx of people;

20 (4) fishing activities such as harvesting and processing create  
21 an influx of population throughout the year in many coastal communities;

22 (5) the state has a vested interest in encouraging communities  
23 to provide adequate services;

24 (6) revenue generated through the sharing of fisheries business  
25 taxes will help many fishing communities to provide adequate services and  
26 to prepare for future damage attributable to fisheries activities.

27 \* Sec. 2. AS 29.60 is amended by adding a new section to read:

28 ARTICLE 6. SHARED FISHERIES BUSINESS TAXES.

29 Sec. 29.60.450. FISHERIES BUSINESS TAX ALLOCATION. (a) #

1 municipality is eligible for a fisheries business tax allocation if  
2 the municipality demonstrates to the department that the municipality  
3 suffered significant negative effects from fisheries business activ-  
4 ities during the base year.

5 (b) Before making a tax allocation under (c) of this section, a  
6 portion of the tax revenue available under AS 43.75.130(g) for allo-  
7 cation under this section shall be apportioned by the department to  
8 each management area. The apportionment must be based on the ratio of  
9 the weight of the fish and shellfish processed by floating fisheries  
10 businesses within the management area to the total weight of the fish  
11 and shellfish processed by floating fisheries businesses in all  
12 management areas.

13 (c) The tax allocation to an eligible municipality is the sum of  
14 (1) the result of dividing the number of the management  
15 area's eligible municipalities for the tax allocation year into one-  
16 half of the tax revenue apportioned to the management area under (b)  
17 of this section for the tax allocation year; and

18 (2) the result of multiplying the municipality's population  
19 ratio by the other one-half of the tax revenue apportioned to the  
20 management area under (b) of this section for the tax allocation year.

21 (d) A municipality that receives a tax allocation under this  
22 section shall use the tax allocation to help reduce the effect of  
23 fisheries business activities on the municipality and may thereafter  
24 use the tax allocation for the expenses of any municipal service.

25 (e) At the request of the department, an applicant or a re-  
26 cipient of a tax allocation shall provide the department with the  
27 assistance and information available to the municipality that is  
28 necessary for the department to carry out the department's duties  
29

1 under this section relating to the municipality.

2 (f) The department

3 (1) may designate management areas by regulation; the  
4 management areas must be based on the management areas used by the  
5 Board of Fisheries by regulation adopted under AS 16.05.251(a)(2) for  
6 the management of the commercial fisheries of the state;

7 (2) may adopt other regulations necessary to carry out the  
8 provisions of this section.

9 (g) In this section

10 (1) "base year" means the calendar year that precedes the  
11 application deadline for the tax allocation year;

12 (2) "effect" means the change attributable to fisheries  
13 business activities on the municipality's

14 (A) population;

15 (B) employment;

16 (C) finances;

17 (D) air and water quality;

18 (E) fish and wildlife habitats; and

19 (F) ability to provide essential public services,  
20 including health care, public safety, education, transportation,  
21 utilities, and government administration;

22 (3) "fisheries business activity" means activity related to  
23 processing fisheries resources for sale by freezing, cooking, salting,  
24 or other method and includes but is not limited to canneries, cold  
25 storages, freezer ships, and processing plants;

26 (4) "management area" means one of the units designated by  
27 the department by regulation adopted under (f)(1) of this section;

28 (5) "population" means the population determined under  
29 AS 29.60.020;

1 (6) "population ratio" means the base year population of  
2 the municipality divided by the population of the management area;

3 (7) "tax allocation year" means the fiscal year for which  
4 the department makes the tax allocation.

5 \* Sec. 3. AS 43.75.130 is amended by adding a new subsection to read:

6 (g) To the extent that appropriations are available for the  
7 purpose, and notwithstanding the requirement of AS 37.07.080(e) that  
8 approval of the office of management and budget is required, an amount  
9 equal to 50 percent of the tax revenue that is collected under this  
10 chapter from floating fisheries businesses and is not subject to  
11 division with a municipality under (a), (c), and (d) of this section  
12 shall be transmitted each fiscal year by the department to the Depart-  
13 ment of Community and Regional Affairs for disbursement, without the  
14 approval of the office of management and budget, to eligible munic-  
15 ipalities under AS 29.60.450.

16 \* Sec. 4. INTERIM FISHERY MANAGEMENT AREAS. Notwithstanding AS 29.-  
17 60.450(f)(1) and 29.60.450(g)(4) added by sec. 2 of this Act, until altered  
18 or amended by the Department of Community and Regional Affairs by regu-  
19 lation, each of the following constitutes a fishery management area for  
20 purposes of administration of AS 29.60.450:

21 (1) Area A (Southeast Alaska area): All water between the  
22 longitude of Cape Suckling and Dixon Entrance;

23 (2) Area E (Prince William Sound area): All water between the  
24 longitude of Cape Fairfield and the longitude of Cape Suckling;

25 (3) Area H (Cook Inlet area): All water enclosed by a line  
26 extending east from Cape Douglas and a line along the longitude of Cape  
27 Fairfield;

28 (4) Area K (Kodiak area): All water south of a line extending  
29 east from Cape Douglas and east of the longitude of the southern entrance

1 of Imuya Bay near Kilokak Rocks;

2 (5) Area L (Chignik area): All water on the south side of the  
3 Alaska Peninsula between the longitude of the southern entrance of Imuya  
4 Bay near Kilokak Rocks and a line extending southeast from Kupreanof Point;

5 (6) Area M (Alaska Peninsula area): All water on the south side  
6 of the Alaska Peninsula between a line extending southeast from Kupreanof  
7 Point to the longitude of Scotch Cap light on Unimak Island, and all water  
8 on the north side of the Alaska Peninsula between Cape Sarichef on Unimak  
9 Island and Cape Menshikof;

10 (7) Area O (Dutch Harbor area): All water south of the latitude  
11 of Cape Sarichef that is between the longitude of Scotch Cap light on  
12 Unimak Island and 172° West longitude;

13 (8) Area Q (Bering Sea area): All water of the Bering Sea not  
14 included within another management area;

15 (9) Area R (Adak and Western Aleutians area): All water west of  
16 172° West longitude;

17 (10) Area T (Bristol Bay area): All water in Bristol Bay east of  
18 a line from the latitude of Cape Newenham to Cape Menshikof;

19 (11) Area W (Kuskokwim area): All water between the westernmost  
20 point of the Naskonat Peninsula and the latitude of Cape Newenham, includ-  
21 ing the water surrounding Nunivak and St. Matthew Islands, together with  
22 water draining into the Bering Sea within this management area;

23 (12) Area X (Kotzebue - Northern area): All water north of the  
24 latitude of the westernmost tip of Cape Prince of Wales and west of the  
25 Alaska-Yukon boundary, together with water draining into the Chukchi and  
26 Beaufort Seas within this management area;

27 (13) Area Y (Yukon area): All water between the westernmost tip  
28 of the Naskonat Peninsula and the latitude of Canal Point light, together  
29 with water draining into the Bering Sea within this management area;

1           (14) Area Z (Norton Sound - Port Clarence area): All water  
2 between the latitude of the westernmost tip of Cape Prince of Wales and the  
3 latitude of Canal Point light, including the water surrounding St. Lawrence  
4 Island, together with water draining into the Bering Sea within this  
5 management area.

6           \* Sec. 5. This Act takes effect July 1, 1988.  
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# MEMORANDUM

## State of Alaska Community and Regional Affairs

TO: Rena Bukovich  
Legislative Aide to  
Adelheide Herrmann


DATE: March 18, 1988

FILE NO: 0194Q/JP/jp

TELEPHONE NO: 465-4750

THRU:

SUBJECT: Comparative Fish  
Tax Distributions

FROM: Jim Plasman   
Deputy Director  
Municipal and Regional  
Assistance Division

Attached please find a comparison of three different formulas for the proposed offshore fish tax sharing program.

Column A: The first reflects distributions under the formula used by the department as part of the pilot project conducted by the department pursuant to legislative intent in the FY 86 budget bill. This formula allocated funds to municipalities on the basis of their location within specific commercial fisheries management areas and the population increase in each municipality due to off shore fish processing. The distribution reflects the initial appropriation to the pilot project of about \$451,000.

Column B: This shows distributions under 2nd SSHB 314, a formula similar to the pilot project formula except that it utilizes municipal population rather than population increase. The distribution also reflects an appropriation to the program of \$4.5 million, which is the amount estimated for FY 89 under the funding provisions of both HB 314 and SB 454.

Column C: This shows distributions under the formula used for SB 454. It differs from 2nd SSHB 314 in that it uses management regions, rather than management areas. Regions consist of multiple areas. Like 2nd SSHB 314 it uses municipal population rather than the population increase used in the pilot project. It also distributes \$4.5 million under the formula.

It should be noted that these distributions assume the findings under the pilot project. Actual distributions may be expected to differ because other municipalities may apply and be found eligible and some which applied may be found not to be eligible under the proposed legislation.

Attachment

cc: Marty Rutherford, MRAD  
Dan Backhorst, MRAD

file code: HB 314

- (A) - OFFSHORE FISHERIES TAX REFUND AS ADMINISTERED, 1987. (AREA POP. GROWTH)  
 (B) - OFFSHORE FISHERIES TAX REFUND BASED UPON (NET) AREA POPULATION,  
 (FUNDING @ \$4,500,000)  
 (C) - OFFSHORE FISHERIES TAX REFUND BASED UPON (NET) REGIONAL POPULATION,  
 W/ BRISTOL BAY INCLUDED IN WESTWARD REGION IV. (FUNDING @ \$4,500,000)

COMM. FISH REGIONS & AREA COMMUNITIES	PILOT PROJECT	BY AREA	BY REGION
	(A) TOTAL \$\$ ALLOCATION	(B) TOTAL \$\$ ALLOCATION	(C) TOTAL \$\$ ALLOCATION
REGION I: SOUTHEASTERN			
AREA A - JUNEAU & YAKUTAT			
ANGOON	\$1,458.66	\$27,558.32	\$20,871.86
HAINES	\$0.00	\$0.00	\$0.00
HAINES, BOROUGH OF	\$0.00	\$0.00	\$0.00
JUNEAU, CITY AND BOROUGH	\$0.00	\$0.00	\$0.00
SKAGWAY	\$4,375.97	\$30,632.80	\$21,840.00
YAKUTAT	\$0.00	\$0.00	\$0.00
AREA A - TOTAL.....	\$5,834.63	\$58,191.12	\$42,711.91
AREA B - KETCHIKAN			
CRAIG	\$4,310.54	\$33,088.29	\$24,257.32
HYDABURG	\$0.00	\$0.00	\$0.00
KASAAN	\$0.00	\$0.00	\$0.00
KETCHIKAN	\$10,656.56	\$103,132.95	\$70,724.00
KETCHIKAN, BOROUGH OF	\$2,186.70	\$28,236.30	\$52,405.34
KLAWOCK	\$2,526.51	\$28,506.93	\$21,218.10
METLAKATLA	\$0.00	\$0.00	\$0.00
SAXMAN	\$2,186.70	\$25,124.06	\$18,973.95
THORNE BAY	\$0.00	\$0.00	\$0.00
AREA B - TOTAL.....	\$21,867.01	\$218,088.53	\$187,578.71
AREA C - PETERSBURG/WRANGELL			
KAKE	\$0.00	\$0.00	\$0.00
KUPREANOF	\$0.00	\$0.00	\$0.00
PETERSBURG	\$0.00	\$0.00	\$0.00
WRANGELL	\$0.00	\$0.00	\$0.00
AREA C - TOTAL.....	\$0.00	\$0.00	\$0.00
AREA D - SITKA			
HOONAH	\$0.00	\$0.00	\$0.00
PELICAN	\$1,060.48	\$10,605.81	\$18,140.41
PORT ALEXANDER	\$0.00	\$0.00	\$0.00
SITKA, BOROUGH OF	\$3,229.98	\$38,306.83	\$69,486.51
TENAKEE SPRINGS	\$1,646.73	\$10,301.40	\$17,576.17
AREA D - TOTAL.....	\$5,937.19	\$59,214.05	\$105,203.09
REGION I - TOTAL.....	\$33,638.84	\$335,493.70	\$335,493.70

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REGION II: CENTRAL			
AREA E - PRINCE WILLIAM SOUND			
CORDOVA	\$16,394.73	\$131,680.00	\$64,097.77
VALDEZ	\$12,751.46	\$159,006.60	\$69,656.37
WHITTIER	\$0.00	\$0.00	\$0.00
AREA E - TOTAL.....	\$29,146.18	\$290,686.68	\$133,754.14
AREA H - COOK INLET			
ANCHORAGE, MUNICIPALITY OF	\$0.00	\$0.00	\$0.00
ANDERSON	\$0.00	\$0.00	\$0.00
HOMER	\$0.00	\$0.00	\$0.00
HOUSTON	\$0.00	\$0.00	\$0.00
KACHEMAK	\$0.00	\$0.00	\$0.00
KENAI PENINSULA BOROUGH	\$2,193.94	\$21,881.05	\$178,813.59
KENAI	\$0.00	\$0.00	\$0.00
MATANUSKA-SUSITNA BOROUGH	\$0.00	\$0.00	\$0.00
PALMER	\$0.00	\$0.00	\$0.00
SELDOVIA	\$0.00	\$0.00	\$0.00
SEWARD	\$0.00	\$0.00	\$0.00
SOLDATNA	\$0.00	\$0.00	\$0.00
WASILLA	\$0.00	\$0.00	\$0.00
AREA H - TOTAL.....	\$2,193.94	\$21,881.05	\$178,813.59
AREA T - BRISTOL BAY			
ALEKNAGIK	\$0.00	\$0.00	\$0.00
BRISTOL BAY BOROUGH	\$24,329.34	\$448,778.27	\$215,140.90
CLARK'S POINT	\$25,078.40	\$216,666.70	\$118,248.18
DILLINGHAM	\$37,353.32	\$620,669.46	\$286,895.21
EKWOK	\$0.00	\$0.00	\$0.00
MANOKOTAK	\$0.00	\$0.00	\$0.00
NEW STUYAHOK	\$0.00	\$0.00	\$0.00
NEWHALEN	\$0.00	\$0.00	\$0.00
NONDALTON	\$0.00	\$0.00	\$0.00
TOGIAK	\$74,528.43	\$322,490.87	\$162,423.45
AREA T - TOTAL.....	\$161,289.49	\$1,608,605.30	\$782,707.74
REGION II - TOTAL.....	\$192,629.62	\$1,921,173.02	\$312,567.73

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REGION III: A-Y-K			
AREA W - KUSKOKWIM			
AKIACHUK	\$0.00	\$0.00	\$0.00
AKIAK	\$0.00	\$0.00	\$0.00
ANIAK	\$0.00	\$0.00	\$0.00
ATMAUTLUAK	\$0.00	\$0.00	\$0.00
BETHEL	\$0.00	\$0.00	\$0.00
CHEFORNAK	\$0.00	\$0.00	\$0.00

CHUATHBALUK	\$0.00	\$0.00	\$0.00
EEK	\$0.00	\$0.00	\$0.00
GOODNEWS BAY	\$0.00	\$0.00	\$0.00
KASIGLUK	\$0.00	\$0.00	\$0.00
KWETHLUK	\$0.00	\$0.00	\$0.00
LOWER KALSKAG	\$0.00	\$0.00	\$0.00
MEKORYUK	\$0.00	\$0.00	\$0.00
NAPAKIAK	\$0.00	\$0.00	\$0.00
NAPASKIAK	\$0.00	\$0.00	\$0.00
NEWTOK	\$0.00	\$0.00	\$0.00
NIGHTMUTE	\$0.00	\$0.00	\$0.00
NIKOLAI	\$0.00	\$0.00	\$0.00
NUNAPITCHUK (AKOLMIUT)	\$0.00	\$0.00	\$0.00
PLATINUM	\$0.00	\$0.00	\$0.00
QUINHAGAK	\$2,615.54	\$32,453.50	\$47,438.37
TOKSOOK BAY	\$3,644.96	\$29,985.00	\$43,860.11
TULUKSAK	\$0.00	\$0.00	\$0.00
TUNUNAK	\$0.00	\$0.00	\$0.00
UPPER KALSKAG	\$0.00	\$0.00	\$0.00

AREA W - TOTAL..... \$6,260.50 \$62,438.49 \$91,298.48

AREA X - KOTZEBUE

AMBLER	\$0.00	\$0.00	\$0.00
ANAKTUVUK PASS	\$0.00	\$0.00	\$0.00
ATQASUK	\$0.00	\$0.00	\$0.00
BARROW	\$0.00	\$0.00	\$0.00
BUCKLAND	\$0.00	\$0.00	\$0.00
DEERING	\$0.00	\$0.00	\$0.00
KAKTOVIK	\$0.00	\$0.00	\$0.00
KIANA	\$0.00	\$0.00	\$0.00
KIVALINA	\$0.00	\$0.00	\$0.00
KOTZEBUE	\$0.00	\$0.00	\$0.00
NOORVIK	\$0.00	\$0.00	\$0.00
NORTH SLOPE BOROUGH	\$0.00	\$0.00	\$0.00
NORTHWEST ARCTIC BOROUGH	\$0.00	\$0.00	\$0.00
NUIQSUT	\$0.00	\$0.00	\$0.00
POINT HOPE	\$0.00	\$0.00	\$0.00
SELAWIK	\$0.00	\$0.00	\$0.00
SHISHMAREF	\$0.00	\$0.00	\$0.00
SHUNGNAK	\$0.00	\$0.00	\$0.00
WAINWRIGHT	\$0.00	\$0.00	\$0.00

AREA X - TOTAL..... \$0.00 \$0.00 \$0.00

AREA Y - YUKON

ALAKANUK	\$0.00	\$0.00	\$0.00
CHEVAK	\$0.00	\$0.00	\$0.00
EMMONAK	\$8,954.24	\$89,304.25	\$56,752.40
FORTUNA LEDGE (MARSHALL)	\$0.00	\$0.00	\$0.00
HOLY CROSS	\$0.00	\$0.00	\$0.00
HOOPER BAY	\$0.00	\$0.00	\$0.00

KOTLIK	\$0.00	\$0.00	\$0.00
MOUNTAIN VILLAGE	\$0.00	\$0.00	\$0.00
PILOT STATION	\$0.00	\$0.00	\$0.00
RUSSIAN MISSION	\$0.00	\$0.00	\$0.00
SAINT MARY'S	\$0.00	\$0.00	\$0.00
SCAMMON BAY	\$0.00	\$0.00	\$0.00
SHELDON POINT	\$0.00	\$0.00	\$0.00

AREA Y - TOTAL.....	\$8,954.24	\$89,304.25	\$56,752.40
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AREA Z - NORTON SOUND

BREVIG MISSION	\$0.00	\$0.00	\$0.00
ELIM	\$0.00	\$0.00	\$0.00
GOLOVIN	\$2,843.50	\$28,231.33	\$30,125.87
KOYUK	\$2,113.56	\$31,942.58	\$33,651.51
NOME	\$0.00	\$0.00	\$0.00
SAINT MICHAEL	\$0.00	\$0.00	\$0.00
SHAKTOOLIK	\$0.00	\$0.00	\$0.00
STEBBINS	\$0.00	\$0.00	\$0.00
TELLER	\$0.00	\$0.00	\$0.00
UNALAKLEET	\$7,528.20	\$64,346.75	\$64,435.15
WALES	\$0.00	\$0.00	\$0.00
WHITE MOUNTAIN	\$0.00	\$0.00	\$0.00

AREA Z - TOTAL.....	\$12,485.27	\$124,520.66	\$128,212.53
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REGION III - TOTAL.....	\$27,700.01	\$276,263.41	\$276,263.41
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REGION IV: WESTERN

AREA K - KODIAK

AKHIOK	\$0.00	\$0.00	\$0.00
KODIAK	\$3,926.71	\$60,489.97	\$654,208.95
KODIAK ISLAND BOROUGH	\$7,633.62	\$56,574.38	\$604,900.37
LARSEN BAY	\$1,745.20	\$18,794.81	\$129,230.98
OLD HARBOR	\$0.00	\$0.00	\$0.00
OUZINKIE	\$1,745.20	\$18,911.11	\$130,695.35
PORT LIONS	\$2,401.29	\$19,285.87	\$135,413.89

AREA K - TOTAL.....	\$17,452.03	\$174,056.13	\$1,654,457.54
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AREA L - CHIGNIK

CHIGNIK	\$2,277.98	\$22,719.24	\$122,478.59
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AREA L - TOTAL.....	\$2,277.98	\$22,719.24	\$122,478.59
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AREA M - ALASKA PENINSULA

COLD BAY	\$0.00	\$0.00	\$0.00
KING COVE	\$9,730.37	\$90,118.64	\$156,647.31
PORT HEIDEN	\$5,582.25	\$51,326.97	\$119,387.13
SAND POINT	\$10,775.98	\$118,746.56	\$184,144.99

AREA M - TOTAL.....	\$26,088.60	\$260,192.18	\$460,179.44
AREA R&D - ALEUTIANS			
AKUTAN	\$0.00	\$0.00	\$0.00
UNALASKA/DUTCH HARBOR	\$50,166.59	\$500,331.69	\$268,102.42
AREA R&D - TOTAL.....	\$50,166.59	\$500,331.69	\$268,102.42
AREA Q - BERING SEA			
SAINT PAUL	\$25,311.58	\$632,704.37	\$160,145.53
SAINT GEORGE	\$75,934.75	\$377,066.24	\$127,603.90
AREA Q - TOTAL.....	\$101,246.33	\$1,009,770.62	\$287,749.43
REGION IV - TOTAL.....	\$197,231.54	\$1,967,069.86	\$3,575,675.16
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TOTAL FUNDING.. (\$\$).....	\$451,200.00	\$4,500,000.00	\$4,500,000.00



### ALASKA COMMERCIAL FISHERIES REGIONS AND AREAS

**REGION I: SOUTHEASTERN:** Dixon Entrance to Cape Suckling

Areas: A. Juneau & Yakutat  
 B. Ketchikan  
 C. Petersburg  
 D. Sitka

**REGION II: CENTRAL:** State Third Judicial Division Northern Boundary to Cape Suckling to Cape Douglas to Cape Mensehikof to Cape Newenham

Areas: E. Prince William Sound  
 H. Cook Inlet  
 T. Bristol Bay (salmon and herring catch; all fish and shellfish production)

**REGION III: ARCTIC-YUKON-KUSKOKWIM (AYK):** North of State Third Judicial Division Northern Boundary which ends at the west at Cape Newenham including Nunivak, St. Matthew, and St. Lawrence Islands

Areas: W. Kuskokwim  
 X. Kotzebue  
 Y. Yukon  
 Z. Norton Sound

**REGION IV: WESTERN:** Cape Douglas to Unimak Pass to Cape Newenham including Kodiak and Aleutian Islands

Areas: K. Kodiak  
 L. Chignik  
 M. Alaska Peninsula  
 O. Dutch Harbor  
 Q. Bering Sea  
 R. Adak & W. Aleutians  
 T. Bristol Bay (fish other than salmon and herring catch; and shellfish catch)

COMM. FISH REGIONS & AREA COMMUNITIES	IMPACT (YES=1) (NO =0)	POP. GROWTH IMPACT	ALLOCATION BY % AREA- WIDE CATCH	ALLOCATION BY POP. CHANGE	TOTAL \$\$ ALLOCATION	CATCH IN POUNDS
REGION I: SOUTHEASTERN						
AREA A - JUNEAU & YAKUTAT						
ANGSON	1	0	\$1,612.51	\$0.00	\$1,612.51	
HAINES	0	0	\$0.00	\$0.00	\$0.00	
HAINES, BOROUGH OF	0	0	\$0.00	\$0.00	\$0.00	
JUNEAU, CITY AND BOROUGH	0	0	\$0.00	\$0.00	\$0.00	
SKAGWAY	1	100	\$1,612.51	\$3,225.01	\$4,837.52	
YAKUTAT	0	0	\$0.00	\$0.00	\$0.00	
AREA A - TOTAL.....	2	100	\$3,225.01	\$3,225.01	\$6,450.03	3,384,559
AREA B - KETCHIKAN						
CRAIG	1	500	\$2,417.34	\$2,347.84	\$4,765.18	
HYDABURG	0	0	\$0.00	\$0.00	\$0.00	
KASAN	0	0	\$0.00	\$0.00	\$0.00	
KETCHIKAN	1	1,994	\$2,417.34	\$9,363.20	\$11,780.54	
KETCHIKAN, BOROUGH OF	1	0	\$2,417.34	\$0.00	\$2,417.34	
KLAWOCK	1	80	\$2,417.34	\$375.66	\$2,792.99	
METLAKATLA	0	0	\$0.00	\$0.00	\$0.00	
SAXMAN	1	0	\$2,417.34	\$0.00	\$2,417.34	
THORNE BAY	0	0	\$0.00	\$0.00	\$0.00	
AREA B - TOTAL.....	5	2,574	\$12,086.70	\$12,086.70	\$24,173.40	12,684,641
AREA C - PETERSBURG/WRANGELL						
KAKE	0	0	\$0.00	\$0.00	\$0.00	
KUPREANOF	0	0	\$0.00	\$0.00	\$0.00	
PETERSBURG	0	0	\$0.00	\$0.00	\$0.00	
WRANGELL	0	0	\$0.00	\$0.00	\$0.00	
AREA C - TOTAL.....	0	0	\$143.39	\$143.39	\$286.78	150,488
AREA D - SITKA						
HOONAH	0	0	\$0.00	\$0.00	\$0.00	
PELICAN	1	38	\$1,093.90	\$78.43	\$1,172.33	
PORT ALEXANDER	0	0	\$0.00	\$0.00	\$0.00	
SITKA, BOROUGH OF	1	1,200	\$1,093.90	\$2,476.76	\$3,570.66	
TENAKEE SPRINGS	1	352	\$1,093.90	\$726.52	\$1,820.42	
AREA D - TOTAL.....	3	1,590	\$3,281.71	\$3,281.71	\$6,563.41	3,444,055

COMM. FISH REGIONS & AREA COMMUNITIES	IMPACT (YES=1) (NO =0)	POP. GROWTH IMPACT	ALLOCATION BY % AREA- WIDE CATCH	ALLOCATION BY POP. CHANGE	TOTAL \$\$ ALLOCATION	CATCH IN POUNDS
REGION II: CENTRAL						
AREA E - PRINCE WILLIAM SOUND						
CORDOVA	1	500	\$8,055.08	\$10,068.85	\$18,123.94	
VALDEZ	1	300	\$8,055.08	\$6,041.31	\$14,096.40	
WHITTIER	0	0	\$0.00	\$0.00	\$0.00	
AREA E - TOTAL.....	2	800	\$16,110.17	\$16,110.17	\$32,220.33	16,907,153
AREA H -- COOK INLET						
ANCHORAGE, MUNICIPALITY OF	0	0	\$0.00	\$0.00	\$0.00	
ANDERSON	0	0	\$0.00	\$0.00	\$0.00	
HOYER	0	0	\$0.00	\$0.00	\$0.00	
HOUSTON	0	0	\$0.00	\$0.00	\$0.00	
KACHEMAK	0	0	\$0.00	\$0.00	\$0.00	
KENAI PENINSULA BOROUGH	1	7,643	\$1,212.67	\$1,212.67	\$2,425.34	
KENAI	0	0	\$0.00	\$0.00	\$0.00	
MATANUSKA-SUSITNA BOROUGH	0	0	\$0.00	\$0.00	\$0.00	
PALMER	0	0	\$0.00	\$0.00	\$0.00	
SELDOVIA	0	0	\$0.00	\$0.00	\$0.00	
SEWARD	0	0	\$0.00	\$0.00	\$0.00	
SOLDATNA	0	0	\$0.00	\$0.00	\$0.00	
WASILLA	0	0	\$0.00	\$0.00	\$0.00	
AREA H - TOTAL.....	1	7,643	\$1,212.67	\$1,212.67	\$2,425.34	1,272,663
AREA T - BRISTOL BAY						
ALEKNASIK	0	0	\$0.00	\$0.00	\$0.00	
BRISTOL BAY BOROUGH	1	345	\$22,287.66	\$4,607.79	\$26,895.44	
CLARK'S POINT	1	407	\$22,287.66	\$5,435.85	\$27,723.51	
DILLINGHAM	1	1,423	\$22,287.66	\$19,005.44	\$41,293.10	
EKWOK	0	0	\$0.00	\$0.00	\$0.00	
MANOKOTAK	0	0	\$0.00	\$0.00	\$0.00	
NEW STUYAHOK	0	0	\$0.00	\$0.00	\$0.00	
NEKHALEN	0	0	\$0.00	\$0.00	\$0.00	
NONDALTON	0	0	\$0.00	\$0.00	\$0.00	
TOGIAK	1	4,500	\$22,287.66	\$60,101.54	\$82,389.20	
AREA T - TOTAL.....	4	6,675	\$89,150.62	\$89,150.62	\$178,301.25	93,560,997

COMM. FISH REGIONS & AREA COMMUNITIES	IMPACT (YES=1) (NO =0)	POP. GROWTH IMPACT	ALLOCATION BY % AREA- WIDE CATCH	ALLOCATION BY POP. CHANGE	TOTAL \$\$ ALLOCATION	CATCH IN POUNDS
REGION III: A-Y-K						
AREA W - KUSKOKWIM						
AKIACHUK	0	0	\$0.00	\$0.00	\$0.00	
AKIAK	0	0	\$0.00	\$0.00	\$0.00	
ANIAK	0	0	\$0.00	\$0.00	\$0.00	
ATHAUTLUAK	0	0	\$0.00	\$0.00	\$0.00	
BETHEL	0	0	\$0.00	\$0.00	\$0.00	
CHEFORNAK	0	0	\$0.00	\$0.00	\$0.00	
CHUATHBALUK	0	0	\$0.00	\$0.00	\$0.00	
EEK	0	0	\$0.00	\$0.00	\$0.00	
GOODNEWS BAY	0	0	\$0.00	\$0.00	\$0.00	
KASIGLUK	0	0	\$0.00	\$0.00	\$0.00	
KWETHLUK	0	0	\$0.00	\$0.00	\$0.00	
LOWER KALSKAG	0	0	\$0.00	\$0.00	\$0.00	
MEKORYUK	0	0	\$0.00	\$0.00	\$0.00	
NAPAKIAK	0	0	\$0.00	\$0.00	\$0.00	
NAPASKIAK	0	0	\$0.00	\$0.00	\$0.00	
NEWTOK	0	0	\$0.00	\$0.00	\$0.00	
NIGHTMUTE	0	0	\$0.00	\$0.00	\$0.00	
NIKOLAI	0	0	\$0.00	\$0.00	\$0.00	
NUNAPITCHUK (AKOLMIUT)	0	0	\$0.00	\$0.00	\$0.00	
PLATINUM	0	0	\$0.00	\$0.00	\$0.00	
QUINHAGAK	1	50	\$1,730.20	\$1,161.21	\$2,891.41	
TOKSOOK BAY	1	99	\$1,730.20	\$2,299.20	\$4,029.40	
TULUKSAK	0	0	\$0.00	\$0.00	\$0.00	
TUNUNAK	0	0	\$0.00	\$0.00	\$0.00	
UPPER KALSKAG	0	0	\$0.00	\$0.00	\$0.00	
AREA W - TOTAL.....	2	149	\$3,460.41	\$3,460.41	\$6,920.82	3,631,598
AREA X - KOTZEBUE						
ABLER	0	0	\$0.00	\$0.00	\$0.00	
ANAKTUUK PASS	0	0	\$0.00	\$0.00	\$0.00	
ATCASUK	0	0	\$0.00	\$0.00	\$0.00	
BARROW	0	0	\$0.00	\$0.00	\$0.00	
BUCKLAND	0	0	\$0.00	\$0.00	\$0.00	
DEERING	0	0	\$0.00	\$0.00	\$0.00	
KAKTOVIK	0	0	\$0.00	\$0.00	\$0.00	
KIANA	0	0	\$0.00	\$0.00	\$0.00	
KIVALINA	0	0	\$0.00	\$0.00	\$0.00	
KOTZEBUE	0	0	\$0.00	\$0.00	\$0.00	
NOORVIK	0	0	\$0.00	\$0.00	\$0.00	
NORTH SLOPE BOROUGH	0	0	\$0.00	\$0.00	\$0.00	
NORTHWEST ARCTIC BOROUGH	0	0	\$0.00	\$0.00	\$0.00	
NIQSUT	0	0	\$0.00	\$0.00	\$0.00	
POINT HOPE	0	0	\$0.00	\$0.00	\$0.00	
SELAWIK	0	0	\$0.00	\$0.00	\$0.00	
SHISHMAREF	0	0	\$0.00	\$0.00	\$0.00	

SHUNGNAK	0	0	\$0.00	\$0.00	\$0.00	
WAINWRIGHT	0	0	\$0.00	\$0.00	\$0.00	
AREA X - TOTAL.....	0	0	\$0.00	\$0.00	\$0.00	0
AREA Y - YUKON						
ALAKANUK	0	0	\$0.00	\$0.00	\$0.00	
CHEVAK	0	0	\$0.00	\$0.00	\$0.00	
EMMONAK	1	112	\$4,949.34	\$4,949.34	\$9,898.67	
FORTUNA LEDGE (MARSHALL)	0	0	\$0.00	\$0.00	\$0.00	
HOLY CROSS	0	0	\$0.00	\$0.00	\$0.00	
HOOVER BAY	0	0	\$0.00	\$0.00	\$0.00	
KOTLIK	0	0	\$0.00	\$0.00	\$0.00	
MOUNTAIN VILLAGE	0	0	\$0.00	\$0.00	\$0.00	
PILOT STATION	0	0	\$0.00	\$0.00	\$0.00	
RUSSIAN MISSION	0	0	\$0.00	\$0.00	\$0.00	
SAINT MARY'S	0	0	\$0.00	\$0.00	\$0.00	
SCAMMON BAY	0	0	\$0.00	\$0.00	\$0.00	
SHELDON POINT	0	0	\$0.00	\$0.00	\$0.00	
AREA Y - TOTAL.....	1	112	\$4,949.34	\$4,949.34	\$9,898.67	5,194,185
AREA Z - NORTON SOUND						
BREVIG MISSION	0	0	\$0.00	\$0.00	\$0.00	
ELIH	0	0	\$0.00	\$0.00	\$0.00	
GOLOVIN	1	70	\$2,300.36	\$843.06	\$3,143.42	
KOYUK	1	3	\$2,300.36	\$36.13	\$2,336.49	
NOME	0	0	\$0.00	\$0.00	\$0.00	
SAINT MICHAEL	0	0	\$0.00	\$0.00	\$0.00	
SHAKTOOLIK	0	0	\$0.00	\$0.00	\$0.00	
STEBBINS	0	0	\$0.00	\$0.00	\$0.00	
TELLER	0	0	\$0.00	\$0.00	\$0.00	
UNALAKLEET	1	500	\$2,300.36	\$6,021.87	\$8,322.23	
WALES	0	0	\$0.00	\$0.00	\$0.00	
WHITE MOUNTAIN	0	0	\$0.00	\$0.00	\$0.00	
AREA Z - TOTAL.....	3	573	\$6,901.07	\$6,901.07	\$13,802.14	7,242,471

COMM. FISH REGIONS & AREA COMMUNITIES	IMPACT (YES=1) (NO =0)	POP. GROWTH IMPACT	ALLOCATION BY % AREA- WIDE CATCH	ALLOCATION BY POP. CHANGE	TOTAL \$\$ ALLOCATION	CATCH IN POUNDS
REGION IV: WESTERN						
AREA K - KODIAK						
AKHIOK	0	0	\$0.00	\$0.00	\$0.00	
KODIAK	1	133	\$1,929.28	\$2,411.59	\$4,340.87	
KODIAK ISLAND BOROUGH	1	359	\$1,929.28	\$6,509.49	\$8,438.77	
LARSEN BAY	1	0	\$1,929.28	\$0.00	\$1,929.28	
OLD HARBOR	0	0	\$0.00	\$0.00	\$0.00	
OUZINKIE	1	0	\$1,929.28	\$0.00	\$1,929.28	
PORT LIONS	1	40	\$1,929.28	\$725.29	\$2,654.57	
AREA K - TOTAL.....	5	532	\$9,646.38	\$9,646.38	\$19,292.75	10,123,593
AREA L - CHIGNIK						
CHIGNIK	1	240	\$1,259.12	\$1,259.12	\$2,518.25	
AREA L - TOTAL.....	1	240	\$1,259.12	\$1,259.12	\$2,518.25	1,321,415
AREA M - ALASKA PENINSULA						
COLD BAY	0	0	\$0.00	\$0.00	\$0.00	
KING COVE	1	314	\$4,806.71	\$5,949.96	\$10,756.67	
PORT HEIDEN	1	72	\$4,806.71	\$1,364.32	\$6,171.03	
SAND POINT	1	375	\$4,806.71	\$7,105.85	\$11,912.55	
AREA M - TOTAL.....	3	761	\$14,420.13	\$14,420.13	\$28,840.26	15,133,507
AREA R&D - ALEUTIANS						
AKUTAN	0	0	\$0.00	\$0.00	\$0.00	
UNALASKA	1	1000	\$3,790.71	\$3,790.71	\$7,581.43	
AREA R&D - TOTAL.....	1	1,000	\$3,790.71	\$3,790.71	\$7,581.43	3,978,244
AREA Q - BERING SEA						
SAINT PAUL	1	0	\$27,981.28	\$0.00	\$27,981.28	
SAINT GEORGE	1	14	\$27,981.28	\$55,962.57	\$83,943.85	
AREA Q - TOTAL.....	2	14	\$55,962.57	\$55,962.57	\$111,925.13	58,731,032
*****						
STATEWIDE CATCH TOTAL (LBS.)..						236,760,662
TOTAL FUNDING.. (\$\$).....			\$225,600.00	\$225,600.00	\$451,200.00	
CHECK SUMS TOTAL.....	35	22,763	\$225,456.61	\$225,456.61	\$450,913.21	236,760,662
BALANCE OUTSTANDING.....			\$143.39	\$143.39	\$286.79	

**FISCAL NOTE**

**REQUEST:**

Revision Date: \_\_\_\_\_  
Title: "An act..fisheries business taxes to municipalities..effective date."  
Sponsor: Zharoff  
Requestor: \_\_\_\_\_

Agency Affected: Community & Regional Affairs  
BRU: Local Government Assistance

Components: Local Government Support

**EXPENDITURES/REVENUES: (Thousands of Dollars)**

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES		23.1	23.9	24.7	25.5	26.3
TRAVEL		2.0	2.0	2.0	2.0	2.0
CONTRACTUAL		3.0	3.0	3.0	3.0	3.0
SUPPLIES						
EQUIPMENT		1.0				
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>		29.1	28.9	29.7	30.5	31.3
<b>CAPITAL</b>						
<b>REVENUE</b>						

**FUNDING: (Thousands of Dollars)**

GENERAL FUND		29.1	28.9	29.7	30.5	31.3
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>						

**POSITIONS:**

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Prepared by: Jim Plasman, Deputy Director  
Division: Municipal & Regional Assistance

Phone: 465-4750  
Date: 3/22/88

Approved by Commissioner: David C. Poffen  
Agency: Community & Regional Affairs

Date: 3-22-88

Distribution (by preparer):

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

Position Title Grants Administrator		No. of Positions 1	Range/Step 17 A	Barg. Unit GGU	
Time Status Part Time	Staff Months 6 months	Location Juneau		Election District	
Type of Expenditure		Justification			
Amount		<p>This position will administer the tax sharing program. The amount of work associated with the program does not justify a full time position.</p>			
1	2				3
Salary	17.4				
Benefits	5.7				
Premium Pay					
Other					
Total Personal Services					
Travel					
Contractual					
Commodities					
Equipment					
Other					
Total Cost					
Funding Source for Total Cost					
Federal Receipts	1002				
G. F. Match	1003				
General Fund	1004				
GF Program Receipts	1005				
Other					

**Request For  
New Position**

Agency Community & Regional Affairs  
 BRU Local Government Assistance  
 Component Local Government Support

Page 1 of 1  
 Revised Date \_\_\_\_\_

**FY 89**

# Alaska State Legislature

ARLISS STURGULEWSKI, Chairman  
TIM KELLY, Vice Chairman  
RICK HALFORD  
MIKE SZYMANSKI  
FRED ZHAROFF



P. O. BOX V  
JUNEAU, ALASKA 99811  
(907) 465-4989

## Senate Community and Regional Affairs Committee

*How pilot project  
How work of  
Destruction -  
(1) no report done in this  
will have members  
(2) set affected  
(3) want to measure  
(4) see revenue loss  
(5) fiscal note C & RA*

March 22, 1988

TO: Senate Community and Regional Affairs Committee Members

FROM: Senate C&RA Staff *ME*

RE: CSSB 454(C&RA) - "An Act relating to the allocation of fisheries business taxes to municipalities by the Department of Community and Regional Affairs."

Municipalities currently receive raw fish tax from processors within their boundaries. Many municipalities are affected by fishing activity outside their boundaries but they receive no raw fish tax from these activities.

This bill establishes a formula program for the distribution of a portion of raw fish tax revenues from floating processors to municipalities affected by the fishing industry. If the formula were fully funded, this would result in a transfer of approximately five million dollars a year from the state to coastal municipalities.

A fiscal note from the Department of Revenue is in the packet and a fiscal note from the Department of Community and Regional Affairs (DC&RA) will be available at the meeting. A position paper from DC&RA is also in the packet as is a memo from the drafter, and a memo and other backup material from Senator Zharoff. The DC&RA position paper expresses concern on the effect this bill may have on borough formation.

The CS makes several technical changes. The first, on page 2, line, 3, clarifies that it is negative effects on the municipality that are being compensated. The second (Page 2, subsection (b)) clarifies the basis of the tax allocation and apportionment process.

The third also on page 2, is the deletion of a subsection that

# Alaska State Legislature

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P. O. BOX V  
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## Senate Community and Regional Affairs Committee

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The third also on page 2, is the deletion of a subsection that

subtracted city populations from borough populations for the purposes of allocating these revenues. This was done to lessen the negative effects on borough formation.

The fifth change (Page 4, Section 4) sets out the management regions used as the basis of allocations. A map will be available at the committee. The last change is an extension of the effective date from July 1, 1988 to July 1, 1989. The sponsor supports the CS.

FISCAL NOTE

REQUEST:

Revision Date: March 17, 1988  
Title: "An Act relating to the allocation of fisheries business taxes"  
Sponsor: Zharoff  
Requestor: Community & Regional Affairs

Agency Affected: Revenue  
BRU: Income and Excise Audit  
Components: \_\_\_\_\_

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
<b>OPERATING</b>						
PERSONAL SERVICES	-	17.0	17.0	17.0	17.0	17.0
TRAVEL	-	-	-	-	-	-
CONTRACTUAL	-	10.2	3.2	3.2	3.2	3.2
SUPPLIES	-	.5	.5	.5	.5	.5
EQUIPMENT	-	-	-	-	-	-
LANDS & STRUCTURES	-	-	-	-	-	-
GRANTS, CLAIMS	-	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-	-
<b>TOTAL OPERATING</b>	-	27.7	20.7	20.7	20.7	20.7
<b>CAPITAL</b>	-	-	-	-	-	-
<b>REVENUE</b>	-	(4,500)	(5,000)	(5,000)	(5,000)	(5,000)

FUNDING: (Thousands of Dollars)

GENERAL FUND	-	27.7	20.7	20.7	20.7	20.7
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	-	-	-	-	-
<b>TOTAL</b>	-	27.7	20.7	20.7	20.7	20.7

POSITIONS:

FULL-TIME	-	-	-	-	-	-
PART-TIME	-	1	1	1	1	1
TEMPORARY	-	-	-	-	-	-

ANALYSIS: (Attach a separate page if necessary)

The estimated loss of general fund unrestricted revenues would result in additional revenue sharing to municipalities under SB 454. Estimates are based on FY 87 actuals and reflect current price/catch assumptions in future years.

Prepared By: Steven E. Kettel Phone: 465-2320  
Division: Income and Excise Audit Division Date: March 17, 1988

Approved by Commissioner: Hugh Malone Date: March 17, 1988  
Agency: Department of Revenue

Distribution (by preparer):

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

SB 454 Analysis

Prepared By: Steven E. Kettel  
Income and Excise Audit  
March 17, 1988

Personal Services

<u>Position</u>	<u>Location</u>	<u>Annual Salary/Benefits</u>
Accounting Clerk II	Juneau	\$17.0

This creates one seasonal half time position to copy and file returns.

Contractual

Design and Printing of Forms	\$7.0	
File Cabinet	\$ .7	
Copying Charges	<u>\$2.5</u>	
TOTAL		\$10.2

Supplies

Office Supplies	<u>\$ .5</u>	
TOTAL		<u>\$ .5</u>

OPERATING TOTAL		<u>\$38.4</u>
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# STATE OF ALASKA

DEPT. OF COMMUNITY & REGIONAL AFFAIRS

OFFICE OF THE COMMISSIONER

March 21, 1988

STEVE COWPER, GOVERNOR

- P.O. BOX B  
JUNEAU, ALASKA 99811-2100  
PHONE: (907) 465-4700
- 949 E. 36TH AVENUE, SUITE 400  
ANCHORAGE, ALASKA 99508-4302  
PHONE: (907) 563-1073

## POSITION PAPER

RE: Senate Bill 454

SPONSOR: Senator Zharoff

### Program Effects of Bill:

This bill establishes a formula based program for the distribution of a portion of raw fish tax revenues from floating processors to municipalities affected by the fishing industry.

### Comments:

This formula is based on a pilot project conducted by this department pursuant to intent language in the FY 1986 operating budget appropriations bill to set up a program for mitigation of effects on municipalities from offshore fish processors. The approach of the formula is to make allocations based on the following factors:

- the location of the impacted municipality within fisheries regions of the state;
- the relative proportion of commercial fisheries production from floating processors within the region to statewide production; and
- the population of the municipality.

The pilot project utilized commercial fisheries management areas, which are smaller units than the regions utilized in this bill, on the theory that the magnitude of production within those areas would more accurately reflect the magnitude of effects on municipalities. However, a problem that arose in use of the areas was the inability to compensate for effects across management area boundaries. The pilot project also utilized population increases (within the municipality) due to the offshore fish processing industry, rather than municipal population, on the assumption that such an increase was a better indicator of impact than the resident population. However, in practice, it was virtually impossible for municipalities to estimate this population increase with any

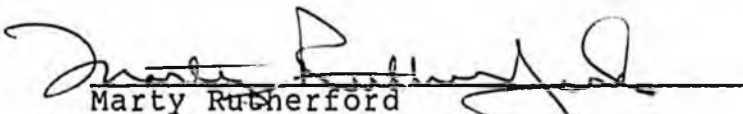
degree of accuracy. The formula, by requiring a municipality to show "substantial effects" in order to participate in the program, and by allocating funds on the basis of the management regions, establishes a reasonable relationship between impacts and funding level under the program. While the definition of "effect" is set out in the bill, there are no criteria for the determination of when such an effect would amount to a "substantial" one, leaving it to the department's discretion to determine.

The department is concerned that this bill would reduce the incentive for unincorporated coastal regions of the state to form boroughs.

The opportunity to increase local revenues is often a principal motivating factor in any proposal to form a new borough. State shared business fisheries taxes are particularly important to prospective new boroughs since they do not represent an increase in the tax burden by the proposed borough.

Under present law, state business fisheries taxes may be shared with a municipal government only to the extent that fish processing activities occur within the boundaries of that municipal government. In unincorporated regions of the state, where the potential for state shared fisheries tax revenues is significant, the prospect of these funds may be a substantial incentive to form a borough. However, under this bill it would not be necessary to form a borough in order to share in business fisheries taxes collected outside the boundaries of a municipality. Under full funding projections, that incentive would seriously be eroded.

On the one hand, it could be argued that the state already provides a mechanism to support local governments through the various "foundation" programs (state revenue sharing, municipal assistance, and education), as well as various shared tax programs. However, this program may be justified on the basis that it targets specific concerns of the state that are not addressed by other programs. This department is generally supportive of efforts to strengthen local governments, which this program would accomplish by providing funds for the mitigation of negative impacts from the off-shore fish processing industry. However, in view of the current revenue situation, the department is concerned about implementation of this legislation.

  
Marty Rutherford  
Acting Deputy Commissioner

STATE OF ALASKA  
THE LEGISLATURE

POUCH Y STATE CAPITOL  
JUNEAU, ALASKA 99811  
907 465 3800

LEGISLATIVE AFFAIRS AGENCY

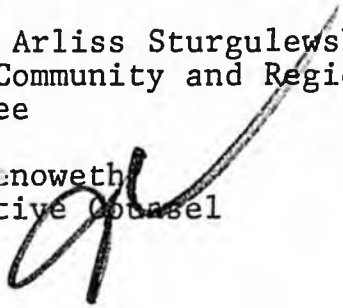
M E M O R A N D U M

March 15, 1988

SUBJECT: Draft CSSB 454 (C&RA)

TO: Senator Arliss Sturgulewski, Chair  
Senate Community and Regional Affairs  
Committee

FROM: Jack Chenoweth  
Legislative Counsel



Senate Bill 454 and the enclosed draft committee substitute rely on the term "management region" as the basis for allocation of the fisheries business tax. Investigation discloses that there are four management regions, and that they have been used by the Department of Community and Regional Affairs for purposes of management of the pilot program (19 AAC 33). The notion of a management region is no more than an administrative convenience of the Department of Fish and Game and has no reference in statute or regulation that I may readily incorporate into this committee substitute.

The instruction accompanying the committee substitute asks for a very specific change in the designation of an area within one of the management regions, relating to area T and region IV.

To respond to the instruction, in the accompanying draft, I have

(1) authorized the Department of Community and Regional Affairs, the agency responsible for this new program, to alter or amend the management regions as those regions may be changed or altered by the Department of Fish and Game (proposed AS 29.60.450(f)(1));

(2) included in the definition of the term "management region" a reference to the units that the Department of Community and Regional Affairs may designate (proposed AS 29.-60.450(g)(4));

Senator Arlis Sturgulewski  
Page 2  
March 15, 1988

(3) directed that, until new regulations are adopted based on a change in the definition of management region by the Department of Fish and Game, the Department of Community and Regional Affairs should use the four existing management regions (proposed bill section 4); and

(4) described those four existing management regions, albeit in temporary law (proposed bill section 4).

The net effect of the drafting approach should be to commit the Department of Community and Regional Affairs to use the regions specified in bill section 4 for an indefinite period. When the Department of Fish and Game makes any changes in the description of one or more of the four regions, the Department of Community and Regional Affairs enjoys authority under AS 29.60.450(f)(1) and 29.60.450(g)(4) to make the necessary adjustments in the regional lines.

A map showing the actual dimensions of the initial four regions and their relationship to the municipalities within them accompanies this draft.

I have made the remaining changes specified in the instruction accompanying the committee substitute.

If the draft or this memo prompt questions, please contact me.

Enclosure

JBC:gc  
WKG2:53



**SENATOR FRED F. ZHAROFF**  
**ALASKA STATE LEGISLATURE**

P.O. BOX 405, KODIAK, ALASKA 99615 (907) 486-5259

DURING SESSION:

P.O. BOX V, JUNEAU, ALASKA 99811 • (907) 465-3473 • 465-3474

**DISTRICT N**

ALASKA PENINSULA • ALEUTIAN CHAIN • BRISTOL BAY • KODIAK ISLAND • LAKE CLARK/LAKE ILIAMNA • PRIBILOF ISLANDS • SHUMAGIN ISLANDS

**MEMORANDUM**

**TO:** Senator Arliss Sturgulewski  
Chair  
Senate Community and Regional Affairs Committee

**FROM:** Senator Fred F. Zharoff *F. Zharoff*

**DATE:** March 13, 1988

**RE:** Senate Bill 454 - "An Act relating to the allocation of fisheries business taxes to municipalities by the Department of Community and Regional Affairs; and providing for an effective date."

SB 454 corrects an inequity in our present fisheries tax structure. It establishes a formula to allow municipalities to receive revenue from floating processors operating outside municipal boundaries. This would compensate communities from the impact of serving as the staging areas for floating processing vessels that operate in their regions.

SB 454 originated from a pilot project approved by the legislature in 1985. It was implemented by the Department of Community and Regional Affairs in 1986-87. Drawing on the outcome of the pilot project, SB 454 establishes the program in statute.

Under present statutes, the state shares 50 percent of the fisheries taxes it collects with the municipalities in which the fisheries resource was processed. The rationale for this is that industrial activity, such as seafood processing, creates a greater demand for municipal services. The shared revenues help the municipalities provide the additional services. In addition, by receiving shared revenues, municipalities are encouraged not to impose their own taxes on local shorebased processors. Both of the above principles are furthered by extending the shared revenue concept to the taxes collected from floating processors.

The following backup material is attached:

1. Resolution of support from the Southwest Alaska Municipal Conference, dated March 1, 1987.
2. Alaska Municipal League 1988 Policy Statement, Part 7, Taxation and Finance. Section B, #5 supports this legislation.
3. Letter from the City of Dillingham, dated Dec 8, 1988.

4. Map of ADF&G commercial fisheries management regions and areas.
5. Memo from the Department of Community and Regional Affairs to the Department of Revenue about the outcome of the pilot project, dated Aug. 5, 1987. Includes the following attachments:
  - (a) Regulations adopted for the pilot project.
  - (b) Letter from the City of Unalaska, July 28, 1987.
  - (c) Initial payment calculations.
  - (d) ADF&G 1985 floating processor catch data.
  - (e) Corrected payment calculations.
  - (f) Pilot project available balance, Aug. 3, 1987.
  - (g) Pilot project appropriation language from FY 1986 operating budget.
  - (h) Revenue/CRA Reimbursable Services Agreement.
  - (i) Letter from CRA Commissioner David Hoffman to City of Unalaska, Aug. 13, 1987.
6. DCRA pilot project cover letter and application form.
7. Attorney General's opinion, dated Jan. 18, 1985, explaining that no statutory authority exists for sharing tax revenue collected from processing activities that occur outside municipal boundaries.
8. Article from the Oct. 3, 1986 Bristol BayTimes, outlining difficulties between the City of Dillingham and City of Clarks Point over floating processors in Nushagak Bay.
9. Excerpt from the January North Pacific Fishery Management Council newsletter, explaining that ports will now be required to provide the commercial fishing fleet with a new service -- onshore garbage disposal facilities.



**SOUTHWEST ALASKA  
MUNICIPAL CONFERENCE**

Box 89 • Unalaska • Alaska 99685

RESOLUTION 87-15

A RESOLUTION OF THE SOUTHWEST ALASKA MUNICIPAL CONFERENCE  
REGARDING THE STATE OF RAW FISH TAX PILOT PROGRAM.

WHEREAS, the sharing of state raw fish taxes with municipali-  
ties where the revenues were generated is important to the  
economic well being of those municipalities, and

WHEREAS, the state legislature changed the distribution  
schedule for these monies with the understanding that there  
would be no loss of income to affected municipalities, and

WHEREAS, the state has instituted a "pilot program" to  
distribute a portion of the revenues collected outside the  
municipalities to respective municipalities, and

WHEREAS, the coastal communities are rightful recipients of  
a percentage of these funds because of impacts caused by the  
offshore processors, now

THEREFORE, BE IT RESOLVED that the Southwest Alaska  
Municipal Conference supports the establishment of an on-going  
program and the allocation of State fish tax funds collected  
from offshore processors to coastal communities.

APPROVED AND ADOPTED this 1st day of March, 1987.

  
\_\_\_\_\_  
Paul Fuhs, President

ALASKA MUNICIPAL LEAGUE

1988 POLICY STATEMENT

PART I  
TAXATION AND FINANCE

A. STATE ASSISTANCE IN FINANCING LOCAL GOVERNMENT

1. Administration of Grants & Entitlements: The League supports legislation simplifying and standardizing grant programs and prohibiting the addition of special conditions to grants by a state agency where such conditions are not contained in the appropriation or the authorizing legislation for the grant program. The League further supports elimination of administrative fees deducted by state departments administering the grants. The League opposes any restrictions on the retention or use of interest earned on grant funds.

2. Pass-Through Funds and Grants: The League encourages the Legislature to make appropriations to nonprofit corporations and other named recipients under the provisions of AS 37.05.316 rather than making such grants to municipalities as "pass-through" grants under AS 37.05.315. The League further encourages the Legislature to amend AS 37.05 to permit grants that municipalities reject for lack of power or other reasons to be processed as grants under AS 37.05.316, which would allow the State to make the grants directly to a qualified nonprofit organization.

3. Matching Grants: In the state programs that require local match, the matching requirement should be imposed on all grantees.

4. Population Determination: The League supports the use of generally accepted demographic techniques to determine, annually, the resident population for revenue sharing and municipal assistance.

5. Forward Funding: The League urges the Legislature to establish a forward funding program for municipal assistance, municipal revenue sharing, school foundation, and school construction programs and to begin setting aside funds for the next fiscal year so that the program may be fully implemented at the earliest possible date.

B. MUNICIPAL ASSISTANCE/REVENUE SHARING PROGRAMS

1. Revenue Sharing:

a. The League supports the State Revenue Sharing Program. In order to provide more predictability of payments under the program and to insure that the benefits and burdens of changes in state revenues are shared equitably by state and local government, changes in the annual appropriation by the Legislature to the State Revenue Sharing Program should be based on such criteria as state population, inflation, cost of local government services, and other timely considerations.

b. In those cases in which legislation is approved increasing the state revenue sharing entitlement for specific recipients or for a specific purpose, the League advocates that the total funding for state revenue sharing be increased accordingly in order to preclude the dilution of funding to other recipients.

c. The League supports an increase in the state revenue sharing minimum entitlement.

d. The League supports full state funding for road maintenance at the \$2,500-per-mile level and ice road maintenance at the \$1,500-per-mile level determined by the First Session of the 11th State Legislature. The League also supports the adjustment of that amount to reflect the increased cost of maintenance. The League also urges that the Legislature add an entitlement for winter trail staking.

2. Municipal Assistance: The League supports the continued funding of Municipal Assistance at the highest level possible.

3. School Debt Reimbursement: If the need arises to reduce the liability of the state for reimbursement of new school debt, the reimbursement ratio should be adjusted. Neither a statewide limit on total reimbursement obligation nor other limits not related to local needs or the willingness of the municipality to bear its share of the debt burden should be used.

4. School Debt: The League supports placing a proposition on the ballot for the next statewide general election that would enable the State of Alaska to sell its general obligation bonds to refinance all existing municipal school debt.

5. Fisheries Tax: The League supports an offshore fisheries business tax revenue sharing program.

6. Use of Permanent Fund Earnings for Municipal Support: The League supports the use of Permanent Fund earnings for revenue sharing, municipal assistance, foundation formula, and school debt reimbursement if a statewide ballot shows that Alaska's voters support the use of the earnings reserve account.

#### C. OTHER STATE ASSISTANCE PROGRAMS

1. State-Collected, Locally Shared Taxes and Licenses: Municipalities in Alaska presently derive significant revenues from state-collected, locally shared taxes and licenses to help meet their basic operating expenses. The League, therefore, opposes reduction of such revenues through elimination of such taxes and licenses, unless other equal sources of revenue are made available to local governments or appropriations to compensate for lost revenues are made by the State.

2. Funding of Local Capital Projects: The League supports the establishment, by statute, of a "block grant" approach to a portion of the state funding of local capital projects in order to allow the decisions regarding local capital project priorities to be made at the local level.



# CITY OF DILLINGHAM

3

P.O. Box 889  
Dillingham, Alaska 99576

CITY HALL	(907) 842-5211
FIRE RESCUE	(907) 842-2288
PLANNING	(907) 842-5203
PUBLIC WORKS	(907) 842-5148

December 8, 1987

The Honorable Fred Zharoff  
Alaska State Senate  
P.O. Box 405  
Kodiak, Ak 99615

Dear Senator Zharoff:

The City of Dillingham greatly appreciates your past efforts to secure passage of legislation which would share raw fish taxes collected from floating processors with municipal governments. In particular, your past efforts to secure funding for the pilot project are especially appreciated.

The city is again requesting your assistance on the raw fish tax issue for the upcoming legislative session. We request that you introduce a Senate version of H.B. 314. Your sponsorship of a Senate companion bill to H.B. 314 would give the city, and other coastal communities throughout Alaska, an opportunity to correct what we believe to be a policy inequity in the present law. We believe it is sound public policy to share all raw fish taxes with local governments, not just some of the taxes.

As you will recall, during last session's discussions of the Dillingham annexation question, there was considerable support expressed by members of the Senate Committees which held hearings on the issue to "fix" the raw fish tax issue. Therefore, we believe it is logical to introduce a Senate version of H.B. 314 in light of the sentiments expressed by those Committee Members.

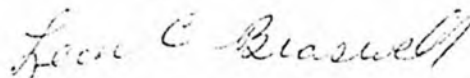
We hope that you will use your influence as a member of the Senate Finance Committee, and as a member of the Senate leadership, to move a bill through the Senate during the 1988 legislative session. As it appears that local governments will be facing larger and larger cut-backs in state funding for such programs as municipal assistance, revenue sharing and local school debt reimbursement, it is imperative that logical, new sources of revenue--such as raw fish taxes from the float-

Senator Fred Zharoff  
October 30, 1987  
Page two

ers--be found to share with local government. Without this assistance, many local governments may face the equivalent of bankruptcy. That is why passage of raw fish tax legislation is so critically important.

If there is anything which the city can do to assist you in your efforts to secure passage of this legislation, please do not hesitate to contact us. Passage of raw fish tax legislation is the city's top legislative priority. Therefore, we are willing to follow any suggestions which you may have that would enhance the legislation's chances of passage.

Sincerely,



Leon C. Braswell  
Mayor



### ALASKA COMMERCIAL FISHERIES REGIONS AND AREAS

**REGION I: SOUTHEASTERN:** Dixon Entrance to Cape Suckling

- Areas: A. Juneau & Yakutat  
 B. Ketchikan  
 C. Petersburg  
 D. Sitka

**REGION II: CENTRAL:** State Third Judicial Division Northern Boundary to Cape Suckling to Cape Douglas to Cape Menshikof to Cape Newenham

- Areas: E. Prince William Sound  
 H. Cook Inlet  
 T. Bristol Bay (salmon and herring catch; all fish and shellfish production)

**REGION III: ARCTIC-YUKON-KUSKOKWIM (AYK):** North of State Third Judicial Division Northern Boundary which ends at the west at Cape Newenham including Nunivak, St. Matthew, and St. Lawrence Islands

- Areas: W. Kuskokwim  
 X. Kotzebue  
 Y. Yukon  
 Z. Norton Sound

**REGION IV: WESTERN:** Cape Douglas to Unimak Pass to Cape Newenham including Kodiak and Aleutian Islands

- Areas: K. Kodiak  
 L. Chignik  
 M. Alaska Peninsula  
 O. Dutch Harbor  
 Q. Bering Sea  
 R. Adak & W. Aleutians  
 T. Bristol Bay (fish other than salmon and herring catch; and shellfish catch)

# MEMORANDUM

State of Alaska  
Community and Regional Affairs

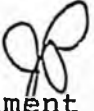
5

TO: Royce Weller  
Special Assistant  
Department of Revenue

DATE: August 5, 1987

FILE NO.: 1060j/JP/rr

THRU: TELEPHONE NO.: 465-4733

FROM: Jim Plasman   
Local Government Specialist IV  
Municipal and Regional  
Assistance Division

SUBJECT: Unalaska Fish  
Tax Pilot Project  
Underpayment

We have recently completed distribution of funds for the fish tax pilot project (regulations attached, attachment #1). I received the attached letter (attachment #2) from Unalaska complaining that their payment must have been miscalculated. I have reviewed the calculations and have concluded that their claim is justified.

Under the payment calculations (attachment #3), Unalaska received \$7,581.43, based upon a combined area catch (Areas R and O) of 3,978,244 pounds. This catch data was based upon 1985 figures received from the Department of Fish and Game (attachment #4). In that report, the catch for Area R (Dutch Harbor) is listed as 25,122,541 pounds and the catch for Area O (Adak and W. Aleutians) is listed as 3,978,244 pounds. Obviously, the catch for Area R was inadvertently not added into the combined area total. Had that additional 25 million pounds been properly added in the combined area catch, the City of Unalaska would have received \$50,137.76 as indicated in the attached corrected run (see Attachment #5). This leaves a balance of \$42,556.33 that Unalaska should have received under the program. Now, all the funds has been distributed and it would be impossible to recover the money from other recipients to make up this difference.

Please note, however, that there were no applicants for funds from Area C, leaving a balance of \$286.78 which could be available for payment to Unalaska. In discussing this with Fiscal, a check was run of the available balance in Revenue, because the RSA from Revenue had been closed out once distributions had been made at the end of June. Interestingly enough, the computer shows an available balance of \$43,986 (see attachment #6).

Royce Weller  
August 5, 1987  
Page Two

This is potentially significant because the language in the original appropriation read "the unobligated and unexpended balance" of the fish tax revenue sharing appropriation, up to \$500,000 (see attachment #7). The amount Revenue actually transferred to us was \$451,200 (see attachment #8). If there is an additional \$43,000 left, that money should be available for payment of Unalaska's shortfall.

In order to do this, however, it appears we must get a new RSA with Revenue, get it approved by OMB and get the money out before the end of August, or it is lost. I recommend we pursue this action at once, in order to avoid the possibility of losing that possible source for payment to Unalaska.

Attachments

cc: Marty Rutherford, Director  
Doug Griffin, Deputy Director  
Municipal and Regional  
Assistance Division

Sam Thomas, Administrative Officer  
Merle Bottge, Accounting Technician  
Jim Hauck, Program Budget Analyst  
Administrative Services Division

(a)

(10) "primary place of residence" means the place where a person usually sleeps on a weekly basis; if a person has more than one place of residence, "primary place of residence" means the place where the person sleeps more often during the calendar year;

(11) "program" means the program of state aid under AS 29.88, AS 29.89, AS 29.90, and AS 29.95 implemented by this chapter;

(12) "public purpose" means a purpose the objective of which is to promote the public health, safety, and general welfare of the residents of a village or municipality of the state. (Eff. 8/20/81, Reg. 79)

Authority: AS 29.88.040 AS 44.47.050  
AS 29.89.090 AS 44.47.980

Editor's Note: Because of a reorganization of the Department of Community and Regional Affairs, reference in this section to the 'division of local government assistance' has been changed to refer to the 'municipal and regional assistance division', as of Register 98, July, 1986, under authority of AS 44.62.125 (b)(6).

CHAPTER 33.  
OFFSHORE FISHERIES BUSINESS TAX  
REVENUE-SHARING PILOT PROJECT

Section

5. Pilot project established
10. Eligibility
20. Application procedure
30. Determination of population increase
40. Municipal cooperation
50. Appeal procedure
60. Allocation
70. Definitions

19 AAC 33.005. PILOT PROJECT ESTABLISHED. The one-time offshore fisheries business tax revenue-sharing pilot project authorized by line 24, p. 22 - line 6, p. 23, sec. 26, ch. 98, SLA 1985, is established and governed by this chapter. (Eff. 6/27/87, Reg. 102)

Authority: AS 44.47.050  
Line 24, p. 22 -  
line 6, p. 23, sec. 26,  
ch. 98, SLA 1985

19 AAC 33.010. ELIGIBILITY. To be eligible for payment under this chapter, an applicant must

(1) be a municipality incorporated under the laws of the state;

(2) be located in the coastal area; and

(3) demonstrate significant impacts from the offshore fish-processing industry during the reference year. (Eff. 6/27/87, Reg. 102)

Authority: AS 44.47.050  
Line 24, p. 22 -  
line 6, p. 23, sec. 26,  
ch. 98, SLA 1985

19 AAC 33.020. APPLICATION PROCEDURE. (a) The department will distribute applications to all potential applicants that the department believes might be eligible for assistance. Additional applications may be obtained from the department.

(b) In order to participate in the program, an applicant must submit a completed application to the department postmarked by March

15 of the application year, on an application form prescribed by the department.

(c) For good cause, the commissioner will, in his or her discretion, extend the application deadline. (Eff. 6/27/87, Reg. 102)

Authority: AS 44.47.050  
Line 24, p. 22 –  
line 6, p. 23, sec. 26,  
ch. 98, SLA 1985

**19 AAC 33.030. DETERMINATION OF POPULATION INCREASE.** A municipality must include with its application an estimate of its population increase during fishing season which is reasonably related to the offshore fish-processing industry. The estimate must be certified by the mayor and adopted by the governing body of the municipality by resolution. The estimate must include an explanation of how it was determined and must be supported by relevant indices of population. Unverifiable, unsupported estimates will not be accepted. (Eff. 6/27/87, Reg. 102)

Authority: AS 44.47.050  
Line 24, p. 22 –  
line 6, p. 23, sec. 26,  
ch. 98, SLA 1985

**19 AAC 33.040. MUNICIPAL COOPERATION.** A municipality and its officers and employees shall, upon request of the department, furnish available information and assistance required by the department in securing accurate information upon which to base the department's determinations. (Eff. 6/27/87, Reg. 102)

Authority: AS 44.47.050  
Line 24, p. 22 –  
line 6, p. 23, sec. 26,  
ch. 98, SLA 1985

**19 AAC 33.050. APPEAL PROCEDURE.** The department will make a determination of eligibility and population of each applicant and mail the determination to the applicant by April 15 of the application year. An applicant may appeal a determination of eligibility or population to the commissioner. The appeal must be in writing to the commissioner and must be post-marked within 30 days after receipt of the determination. The appeal must include relevant evidence in support of the applicant's claim. The commissioner will review the appeal and notify

the applicant of the decision on the appeal within 30 days after receipt of the appeal. (Eff. 6/27/87, Reg. 102)

Authority: AS 44.47.050  
Line 24, p. 22 –  
line 6, p. 23, sec. 26,  
ch. 98, SLA 1985

**19 AAC 33.060. ALLOCATION.** (a) The department will allocate money available for the offshore fisheries business tax revenue-sharing pilot project to each commercial fisheries management area in the proportion of the weight of commercial species processed offshore in that management area divided by the total weight of commercial species processed offshore statewide. For the purposes of this section, management areas R and O will be combined.

(b) One-half of each commercial fisheries management area allocation will be distributed equally among all eligible applicant municipalities in that area. The other half of the area allocation will be distributed to eligible applicant municipalities in that area proportionate to the population increase in each municipality divided by the total population increase of eligible applicant municipalities in that area. (Eff. 6/27/87, Reg. 102)

Authority: AS 44.47.050  
Line 24, p. 22 –  
line 6, p. 23, sec. 26,  
ch. 98, SLA 1985

**19 AAC 33.070. DEFINITIONS.** In this chapter,

(1) "application year" means the state fiscal year for which a municipality submits an application for funding under this chapter;

(2) "coastal area" means the nine regions described in AS 44.19.155(a)(1) from which members of the Alaska Coastal Policy Council are chosen, as shown in Map A, set out following this section;

(3) "commercial fisheries management area" means an area established by the Alaska Department of Fish and Game for management and statistical reporting purposes under AS 16.05.251(a)(2) and as shown on Map B, set out following this section;

(4) "commissioner" means the commissioner of the Department of Community and Regional Affairs;

(5) "department" means the Department of Community and Regional Affairs;

(6) "fishing season" means that period in the reference year during which any species of fish, including shellfish, may be commercially taken, under the regulations of the Alaska Department of Fish and Game, in the commercial fisheries management area in which the municipality is located;

(7) "impacts" include ecological (such as the impacts on natural resources and the components, structures, and functioning of affected ecosystems), aesthetic, historic, cultural, economic, social, and health effects; and may be of the following types:

(A) direct impacts that are caused by, or are reasonably attributable to an activity or action and occur at the same time and place as the activity or action;

(B) indirect impacts that are caused by an activity or action and that occur later in time than, or are farther removed in distance from the activity or action; these include growth-inducing effects and other effects related to induced changes in the pattern of land use, population density, or growth rate, and related effects on air and water and other natural systems, including ecosystems;

(C) cumulative impacts or the impacts on the human/physical environment which result from the incremental impact of an activity or action when added to other past, present, and reasonably foreseeable future activities or actions regardless of what agency, industry, or person undertakes the other activities or actions; these can result from individually minor but collectively significant activities or actions taking place over a period of time;

(8) "population increase" means the increase in population which is reasonably related to the offshore fish-processing industry within municipal boundaries during the reference year above

the municipal population determined by the department for the state revenue-sharing program under AS 29.60.020 for July 1 of the reference year; persons included in the population increase may be transient and need not have permanent ties with the community, but rather represent a peak level of demand on municipal services;

(9) "reference year" means that year from which population and fish weight data are drawn and in which the claimed significant impacts occurred; it is the calendar year immediately preceding the beginning of the application year;

(10) "significant impact" means an impact of which the overall cumulative primary and secondary consequences significantly alter the quality of the human environment, curtail the choices of beneficial uses of the human environment, or interfere with the attainment of long-range human environmental goals; the word "significant" is intended to imply a threshold of importance and impact that must be met;

(11) "weight of commercial species" means the total pounds of ex-vessel commercial production of fish and shellfish in state waters, as determined by the Alaska Department of Fish and Game for the reference year. (Eff. 6/27/87, Reg. 102)

Authority: AS 44.47.050  
Line 24, p. 22 -  
line 6, p. 23, sec. 26,  
ch. 98, SLA 1985

## CITY OF UNALASKA

P.O. BOX 89  
 UNALASKA, ALASKA 99685  
 (907) 581-1251

"Capital of the Aleutians"



July 28, 1987

Jim Plasman  
 Alaska Dept. of Community and Regional Affairs  
 P.O. Box BH  
 Juneau, Ak 99811

Dear Jim:

This letter is in regard to the recently completed fish tax revenue sharing pilot project. As Mayor Paul Fuhs and I stated on the phone last week, we are concerned that factors that we had taken for granted were included in the formula, were not. We are also concerned with the figures regarding total catch that were used in making the allocations.

Since this was a pilot project, we know that all factors may not have been taken into account. That is the reason for this letter. Perhaps, if this is ever done again, some other factors may be able to be added to the formula, and catch figures can be verified somehow.

Our first problem has to do with the limitation of Unalaska to only the Aleutians, areas R and O. We stated on page three of our application that we were impacted by activity in statistical areas M, O, Q, and R of Region IV. It seems to us that we are probably not unique in being located on one statistical area and being impacted by others. We also feel that this should have been taken into account in the preparation of the formula. I know there was discussion on this point at the September 1986 meeting in Anchorage.

Our second problem is with the catch data used for areas R and O. We attached documentation to the application which attested to the volume and value of fish delivered to Unalaska. There was at least 82,252,000 pounds of bottom fish, and 16,840,318 pounds of shell fish. Your statistics show 3,978,244 pounds delivered off shore. That would indicate that 95,114,074 pounds were delivered on shore in Unalaska. If the average value of that fish was 50¢ a pound you have \$47,557,037. At 3% the tax would amount to \$1,426,711.11. During 1985 the City of Unalaska received \$223,475.64 as its share of the fisheries business tax.

RECEIVED

AUG 03 1987.

MRAD  
 DEPT. OF COMMUNITY  
 AND REGIONAL AFFAIRS

Page two  
Jim Plasman  
July 28, 1987


The dollar value of the bottom fish was at least \$20,800,000. The dollar value of the shell fish was \$8,532,722. These figures were also attached to our application. For the sake of discussion let's say that 50% of the fish was delivered on shore and 50% off shore. The value of one half of the tax on the bottom fish at 5% is \$520,000. The value of one half of the tax on the shell fish at 5% is \$213,318.05. This makes a total of \$733,318.05. If you add all the tax money allocated in the pilot project to all of areas M, O, Q, and R, the total is \$148,346.82. It seems to us that something is radically wrong with the statistics.

When we talked on the phone we discussed the possibility of factoring in population increase to the formula, if this is ever done again. It might be well to look at the population increase as a per cent of the base population rather than a straight number factor.

Our final point is that it seems to us that there should have been an opportunity for some adjustment of the figures before the checks went out. We could have pointed out to you that we are impacted by fishing in the Bering Sea as well as fishing in the Aleutians. Now any adjustment would mean that someone would have to send money back. That would not be a good thing to do for a number of reasons. We realize that you were under a deadline of July 1, 1987 for distribution of the funds.

We appreciate the opportunity to participate in this pilot project and hope that the points raised in this letter will help to improve the program if it is continued. If you have questions, please contact us.

Sincerely,



Nancy Gross  
City Manager

cc: Senator Fred Zharoff  
Representative Adelheid Herrmann  
Hugh Malone, Commissioner of Revenue  
Ken Griffin, Alaska Dept. of Fish & Game  
Unalaska office  
Doug Griffin, Deputy Director, Dept. Community & Regional  
Affairs

COMM. FISH REGIONS & AREA COMMUNITIES	IMPACT (YES=1) (NO =0)	POP. GROWTH IMPACT	ALLOCATION BY % AREA- WIDE CATCH	ALLOCATION BY POP. CHANGE	TOTAL \$\$ ALLOCATION	CATCH IN POUNDS
REGION I: SOUTHEASTERN						
AREA A - JUNEAU & YAKUTAT						
ANSOON	1	0	\$1,612.51	\$0.00	\$1,612.51	
HAINES	0	0	\$0.00	\$0.00	\$0.00	
HAINES, BOROUGH OF	0	0	\$0.00	\$0.00	\$0.00	
JUNEAU, CITY AND BOROUGH	0	0	\$0.00	\$0.00	\$0.00	
SKAGWAY	1	100	\$1,612.51	\$3,225.01	\$4,837.52	
YAKUTAT	0	0	\$0.00	\$0.00	\$0.00	
AREA A - TOTAL.....	2	100	\$3,225.01	\$3,225.01	\$6,450.03	3,384,559
AREA B - KETCHIKAN						
CRAIG	1	500	\$2,417.34	\$2,347.84	\$4,765.18	
HYDABURG	0	0	\$0.00	\$0.00	\$0.00	
KASAAN	0	0	\$0.00	\$0.00	\$0.00	
KETCHIKAN	1	1,994	\$2,417.34	\$9,363.20	\$11,780.54	
KETCHIKAN, BOROUGH OF	1	0	\$2,417.34	\$0.00	\$2,417.34	
KLAWOCK	1	80	\$2,417.34	\$375.66	\$2,792.99	
METLAKATLA	0	0	\$0.00	\$0.00	\$0.00	
SAXMAN	1	0	\$2,417.34	\$0.00	\$2,417.34	
THORNE BAY	0	0	\$0.00	\$0.00	\$0.00	
AREA B - TOTAL.....	5	2,574	\$12,086.70	\$12,086.70	\$24,173.40	12,684,641
AREA C - PETERSBURG/WRANGELL						
KAKE	0	0	\$0.00	\$0.00	\$0.00	
KUPFERNOF	0	0	\$0.00	\$0.00	\$0.00	
PETERSBURG	0	0	\$0.00	\$0.00	\$0.00	
WRANGELL	0	0	\$0.00	\$0.00	\$0.00	
AREA C - TOTAL.....	0	0	\$143.39	\$143.39	\$286.78	150,488
AREA D - SITKA						
HOONAH	0	0	\$0.00	\$0.00	\$0.00	
PELICAN	1	38	\$1,093.90	\$78.43	\$1,172.33	
PORT ALEXANDER	0	0	\$0.00	\$0.00	\$0.00	
SITKA, BOROUGH OF	1	1,200	\$1,093.90	\$2,476.76	\$3,570.66	
TENAKEE SPRINGS	1	352	\$1,093.90	\$726.52	\$1,820.42	
AREA D - TOTAL.....	3	1,590	\$3,281.71	\$3,281.71	\$6,563.41	3,444,055

COMM. FISH REGIONS & AREA COMMUNITIES	IMPACT (YES=1) (NO =0)	POP. GROWTH IMPACT	ALLOCATION BY % AREA- WIDE CATCH	ALLOCATION BY POP. CHANGE	TOTAL \$\$ ALLOCATION	CATCH IN POUNDS
REGION II: CENTRAL						
AREA E - PRINCE WILLIAM SOUND						
CORDOVA	1	500	\$8,055.08	\$10,068.85	\$18,123.94	
VALDEZ	1	300	\$8,055.08	\$6,041.31	\$14,096.40	
WHITTIER	0	0	\$0.00	\$0.00	\$0.00	
AREA E - TOTAL.....	2	800	\$16,110.17	\$16,110.17	\$32,220.33	16,907,153
AREA H - COCK INLET						
ANCHORAGE, MUNICIPALITY OF	0	0	\$0.00	\$0.00	\$0.00	
ANDERSON	0	0	\$0.00	\$0.00	\$0.00	
HOMER	0	0	\$0.00	\$0.00	\$0.00	
HOUSTON	0	0	\$0.00	\$0.00	\$0.00	
KACHEMAK	0	0	\$0.00	\$0.00	\$0.00	
KENAI PENINSULA BOROUGH	1	7,643	\$1,212.67	\$1,212.67	\$2,425.34	
KENAI	0	0	\$0.00	\$0.00	\$0.00	
KATANUSKA-SUSITNA BOROUGH	0	0	\$0.00	\$0.00	\$0.00	
PALMER	0	0	\$0.00	\$0.00	\$0.00	
SELDOVIA	0	0	\$0.00	\$0.00	\$0.00	
SEWARD	0	0	\$0.00	\$0.00	\$0.00	
SOLDATKA	0	0	\$0.00	\$0.00	\$0.00	
WASILLA	0	0	\$0.00	\$0.00	\$0.00	
AREA H - TOTAL.....	1	7,643	\$1,212.67	\$1,212.67	\$2,425.34	1,272,663
AREA T - BRISTOL BAY						
ALEXNABIK	0	0	\$0.00	\$0.00	\$0.00	
BRISTOL BAY BOROUGH	1	345	\$22,287.66	\$4,607.79	\$26,895.44	
CLARK'S POINT	1	407	\$22,287.66	\$5,435.85	\$27,723.51	
DILLINGHAM	1	1,423	\$22,287.66	\$19,005.44	\$41,293.10	
EKWOK	0	0	\$0.00	\$0.00	\$0.00	
MANOKOTAK	0	0	\$0.00	\$0.00	\$0.00	
NEW STUYAHOK	0	0	\$0.00	\$0.00	\$0.00	
NEWALEN	0	0	\$0.00	\$0.00	\$0.00	
NONDALTON	0	0	\$0.00	\$0.00	\$0.00	
TOGIK	1	4,500	\$22,287.66	\$60,101.54	\$82,389.20	
AREA T - TOTAL.....	4	6,675	\$89,150.62	\$89,150.62	\$178,301.25	92,550,937

COMM. FISH REGIONS & AREA COMMUNITIES	IMPACT (YES=1) (NO =0)	POP. GROWTH IMPACT	ALLOCATION BY % AREA- WIDE CATCH	ALLOCATION BY POP. CHANGE	TOTAL \$\$ ALLOCATION	CATCH IN POUNDS
REGION IV: WESTERN						
AREA K - KODIAK						
AKHICK	0	0	\$0.00	\$0.00	\$0.00	
KODIAK	1	133	\$1,929.28	\$2,411.59	\$4,340.87	
KODIAK ISLAND BOROUGH	1	359	\$1,929.28	\$6,509.49	\$8,438.77	
LARSEN BAY	1	0	\$1,929.28	\$0.00	\$1,929.28	
OLD HARBOR	0	0	\$0.00	\$0.00	\$0.00	
OJZINKIE	1	0	\$1,929.28	\$0.00	\$1,929.28	
PORT LIONS	1	40	\$1,929.28	\$725.29	\$2,654.57	
AREA K - TOTAL.....	5	532	\$9,646.38	\$9,646.38	\$19,292.75	10,123,593
AREA L - CHIGNIK						
CHIGNIK	1	240	\$1,259.12	\$1,259.12	\$2,518.25	
AREA L - TOTAL.....	1	240	\$1,259.12	\$1,259.12	\$2,518.25	1,321,415
AREA M - ALASKA PENINSULA						
COLD BAY	0	0	\$0.00	\$0.00	\$0.00	
KING COVE	1	314	\$4,806.71	\$5,949.96	\$10,756.67	
PORT HEIDEN	1	72	\$4,806.71	\$1,364.32	\$6,171.03	
SAND POINT	1	375	\$4,806.71	\$7,105.85	\$11,912.55	
AREA M - TOTAL.....	3	761	\$14,420.13	\$14,420.13	\$28,840.26	15,133,507
AREA R&D - ALEUTIANS						
AKUTAN	0	0	\$0.00	\$0.00	\$0.00	
UNALASKA	1	1000	\$3,790.71	\$3,790.71	\$7,581.43	
AREA R&D - TOTAL.....	1	1,000	\$3,790.71	\$3,790.71	\$7,581.43	3,978,244
AREA Q - BERING SEA						
SAINT PAUL	1	0	\$27,981.28	\$0.00	\$27,981.28	
SAINT GEORGE	1	14	\$27,981.28	\$55,962.57	\$83,943.85	
AREA Q - TOTAL.....	2	14	\$55,962.57	\$55,962.57	\$111,925.13	58,731,032
*****						
STATEWIDE CATCH TOTAL (LBS.)..						236,760,662
TOTAL FUNDING.. (\$\$).....			\$225,600.00	\$225,600.00	\$451,200.00	
CHECK SUMS TOTAL.....	35	22,763	\$225,456.61	\$225,456.61	\$450,913.21	236,760,662
BALANCE OUTSTANDING.....			\$143.39	\$143.39	\$286.79	

COMM. FISH REGIONS & AREA COMMUNITIES	IMPACT (YES=1) (NO =0)	POP. GROWTH IMPACT	ALLOCATION BY % AREA- WIDE CATCH	ALLOCATION BY POP. CHANGE	TOTAL \$\$ ALLOCATION	CATCH IN POUNDS
REGION III: A-Y-K						
AREA W - KUSKOKWIM						
AKIACHUK	0	0	\$0.00	\$0.00	\$0.00	
AKIAK	0	0	\$0.00	\$0.00	\$0.00	
ANIAK	0	0	\$0.00	\$0.00	\$0.00	
ATHAUTLUAK	0	0	\$0.00	\$0.00	\$0.00	
BETHEL	0	0	\$0.00	\$0.00	\$0.00	
CHEFORNAK	0	0	\$0.00	\$0.00	\$0.00	
CHUATHBALUK	0	0	\$0.00	\$0.00	\$0.00	
EEK	0	0	\$0.00	\$0.00	\$0.00	
GOODNEWS BAY	0	0	\$0.00	\$0.00	\$0.00	
KASIGLUK	0	0	\$0.00	\$0.00	\$0.00	
KNETHLUK	0	0	\$0.00	\$0.00	\$0.00	
LOWER KALSKAG	0	0	\$0.00	\$0.00	\$0.00	
MEKORYUK	0	0	\$0.00	\$0.00	\$0.00	
NAPAKIAK	0	0	\$0.00	\$0.00	\$0.00	
NAPASKIAK	0	0	\$0.00	\$0.00	\$0.00	
NEWTCK	0	0	\$0.00	\$0.00	\$0.00	
NIGHTMUTE	0	0	\$0.00	\$0.00	\$0.00	
NIKOLAI	0	0	\$0.00	\$0.00	\$0.00	
NUNAPITCHUK (AKOLMIUT)	0	0	\$0.00	\$0.00	\$0.00	
PLATINUM	0	0	\$0.00	\$0.00	\$0.00	
QUINHAGAK	1	50	\$1,730.20	\$1,161.21	\$2,891.41	
TOKSOCK BAY	1	99	\$1,730.20	\$2,299.20	\$4,029.40	
TULUKSAK	0	0	\$0.00	\$0.00	\$0.00	
TUNUNAK	0	0	\$0.00	\$0.00	\$0.00	
UPPER KALSKAG	0	0	\$0.00	\$0.00	\$0.00	
AREA W - TOTAL.....	2	149	\$3,460.41	\$3,460.41	\$6,920.82	3,631,598
AREA X - KOTZEBUE						
AMBLER	0	0	\$0.00	\$0.00	\$0.00	
ANAKTUVUK PASS	0	0	\$0.00	\$0.00	\$0.00	
ATQASUK	0	0	\$0.00	\$0.00	\$0.00	
BARROW	0	0	\$0.00	\$0.00	\$0.00	
BUCKLAND	0	0	\$0.00	\$0.00	\$0.00	
DEERING	0	0	\$0.00	\$0.00	\$0.00	
KAKTOVIK	0	0	\$0.00	\$0.00	\$0.00	
KIARA	0	0	\$0.00	\$0.00	\$0.00	
KIVALINA	0	0	\$0.00	\$0.00	\$0.00	
KOTZEBUE	0	0	\$0.00	\$0.00	\$0.00	
NOORVIK	0	0	\$0.00	\$0.00	\$0.00	
NORTH SLOPE BOROUGH	0	0	\$0.00	\$0.00	\$0.00	
NORTHWEST ARCTIC BOROUGH	0	0	\$0.00	\$0.00	\$0.00	
NUIGSUT	0	0	\$0.00	\$0.00	\$0.00	
POINT HOPE	0	0	\$0.00	\$0.00	\$0.00	
SELAWIK	0	0	\$0.00	\$0.00	\$0.00	
SHISHMARF	0	0	\$0.00	\$0.00	\$0.00	

SHANGNAK	0	0	\$0.00	\$0.00	\$0.00	
WAINWRIGHT	0	0	\$0.00	\$0.00	\$0.00	
AREA X - TOTAL.....	0	0	\$0.00	\$0.00	\$0.00	0
AREA Y - YUKON						
ALAKANUK	0	0	\$0.00	\$0.00	\$0.00	
CHEVAK	0	0	\$0.00	\$0.00	\$0.00	
EMMONAK	1	112	\$4,949.34	\$4,949.34	\$9,898.67	
FORTUNA LEDGE (MARSHALL)	0	0	\$0.00	\$0.00	\$0.00	
HOLY CROSS	0	0	\$0.00	\$0.00	\$0.00	
HOOPER BAY	0	0	\$0.00	\$0.00	\$0.00	
KOTLIK	0	0	\$0.00	\$0.00	\$0.00	
MOUNTAIN VILLAGE	0	0	\$0.00	\$0.00	\$0.00	
PILOT STATION	0	0	\$0.00	\$0.00	\$0.00	
RUSSIAN MISSION	0	0	\$0.00	\$0.00	\$0.00	
SAIN'T MARY'S	0	0	\$0.00	\$0.00	\$0.00	
SCAMMON BAY	0	0	\$0.00	\$0.00	\$0.00	
SHELDON POINT	0	0	\$0.00	\$0.00	\$0.00	
AREA Y - TOTAL.....	1	112	\$4,949.34	\$4,949.34	\$9,898.67	5,194,186
AREA Z - NORTON SOUND						
BREVIG MISSION	0	0	\$0.00	\$0.00	\$0.00	
ELIH	0	0	\$0.00	\$0.00	\$0.00	
GOLDVIN	1	70	\$2,300.36	\$843.06	\$3,143.42	
KOYUK	1	3	\$2,300.36	\$36.13	\$2,336.49	
NOME	0	0	\$0.00	\$0.00	\$0.00	
SAIN'T MICHAEL	0	0	\$0.00	\$0.00	\$0.00	
SHAKTOOLIK	0	0	\$0.00	\$0.00	\$0.00	
STEBBINS	0	0	\$0.00	\$0.00	\$0.00	
TELLER	0	0	\$0.00	\$0.00	\$0.00	
UNALAKLEET	1	500	\$2,300.36	\$6,021.87	\$8,322.23	
WALES	0	0	\$0.00	\$0.00	\$0.00	
WHITE MOUNTAIN	0	0	\$0.00	\$0.00	\$0.00	
AREA Z - TOTAL.....	3	573	\$6,901.07	\$6,901.07	\$13,802.14	7,242,471

1985 FLOATING PROCESSORS INFORMATION EXCLUDING FCZ OPERATORS  
PREPARED FOR MIKE CUSHING COMMUNITY AND REGIONAL AFFAIRS

8:32 TUESDAY, JANUARY 27, 1987

AREA=JUNEAU & YAKUTAT

OBS	_TYPE_	_FREQ_	CATCH	PURCHASE	VALUE
1	0	23	162,649	91,606	57,568.00

AREA=KETCHIKAN

OBS	_TYPE_	_FREQ_	CATCH	PURCHASE	VALUE
2	0	37	12,684,641	17,836,356	6,032,888.00

AREA=PETERSBURG & WRANGELL

OBS	_TYPE_	_FREQ_	CATCH	PURCHASE	VALUE
3	0	28	150,488	297,686	189,328.00

AREA=SITKA

OBS	_TYPE_	_FREQ_	CATCH	PURCHASE	VALUE
4	0	38	3,444,055	7,120,922	2,975,822.00

AREA=PRINCE WILLIAM SOUND

OBS	_TYPE_	_FREQ_	CATCH	PURCHASE	VALUE
5	0	63	16,907,153	24,884,387	10,366,576.00

AREA=YAKUTAT

OBS	_TYPE_	_FREQ_	CATCH	PURCHASE	VALUE
6	0	7	3,221,910	103,582,991	4,574,332.00

AREA=COOK INLET

_OBS	_TYPE_	_FREQ_	CATCH	PURCHASE	VALUE
7	0	10	1,272,663	973,062	1,307,976.00

AREA=KODIAK

OBS	_TYPE_	_FREQ_	CATCH	PURCHASE	VALUE
8	0	7	10,123,593	60,875,243	4,629,971.00

ATTACHMENT #4

(d)

1985 FLOATING PROCESSORS INFORMATION EXCLUDING FCZ OPERATORS  
PREPARED FOR MIKE CUSHING COMMUNITY AND REGIONAL AFFAIRS

8:32 TUESDAY, JANUARY 27, 1987

AREA=CHIGNIK

OBS	_TYPE_	_FREQ_	CATCH	PURCHASE	VALUE
9	0	6	1,321,415	1,503,888	1,508,902.00

AREA=ALASKA PENINSULA

OBS	_TYPE_	_FREQ_	CATCH	PURCHASE	VALUE
10	0	32	15,133,507	15,860,823	10,962,205.00

AREA=DUTCH HARBOR

OBS	_TYPE_	_FREQ_	CATCH	PURCHASE	VALUE
11	0	27	25,122,451	36,336,815	15,577,737.00

AREA=BERING SEA

OBS	_TYPE_	_FREQ_	CATCH	PURCHASE	VALUE
12	0	34	58,731,092	21,252,988	13,492,296.00

AREA=ADAK & W. ALEUTIANS

OBS	_TYPE_	_FREQ_	CATCH	PURCHASE	VALUE
13	0	14	3,978,244	433,651	726,010.00

AREA=BRISTOL BAY

OBS	_TYPE_	_FREQ_	CATCH	PURCHASE	VALUE
14	0	109	93,560,997	103,410,405	72,529,248.00

AREA=KUSKOKWIM

_OBS	_TYPE_	_FREQ_	CATCH	PURCHASE	VALUE
15	0	12	3,631,598	3,300,749	1,038,888.00

AREA=YUKON RIVER

OBS	_TYPE_	_FREQ_	CATCH	PURCHASE	VALUE
16	0	8	5,194,186	2,767,909	646,289.00

1985 FLOATING PROCESSORS INFORMATION EXCLUDING FCZ OPERATORS  
PREPARED FOR MIKE CUSHING COMMUNITY AND REGIONAL AFFAIRS

8:32 TUESDAY, JANUARY 27, 198

AREA=NORTON SOUND

ODS	_TYPE_	_FREQ_	CATCH	PURCHASE	VALUE
17	0	24	7,242,471	7,468,576	2,118,420.00

COMM.FISH REGIONS & AREA COMMUNITIES * - SEE NOTES (COLUMN L)	DATE APPLCTN RECVD	IMPACT (YES=1) (NO =0)	POP. GROWTH IMPACT	ALLOCATION BY % AREA- WIDE CATCH	ALLOCATION BY POP. CHANGE	TOTAL \$\$ ALLOCATION	CATCH IN POUNDS
REGION I: SOUTHEASTERN							
AREA A - JUNEAU & YAKUTAT							
ANSOON	4/10/87	1	0	\$1,457.82	\$0.00	\$1,457.82	
HAINES		0	0	\$0.00	\$0.00	\$0.00	
HAINES, BOROUGH OF		0	0	\$0.00	\$0.00	\$0.00	
JUNEAU, CITY AND BOROUGH		0	0	\$0.00	\$0.00	\$0.00	
SKAGWAY	4/16/87	1	100	\$1,457.82	\$2,915.64	\$4,373.46	
YAKUTAT		0	0	\$0.00	\$0.00	\$0.00	
AREA A - TOTAL.....		2	100	\$2,915.64	\$2,915.64	\$5,831.28	3,384,559
AREA B - KETCHIKAN							
CRAIG	4/13/87	1	500	\$2,185.44	\$2,122.62	\$4,308.06	
HYDABURG		0	0	\$0.00	\$0.00	\$0.00	
KASAAN		0	0	\$0.00	\$0.00	\$0.00	
KETCHIKAN	4/16/87	1	1,994	\$2,185.44	\$8,464.99	\$10,650.43	
KETCHIKAN, BOROUGH OF	4/10/87	1	0	\$2,185.44	\$0.00	\$2,185.44	
KLAWOCK	4/19/87	1	80	\$2,185.44	\$339.62	\$2,525.06	
METLAKATLA		0	0	\$0.00	\$0.00	\$0.00	
SAXHAN	4/20/87	1	0	\$2,185.44	\$0.00	\$2,185.44	
THORNE BAY		0	0	\$0.00	\$0.00	\$0.00	
AREA B - TOTAL.....		5	2,574	\$10,927.22	\$10,927.22	\$21,854.44	12,684,641
AREA C - PETERSBURG/WRANGELL							
KAYE		0	0	\$0.00	\$0.00	\$0.00	
KUPREANOF		0	0	\$0.00	\$0.00	\$0.00	
PETERSBURG		0	0	\$0.00	\$0.00	\$0.00	
WRANGELL		0	0	\$0.00	\$0.00	\$0.00	
AREA C - TOTAL.....		0	0	\$129.64	\$0.00	\$0.00	150,488
AREA D - SITKA							
HOONAH		0	0	\$0.00	\$0.00	\$0.00	
PELICAN	4/20/87*	1	38	\$988.96	\$70.91	\$1,059.87	
PORT ALEXANDER		0	0	\$0.00	\$0.00	\$0.00	
SITKA, BOROUGH OF	4/15/87	1	1,200	\$988.96	\$2,239.16	\$3,228.13	
TENAKEE SPRINGS	4/16/87	1	352	\$988.96	\$656.82	\$1,645.79	
AREA D - TOTAL.....		3	1,590	\$2,966.89	\$2,966.89	\$5,933.78	3,444,055

COMM. FISH REGIONS & AREA COMMUNITIES * - SEE NOTES (COLUMN L)	DATE APPLCTN (YES=1) RECVD	IMPACT (YES=1) (NO =0)	POP. GROWTH IMPACT	ALLOCATION BY % AREA- WIDE CATCH	ALLOCATION BY POP. CHANGE	TOTAL \$\$ ALLOCATION	CATCH IN POUNDS
REGION II: CENTRAL							
AREA E - PRINCE WILLIAM SOUND							
CORDOVA	4/17/87	1	500	\$7,282.36	\$9,102.95	\$16,385.31	
VALDEZ	4/20/87	1	300	\$7,282.36	\$5,461.77	\$12,744.13	
WHITTIER		0	0	\$0.00	\$0.00	\$0.00	
AREA E - TOTAL.....		2	800	\$14,564.72	\$14,564.72	\$29,129.44	16,907,153
AREA H - COOK INLET							
ANCHORAGE, MUNICIPALITY OF		0	0	\$0.00	\$0.00	\$0.00	
ANDERSON		0	0	\$0.00	\$0.00	\$0.00	
HOMER		0	0	\$0.00	\$0.00	\$0.00	
HOUSTON		0	0	\$0.00	\$0.00	\$0.00	
KACHEMAK		0	0	\$0.00	\$0.00	\$0.00	
KENAI PENINSULA BOROUGH	4/14/87*	1	7,643	\$1,096.34	\$1,096.34	\$2,192.68	
KENAI		0	0	\$0.00	\$0.00	\$0.00	
MATANUSKA-SUSITNA BOROUGH		0	0	\$0.00	\$0.00	\$0.00	
PALMER		0	0	\$0.00	\$0.00	\$0.00	
SELDOVIA		0	0	\$0.00	\$0.00	\$0.00	
SEWARD		0	0	\$0.00	\$0.00	\$0.00	
SOLDATNA		0	0	\$0.00	\$0.00	\$0.00	
WASILLA		0	0	\$0.00	\$0.00	\$0.00	
AREA H - TOTAL.....		1	7,643	\$1,096.34	\$1,096.34	\$2,192.68	1,272,663
AREA T - ERISTOL BAY							
ALEKNAGIK		0	0	\$0.00	\$0.00	\$0.00	
BRISTOL BAY BOROUGH	4/16/87	1	345	\$20,149.60	\$4,165.76	\$24,315.36	
CLARK'S POINT	4/21/87*	1	407	\$20,149.60	\$4,914.39	\$25,063.99	
DILLINGHAM	4/16/87	1	1,423	\$20,149.60	\$17,182.25	\$37,331.85	
EKWOK		0	0	\$0.00	\$0.00	\$0.00	
MANOKOTAK		0	0	\$0.00	\$0.00	\$0.00	
NEW STUYAHOK		0	0	\$0.00	\$0.00	\$0.00	
NEWALEN		0	0	\$0.00	\$0.00	\$0.00	
NONDALTON		0	0	\$0.00	\$0.00	\$0.00	
TOGIAK	4/13/87	1	4,500	\$20,149.60	\$54,336.00	\$74,485.60	
AREA T - TOTAL.....		4	6,675	\$80,598.40	\$80,598.40	\$161,196.81	93,560,997

COMM. FISH REGIONS & AREA COMMUNITIES * - SEE NOTES (COLUMN L)	DATE APPLCTN (YES=1) RECVD (NO =0)	IMPACT (YES=1) (NO =0)	POP. GROWTH IMPACT	ALLOCATION BY % AREA- WIDE CATCH	ALLOCATION BY POP. CHANGE	TOTAL \$\$ ALLOCATION	CATCH IN POUNDS
REGION IV: WESTERN							
AREP. K - KODIAK							
AKHICK		0	0	\$0.00	\$0.00	\$0.00	
KODIAK	5/7/87	1	133	\$1,744.20	\$2,180.25	\$3,924.45	
KODIAK ISLAND BOROUGH	4/20/87	1	359	\$1,744.20	\$5,885.04	\$7,629.24	
LARSEN BAY	5/11/87	1	0	\$1,744.20	\$0.00	\$1,744.20	
OLD HARBOR		0	0	\$0.00	\$0.00	\$0.00	
OUZINKIE	3/23/87	1	0	\$1,744.20	\$0.00	\$1,744.20	
PORT LIONS	4/20/87	1	40	\$1,744.20	\$655.71	\$2,399.91	
AREA K - TOTAL.....		5	532	\$8,721.00	\$8,721.00	\$17,442.00	10,123,593
AREA L - CHIGNIK							
CHIGNIK	4/20/87	1	240	\$1,138.34	\$1,138.34	\$2,276.67	
AREA L - TOTAL.....		1	240	\$1,138.34	\$1,138.34	\$2,276.67	1,321,415
AREA M - ALASKA PENINSULA							
COLD BAY		0	0	\$0.00	\$0.00	\$0.00	
KING COVE	4/23/87	1	314	\$4,345.60	\$5,379.18	\$9,724.78	
PORT HEIDEN	5/14/87	1	72	\$4,345.60	\$1,233.44	\$5,579.04	
SAND POINT	4/21/87	1	375	\$4,345.60	\$6,424.18	\$10,769.78	
AREA M - TOTAL.....		3	761	\$13,036.81	\$13,036.81	\$26,073.61	15,133,507
AREA R&O - ALEUTIANS							
AKUTAN		0	0	\$0.00	\$0.00	\$0.00	
UNALASKA/DUTCH HARBOR	4/5/87*	1	1000	\$25,068.88	\$25,068.88	\$50,137.76	
AREA R&O - TOTAL.....		1	1,000	\$25,068.88	\$25,068.88	\$50,137.76	29,100,695
AREA Q - BERING SEA							
SAINT PAUL	4/20/87	1	0	\$25,297.04	\$0.00	\$25,297.04	
SAINT GEORGE	5/31/87	1	14	\$25,297.04	\$50,594.08	\$75,891.12	
AREA Q - TOTAL.....		2	14	\$50,594.08	\$50,594.08	\$101,188.15	58,731,092
*****							
STATEWIDE CATCH TOTAL (LBS.)..							261,883,113
TOTAL FUNDING.. (\$\$).....				\$225,600.00	\$225,600.00	\$451,200.00	
CHECK SUKS TOTAL.....		35	22,763	\$225,470.36	\$225,470.36	\$450,940.72	261,883,113
BALANCE OUTSTANDING.....				\$123.64	\$123.64	\$259.28	

COMM. FISH REGIONS & AREA COMMUNITIES * - SEE NOTES (COLUMN L)	DATE APPLCTN RECVD	IMPACT (YES=1) (NO =0)	POP. GROWTH IMPACT	ALLOCATION BY % AREA- WIDE CATCH	ALLOCATION BY POP. CHANGE	TOTAL \$\$ ALLOCATION	CATCH IN POUNDS
SELAWIK		0	0	\$0.00	\$0.00	\$0.00	
SHISHAREF		0	0	\$0.00	\$0.00	\$0.00	
SHUNGNAK		0	0	\$0.00	\$0.00	\$0.00	
WAINWRIGHT		0	0	\$0.00	\$0.00	\$0.00	
AREA X - TOTAL.....		0	0	\$0.00	\$0.00	\$0.00	0
AREA Y - YUKON							
ALAKAYUK		0	0	\$0.00	\$0.00	\$0.00	
CHEVAK		0	0	\$0.00	\$0.00	\$0.00	
EMMONAK	4/8/87	1	112	\$4,474.55	\$4,474.55	\$8,949.09	
FORTUNA LEDGE (MARSHALL)		0	0	\$0.00	\$0.00	\$0.00	
HOLY CROSS		0	0	\$0.00	\$0.00	\$0.00	
HOOVER BAY		0	0	\$0.00	\$0.00	\$0.00	
KOTLIK		0	0	\$0.00	\$0.00	\$0.00	
MOUNTAIN VILLAGE		0	0	\$0.00	\$0.00	\$0.00	
PILOT STATION		0	0	\$0.00	\$0.00	\$0.00	
RUSSIAN MISSION		0	0	\$0.00	\$0.00	\$0.00	
SAINT MARY'S		0	0	\$0.00	\$0.00	\$0.00	
SCAMMON BAY		0	0	\$0.00	\$0.00	\$0.00	
SHELDON POINT		0	0	\$0.00	\$0.00	\$0.00	
AREA Y - TOTAL.....		1	112	\$4,474.55	\$4,474.55	\$8,949.09	5,194,186
AREA Z - NORTON SOUND							
BREVIK MISSION		0	0	\$0.00	\$0.00	\$0.00	
ELIM		0	0	\$0.00	\$0.00	\$0.00	
GOLDVIN	5/28/87	1	70	\$2,079.68	\$762.19	\$2,841.87	
KOYLK	4/13/87	1	3	\$2,079.68	\$32.67	\$2,112.35	
NOME		0	0	\$0.00	\$0.00	\$0.00	
SAINT MICHAEL		0	0	\$0.00	\$0.00	\$0.00	
SHAKTOOLIK		0	0	\$0.00	\$0.00	\$0.00	
STEBBINS		0	0	\$0.00	\$0.00	\$0.00	
TELLER		0	0	\$0.00	\$0.00	\$0.00	
UNALAKLEET	5/28/87	1	500	\$2,079.68	\$5,444.20	\$7,523.88	
WALES		0	0	\$0.00	\$0.00	\$0.00	
WHITE MOUNTAIN		0	0	\$0.00	\$0.00	\$0.00	
AREA Z - TOTAL.....		3	573	\$6,239.05	\$6,239.05	\$12,478.10	7,242,471

COMM. FISH REGIONS & AREA COMMUNITIES * - SEE NOTES (COLUMN L)	DATE APPLCTN RECVD	IMPACT (YES=1) (NO =0)	POP. GROWTH IMPACT	ALLOCATION BY % AREA- WIDE CATCH	ALLOCATION BY POP. CHANGE	TOTAL \$\$ ALLOCATION	CATCH IN POUNDS
REGION III: A-Y-K							
AREA W - KUSKOKWIM							
AKIACHUK		0	0	\$0.00	\$0.00	\$0.00	
AKIAK		0	0	\$0.00	\$0.00	\$0.00	
ANIAK		0	0	\$0.00	\$0.00	\$0.00	
ATHAUTLUAK		0	0	\$0.00	\$0.00	\$0.00	
BETHEL		0	0	\$0.00	\$0.00	\$0.00	
CHEFORNAK	*	0	0	\$0.00	\$0.00	\$0.00	
CHUATHBALUK		0	0	\$0.00	\$0.00	\$0.00	
EEK		0	0	\$0.00	\$0.00	\$0.00	
GOODNEWS BAY		0	0	\$0.00	\$0.00	\$0.00	
KASIGLUK		0	0	\$0.00	\$0.00	\$0.00	
KWETHLUK		0	0	\$0.00	\$0.00	\$0.00	
LOWER KALSKAG		0	0	\$0.00	\$0.00	\$0.00	
MEKORYUK		0	0	\$0.00	\$0.00	\$0.00	
NAPAKIAK		0	0	\$0.00	\$0.00	\$0.00	
NAPASKIAK		0	0	\$0.00	\$0.00	\$0.00	
NEWTOK		0	0	\$0.00	\$0.00	\$0.00	
NIGHTHAUTE		0	0	\$0.00	\$0.00	\$0.00	
NIKOLAI		0	0	\$0.00	\$0.00	\$0.00	
NUNAPITCHUK (AKOLHIUT)		0	0	\$0.00	\$0.00	\$0.00	
PLATINUM		0	0	\$0.00	\$0.00	\$0.00	
QUINHAGAK	4/20/87	1	50	\$1,564.23	\$1,049.82	\$2,614.04	
TOKSOOK BAY	4/20/87	1	99	\$1,564.23	\$2,078.64	\$3,642.85	
TULUKSAK		0	0	\$0.00	\$0.00	\$0.00	
TURLAK		0	0	\$0.00	\$0.00	\$0.00	
UPPER KALSKAG		0	0	\$0.00	\$0.00	\$0.00	
AREA W - TOTAL.....		2	149	\$3,128.45	\$3,128.45	\$6,256.90	3,631,598
AREA X - KOTZEBUE							
AMBLER		0	0	\$0.00	\$0.00	\$0.00	
ANAKTUVLAK PASS		0	0	\$0.00	\$0.00	\$0.00	
ATQASUK		0	0	\$0.00	\$0.00	\$0.00	
BARROW		0	0	\$0.00	\$0.00	\$0.00	
BUCKLAND		0	0	\$0.00	\$0.00	\$0.00	
DEERING		0	0	\$0.00	\$0.00	\$0.00	
KAKTOVIK		0	0	\$0.00	\$0.00	\$0.00	
KIANA		0	0	\$0.00	\$0.00	\$0.00	
KIMLINA		0	0	\$0.00	\$0.00	\$0.00	
KOTZEBUE		0	0	\$0.00	\$0.00	\$0.00	
NOORVIK		0	0	\$0.00	\$0.00	\$0.00	
NORTH SLOPE BOROUGH		0	0	\$0.00	\$0.00	\$0.00	
NORTHWEST ARCTIC BOROUGH		0	0	\$0.00	\$0.00	\$0.00	
NUQSUT		0	0	\$0.00	\$0.00	\$0.00	
POINT HOPE		0	0	\$0.00	\$0.00	\$0.00	

COLLOCATION CODE BALANCES BY EXPENDITURE ACCOUNT RRN:0001313 RSN:00960 08/03/87  
 APPROPRIATION EXPENDITURES BY NEXT LOWER LEVEL

15535-87 FISHERIES TAX ORIG:86 APPROPRIATIONS (T B S R) FN:11100  
 COA:1988

ENTITY NUMBER - DESCRIPTION	AUTHORIZ	RESTRICT ENCUMBER	SPENT	AVAILABL BALANCE
** 15535-87 FISHERIES TAX	7858000	556334	7257680	43986
** 04801400-86 FISHERIES TAXES	7858000	556334	7257680	43986

FOR NEXT SECTION ENTER==> NUMBER \_\_\_\_\_ YEAR \_\_\_\_ LEVEL LIMIT \_\_  
 PF1=MENU PF6=RPT REQUEST MAINTENANCE

1	DEPARTMENT OF LAW (CONT.)	ALLOCATIONS	APPROPRIATION	APPROPRIATION FUND SOURCES	
			ITEMS	GENERAL FUND	OTHER FUNDS
2					
3					
4	SHALL INCLUDE THE FOLLOWING INFORMATION ON EACH				
5	POSITION: POSITION CONTROL NUMBER (PCM), TITLE, RANGE,				
6	STEP, LOCATION, TIME STATUS, BARGAINING UNIT, AND				
7	POSITION FUND SOURCE. ALL NONBUDGETED PERMANENT PCMS				
8	SHALL THEN BE DELETED FROM THE DEPARTMENT'S RECORDS, AND				
9	THE REMAINING EXISTING PERMANENT POSITIONS SHALL BE				
10	MODIFIED TO REFLECT AUTHORIZED POSITIONS. NO ADDITIONAL				
11	PERMANENT PCMS SHALL BE ESTABLISHED OR EXISTING PCMS				
12	MODIFIED AS TO RANGE, STEP, LOCATION, OR TIME STATUS				
13	WITHOUT THE CONCURRENCE OF THE OFFICE OF MANAGEMENT AND				
14	BUDGET, DIVISION OF BUDGET REVIEW. THE MASTER LIST OF				
15	EACH DEPARTMENT'S POSITIONS SHALL BE AN AUTOMATED				
16	POSITION ACCOUNTING CONTROL SYSTEM FILE MAINTAINED BY				
17	THE DEPARTMENT UNDER INSTRUCTIONS FROM THE OFFICE OF				
18	MANAGEMENT AND BUDGET.				
19	IT IS THE LEGISLATURE'S INTENT THAT THE REDUCTION AMOUNT				
20	IN THE MISCELLANEOUS LINE REPRESENTS A GENERAL REDUCTION				
21	OF FUNDS BUDGETED FOR RISK MANAGEMENT IN THAT AGENCY.				
22	THIS AMOUNT SHOULD NOT BE TRANSFERRED TO THE DIVISION OF				
23	RISK MANAGEMENT.				
24	ADMINISTRATION & SUPPORT (10 POSITIONS)	471,200			
25	DATA AND WORD PROCESSING (3 POSITIONS)	150,000			

Chapter 98

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CCS NO 68

1	DEPARTMENT OF LAW (CONT.)	ALLOCATIONS	APPROPRIATION	APPROPRIATION FUND SOURCES	
			ITEMS	GENERAL FUND	OTHER FUNDS
2					
3					
4	OIL & GAS SPECIAL PROJECTS		1,498,400		1,498,400
5	OIL & GAS OPERATIONS (18 POSITIONS)	1,289,200			
6	DATA AND WORD PROCESSING (3 POSITIONS)	201,200			
7	*****				
8	***** DEPARTMENT OF REVENUE *****				
9	*****				
10	PUBLIC PROTECTION				
11	ALCOHOL BEVERAGE CONTROL BOARD		703,300	703,300	
12	ALCOHOL BEVERAGE CONTROL BOARD (12 POSITIONS)	698,700			
13	IT IS THE INTENT OF THE LEGISLATURE THAT THE ALCOHOL				
14	BEVERAGE CONTROL BOARD OFFICE IN FAIRBANKS IS TO				
15	CONTINUE TO OPERATE THROUGHOUT FISCAL YEAR 86.				
16	DATA AND WORD PROCESSING	4,600			
17	DEVELOPMENT				
18	SHARED TAXES		84,360,300	84,360,300	
19	MUNICIPAL ASSISTANCE	81,306,000			
20	AMUSEMENT AND GAMING TAX	312,500			
21	AVIATION FUEL TAX	141,000			
22	ELECTRIC AND TELEPHONE COOPERATIVE TAX	1,700,000			
23	LIQUEUR LICENSE TAX	900,000			
24	FISHERIES TAX		7,850,000	7,850,000	
25	IT IS THE INTENT OF THE LEGISLATURE THAT AN AMOUNT NOT				
26	TO EXCEED 1500,000 OF THE UNEXPENDED AND UNOBLIGATED				
27	BALANCE OF THIS APPROPRIATION SHALL BE TRANSFERRED TO				

Chapter 98

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CCS NO 68

1 DEPARTMENT OF REVENUE (CONT.)		APPROPRIATION		APPROPRIATION FUND SOURCES	
	ALLOCATIONS	ITEMS	GENERAL FUND	OTHER FUNDS	
2					2
3					3
4	4 THE DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS FOR THE				
5	5 PURPOSE OF DEVELOPING A PILOT PROJECT UNDER AS				
6	6 44,47,050(33).				
7		379,400		379,400	7
8		4,458,900		4,458,900	8
9	9 IT IS THE INTENT OF THE LEGISLATURE THAT THE PERMANENT				
10	10 FUND BOARD OF TRUSTEES REDUCE THE AMOUNT OF TRAVEL				
11	11 NECESSARY DURING FISCAL YEAR 1986 THROUGH EFFICIENT USE				
12	12 OF CONFERENCE TELEPHONE CALLS.				
13		3,311,900		3,311,900	13
14	14 GENERAL GOVERNMENT				
15		3,167,500	1,337,900	3,809,600	15
16	16 CHILD SUPPORT ENFORCEMENT				
17		4,361,800			16
18	18 CHILD SUPPORT ENFORCEMENT (91 POSITIONS)				
19		895,700			17
20	20 DATA AND WORD PROCESSING (2 POSITIONS)				
21		12,516,000	9,105,700	3,410,300	18
22	22 REVENUE OPERATIONS				
23		2,334,200			19
24	24 AUDIT (37 POSITIONS)				
25		66,300			20
26	26 AUDIT/DATA & WORD PROCESSING				
27		1,904,100			21
28	28 PETROLEUM REVENUE (27 POSITIONS)				
29		171,600			22
30	30 PETROLEUM REVENUE/DATA & WORD PROCESSING				
31					23
32	32 ENFORCEMENT (22 POSITIONS)				
33		1,113,100			23
34	34 IT IS THE INTENT OF THE LEGISLATURE THAT THE ENFORCEMENT				
35	35 DIVISION PRIORITIZE DELINQUENT ACCOUNTS AND CONCENTRATE				
36	36 COLLECTION EFFORTS ON THOSE ACCOUNTS THAT ARE EXPECTED				

Chapter 98

1 DEPARTMENT OF REVENUE (CONT.)		APPROPRIATION		APPROPRIATION FUND SOURCES	
	ALLOCATIONS	ITEMS	GENERAL FUND	OTHER FUNDS	
2					2
3					3
4	4 TO YIELD THE LARGEST AMOUNTS.				
5		29,600			3
6	6 ENFORCEMENT/DATA & WORD PROCESSING				
7		1,592,600			4
8	8 PUBLIC SERVICES (25 POSITIONS)				
9		49,800			5
10	10 PUBLIC SERVICES/DATA AND WORD PROCESSING				
11		3,180,100			6
12	12 TREASURY MANAGEMENT (26 POSITIONS)				
13		26,400			7
14	14 TREASURY MANAGEMENT/DATA & WORD PROCESSING				
15		1,313,400	1,313,500	199,900	8
16	16 OFFICE OF THE COMMISSIONER				
17		1,434,200			9
18	18 COMMISSIONER'S OFFICE (18 POSITIONS)				
19	19 ON OR BEFORE SEPTEMBER 15, 1985, THE DEPARTMENT SHALL				
20	20 PROVIDE TO THE OFFICE OF MANAGEMENT AND BUDGET, DIVISION OF				
21	21 BUDGET REVIEW, WITH A LIST OF EXISTING PERMANENT				
22	22 POSITIONS AS OF JULY 31, 1985. THE LISTING OF POSITIONS				
23	23 SHALL INCLUDE THE FOLLOWING INFORMATION ON EACH				
24	24 POSITION: POSITION CONTROL NUMBER (PCM), TITLE, RANGE,				
25	25 STEP, LOCATION, TIME STATUS, BARGAINING UNIT, AND				
26	26 POSITION FUND SOURCE. ALL NONBUDGETED PERMANENT PCMS				
27	27 SHALL THEN BE DELETED FROM THE DEPARTMENT'S RECORDS, AND				
28	28 THE REMAINING EXISTING PERMANENT POSITIONS SHALL BE				
29	29 MODIFIED TO REFLECT AUTHORIZED POSITIONS. NO ADDITIONAL				
30	30 PERMANENT PCMS SHALL BE ESTABLISHED OR EXISTING PCMS				
31	31 MODIFIED AS TO RANGE, STEP, LOCATION, OR TIME STATUS				
32	32 WITHOUT THE CONCURRENCE OF THE OFFICE OF MANAGEMENT AND				
33	33 BUDGET, DIVISION OF BUDGET REVIEW. THE MASTER LIST OF				
34	34 EACH DEPARTMENT'S POSITIONS SHALL BE AN AUTOMATED				

Chapter 98



STATE OF ALASKA

REIMBURSABLE SERVICES AGREEMENT

AMENDMENT NUMBER

REQUESTING DEPARTMENT Revenue	DIVISION Administrative Services	SECTION Shared Taxes	LOG NUMBER (ADN) 04-87-0005
SERVICING DEPARTMENT Community & Regional Affairs	DIVISION MRAD	SECTION	LOG NUMBER (ADN) 21-7-0042

I. The servicing agency agrees to provide the requesting agency with the following service(s):

PROJECT OR PROGRAM TITLE:

Pilot Project under AS 44.47.050(3) and SIA 1985, Chapter 98

DESCRIPTION OF SERVICE(S) TO BE PROVIDED. IF THIS IS AN RSA AMENDMENT, ALSO DESCRIBE SPECIFIC PURPOSE OF AMENDMENT.

In response to Legislative Intent language included in Chapter 98, SIA 1985, an amount not to exceed \$500,000 is to be transferred to the Department of Community and Regional Affairs for the purpose of developing a pilot project under AS 44.47.050(3).

II. Terms and mechanics of reimbursement:

- Payment upon receipt of Interagency billing
- Payment upon completion of service(s).
- Other (Specify):  
Transfer upon OMB approval

Billing Address:

Department of Revenue  
Division of Administrative Services  
P.O. Box SA

DATE WORK TO COMMENCE:

7/1/86

COMPLETION DATE:

8/31/86

Juneau, AK 99811-0400

III. Schedule of maximum costs to be incurred by the Servicing Agency:

	ORIGINAL AGREEMENT	PREVIOUS AMENDMENTS	THIS AMENDMENT	TOTAL
Personal Services	\$ _____	\$ _____	\$ _____	\$ _____
Travel	\$ _____	\$ _____	\$ _____	\$ _____
Contractual	\$ _____	\$ _____	\$ _____	\$ _____
Supplies	\$ _____	\$ _____	\$ _____	\$ _____
Equipment	\$ _____	\$ _____	\$ _____	\$ _____
Land & Buildings	\$ _____	\$ _____	\$ _____	\$ _____
Grants	\$ 451,200.00	\$ _____	\$ _____	\$ 451,200.00
Other (itemize):	\$ _____	\$ _____	\$ _____	\$ _____
<b>TOTAL</b>	<b>\$ 451,200.00</b>	<b>\$ _____</b>	<b>\$ _____</b>	<b>\$ 451,200.00</b>

IV. Budgeting and accounting information:

REQUESTING AGENCY:

1. This agreement is documented  No  Yes. If yes, in FY 86. Capital/operating budget page SIA 85, Ch 98 22-23

2. Financial coding to be charged 4801400-77000 Continuing funds  No  Yes Authority \_\_\_\_\_  
Continuing funds  No  Yes Authority \_\_\_\_\_

3. RSA (encumbrance) document number \_\_\_\_\_

4. Date funds lapse \_\_\_\_\_

SERVICING AGENCY:

1. This agreement is documented  No  Yes. If yes, in FY \_\_\_\_\_ Capital/operating budget page \_\_\_\_\_

V. Approvals & Certification: The requesting agency and servicing agency agree to the terms and conditions above. In addition, the requesting agency certifies that sufficient funds are available and authorized to pay this obligation, that the accounting code(s) to be charged has/have sufficient balance(s) to cover this obligation and that a balance will be maintained in this/these account(s) sufficient to pay any agency obligations established by this agreement. I am aware that certifying false, inaccurate or misleading documents constitutes an unsworn falsification punishable under AS 11.56.210.

REQUESTING AGENCY AUTHORIZED SIGNATURE: <i>[Signature]</i>	NAME, PRINTED: Mary A. Nordale, Commissioner	DATE: 8/1/86
SERVICING AGENCY AUTHORIZED SIGNATURE: <i>[Signature]</i>	NAME, PRINTED: Emil Notti, Commissioner	DATE: 7/21/86
OMB AUTHORIZED SIGNATURE: <i>[Signature]</i>	NAME, PRINTED: [Illegible]	DATE: 8/1/86

# STATE OF ALASKA

DEPT. OF COMMUNITY & REGIONAL AFFAIRS

OFFICE OF THE COMMISSIONER

August 13, 1987

(i)  
STEVE COWPER, GOVERNOR

- P.O. BOX B  
JUNEAU, ALASKA 99811-2100  
PHONE: (907) 465-4700
- 949 E. 36TH AVENUE, SUITE 400  
ANCHORAGE, ALASKA 99508-4302  
PHONE: (907) 563-1073

CERTIFIED/RETURN RECEIPT REQUESTED

Ms. Nancy Gross  
City Manager  
City of Unalaska  
P.O. Box 89  
Unalaska, AK 99685

Dear Ms. Gross:

Thank you for your letter of July 28, setting out in greater detail the concerns about the fish tax pilot project we had discussed on the phone earlier in July.

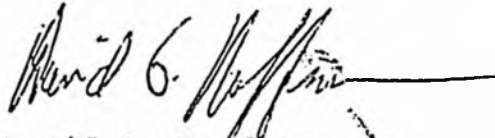
Based upon the information you provided, the figures used in the calculation of payments for the project were reviewed. In doing so, it was discovered that the data used to calculate Unalaska's payment under the pilot project was incomplete and led to an underpayment of \$42,556.33. A check for that amount is enclosed with this letter, along with a memorandum explaining how the miscalculation occurred.

Despite this mishap, I believe the pilot project should be judged a success in accomplishing its objectives of 1) devising a distribution program for mitigation of off-shore fish processing impacts and 2) gaining information about the utility and reasonableness of such a distribution for future reference. This information will be presented to the legislature in a report later this year. I would like to note that this was a pilot project for which the department received no extra funds or positions for administration. Because of that, project development over a period of two years was accomplished by at least four different departmental staff who were pulled off regular on-going duties to work on this project. In view of the necessity for such a division of responsibilities and the fact that this was a totally new project with which no one had developed any familiarity, the surprise is that there were not more problems that we experienced.

Ms. Gross  
August 13, 1987  
Page Two

In any case, I apologize for the delay in payment and appreciate again your assistance in the development of this program and disclosing the mistake made in the case of Unalaska. I look forward to working with you further in the future.

Sincerely,

A handwritten signature in dark ink, appearing to read "David G. Hoffman", with a horizontal line extending to the right from the end of the signature.

David G. Hoffman  
Commissioner

Enclosures: Alaska State Warrant  
August 5, 1987 Memorandum to Department of Revenue

6

# STATE OF ALASKA

## DEPT. OF COMMUNITY & REGIONAL AFFAIRS

### MUNICIPAL & REGIONAL ASSISTANCE DIVISION

STEVE COWPER, GOVERNOR

- P.O. BOX 8H  
JUNEAU, ALASKA 99811-2110  
PHONE: (907) 465-4750
- 949 E. 36TH AVENUE, SUITE 400  
ANCHORAGE, ALASKA 99508-4302  
PHONE: (907) 561-8580
- P.O. BOX 348  
BETHEL, ALASKA 99559-0348  
PHONE: (907) 543-3475
- P.O. BOX 41  
NOME, ALASKA 99762-0041  
PHONE: (907) 443-5457
- P.O. BOX 280  
KOTZEBUE, ALASKA 99752-0280  
PHONE: (907) 442-3675
- 1514 CUSHMAN STREET, ROOM 210  
FAIRBANKS, ALASKA 99701-6288  
PHONE: (907) 452-7128
- P.O. BOX 10041  
DILLINGHAM, ALASKA 99576-0041  
PHONE: (907) 842-2245

March 10, 1987

Dear Municipal Official:

The Offshore Fisheries Business Tax Revenue Sharing Pilot Project was funded by the Alaska State Legislature pursuant to special legislative intent in chapter 98, SLA 1985. The purpose of the project is to develop an equitable means of distributing funds to municipalities to mitigate impacts from the offshore fish processing industry.

Municipalities currently receive a share of state revenues generated by fish processors operating within municipal boundaries. However, there is no direct sharing of revenues from offshore floating processors outside of municipal boundaries even though such processors may still have impacts of a transient but substantial nature on the municipality. This project grew out of a desire to devise a program to equitably share a portion of these unshared revenues with communities impacted by offshore processors.

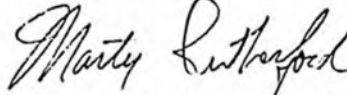
The project has been developed over the past year by the Department of Community and Regional Affairs with input from municipalities through questionnaires and workshops, from legislators, state agencies and other interested persons. The amount to be distributed under the pilot project is \$451,000, based on the unobligated and unexpended portion appropriation to the current fish tax revenue sharing program. The general approach taken is that of a formula distribution to impacted municipalities, with allocations based upon the location of the municipality within a specific commercial fisheries management area, the amount of fisheries production within that area compared to statewide production, and the population increase of the municipality compared to that of other municipalities within the area during fishing season. The regulations governing this program are enclosed.

Municipal Official  
March 10, 1987  
Page Two

If you wish to participate in the project, please fill out the enclosed application completely and submit it to our Juneau office postmarked by April 15, 1987.

Please note that this is a pilot project. Based upon the information gained through this pilot project, there may be legislation introduced to continue the program. However, your cooperation is needed. If you have any additional comments on this project, please let us know.

Sincerely,

A handwritten signature in cursive script that reads "Marty Rutherford".

Marty Rutherford  
Director

APPLICATION FOR  
THE OFFSHORE FISHERIES BUSINESS TAX REVENUE SHARING  
PILOT PROJECT

State of Alaska  
Steve Cowper, Governor

Department of Community and  
Regional Affairs  
David G. Hoffman, Commissioner

Municipal and Regional Assistance Division  
Marty Rutherford, Director

## APPLICATION INSTRUCTIONS

In order to participate in the Offshore Fisheries Business Tax Revenue Sharing Pilot Project, you must fill out this application and return it post marked by April 15, 1987 to:

Pilot Project  
Department of Community and Regional Affairs  
P.O. Box BH  
Juneau, AK 99801

Although the regulations provide for a March 15 application deadline, they also provide that the Commissioner may extend the deadline for "good cause." Because of the short length of time that would be available to complete and submit the application based upon a March 15, the Commissioner has extended the deadline to April 15. Consequently, the entire process will be set back about a month so that determination letters will not be sent out until some time after mid-April, rather than on April 15 as set out in regulation. It is anticipated that payments will be sent out in June, after review of determinations by applicants, resolution of any appeals, and calculation of entitlements.

Please note that the year in which impacts must be experienced and from which population increase is to be measured is calendar year 1985. That is the most recent year for which required catch data is available.

An effort has been made to keep the application form and requirements simple. Apart from "significant impacts" and "population increase," the required items on the facing SUMMARY SHEET are self explanatory. Greater detail on those two questions is set out in the instructions facing page 2 and page 3.

Please note that a resolution certifying the "population increase" is required. A sample resolution form is enclosed for your convenience.

Funds received under this program are subject to single audit requirements contained at 2 AAC 45.010.

A copy of the pilot project regulations sent to the Attorney General for review and filing by the Lieutenant Governor is attached. Although the regulations will not become effective until 30 days after filing, in an effort to expedite the administrative process, applications have been distributed and will be processed to make payments as soon as possible after the effective date of the regulations.

If you have any questions, please call Paul Cunningham at 465-4750.

OFFSHORE FISHERIES BUSINESS TAX  
REVENUE SHARING PILOT PROJECT

SUMMARY SHEET

1. Name of Municipality \_\_\_\_\_
2. Mailing Address \_\_\_\_\_
3. Telephone Number \_\_\_\_\_
4. Contact Person \_\_\_\_\_

5. Did your municipality experience "significant impacts" from the offshore commercial fishing industry in 1985? \_\_\_\_\_  
(If yes, please complete page 2.) You must answer "yes" to be eligible to participate in the distribution of funds under this project.

6. What, if any, was the "population increase" reasonably related to the offshore fish processing industry of your municipality during a fishing season during 1985? \_\_\_\_\_  
(Please complete page 3 documenting and describing the method used to determine population increase.)

7. ANSWER AFTER COMPLETING YOUR APPLICATION: Do you feel that the approach taken in this pilot project adequately addresses your concerns regarding the impact of the offshore fish processing industry on your community? \_\_\_\_ Why or why not?

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

8. CERTIFICATION AND ASSURANCES: To the best of my knowledge and belief, the information in this application is true and correct. The applicant agrees to comply with the laws and regulations under which this program and program funds are administered.

Signature of Mayor \_\_\_\_\_

DATE \_\_\_\_\_

## INSTRUCTIONS FOR PAGE 2

In order to qualify to receive funds under this program, you must demonstrate that your community experienced significant impacts from the offshore fish processing industry in 1985. Your explanation should show 1) what the impact or impacts were, 2) that the impact(s) were "significant", and 3) that the impact(s) were related to the offshore fish processing industry. You may include photographic evidence, but it must be supported by an explanation of how the demonstrated impact is related to the offshore fish processing industry. You may attach additional information if needed. "Impacts" and "significant impacts" are defined at 19 AAC 33.070 of the enclosed regulations.



INSTRUCTIONS FOR PAGE 3

Your municipal population increase reasonably related to the offshore fish processing industry in 1985 is an element used to calculate your entitlement (see 19 AAC 33.030 and 19 AAC 33.040 of the enclosed regulations). It is intended to indicate the level of impact on your municipality during calendar year 1985 from the offshore fish processing industry. The persons included in this population increase may include transient people connected in any way with the offshore fish processing industry. The population increase is not an indicator of permanent residents, but rather an indicator of impact, representing a peak level of service demand, resulting from the offshore fish processing industry. It may be calculated by taking the highest level of persons within municipal boundaries at any time during a fishing season in 1985, less any non-fish processing related population increase, less the DCRA certified population for July 1, 1985 (used to calculate your FY 1986 State Revenue Sharing entitlement).

You may use any relevant statistics of population that can be documented. Some examples are: labor statistics, retail sales activity, water hook-ups, bulk fuel sales, electric consumption, motel/hotel rate of occupancy, employment data from the offshore fish processing industry, criminal or other public safety statistics, and so on. However, population increase due to tourism, construction activity not related to the offshore fish processing industry, onshore processing, and so on, must not be included in the population increase used to calculate your entitlement. As provided by regulation; "Unverifiable, unsupported estimates will not be accepted" (19 AAC 33.030.)

Population increase is defined in regulation at 19 AAC 33.070(h) (see enclosed regulations).

Paul Cunningham, our department demographic specialist in Juneau at 465-4750, is available to give you assistance in developing a method of estimation.

NOTE THAT YOU MAY STILL RECEIVE AN ENTITLEMENT IF YOU HAD NO POPULATION INCREASE OR ARE UNABLE TO REASONABLY CALCULATE THE SIZE OF THAT INCREASE. However, you will not receive funding under the per capita portion of the formula.



## INSTRUCTIONS FOR RESOLUTION

A resolution certifying the population increase, which will be used for the formula calculation of the per capita share of each municipal payment, is required. The facing resolution form is included for your convenience. The numbered blanks should include the following information:

1. Name of the municipality,
2. Amount of population increase,
3. Governing body of municipality,
4. Signature of the mayor or presiding officer of the governing body,
5. Signature of the clerk.

RESOLUTION

A RESOLUTION OF THE \_\_\_\_\_ (1)  
authorizing participation in the Offshore Fisheries Business  
Tax Revenue Sharing Pilot Project and adopting a determination  
of the population increase reasonably related to the offshore  
fish processing industry.

WHEREAS, the \_\_\_\_\_ (1) experiences  
significant impacts from the offshore fish processing industry;  
and

WHEREAS, this municipality is an applicant to participate in  
the Offshore Fisheries Business Tax Revenue Sharing Pilot  
Project authorized by chapter 98, SLA 1985; and

WHEREAS, the governing body of the municipality must pass a  
resolution adopting a population increase reasonably related to  
the offshore fish processing industry;

NOW THEREFORE BE IT RESOLVED THAT the governing body finds that  
in 1985 the population increase reasonably related to the  
offshore fish processing industry as defined in regulation  
was \_\_\_\_\_ (2).

PASSED AND APPROVED BY THE \_\_\_\_\_ (3)  
on the \_\_\_\_\_ day of \_\_\_\_\_, 1987.

BY: \_\_\_\_\_ (4)

ATTEST: \_\_\_\_\_ (5)