

ALASKA LEGISLATURE COMMITTEE FILES 1987-1988 8672

5482 SB 482 (file 2)

RES

1034

Original sponsors: Zharoff, Eliason
and Duncan

1 IN THE SENATE BY THE RESOURCES COMMITTEE
2 HOUSE CS FOR CS FOR SENATE BILL NO. 297 (Resources)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL
6 For an Act entitled: "An Act placing a moratorium until July 1, 1988, on
7 the issuance or granting of licenses, permits,
8 leases, or authorizations for commercial finfish
9 farming; providing for a bivalve spat collection
10 permit; and providing for an effective date."

11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:
12 * Section 1. FINFISH FARMING MORATORIUM. (a) Except as provided in
13 (b) of this section, the following licenses, permits, leases, or authoriza-
14 tions may not be issued or granted for the construction or operation of a
15 commercial finfish farm:

- 16 (1) authorization for use of an interim-use permit or the
17 experimental commercial taking of a fishery resource (AS 16.05.050(10));
- 18 (2) fish farming license (AS 16.05.340(a)(14));
- 19 (3) collection permit (AS 16.05.340(b));
- 20 (4) land use or tidelands permit (AS 38.05.035);
- 21 (5) a land lease (AS 39.05.070);
- 22 (6) fish transport permit (5 AAC 41.005);
- 23 (7) permit to appropriate water (11 AAC 93.120);
- 24 (8) temporary water use permit (11 AAC 93.210 - 11 AAC 93.220).

25 (b) A fish farming license and a fish transport permit may be issued
26 for commercial finfish farming in a privately owned freshwater body that
27 has no outlet to state water.

28 * Sec. 2. NO PREFERENCE INTENDED. A license, permit, lease, or au-
29 thorization described in sec. 1 of this Act that is issued or granted for a

1 purpose other than commercial finfish farming and that is in effect during
2 the period of the moratorium imposed by sec. 1 of this Act does not create
3 a right or preference with regard to the issuance, granting, or renewal of,
4 or conditions or limitations placed on, any license, permit, lease, or
5 authorization for aquatic farming after the period of the moratorium.

6 * Sec. 3. AS 16.05.340(b) is amended to read:

7 (b) The commissioner of fish and game may issue without cost a
8 permit to collect fish and game, including fur animals, subject to
9 limitations and provisions that are appropriate, for a scientific,
10 propagative, or educational purpose. The commissioner also may issue
11 a permit for the collection of bivalve spat for use in connection with
12 an aquatic farm. In addition, the commissioner shall issue a permit
13 for the collecting of wild fur animals for improving the genetic stock
14 of fur farm animals. Permits issued under this subsection shall be in
15 accordance with current sustained yield management practices for the
16 species of wild game for which the permit is requested. The annual
17 permit fee for an Alaska resident to collect wild fur animals for fur
18 farming purposes is the same as the fee for resident trappers.

19 * Sec. 4. Section 1 of this Act is repealed July 1, 1988.

20 * Sec. 5. This Act takes effect immediately under AS 01.10.070(c).

ALASKA STATE LEGISLATURE - SENATE

SENATOR RICHARD I. ELIASON

5373

RULES COMMITTEE CHAIRMAN
LABOR & COMMERCE COMMITTEE VICE-CHAIRMAN
LEGISLATIVE COUNCIL
RESOURCES COMMITTEE
FISHERIES SUBCOMMITTEE CHAIRMAN



P.O. BOX 143
SITKA, ALASKA 99835
P.O. BOX V
JUNEAU, ALASKA 99811
(907) 485-4916

May 11, 1987

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

COMMISSIONER'S OFFICE

RECEIVED
MAY 12 1987

Dear Commissioner Collinsworth,

DEPARTMENT OF FISH AND GAME

Recently hearings on Senate Bill 106, an act relating to aquatic farming, were conducted by the Senate Resources Subcommittee on Fisheries at five different locations -- Dillingham, Kodiak, Anchorage, Ketchikan, and Sitka. The individuals testifying at the hearings raised many concerns which must be addressed fully prior to the Legislature taking any formal action on permitting aquatic farming in Alaska.

Some of the unanswered questions asked are as follows:

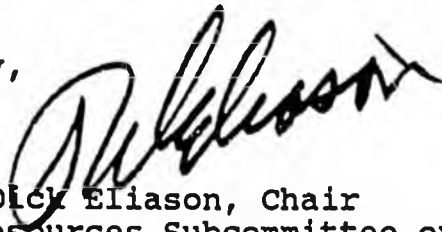
- 1) How will land use conflicts be resolved?
- 2) How can favoritism or the appearance of favoritism be avoided in the awarding of tide land permits?
- 3) What steps will be implemented to reduce tide land speculation?
- 4) What is the role of the non-profit hatcheries in the sea farming industry?
- 5) Will the role of a non-profit hatchery change if the hatchery chooses to rear pen salmon?
- 6) What will be the role of borough governments if a sea farm is within the borough's jurisdiction?
- 7) What will be the procedures in determining the monetary value for the tide land sites?

- 8) Will additional safeguards be established if the potential sea farm site is in a designated wilderness area?
- 9) How will the upland owners' concerns be resolved?
- 10) What exactly is known regarding any potential environmental danger in raising salmon in a concentrated area?

As these questions and other unresolved concerns regarding aquatic farming are reviewed and discussed during the interim by the Subcommittee on Fisheries, it will be most helpful if the various affected state agencies take an active role in the discussion. As chair of the interdepartmental work group on mariculture, the subcommittee looks forward to working with you and other members of the working group during the interim.

Commissioner Collinsworth, hopefully time will allow the subcommittee to meet with the agency representatives prior to adjournment in order to formalize plans for the next few months.

Sincerely,



Senator Dick Eliason, Chair
Senate Resources Subcommittee on Fisheries

cc: Senate Resources Committee Members
House Resources Committee Members

Suggested questions to be addressed
from the Office of Representative Herrmann

1 BIOLOGICAL CONSIDERATIONS

- 1) What is the potential disease and genetic threat to wild stocks?
- 2) How can these be controlled
- 3) What type of oversight and supervision of mariculture operations is necessary to ensure that wild stocks are not threatened
- 4) How should pens be stocked?
- 5) Who should regulate egg take?
- 6) Should Atlantic Salmon be allowed? and should other species be imported?
- 7) What are the potential effects on habitat for anadromous fish streams?

11 MARKET QUESTIONS

- 1) Is foreign marketing of pen-reared salmon currently effecting markets for Alaska's wild stocks?
- 2) If Alaska got into pen-rearing of salmon, would our pen-raised salmon be able to compete?
- 3) Could increased efforts at marketing the advantages of wild salmon give Alaska fishermen a competitive edge in certain markets over pen-reared salmon?
- 4) Would development of pen-reared salmon in Alaska displace fishermen? - If so, How many?
- 5) How valid is the statement that the world market will be glutted with salmon by the time Alaska is ready to get into the industry?

111 ECONOMIC FEASIBILITY & BENEFITS

- 1) What is the range of options for proceeding with mariculture operations?
 - A) What would be the economic costs and benefits if the state only permitted small operations? or only large operations?(How many jobs would be created? How much would they pay, How much revenue would be generated? How many people would be displaced? What would be the economic impacts to the state if the fishing industry experienced displacement? Would these operations be economically viable?
 - B) What would be the best way to proceed if the goal of the state was to maximize the revenues generated?

III. Government Involvement

- B. To what extent should the state be involved in necessary monitoring/oversight. What is the state required to do? (i.e. Federal NSSP requirements).
- C. To what extent should the state be involved in providing technical assistance in site selection and necessary environmental analysis?
 - 1. How much should the industry contribute to offset administrative costs?
- D. 2. To what extent should the industry be required to pay for the use of the public resources and the resulting externalities such as pollution and landscape alterations?
- E. What role should the state play in market development?
- F. Given the fiscal and technical policy impacts of the different options - should we proceed to encourage various mariculture operations, and if so, in what areas?
- G. What criteria should be established to determine a whether or not a permit applicant is "fit, willing and able".
 - 1. How do we avoid excluding small, locally owned operations?
 - 2. Should bonding be required to discourage speculation and protect the state in the case of failure? (Clean-up costs).
- H. How are permits going to be transferred? Who decides?
- I. To what extent should the state provide investment incentives? (State subsidization through loans, tax credits ect.) Several sources say that tax credit incentives are necessary to attract venture capital.
- J. How much should the industry pay for necessary regulation, monitoring and oversight?

- C) What would be the best way to proceed to create the most jobs and steady employment?
- D) What would be the best way to provide economic benefits to rural areas?
- E) What would be the best way to provide economic benefits to urban areas?
- F) What would be the best way to minimize the effects on fishermen who may be displaced
- G) What would be the comparative costs and benefits of not going ahead with mariculture but instead increasing marketing strategies so that wild salmon could compete?

IV LAND USE & SITING CONFLICTS

- 1) How should best interest findings be made?
- 2) What guidelines should be established to determine whether a site should be permitted if there are competing uses (some of which may not be permitted?)

V ENVIRONMENTAL IMPACTS

- 1) Water Quality
- 2) Land Use Impacts
- 3) Impacts on habitat for wild stocks

VI GOVERNMENT INVOLVEMENT

Will financial resources be diverted from other fisheries programs such as hatcheries, and economic development of other existing fisheries?

(See Attached)

5/20/87

INTERAGENCY WORKGROUP ON MARICULTURE

David Benton Department of Fish and Game	465-4100
Doug Donegan Department of Environmental Conservation	465-2609
Rick Focht Commercial Fisheries Entry Commission	465-4081
Kerry Howard Department of Environmental Conservation	465-2653
Mike Kaill Department of Fish and Game	465-4160
Amy Kruse Department of Environmental Conservation	789-3151
Diane Mayer Office of Management and Budget	465-3562
Bob Palmer Department of Natural Resources	465-3400
Paul Peyton Department of Commerce & Economic Development	465-2162
Rick Reed Department of Fish and Game	465-4290
Jim Wakefield Department of Labor	465-2700

Cowper Administration Position on Mariculture

Mariculture may provide substantial economic benefits to our coastal communities and help diversify and stabilize our economy if it is developed in an orderly fashion which provides the maximum benefit to Alaskans while ensuring protection for our fisheries resources, other resource users and the environment. In order to accomplish these objectives, any legislation authorizing a mariculture industry must satisfy the following principles:

1. The mariculture industry must benefit Alaskans.

The mariculture industry must be developed in a manner which does not result in unfair competition with existing fisheries or cause undue economic displacement in our coastal communities. Legislation should, to the extent possible under the law, provide for local hire at mariculture facilities and give preferential access to mariculture permits and mariculture related tidelands leases to Alaskans.

2. The mariculture industry must pay for itself and the state should get a fair return for the use of state resources.

Legislation should contain provisions for recovering administrative and other state costs associated with managing the industry. The legislation should also ensure that the state gets a fair return for the use of tidelands and other resources.

3. The development of the mariculture industry in Alaska should be done in an orderly fashion which encourages a stable, dependable industry.

Legislation should provide general criteria which will lead to the development of a regulatory program which discourages speculation on permits and tidelands leases, encourages sound financial planning, and provides for a diverse industry ranging from "Mom and Pop" ventures to larger corporate operations.

4. The mariculture industry must meet all state and federal requirements for human health, product quality and sanitation.

Legislation should ensure that mariculture facilities meet all state and federal requirements for human health, safety, and sanitation. Legislation should also require that mariculture products meet or exceed

all state and federal product quality and human health standards, and provide the means to ensure that state

regulators can protect human health and product quality.

5. Mariculture activities must be managed to ensure protection of the biological integrity of natural plant and animal stocks.

Legislation must address the issues of pathological and genetic protections for natural sea vegetable and fish stocks.

6. Mariculture activities must be managed in a manner which ensures adequate environmental safeguards and habitat protection.

Legislation must ensure that mariculture facilities are sited, designed and operated to protect air and water quality, to provide for proper disposal of wastes, and to minimize adverse effects to important fish and wildlife habitat.

7. Mariculture facilities must be sited to minimize land-use conflicts, maintain navigation and ensure access to upland areas.

Legislation should provide guidance for siting facilities to minimize conflicts with other tidelands users, reducing visual and aesthetic impacts, maintaining navigation and ensuring access across state tidelands.

8. Broodstock acquisition for mariculture purposes should be carefully regulated, especially for species subject to limited entry fisheries.

Legislation should contain provisions limiting the acquisition of broodstock for species subject to limited entry fisheries. Legislation should grant the Department of Fish and Game the authority to regulate the acquisition, transport, and propagation of mariculture broodstock, and provide the Board of Fisheries the ability to resolve allocation decisions regarding broodstock acquisition if necessary.

Alaska State Legislature

Senate Resources Committee



Sen. John B. (Jack) Coohill, Chairman
Sen. Paul Fischer, Vice-Chairman
Sen. Lloyd Jones
Sen. Arliss Sturgulewski
Sen. Jim Duncan
Sen. Fred Zhanoff
Sen. Dick Ellason

I. call to order
II. This week's meeting
(probably will only do SB 482)

Box V
Juneau, Alaska 99811
(907) 465-1907



Agenda

Senate Committee on Resources
April 4-11

April 4: No Meeting

April 6: SB 482; Aquatic Farming
SB 483; Conservation & Protection of Natural Rangelands
SB 280; Issuance of Permits and Consistency Determinations
SB ~~493~~⁴⁹⁴; Salmon Enhancement Tax
SB 411; Firearms in State Parks

April 8: SB 465, Yagataga State Forest
SB 475, Tugidak Critical Habitat Area

April 11: Previous Scheduled bills

TELECONFERENCE PARTICIPATION

SPONSOR (S) Res

DATE/TIME 4/6 1:30 - 3:30

SUBJECT SB 482 - Aquaculture

LIO'S
(moderator)

	TESTIFY	OBSERVE	TESTIFY	OBSERVE
<u>ANCHORAGE</u> ()			PETERSBURG * ()	
BARROW * ()			SITKA ()	
BETHEL ()			SOLDOTNA ()	
DELTA JUNCTION * ()			VALDEZ * ()	
DILLINGHAM * ()			LTC'S	
FAIRBANKS ()			HOMER	
GLENNALLEN * ()			<u>WRANGELL</u>	
JUNEAU ()			OFFNETS	
KETCHIKAN ()			OFF1 <u>Cordova</u>	
<u>KODIAK</u> ()			OFF2 <u>KAKE</u>	
KOTZEBUE ()			OFF3	
MAT-SU ()			OFF4	
NOME ()			OFF5	
			OFF6	

LISTEN ONLY

```

*****
*
* DELIVER TO: LSNCRE5
*
* ORIGINAL
* SENT: 03/23/88 TIME: 15:58
* FROM LIOCDJT
* SUBJECT: SRES,FS;SB482,MARICULTURE,3-23
* PRINT DATE: 03/23/88 TIME: 16:03
*
*****

```

```

DATE: MARCH 23, 1988
SITE: DELTA JUNCTION
SPONSOR: SENATE RESOURCES
SUBJECT: LEG. PUBLIC HEARING: SB 482, MARICULTURE
MODERATOR: SANDI

```

FINAL STATS

TESTIFIED NAME/REPRESENTING	ADDRESS	PHONE #
NONE		

OBSERVED NAME/REPRESENTING	ADDRESS	PHONE #
NONE		

```

TESTIFIED: 0
UNABLE: 0
OBSERVED: 0
TOTAL: 0

```

START/END TIME 1:30-2:30PM

CORRECTION

**THIS DOCUMENT
HAS BEEN REPHOTOGRAPHED
TO ASSURE LEGIBILITY**

TELECONFERENCE PARTICIPATION

SPONSOR (S) Res

DATE/TIME 4/10 1:30 - 3:30

SUBJECT SB 482 - Aquaculture

LIO'S (moderator)

	TESTIFY	OBSERVE	TESTIFY	OBSERVE
<u>ANCHORAGE</u> ()			PETERSBURG * ()	
BARROW * ()			SITKA ()	
BETHEL ()			SOLDOTNA ()	
DELTA JUNCTION * ()			VALDEZ * ()	
DILLINGHAM * ()			LTC'S	
FAIRBANKS ()			HOMER	
GLENNALLEN * ()			<u>WRANGELL</u>	
JUNEAU ()			OFFNETS	
KETCHIKAN ()			OFF1 <u>Cordova</u>	
<u>KODIAK</u> ()			OFF2 <u>KAKE</u>	
KOTZEBUE ()			OFF3	
MAT-SU ()			OFF4	
NOME ()			OFF5	
			OFF6	

LISTEN ONLY

VTS'S	U	T	O	TOTAL		U	T	C	TOTAL
AMB - AMBLER					MET - METLAKATLA				
ANA - ANAKTUVUK PASS					MOS - MOSQUITO LAKE				
AND - ANDERSON					NAK - NAKNEK				
ANG - ANGOON					NEN - NENANA				
CAN - CANTWELL					NEW - NEWHALEN				
CHS - CHISTOCHINA					NIK - NIKISKI				
CHI - CHITINA					NOR - NOORVIK				
COP - COPPER CENTER					NOT - NORTH TONSINA				
COR - CORDOVA					NOV - NORTHWAY				
CRA - CRAIG					PEL - PELLAN				
DOT - DOT LAKE					PTH - POINT HOPE				
EAG - EAGLE					SAV - SAVOONGA				
FTY - FT. YUKON					SDP - SAND POINT				
GAK - GAKONA					SEW - SEWARD				
GAL - GALFNA					SLW - SELAWIK				
GAM - GAMBELL					SHS - SHISHMAREF				
HNS - HAINES					SLA - SLANA				
HEA - HEALY					SKG - SKAGWAY				
HOO - HOONAH					STP - ST. PAUL				
HPB - HOOPER BAY					TOG - TOGIK				
HYD - HYDABURG					TOK - TOK				
KAK - KAKE					OOK - TOOKSOOK				
KAT - KAKTOVIK					UAK - UNALASKA				
KEN - KENNY LAKE					UNK - UNALAKLEET				
KLA - KLAWOCK					WAI - WAINWRIGHT				
MEN - MENIATA					YAK - YAKUTAT				

```

*****
*
* DELIVER TO: LSNCRES
*
* ORIGINAL
* SENT: 03/23/88 TIME: 15:50
* FROM: LI0CDJT
* SUBJECT: SRES, FS, SB482, MARICULTURE, 3-23
* PRINT DATE: 03/23/88 TIME: 16:03
*
*****

```

```

DATE: MARCH 23, 1988
SITE: DELTA JUNCTION
SPONSOR: SENATE RESOURCES
SUBJECT: LEG. PUBLIC HEARING: SB 482, MARICULTURE
MODERATOR: SANDI

```

FINAL STATS

TESTIFIED	ADDRESS	PHONE #
NAME/REPRESENTING		
NONE		

OBSERVED	ADDRESS	PHONE #
NAME/REPRESENTING		
NONE		

```

TESTIFIED: 0
UNABLE: 0
OBSERVED: 0
TOTAL: 0

```

START/END TIME 1:00-2:30PM

 * DELIVER TO: LSNCRE5 *
 * ORIGINAL *
 * SENT: 03/23/88 TIME: 15:45 *
 * FROM: LIOCKOT *
 * SUBJECT: FS, SEN RESOURCES, SB 482, OTZ *
 * PRINT DATE: 03/23/88 TIME: 16:02 *

DATE: MARCH 23, 1988
 SPONSOR: SENATE RESOURCES
 SUBJECT: LEG. PUBLIC HEARING\SB 482, MARICULTURE
 SITE: KOTZEBUE
 MODERATOR: KAREN JOHNSON

FINAL STATS

TO TESTIFY

NAME/REPRESENTING	ADDRESS	PHONE #
1. NO PARTICIPANTS IN KOTZEBUE.....		

- 2.
- 3.
- 4.
- 5.

TO OBSERVE

NAME/REPRESENTING	ADDRESS	PHONE #
1.		

- 2.
- 3.
- 4.
- 5.

TESTIFIED:
 UNABLE: 0
 OBSERVED: 0
 TOTAL: 0

START/END TIME

 * DELIVER TO: LSNCRE5 *
 * ORIGINAL *
 * SENT: 03/23/88 TIME: 15:36 *
 * FROM: LTCCFBX *
 * SUBJECT: SRES, FS, SB482, 3-23-88 *
 * PRINT DATE: 03/23/88 TIME 16:02 *

DATE: MARCH 23, 1988
 SITE: FAIRBANKS
 SPONSOR: SENATE RESOURCES
 SUBJECT: SB 482: MARICULTURE
 MODERATOR: FRAN

 TESTIFY
 NAME \ REPRESENTING ADDRESS PHONE #

FAIRBANKS HAD NO PARTICIPANTS

 OBSERVE:
 NAME \ REPRESENTING ADDRESS PHONE #

 TESTIFIED 0
 OBSERVED 0
 TOTAL 0
 TIME START
 TIME END

*
 * DELIVER TO: LSNCRS *
 *
 * ORIGINAL *
 * SENT: 03/23/88 TIME: 15:22 *
 * FROM: LTCCGLN *
 * SUBJECT: S.RES,FS,SB 482;3-23-88 *
 * PRINT DATE: 03/23/88 TIME: 16:02 *
 *

DATE MARCH 23, 1988
 SITE GLENNALLEN
 SPONSOR: SENATE RESOURCES
 SUBJECT: HB 482 - MARICULTURE
 MODERATOR CATHY MACKINNON

FINAL STATE

TESTIFIED	NAME/REPRESENTING	ADDRESS	PHONE #	BILL #
1	0			

OBSERVED	NAME/REPRESENTING	ADDRESS	PHONE #	BILL #
0	0			

TESTIFIED 0
 UNABLE 0
 OBSERVED 0
 TOTAL 0

START/END TIME

THERE WERE NO PARTICIPANTS. DID NOT SIGN ON.

```

*****
*
* DELIVER TO: LSNORES
*
* ORIGINAL
* SENT: 03/23/88 TIME: 15:19
* FROM: LIOCPSG
* SUBJECT: S RES, SB482-MARI, 3-23-88
* PRINT DATE: 03/23/88 TIME: 16:01
*
*****

```

```

DATE MARCH 23, 1988
SITE PETERSBURG
SPONSOR: (S) RESOURCES
SUBJECT: SB 482 - MARICULTURE
MODERATOR: DOROTHY PENTTILA
          CRIS MORRISON

```

FINAL STATS

TESTIFIED

NONE LISTEN ONLY

OBSERVED:

	NAME/REPRESENTING	ADDRESS	PHONE
1.	STEVE LADOCKI	BOX 1471 PSG	NONE
2.	BERRA LYONS	BOX 296 PSG	772-3572
3.	JULIE HURSEY	BOX 213 PSG	772-3967
4.	GERRY MERRIGAN	BOX 1065 PSG	772-4445
5.	JOHN W. ENGE	BOX 186 PSG	772-4637

0 TESTIFIED
5 OBSERVED
5 TOTAL

1 30 PM / 2 40 PM START/END TIME

 * DELIVER TO: LSNCRE5 *
 * * * * *
 * ORIGINAL *
 * SENT: 03/23/88 TIME: 15:05 *
 * FROM: LIOCBET *
 * SUBJECT: SRES,FS,SB482,3-23-88 *
 * PRINT DATE: 03/23/88 TIME: 16:01 *
 * * * * *

DATE: MARCH 23, 1988
 SITE: BETHEL
 SPONSOR: SENATE RESOURCES
 SUBJECT: SB482 - HARIKULTURE
 MODERATOR: WALLY RICHARDSON

XX FINAL STATS XX

I DID NOT HAVE ANY PARTICIPANTS, I DID NOT CALL-IN.

TESTIFIED, -0-
 UNABLE, -0-
 OBSERVED, -0-
 TOTAL, -0-

NO START/END TIME.

 *
 * DELIVER TO: LSNCRES *
 * *
 * ORIGINAL *
 * SENT: 03/23/88 TIME: 15:01 *
 * FROM: LIOCKTN *
 * SUBJECT: S RES;MARTICULTURE;FS,3-23-88 *
 * PRINT DATE: 03/23/88 TIME: 16:01 *
 *

DATE: MARCH 23, 1988
 SPONSOR: SEN RESOURCES
 SUBJECT: MARTICULTURE SB482
 SITE WRANGELL
 MODERATOR: MABLE FENNIMORE

FINAL STATS

TO OBSERVE:

NAME REPRESENTING	ADDRESS	PHONE NO.
1. JIM GOVE - CITY OF WRANGELL	P.O. BOX 307 WRANGELL, AK 92929	874-3564

TESTIFY: 0
 UNABLE: 0
 OBSERVE: 1
 TOTAL: 1

START TIME 1:30PM
 END TIME 2:45PM

CON

 * DELIVER TO: LSNCRS
 * ORIGINAL
 * SENT: 03/23/88 TIME: 14:57
 * FROM: LIOCSIT
 * SUBJECT: SRES,FS;SB482;3-23
 * PRINT DATE: 03/23/88 TIME: 16:00

MARCH 23, 1988
 SENATE RESOURCES
 SB 482: MARICULTURE
 SITKA
 MODERATOR: FLAINE/KATHY

PARTICIPANT LIST

 TO OBSERVE

NAME/REPRESENTING	ADDRESS	PHONE #	BILL #
1. SIGURD MATTHESEN,	PETERSBURG VESSEL OWNERS ASSOC., BOX 232,		
	PETERSBURG 99833, 772-3058		
2. PETE ESQUIRO, NSRAA,	103 MONASTERY, SITKA	99835, 747-6850	

- 0 TESTIFIED
- 0 UNABLE
- 2 OBSERVED
- 2 TOTAL

1:30 - 2:45 PM START/END TIME

*
* DELIVER TO: LSNCRE5 *
* *
* ORIGINAL *
* SENT: 03/23/88 TIME: 14:53 *
* FROM: LIOCKTN *
* SUBJECT: S RES; MARICULTURE; FS, 3-23-88 *
* PRINT DATE: 03/23/88 TIME: 16:00 *
*

DATE: MARCH 23, 1988
SPONSOR: SEN RESOURCES
SUBJECT: MARICULTURE SB482
SITE: KETCHIKAN
MODERATOR: RAE RHODES

FINAL STATS

TO OBSERVE:

NAME/REPRESENTING	ADDRESS	PHONE NO.
1. DONALD AMEND/SOUTHERN SOUTHEAST REGIONAL AQUACULTURE ASSOC.	1621 TONGASS AVE. KETCHIKAN, AK	99701225-2605
2. JAMES E. CARLTON	1043 WOODLAND KETCHIKAN, AK	99901225-4261

TESTIFY: 0
UNABLE: 0
OBSERVE: 2
TOTAL: 2

START TIME 1:28PM
END TIME 2:41PM

EOM

*
* DELIVER TO: LSNORES *
*
* ORIGINAL *
* SENT: 03/23/88 TIME: 14:50 *
* FROM: LIOCDAY *
* SUBJECT: SEN.RES.; MARICULTURE; FS; 3-23 *
* PRINT DATE: 03/23/88 TIME: 15:59 *
*

*** FINAL TELECONFERENCE STATISTICS ***

DATE: _____ MARCH 23, 1988 _____
SITE: _____ ANCHORAGE _____
SPONSOR: _____ SENATE RESOURCES COMMITTEE _____
SUBJECT: _____ MARICULTURE _____
LOCAL MODERATOR: _____ DAVID _____

LISTEN ONLY TELECONFERENCE--->OBSERVERS: NAME\REPRESENTING
ADDRESS PHONE #

JERRY MCCUTCHEON ANCHORAGE ONLY ADDRESS GIVEN
LARRY NELSON "
DAVID FUHS "

TESTIFIED: _____00_____ START TIME: ___1:30PM___
OBSERVED: _____03_____ END TIME: ___3:00PM___
TOTAL: _____03_____

```

*****
* DELIVER TO: LSNCRES
*
* ORIGINAL
* SENT: 03/23/88 TIME: 14:53
* FROM: LIOCVAL
* SUBJECT: S RES.,FS,SB 482;3-23
* PRINT DATE: 03/23/88 TIME: 15:59
*
*****

```

```

DATE: MARCH 23, 1988
SITE: VALDEZ
SPONSOR: SENATE RESOURCES
SUBJECT: SB 482: MARICULTURE
MODERATOR: DONNA GRENIER

```

FINAL STATS

TESTIFIED	0			
NAME/REPRESENTING		ADDRESS	PHONE #	BILL #

OBSERVED	0			
NAME/REPRESENTING		ADDRESS	PHONE #	BILL #

```

TESTIFIED 0
UNABLE 0
OBSERVED 0
TOTAL: 0

```

START/END TIME:

VALDEZ DID NOT DIAL IN. * NO PARTICIPANTS

* * * * *

* DELIVER TO: LSNCRE5 * * * * *

* * * * *

* ORIGINAL * * * * *

* SENT: 03/23/88 TIME: 14 37 * * * * *

* FROM LIUCNOM * * * * *

* SUBJECT SRES;FS;SB482.MARICULTURE,3-23 * * * * *

* PRINT DATE 03/23/88 TIME: 15:57 * * * * *

* * * * *

NONE HAD NO PARTICIPANTS FOR TODAY'S SENATE RESOURCES
TELECONFERENCE ON SB 482. MARICULTURE. PLEASE CONSIDER THIS THE
FINAL STATS.

THANK YOU.

* DELIVER TO: LSNCRE5

* ORIGINAL

* SENT: 03/23/88 TIME: 14.34

* FROM: LIOCKOD

* SUBJECT: SRES,FS;SB482;3-23-88

* PRINT DATE: 03/23/88 TIME: 15:57

DATE: MARCH 23, 1988
SPONSOR: SENATE RESOURCES
SUBJECT: SB 482 MARICULTURE
SITE: KODIAK L.I.O.
MODERATOR: MARY JO SIMMONS

FINAL STATE

KODIAK HAD NO PARTICIPANTS AND DID NOT DIAL INTO THE BRIDGE

TOTAL 0

 #
 # DELIVER TO: LSNCRE5
 #
 #
 * ORIGINAL
 * SENT: 03/23/88 TIME: 14:33
 * FROM: LTCCSOL
 * SUBJECT: FS;3-23;SRES;MARICULTURE
 * PRINT DATE: 03/23/88 TIME: 15:57
 *

3-23-88
 SENATE RESOURCES
 SD482-MARICULTURE
 SOLDOTNA
 VESTA

FINAL STATS

*****\

TO TESTIFY
 NAME/REPRESENTING ADDRESS PHONE #

- 1.
2. NO ONE PARTICIPATED. DID NOT DIAL IN.

TESTIFIED
 UNABLE
 OBSERVED
 TOTAL

START/END TIME

* * * * *

* DELIVER TO: LSNCRE8 * * * * *

* * * * *

* ORIGINAL * * * * *

* SENT: 03/23/88 TIME: 14:14 * * * * *

* FROM: LIOCMAT * * * * *

* SUBJECT: FS 3-23-88 SRES MARICULTURE * * * * *

* PRINT DATE: 03/23/88 TIME 15:56 * * * * *

* * * * *

* * * * *

DATE: 3-23-88
SITE: M-S L10
SPONSOR: SRES
SUBJECT: HB 402 MARICULTURE, ETC.
MODERATOR: NONE

PARTICIPANT LIST
FINAL STATS

TESTIFIED: 0
UNABLE: 0
OBSERVED: 0
TOTAL 0

START 1:30 PM

ALASKA NATIONAL INTEREST LANDS CONSERVATION ACT

DECEMBER 2, 1980

P.L. 96-487

National Wildlife Refuge System

- | | |
|--------------------------|---------------------|
| 1. Alaska Maritime NWR* | 7. Kanuti NWR |
| a. Chukchi Sea Unit | 8. Kenai NWR |
| b. Bering Sea Unit | 9. Kodiak NWR |
| c. Aleutian Islands Unit | 10. Koyukuk NWR |
| d. Alaska Peninsula Unit | 11. Nowitna NWR |
| e. Gulf of Alaska Unit | 12. Selawik NWR |
| 2. Alaska Peninsula NWR | 13. Tetlin NWR |
| 3. Arctic NWR | 14. Togiak NWR |
| 4. Becharof NWR | 15. Yukon Delta NWR |
| 5. Innoko NWR | 16. Yukon Flats NWR |
| 6. Izembek NWR | |

————— Refuge

□ Wilderness

*The Alaska Maritime National Wildlife Refuge consists of all the public lands in the coastal waters and adjacent seas of Alaska consisting of islands, islets, rocks, reefs, capes and spires.

National Park System

- | | |
|---|--|
| 17. Aniakchak Nat'l Monument and Preserve | 23. Katmai Nat'l Park and Preserve |
| 18. Bering Land Bridge Nat'l Preserve | 24. Kenai Fjords Nat'l Park |
| 19. Cape Krusenstern Nat'l Monument | 25. Kobuk Valley Nat'l Park |
| 20. Denali Nat'l Park and Preserve | 26. Lake Clark Nat'l Park and Preserve |
| 21. Gates of the Arctic Nat'l Park and Preserve | 27. Noatak Nat'l Preserve |
| 22. Glacier Bay Nat'l Park and Preserve | 28. Wrangell-Saint Elias Nat'l Park and Preserve |
| | 29. Yukon-Charley Rivers Nat'l Preserve |

————— Park, Monument

- - - - - Preserve

□ Wilderness

Bureau of Land Management System

30. Steese Nat'l Conservation Areas
31. White Mountains Nat'l Recreation Area

- - - - - NCA, NRA

National Wild and Scenic Rivers System

~~~~~ 32. (25) Rivers

## National Forest System

- |                          |                                     |
|--------------------------|-------------------------------------|
| 33. Chugach Nat'l Forest | 35. Admiralty Island Nat'l Mbnument |
| 34. Tongass Nat'l Forest | 36. Misty Fjords Nat'l Monument     |

————— Forest

□ Wilderness

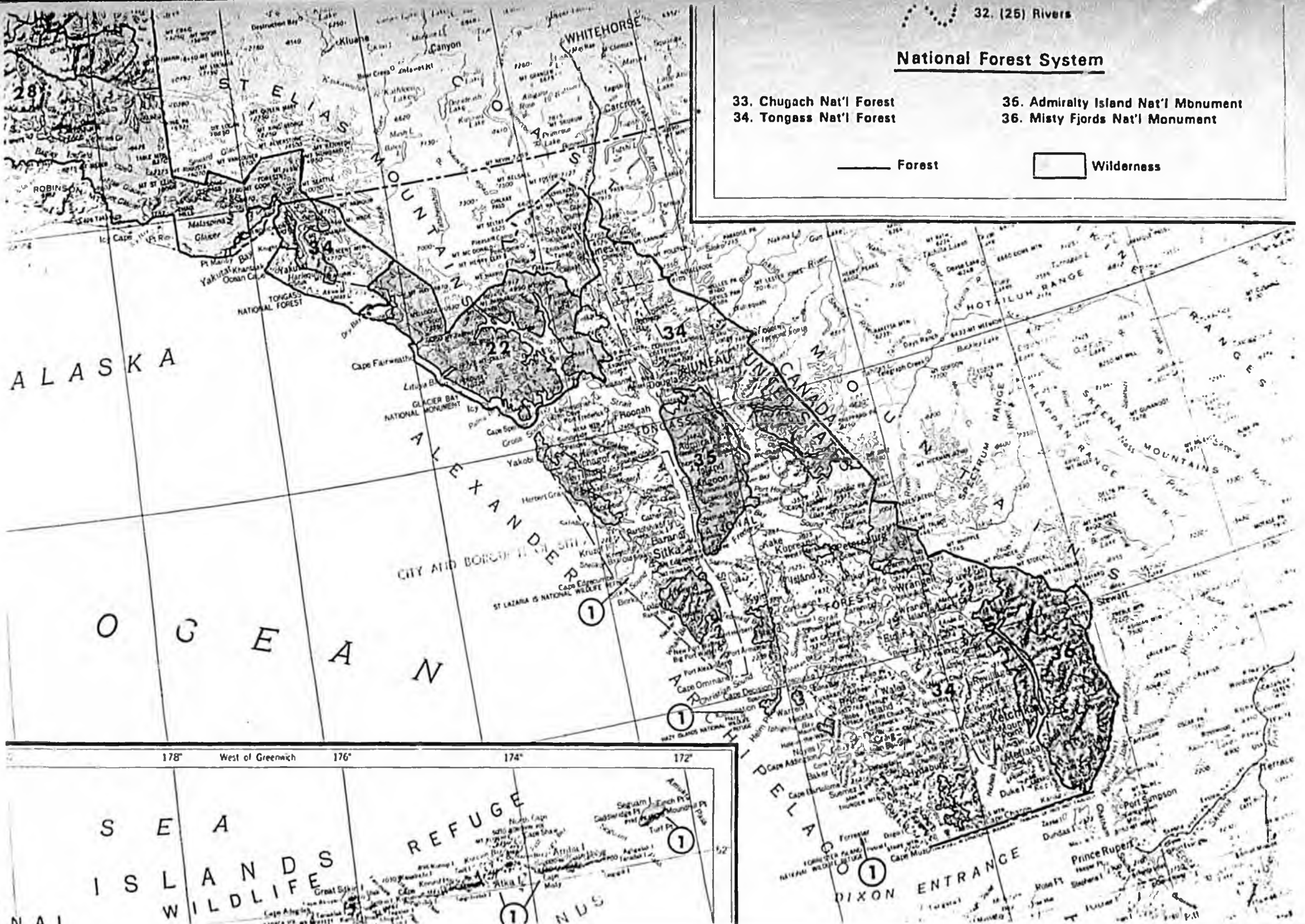


### National Forest System

- 33. Chugach Nat'l Forest
- 34. Tongass Nat'l Forest

- 35. Admiralty Island Nat'l Mbnument
- 36. Misty Fjords Nat'l Monument

—— Forest      □ Wilderness





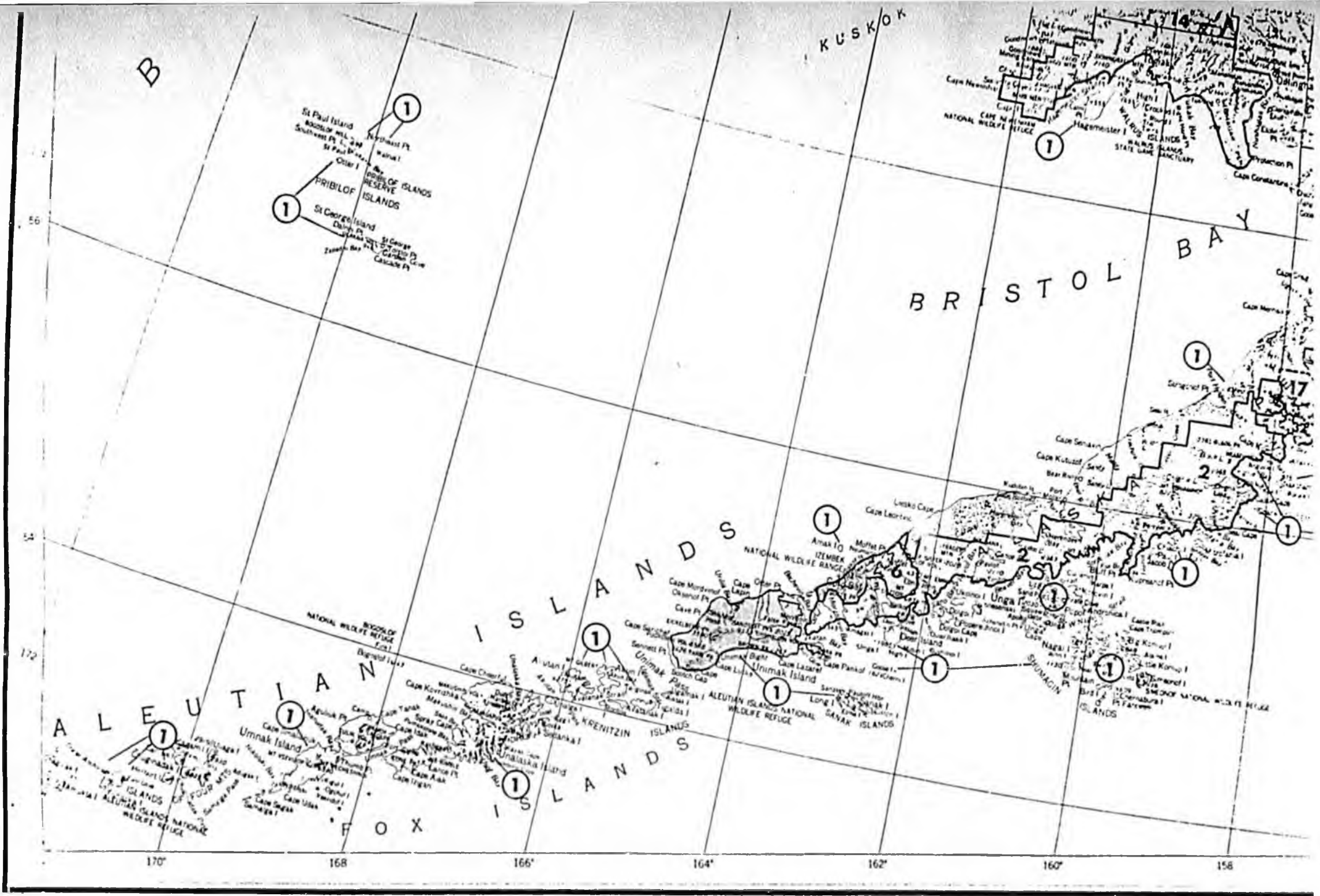
COOL BAY

GULF OF ALASKA

PACIFIC

ALEUTIAN ISLANDS  
BERING ISLANDS





1200 E. 76th Ave. Suite 1222  
Anchorage, Alaska 99518  
(907) 349-6485

April 01, 1988

Senator Arliss Sturgulewski  
P.O. Box V  
Juneau, Alaska 99811

Dear Senator Sturgulewski,

We were in support of Senator Eliasons' 3/16/88 draft of Senate Bill 482 which would allow fish farming in upland salt water pens. We feel this is a fair compromise. Needless to say we are very disappointed in his 3/28/88 draft of this bill.

Salt water upland farms are economically and environmentally feasible. All of our upland fish farm discharge will meet or exceed Federal Clean Water Standards.

As we have previously stated, we have invested many years of time and effort in this project. The money invested is substantial and should this bill pass, as it is now written, we would suffer a substantial loss of both time and money.

We urge you to reconsider and include salt water upland fin fish farming in any bill dealing with mariculture.

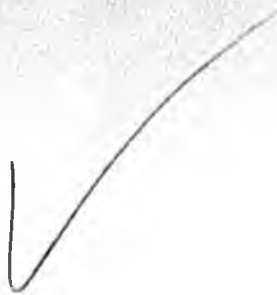
If you would like additional information on our project please feel free to contact us.

Sincerely,

  
Thorne Ferguson, Jr.

MAR - 4 1988

FYI



2432 Engineers Cut off  
Juneau, Alaska 99801  
March 1, 1988

*Jack Coghill*  
P.O. Box V (MS 3100)  
Juneau, Alaska 99811

Dear Senator,

This is in reference to Salmon Farming in Alaska.

We greatly oppose this and want your support on this issue.

Here is what Alaska can do to foster economic diversity:

1. Restore Fish and Game Department Fisheries Rehabilitation and Enhancement Division budget to at least the 1985 level. ( In other words, make more salmon for harvest.)
2. Bring all effort possible to bear against foreign harvest, and intervention of Alaska's resources.
3. Increase funding of Alaska Seafood Marketing Institute.

More fish means more jobs and real fish don't eat pellets!

Thank you for your time and consideration on this.

Sincerely,

*Kenneth + Sheila McFee*



# Alaska State Legislature

Please enter into the record my testimony to the Senate Resources  
committee name

committee on SB 482 - Mariculture, dated 3/11/88  
bill/subject

I believe there should be a moratorium on mariculture and salt and fresh water except the land-locked lakes for all species of finfish. I support Senator Eliason's bill except I would like to see a moratorium on fresh-water rearing of finfish except in land-locked lakes.

Signed: Craig Matkin - *He was surprised in. I took this testimony over the phone. Jean Schreder, teleconference moderator*  
Testifier  
Director, North Gulf Oceanic Society  
Representing (Optional) a non-profit Alaskan research group  
P.O. Box 15244 P.C.B. Homer AK 99603  
Address  
235-6590  
Phone No



# Alaska State Legislature

Please enter into the record my testimony to the Senate Resources  
committee name

committee on SB 482: Mariculture, dated 3/11/88  
bill/subject

Senate Bill 482 from the Senate Resources Committee addresses the concerns we have had with the development of mariculture in Alaska. These concerns are, but are not limited to: site leases, disease control, sale and transfer of stocks, importation of aquatic plants and shellfish, and criteria for the issuance of permits.

Most importantly, SB 482 prohibits the aquatic farming of finfish in saltwater. The adverse effects that finfish farming in saltwater would have in Alaska are so numerous, that I will not take the time needed to address these problems here.

I believe that the passage of this bill will allow the careful, deliberate development of a needed industry. I urge the passage of SB 482 into law for the benefit of all Alaskans.

Signed: George Eliason, Commercial Fisherman  
Testifier

Representing (Optional)

102 Kivule Dr., Sitka AK 99835  
Address

747-6517  
Phone No.

## TESTIMONY

TO: SENATE RESOURCES COMMITTEE

FROM: DICK GRIFFIN, SITKA

RE: MARICULTURE LEGISLATION

DATE: 3-11-88

After sitting through several hours of testimony today, I decided to type out mine and send it to you....

I am no newcomer to the issues and controversies surrounding mariculture in the state of Alaska.

Eight years ago this spring several Kake high school students and myself travelled to visit Mr. Jefferds of Penn Cove Mussels on Whidbey Island in Washington state. Mr. Jefferds, as some of you know, developed and operates a very successful mariculture business.

The students had been studying ways in which young people in the villages of Southeast Alaska could develop new industry for the region so they could live and work in their home towns. The traditional means of making a living in Southeast centered around the woods or the water. Since limited entry had nearly eliminated the possibility of them entering the common fisheries, they were exploring other water related careers. They were eager to try something that was quite foreign to the traditional lifestyle familiar to their parents.

The students returned home from Washington full of excitement due to the fact that Mr. Jefferds had agreed to come to Alaska, teach the students how to set up the mussel business, market their product in Puget Sound and assist in getting the product tested at the labs in Seattle.

Enter the state of Alaska bureaucracy. After being told by several state agencies that it would take years and much money to ever get such a business started in Kake and that the product could not be shipped without being tested in the state, the students gave up.

What is interesting to me is that the students were willing to explore something different than the acceptable lifestyle of their parents. They were excited to try something new which had the promise of developing into a way of keeping them gainfully employed in their home environment.

The people who testified against mariculture are some of the same people you have heard oppose any development in the minerals industry (Alaska pipeline, placer mining, etc.),

development in the state and federal forests (Tongass Forest issues, Southcentral state forest issues, etc.), development in the tourism industry (Kelp Bay Lodge, Hatcher Pass Ski resort, etc.) and any development that has an effect on their lifestyle.

The arguments put forth by those opposed to mariculture that this industry will have a negative economic impact on existing industries do not hold water. You have at your disposal study after study conducted by your own researchers that dispute those claims. i.e. Memo of 4/28/87 to Representative Grussendorf from Brad Pierce, Legislative Analyst.

The arguments put forth by those opposed to mariculture that the industry would cause biological devastation do not hold water. Reference the works of many fishery biologists in Alaska who state the contrary.

I believe that those who support the several bills before you that would restrict or prohibit mariculture are simply trying to add to the bureaucratic bouillabaisse and introduce protectionist legislation to benefit the few who have a privileged position in the fishing industry. They are not willing to give the kids from Kake the chance to work on their future because they perceive risk of some change in the status quo. They are not willing to give all Alaskans the chance to break away from their dependence on state support for programs and individual social needs.

Please try to see through the selfish claims of the anti-mariculture folks and think of all the young people in the state who have dreams like the kids from Kake.

Thank you very much for the opportunity to testify....

TELECOPY COVER SHEET  
ANCHORAGE INFORMATION OFFICE

TO: Juneau FOR: Senate Resources PHONE: \_\_\_\_\_

FROM: Anch L.I.O. PHONE: \_\_\_\_\_

ADDITIONAL INSTRUCTIONS: Please forward this for the members.

DATE/TIME SENT: 3-11-88; 2:45pm PLEASE ACK. RECEIPT: \_\_\_\_\_

DISPOSAL OF ORIGINAL:  THROW AWAY

HOLD FOR PICK UP

NUMBER OF PAGES: 1 (NOT COUNTING COVER SHEET)

BY: DW

## THE ALASKA WILDLIFE ALLIANCE

P.O. BOX 190953  
ANCHORAGE, ALASKA 99519  
907-277-0897

To: Sen. Resources Comm.

The following are the comments of the Alaska Wildlife Alliance. We are against SB492 because the bill is weak on land use planning. We need a bill this year to prevent development with no controls. Shellfish and sea vegetable farming are already occurring without comprehensive planning, and fish farming will be legal after the moratorium lifts in July. We need to prevent conflict and help establish a planning and permitting system for any type of tideland development, including floating lodges. That development is now happening piecemeal. We need legislation that includes provisions that statutorily prevent development of tidelands adjacent to all wilderness areas and state parks, valuable fish and wildlife habitat areas, popular recreational areas, Critical Habitat Areas, bird rookeries, marine mammal hauls outs, and important subsistence areas. Development should focus on the tidelands of interested private property holders. The permit and leasing processes should include commitment bonds, development schedules, and restrictions on permit and lease transfers to prevent tideland speculation. Clean up bonds should be required to ensure site rehabilitation and structure removal in case of site abandonment. And proposed developments should be subjected to public review. Annual review must be mandated to ensure compliance with the laws.

The Alaska Wildlife Alliance is concerned that mariculture facilities will attract marine mammals and birds to a penned source of food. The Marine Mammal Protection Act and the Bald Eagle Protection Act may not be sufficient to prevent unlawful predator control by mariculturalists.

Again, we must know the likely results of various development scenarios if we are to make responsible decisions. Therefore, we encourage a bill with more land use planning in place.

*Henry Sevrice*

3-11-88

DATE

TO: Senate Resources Committee / 455-4745

FROM: John Bell - KANA 486-5725

NUMBER OF PAGES (INCLUDING COVER SHEET): 4

THIS IS BEING SENT BY THE  
LEGISLATIVE INFORMATION OFFICE,  
KODIAK, ALASKA

Please note that we have a Rapicom 200 Auto-Telecopier. This machine transmits pages up to 8 1/2 X 14 inches. Our telecopier direct line is (907) 486-5254.

PLEASE TELEPHONE (907) 486-8116 IF ANY PAGES  
ARE MISSING OR ILLEGIBLE.

BILLING  
NUMBER: \_\_\_\_\_

Senator Coghill ask that a copy of this be sent down to him.

use this paragraph as a guide if you want.

etc WS

you can skip this part and just introduce yourself.

Good afternoon and thank you for this opportunity to testify on the proposed mariculture legislation. My name is John Bell and I work as a Mariculture Technician for the Kodiak Area Native Association on the scallop mariculture feasibility study.

The statement I am about to read was prepared by Bill Osborne who is the Mariculture Specialist for the Kodiak Area Native Association.

For two years, the Kodiak Area Native Association has been cooperating with the Departments of Fish and Game and Commerce and with the Japanese Overseas Fishery Cooperation Foundation in a study on the feasibility of scallop aquaculture in the Kodiak Island area. The ultimate goal of this project is to promote economic development and increase job opportunities in the Native villages of the Kodiak Island area by developing a self-sustaining aquaculture industry.

While pursuing the feasibility study, KANA has also taken initial steps toward commercial scallop aquaculture by obtaining a tidelands permit near the village of Ahikik. We are currently rearing pink scallop spat collected last summer, and we will be harvesting spat again this summer.

The collection of spat for commercial purposes was legalized last summer after the passage of Senate Bill 297, the compromise mariculture moratorium bill. This bill put a hold on the issuance of most types of mariculture permits while work was supposed to continue on a comprehensive mariculture bill. While we are now able to farm scallops legally under current regulations and restrictions, we are still looking forward to legislation that

*aquatic farmers*

will resolve some areas of uncertainty for ~~both~~ *aquatic farmers* and for traditional users of marine resources.

As it is written, Senate Bill 482 is not the comprehensive legislation we are hoping for. On the surface, SB 482 appears to encourage shellfish and kelp farming, but in fact, the bill creates a much more restrictive environment for aquaculture than currently exists. We are particularly concerned about the criteria for issuance of permits listed on page 2. It is doubtful that one could use the marine environment in any way without adversely affecting wild stocks or their management. This same reference to adverse effects on marine mammals in the marine mammals act was recently interpreted in court to mean that whole commercial fisheries could be shut down because they disturb the mammals in some way. The impact of its location does not need to be qualified; the commercial activity must cease.

This bill requires an aquatic farmer to pass out another set of still undefined criteria. On page 13 the commissioner of Natural Resources is required to develop a separate set of criteria for issuing tidallands permits. Why require two, possibly conflicting sets of criteria?

This bill will not allow the sale of harvested or hatchery-produced spat to operations outside of Alaska. Why should Alaska prevent this possible source of revenue? We have already been approached by firms from other states which are interested in purchasing scallop spat.

On page six, under the definition of marine farm product, it is stipulated that the only intended permittee was the aquaculturist, or help to be used is down. Is there any way to ensure that the

potential uses of aquatic products by including such products and products into legislation? Consultation with potential aquatic farmers would provide suggestions for many products with which to broaden that definition.

Referring to the tidelands use permit section on page 12, although it is not clear how a fair market price can be determined for a non-transferable five year permit, we are concerned that this provision may drive the cost of migration below the profitable margin.

Finally, the operation of salmon net pen farms is not very different from the short run rearing of salmon fry to net pens. This is a common technique at least on the coast and throughout salmon watersheds around the state. By contrast, the long term culture of salmon, as are not closed and most on a culture technique. We are just closing the door on which groups can produce and sell salmon in Alaska. The limited entry program has left many small communities in western Alaska with limited opportunity to participate in the salmon fishery. Studies have just been completed on the potential impacts of salmon farming in Alaska. The studies should at least be read before the door is closed on salmon farming in Alaska.

Unless this bill is revised <sup>in order</sup> to <sup>on</sup> remove the restrictions on shellfish and bivalve culture and <sup>its</sup> total opposition to salmon culture, it should not be allowed to pass. This current bill is not a comprehensive, comprehensive mariculture bill.

Thank you for the information provided.

*[Handwritten signature]*  
702 Center Ave.  
L.A.L. 212 office

486-5725



# Alaska State Legislature

Please refer to the following information:

COMMITTEE: \_\_\_\_\_  
DAILY SUBJECT: \_\_\_\_\_

MY ADDRESS: \_\_\_\_\_

FISHERMAN

IS MOVING

TO ANY

SO

FARMING

DISEASE

IMPROVE

TURN PEOPLE

SHELL FISH

STATE AND

EXTENSIVE

SITE, THEN

UNPROVEN

USING FREE

AT DELTA

Signed \_\_\_\_\_

Testator \_\_\_\_\_

YOU

Address \_\_\_\_\_

Phone No \_\_\_\_\_



# Alaska State Legislature

Please enter this receipt by returning to the

Legislative Council  
201 West 1st

committee on Education  
Bill No. 21

*[Faint handwritten notes, possibly including "Bill No. 21" and "Education"]*

Name [Faint]  
Title [Faint]  
Address [Faint]  
Phone No [Faint]



# Alaska State Legislature

Please enter into the record my testimony to the Senate Reserves  
committee on State Reserves

committee on State Reserves  
subject State Reserves

In testimony whereof, I have hereunto set my hand and the seal of the State of Alaska at the City of Anchorage, Alaska, this 7th day of April, 1988.

*[Signature]*  
Name  
Residence (Or Office)  
Address  
Phone No.

THE PRECEDING DOCUMENT(S) MAY NOT FILM  
LEGIBLY BECAUSE OF POOR QUALITY OF THE  
ORIGINAL.



ALASKA STATE CHAMBER OF COMMERCE

310 Second Street  
Juneau, Alaska 99801  
(907) 586-2323

April 5, 1988

The Honorable Richard Eliason  
Alaska State Senate  
P.O. Box V  
Juneau, AK 99811

Dear Senator Eliason:

The Alaska State Chamber of Commerce (ASCC) supports the development of a shellfish and sea vegetable farming industry in Alaska, but we believe that additional research is necessary before proceeding with the pen rearing of salmon.

While your legislation (Senate Bill 482) reflects this general approach, we are concerned about the effect of some of the provisions of your bill and the precedents it might set in other areas of resource development.

Alaska's existing aquatic farms are very small scale business operations, and it appears quite likely that shellfish farms will remain "mom and pop" businesses. It is vital to the success of these businesses that the State's regulatory programs be simple and streamlined.

We are concerned that the original version of SB 482 and subsequent drafts will be cumbersome and expensive for small scale shellfish farmers. It appears that aquatic farmers would be better off operating under the existing regulatory programs.

We are particularly concerned that under SB 482 mariculture operators would be working under what might be the heaviest regulatory burden facing any Alaska industry. In addition, the measure would raise the tidelands fees for aquatic farmers to fair market value, while other tidelands fees are left untouched.

Singling out any industry for special regulatory treatment is not the best approach to economic development. We should be promoting the growth of this promising new industry, not trying to strangle it.

We also are concerned about the clause in SB 482 requiring the Department of Natural Resources to develop regulations limiting the number of sites in an area. These cumulative impact requirements would set a dangerous precedent in Alaska's management of natural resource industries. The impact of these kinds of regulations could be devastating to industries such as timber, mining, and oil and gas. We believe these requirements should be removed.

We also are worried that proposals to prohibit mariculture in State tidelands adjacent to federal wilderness areas could lead a diminishing of the State's sovereignty and a significant loss of the State's ability to manage its own lands. This is something we have fought hard to achieve, and we believe this proposal again would set a dangerous precedent.

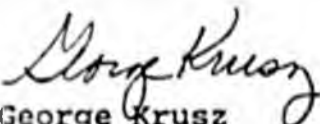
ASCC has reviewed your 3/16/88 draft committee substitute, and we believe it represents a reasonable approach to finfish farming. While we are not prepared to support pen rearing of salmon at this time, the farming of other species of finfish appears to be acceptable to most coastal communities.

Upland finfish farming and the pen rearing of arctic char and other non-salmon species can be conducted without threatening wild stocks, the environment, or fishermen's markets. The five-year sunset clause on the prohibitions against the pen rearing of salmon also would allow ample opportunity to research the potential impacts and come to a lasting determination of whether the activity should be allowed.

The proposals contained in the 3/16/88 draft bill appear to be a reasonable compromise approach to the finfish farming issue. We would like to commend you for your efforts to reach a settlement in this area.

Your consideration of our comments is greatly appreciated.

Cordially,

  
George Krusz  
President

cc: Governor Steve Cowper  
Commissioner Don Collinsworth  
Commissioner Judy Brady  
Senate Resources Committee  
House Resources Committee

DOC 0062r

MEMO -- January 12, 1988

TO: Fisheries Cabinet

FROM: Paul Peyton

RE: Aquaculture socioeconomic studies

Legislators and others considering proposed regulation of aquaculture activities in Alaska have asked for additional information concerning the social and economic impacts of the various possible forms of development in Alaska. Central to most of the discussion is whether salmon can be profitably farmed in Alaska and compete in the marketplace with wild salmon and farmed fish from other areas. If farm production was to be permitted, what are the potential impacts to the existing common property fishery? What sort of commitment, in terms of time and dollars, would be required of the State to manage and support salmon farming activities?

The DCED has entered into a \$20,000 contract with the Sea Fare Group in Seattle to conduct a study of world salmon markets and evaluate the extent of market competition between wild and farmed salmon, including farmed salmon which potentially could be produced in Alaska. Principle investigator for this study will be Dr. James Anderson of the University of Rhode Island. Anderson is a recognized authority in the area and has authored several papers dealing with the market's response to increasing world supplies of farmed salmon. Market contacts, statistical research and report editing functions of the contract will be conducted by the Sea Fare Group which is a commercial consulting business operated by those people that put out the Seafood Leader magazine.

A second \$20,000 contract has been undertaken with the DPA group of Vancouver, B.C. DPA will evaluate the relative costs of farmed salmon production in major producing regions around the world, develop a proforma cost of production model for the Alaska situation and assess the sensitivity of major cost factors to overall costs of production. DPA has done similar work for the Government of British Columbia and others and has identified specific sources for the necessary data.

Both contracts call for an interim or progress report to be submitted about February 1st and the final report during the first week of March.

A third phase of the project, that of developing a policy options matrix will be postponed at least until preliminary results from the two contracted studies are reported. At that time we may elect to select a limited number of issues for policy option development and conduct the required work in-house or through an RSA agreement with ISER. There is about \$5,000 remaining in the project budget.

Sea Otter Seafood Farm  
Debra & David Lyons  
Box 296  
Petersburg AK 99833

March 24 1988

Dear Senator Eliason,

I must speak to you on a matter of great concern to us as shellfish growers.

We received a letter from the AMA listing "problems" with fledgling mariculture kills and informing us that "our livelihood is at stake"!

Quite frankly, we do not see any of the points Mr. Painter brings up as anything but attempts to create an industry that works with existing uses of our marine resources rather than against them.

It is difficult to politely convey our frustration when we see an individual such as Mr. Painter very active in pursuit working continually against policies which are being developed for the benefit of all Alaskans.

I am continually negatively impressed by how short-sighted and self-serving the views of Rodger Painter and the AMA are.

Fortunately we survived his campaign for far-raised salmon, now we have to put up with him charging about claiming to represent the shellfish industry.

Of his seven points to ponder obviously a freeze on the expansion of existing permits would most negatively affect us. But if that would be the most fair thing to do: DO IT.

Anyone who can not see the reasoning behind making leases non-transferable as a way to avoid speculation is blind to Alaska's long-term best interests. Perhaps the key here is that a ~~permit~~<sup>lease</sup> could be transferred but not for profit.

Addressing his second point, we certainly do not wish to bring an industry into Alaska that will adversely affect wild stocks.

We have no problem with putting a label on our product and we feel Fish and Game should be involved in the review process.

On the subject of fair market value, I very much appreciated debate attempting to clarify value determination of uplands, tidelands and sea water acreage in the permit or lease situation. However I do believe Paula Burgess when she stated that DNR does not wish to over value areas merely to create revenue. This area does deserve to be better defined and resolved within the department. As growers we do not mind paying a reasonable lease. Our industry should pay its own way!

It is sad that Robin Loren of the Shellfish Growers Assn is on the Board of Directors of the ANA which is where Rodger claims creditability in speaking for the shellfish industry.

I spoke to Robin about this and

his attitude seemed to be; "Rodger has made himself available to work for us in Juneau and has accomplished some good. We just don't have any one else to monitor the legislature and speak for our interests."

At present I do not feel the shellfish growers are a strong, united, or well directed group.

A bad situation.

So please keep our comments in mind.

AMA does not represent shellfish growers who are interested in developing an industry that respects the rights and wishes of all Alaskans.

Yours Truly

Delna Lyons

copies to

Sen Lloyd Jones  
Rep John Sund  
Rep Robin Taylor  
Rep Peter Goll

DWR Paula Burgess

P.S. Just read Robin Hansen's letter to your committee and though we differ on siting and transference he brings up many very valid and thoughtful points

# Alaska Mariculture Association

---

---

March 2, 1988

Dear Alaska Shellfish Farmer:

Enclosed are copies of two bills recently introduced that address the mariculture issue.

AMA's board of directors has opposed both measures as being anti-mariculture, and we believe they could put some existing oyster and mussel farmers out of business.

We urge you to examine the bills closely and to let the legislature know how you feel it could affect your mariculture business. Both measures are riddled with problems and we are working with the sponsors on amendments to correct these shortcomings.

Your involvement is critical. Please study the bills closely, and call me with any questions or for clarifications. Pay particular attention to the following features:

--Farming permits would be nontransferable. This would prevent you from selling your farm or offering it as collateral.

--Criteria for issuance of permits appears to say any adverse impacts on wild stocks, habitats or fisheries management would result in permit denial.

--Your oysters or mussels would have to be labeled as "aquatic farm products." This is another unnecessary government regulation that provides no discernible benefit to the industry or consumers.

--You would have to pay "fair market value" for tideland permits, and might be required to pay for public notices.

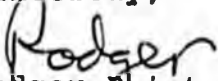
--ADFG will be required to develop cumulative impact regulations limiting the number of farms to protect the "economy, environment and natural resources" of an area.

--No new permits will be issued until final adoption of new regulations to implement the legislation.

--"Grandfather" provisions for existing permit and lease holders will not allow you to "expand operations beyond the scope allowed under the existing permit."

Your livelihood is at stake. Take a close look and contact the legislature today. All legislators can be reached by writing: P.O. Box V, Juneau, AK 99811.

Sincerely,

  
Rodger Rainter  
Executive Director

Sheeta → Duke

Sea Otter Sealood Farm  
David & Delma Ryans  
Box 296  
Peterborough AK 99323  
March 23, 1988

Dear Senator Eliason,

I'd like to offer a few comments on the legislative teleconference with Paula Burgess. Presently, the advertising system for permits and leases is lacking. However, a few changes could help this process more serve the public.

The presence of a POSTMASTER seems to be a criteria for issuance of advertisements to be posted. These notices should go to every place mail is dropped. Edna Bay, Tokum, Naukati, Port Alice etc. Each of these places has a central spot for mail pick-up. All other commercial users, permit and lease holders, such as other mariculturists, log camps and lodge owners should be notified. DNR might also offer to maintain a mailing list to interested parties of pending permits, in the present manner of the Forest Service.

A few changes would go a long way towards making the process work in its intended fashion.

I also favor a case by case review. Permits that are negatively commented on should be given a hearing. The permit process is viewed as a flexible one by DNR: a time for trying out options both on the part of the permittee and the state. It should be made clear to permit applicants that if any conflicts arise, they may be asked to choose an alternate site.

Overall, I think DNR is handling the permit process remarkably well. However, we do desperately need development of maps of areas with specific designations of either OFF LIMITS to any commercial development. The public is alarmed about site use conflicts. They have received no assurance that every bay, cove, and pass is not going to have a commercial outfit operating there.

So, lets identify these sensitive areas. Anchorage, travel routes, especially scenic or recreational areas and cultural areas. It may be very true that aquaculture sites can co-exist with anchorage and recreational use by why do they have to when they are so many sites available. I see a tendency of aspiring aquaculture to choose most obvious sites, these often have other uses. I truly believe the industry can be encouraged to locate in non-conflicting areas without great hardship.

As a grower we would like to see a bill developed that will be fair to all users of our great marine resource. We feel you and your staff are working very constructively to that end and we compliment you!

Yours Truly

Carpenter

San Diego area

Rep Taylor, Sandoz, Galle

DNR Paula Burgess

Telena Lyons

# Testimony in Support of Fish Farming in Alaska

submitted by

Greg L. Young <sup>1</sup>

## Genetics-Perceived vs. Actual Problems

There appear to be two major genetic concerns relative to fin fish farming.

### 1. Introduction of so called exotics that will displace indigenous species.

Domestic Atlantic salmon is the one of the major species that would be considered for importation at this time. These fish are domesticated to such a degree that captive broodstocks are deemed the only practical means of assuring sufficient supplies of eggs that are disease free. Fin fish farming has far more rigid requirements for disease control than does salmon ranching. The history of salmonid rehabilitation and culture provides an extensive documentary on the difficulty of establishing self sustaining populations of anadromous salmonids. Millions of dollars have been spent trying to reintroduce Atlantic salmon to their former range with only limited results. Some of these projects have been abandoned in favor of the more aggressive Pacific coho stocks.

The reason for importing domestic stock would be to take advantage of their superior growth and survival characteristics under culture conditions. It would also eliminate conflicts with wild fish markets

### 2. Escapement of "domestic" fish that will interbreed with wild stocks.

---

<sup>1</sup>Greg Young has a Masters Degree in Fisheries Science and over 20 years experience in the aquaculture and fisheries industries working for the Federal government, three states including Alaska, and private sector industry. He is currently involved with a project at Baranof Warm Springs trying to develop a smolt production facility that would double the entire present enhancement capacity for the common property fisheries industry. This facility would also be able to supply smolts to a segment of the fish farming industry. A valuable project has been stalled by Fish and Game now for over 10 years.

This interbreeding problem is not at all unique to farm fish but is occurring right now between wild and ranched stocks. The implications are as follows:

#### IMPACTS OF STOCKED AND TRANSPLANTED(ESCAPED) FISH ON THE GENETICS OF WILD STOCKS

It is possible that the fitness of stocked fish will be less than the fitness of the wild population. Fitness would be reduced if the stocked fish were poorly adapted to the local environment, if the number stocked was large relative to the wild stock, and more importantly if the stocked fish actually successfully spawned with the wild stock.

#### IMPACTS OF HATCHERY MANAGEMENT ON THE GENETICS AND FITNESS OF HATCHERY STOCKS.

Inadvertent selection in the hatchery due to non-random collection of spawners by size, run timing (getting broodstock during terminal fish openings), age, hatchery domestication. The difficulties involved in obtaining broodstock at random from all portions of an enhanced terminal fishery are monumental. At best most hatcheries get fish from one or two segments of the run with the fisheries eagerly mopping up the rest of the fish. Most facilities don't have sufficient holding space to keep early run fish alive until later ripe fish show up. The end result is selection for a new hatchery modified stock.

#### IMPACTS OF HARVEST MANAGEMENT ON THE GENETICS OF WILD FISH STOCKS.

Over-harvest which has occurred on virtually all of our wild stocks at one time or another in the last three decades, and has precipitated the current U.S./Canada Treaty, leads to reduced effective population. This has been a common impact on our wild stocks.

An equally prevalent problem exists on our mixed stock fisheries. Reproductive overfishing can occur in mixed stock fisheries when some stocks are more productive than others. This is especially true when catch quotas are based on statistical districts rather than actual stock statistics.

Unintentional artificial selection occurs because of the non random nature of the fishery and it acts on fitness related traits or traits genetically correlated with fitness.

For any of these impacts to occur large numbers of domestic fish have to be released into the wild. Does it really seem reasonable that an industry would accept the escape of significant numbers of fish with a value of more than \$1.00. Does anyone even fathom the loss of 870 million fish a year? This is the number of fish from hatchery altered gene pools released into the natural waters of the state in 1987. Fish farming could never begin to mount an impact of this magnitude. The issue of genetic impacts from fin fish farming exists only in the emotions of ignorant people. Trying to use genetics as a reason to delay finfish culture is an irresponsible attempt to cover up the serious and rapidly increasing genetic problems created by ~~ocean ranching~~ that are facing our wild stock fisheries today.

*mixed stock fisheries*

Disease- Are there any real problems unique to aquaculture?

Again there are two major issues to consider. Transmission of disease between hatchery and wild stocks, and introduction of non-indigenous diseases.

I hope previous testimony by Dr. Allee has convinced some of you that Alaska has one of the best pathology programs in North America. They have the facilities, the staff, and the expertise to recognize and evaluate the known disease agents that could affect fish in Alaskan waters.

1. I would like to pose the question of whether fish farming is any different than other intensive aquaculture as far as disease transmission is concerned? Does it pose any unique new risks to the wild stocks? No on both accounts. As pointed out by Dr. Allee the most likely scenario involving farmed fish and wild stocks would be for the wild stocks to infect the domestic fish. This is a result of the very basic principal of stress as a predisposing factor in fish diseases (as well as in all other organisms). Wild fish are typically continuously exposed to or actually harbor the infective agents of the indigenous fish diseases. Stress as caused by poor environmental conditions or the close contact that is typical in farmed fish interacts with these pathogens supplied from the wild fish to cause a disease outbreak. The dispersed nature of the wild fish during most of its life cycle doesn't combine the stress and the close contact necessary to create a significant epizootic. Do disease outbreaks in hatcheries endanger wild stocks? It is a standard practice in the hatchery industry to release fish that are showing signs of disease if there are no readily available effective treatments. This is a standard practice in Alaska also and has been practiced recently at Crystal Lake. The fish have a better chance of survival

in a less crowded situation and the risks associated with transmitting the disease to wild fish have been judged to be minimal.

2. Does the importation of domestic strains of fish create a significant risk of bringing new diseases into Alaska?

If only fish of known disease free status are allowed to be imported and then only as the basis to establish a resident captive disease free broodstock, there is no significant risk to our wild or hatchery stocks. There are broods of domestic Atlantic salmon that have been certified as disease free for three generations. These fish in all probability are freer of disease than any of our wild stocks. To even further reduce any risks, these fish could be held in quarantine until it was decided that they were indeed disease free. It would be advantageous to limit this type of importation to broodstock establishment purposes and not be allowed for routine egg, fry, or smolt acquisition.

Disease then as genetics does not pose any unique or new problems to Alaska. It is being used just as herpes was and AIDS now is being used as an emotion evoking means to accomplish other social or moral ends.

#### WHAT ISSUES ARE LEFT ?

Impacts on markets of wildstock fisheries-primarily chinook and coho

One of the few issues raised that has any merit at all is the impact that farmed fish will have on markets for wild stocks. This impact will occur regardless of Alaskan participation.

It is a grievous deception of the fishermen to lead them to believe that by stopping finfish culture in Alaska that there will be any less impact on them. The production of chinook in British Columbia this year alone is projected to be 2-3 times the entire Alaskan wild catch. A reasonable approach to this impact lies not in burying ones head in the sand, but in formulating an aggressive marketing plan to create a distinction between products to forming a market niche for the wild fish. Previous testimony by the Trollers indicates that they are doing this right now. I want to stress the importance of maintaining this effort. The almost five year lag time before any Alaskan farmed fish could reach the market provides ample time to establish this distinction for Alaskan fish. Wild fish supplies in Alaska will peak at a level above what they are now, because of the natural limit to wild stock production, and the increasing genetic problems created by enhancement production. This level of production could occur within ten years or less. Alaskan finfish production should be made available to meet

the these future market needs. If Alaska intends to maintain and expand its market share, the supply of product has to be available in a steady uninterrupted supply of uniform quality.

Pollution-A matter of nutrient redistribution.

Pollution has been another windmill that opponents of aquaculture have been tilting at. If common sense and simple observation have any chance of prevailing over rhetoric and emotion this problem too will fall into proper perspective.

Pollution from aquaculture is primarily nutrient enrichment. These nutrients are "soft wastes" for the most part, readily absorbed and used as basic nutrients by the aquatic food web. If this enrichment exceeds the local capacity for absorption it becomes pollution. The amounts of nutrients released into the water are easily calculated and are directly proportional to the volume of food fed. This is a site by site consideration that is quite well addressed by current wastewater management science and the extensive CZM, DEC, DNR, ADFG, U.S.F.S review procedures. The combined effects of aquatic farms can actually be managed as an important part of the redistribution of the nutrient base currently disrupted by the wild stock fisheries.

By contrast the current wild stock fisheries harvest on the order of 9 billion pounds of fish products from Alaska's near shore and fresh waters each year. This tremendous volume of product once formed the nutrient base for our stream and estuarine environments. The collapse of many of our sockeye runs is a direct result of nutrient loss due to this nutrient harvest. We are now spending money and reevaluating escapements to correct this problem.

Not all of this 9 billion pounds of material is removed from our waters. The wastes from the fish processing plants are usually coarsely ground and discharge directly as "hot wastes" that cause oxygen depletion and serious pollution, until they too are decomposed and absorbed by the food web.

So the real issue once again is not one of pollution caused by a new industry, but is one of an opportunity to mitigate pollution problems caused by the current dumping of fish wastes by using these wastes as by-product raw materials for feed manufacture. These by-products can then be redistributed as useful enrichment to help mitigate the current nutrient mining occurring from the wild stock fisheries. The result is a symbiotic relationship between two segments of the same industry.

## BENEFITS FROM FISH FARMING

Operations using native chinook or coho smolts for production will have the benefit of producing smolts for the wild stock enhancement programs as part of their broodstock development programs. Even after captive broodstocks are domesticated, smolt production for wild stocking would be an important adjunct to the industry. It is important to get these smolt production facilities on line several years before grow out facilities to guarantee that present enhancement programs are not robbed. This has been one of the legitimate criticisms of programs outside of Alaska, yet is one of the easiest to prevent.

Alaska can and should become a seafood leader on world markets, this means producing and marketing a wide variety of products that cover the entire range of fish food items. We should strive to be a one stop shopping source for these products and farmed fish, shellfish and sea vegetables are an integral part of this menu.

There would be opportunities for wood fibre based packaging industry development to supply Alaskan markets, and also Pacific rim countries that are short on wood fibre.

The aquaculture industry would provide a stimulus for expansion of the transportation infra structure within Southeast Alaska. The shipment of feeds and supplies and the back shipment of fish will promote new and more frequent freighting services in A E Alaska.

Fish farming technology and the manufacturing of equipment to support it will form the basis for exporting businesses.

The demand for fish feeds would help expand the fish feed manufacturing businesses in Alaska that utilize seafood by-product wastes as well as Alaskan produced grains



*The Alaskan Shellfish Grower's Assn.*

P.O. Box 1499 • Wrangell, Alaska 99929



March 14, 1988

To the Senate Resources Committee,

Regarding SB 482:

P1, Line 28 -- All of the permits issued to the sea farmer must be transferable. No-one will enter into a business of any description if he cannot sell his investment. The new owner should, however, meet the same State stipulated criteria as the original possessor of the permits.

P2, Line 20-24 -- Any "plan" and obligatory adherence to a "plan" is unrealistic and premature unless the necessary infrastructure is in place for the shellfish industry:

1. An Alaskan Shellfish Hatchery

- a. Genetics: To produce an Alaskan strain of *Crassostrea Gigas*. Our lower 48 sources of spat result in approximately 20% of our seed growing well. This percentage could be increased to better than 80% if we were to develop an Alaskan strain in a hatchery. FRED has a proposal for a shellfish hatchery on its '89 budget. This should be implemented.
- b. Disease: We could virtually eliminate the possibility of the importation of disease with an Alaskan hatchery; thereby significantly reducing the State's expenses in this area and assuring the industry that their product will not be decimated by oyster drills and the like.
- c. Logistics: In 1984, ASGA made a collective purchase of spat. The shipment "overheaded" Wrangell; flew to Juneau, overheaded Wrangell, and returned to Seattle. Then it was shipped to us again. We experienced better than 90% mortality -- no spat that year. If we had an established market this would have been a disaster because it would have resulted in a year with no product.

2. A PSP lab strategically located somewhere in SE Alaska is essential to sales. The product must be kept out of the water while the mailed samples are tested in Palmer. Alaska's most promising oyster product must be delivered alive to the restaurant and will be consumed raw. Testing in Palmer reduces its' shelf-life by three days. A lab in SE would be able to telephone a release to the distributor on the same day that the oysters were taken from the water.
3. A permit system that provides the necessary investment security.
4. With 1,2,and 3 in place, a revolving loan program would be appropriate.

With 1,2,& 3 in place, the State could reasonably expect a would be farmer to have a "plan" and adhere to it; baring unforeseen events or acts of God.

P3, Line 24-29 -- I don't see that any of this is appropriate to the issuance, or non-issuance of Shellfish or Sea Vegetable gathering permits. This seems to be directed at Finfish. Comment: It is not possible for a board of fisheries to fully understand the needs and problems of a shellfish and sea vegetable farming industry. The industry and the State of Alaska need a Board of Shellfish and Sea Vegetable Mariculture.

P4, Line 21-25 -- Not acceptable! Prohibits interstate and foreign sales of Shellfish Hatchery product.

P4, Line 26-  
P3, Line 5 -- This has to be re-written so as to not interfere with the smooth and continuous flow of product to distribution points and to the consumer. Latest word from FRED Pathology and the disease control plan currently being implemented: "Farmer or distributor must have a Shellfish Transport Permit that needn't be applied for with each shipment provided the "spat" are from a certified source and raised at the same certified farm-site." The industry can live with this.

P9, Line 8 -- In the case of the oyster -- *Crassostrea Gigas* -- (that will not spawn naturally in Alaskan Waters) this would be useless and costly. All C.G. in Alaska will necessarily be farmed.

- P10, 5 -- Why should shellfish farming "improve" the health of the citizens of the state? Granted -- oysters may improve their reproductive potential.
- P12, Line 2 -- New lessee should have opportunity to make new use proposal. He may plan to farm mussels or scallops in addition to oysters and there is no biological or political reason why he should not.
- P12, Line 16 -- "The permit may not be transferred." Why?
- P12, Line 17- -- After five years of capital and energy investment, a permit  
P13, Line 3 cannot be thrown open to a debate as to whether or not it is going to be re-issued. No other established industry has this kind of uncertainty facing them. With this provision in place, it is totally illogical to make any significant investment in a farm.

Would anyone invest in a limited entry permit and a suitable vessel if, after five years of operation, his right to fish was in jeopardy -- subject to the opinion of the commission and of the public?

This bill must take into consideration the use of slightly protected, or even unprotected beaches for the cultivation of oysters and possibly clams.

Also it must provide for the leasing of holding areas as a necessary part of the "half-shell oyster" distribution system.

- P14, Line 1 -- Must make provision for growth.  
On the teleconference March 11, 1988 someone requested that Sec. 38.05.855 "Identification of sites for Aquatic Farms and Hatcheries (which was a part of SB425) be incorporated into SB 482. This provision would be devastating for the industry. It would present an opportunity for anyone with whatever reasoning or reaction, to prevent the utilization of a given site for the purpose of shellfish or sea vegetable farming. The end result would be almost zero availability of suitable farm sites for that purpose.

I suggest that the multiple use concept be applied to all perspective sites. There is no reason that a farmed area cannot continue to be a subsistence area, a recreation area, or an anchorage while it supports a Mariculture activity.

March 14, 1988

Latest rumor is that DNR would like to increase the tidelands permit cost from the present \$50/acre (with a \$100 minimum) to \$200/acre. When we have an established industry, a re-evaluation of land values may be appropriate; but, to raise the rent by 400% at this time would further discourage and possibly defeat the efforts of Alaskan families to enter into this fledgling industry. It would, however, present no problem to large corporations.

Summary: SB 482, as written, is riddled with finfish-buckshot apprehension. I would like to see it re-written by an individual or a group that is thinking about shellfish farming -- its relationship to the State of Alaska, and the wise utilization of our national resources.

Oyster farming and the cultivation of other shellfish and sea vegetables, offer an opportunity for the State and its citizens to enter into a partnership with significant benefits for all. A new industry that does not threaten the Alaskan ecosystem; but, rather, by its nature requires clean water and an aquatic environment that is in balance.

A prerequisite to the industry is the evistance of very special people able to live in the wilderness. These special people are not common, even in Alaska. They must adapt to the challenge of living without electricity, indoor-plumbing telephone, TV, etc. There are few family units that can endure to the point of making a living. They need all the help they can get.

If this bill is poorly designed, the Alaskan will be unable to farm because of unreasonable and paralyzing constraints, and large corporations will dominate the industry; taking their profits out of the State. If this bill is well designed the State will have a sizable cottage industry that will fulfill the Alaskan Dream, and provide employment for many families that will keep their profits in Alaska.

Sincerely,

*Robin Larsson*  
Robin Larsson  
President, ASGA

cc: Senator Jones  
Representative Taylor  
Representative Ellis  
Representative Sund

1200 E 76th Ave. Suite 1222  
Anchorage, AK 99518  
(907) 349-6485

March 15, 1988

Senator Jack Coghill  
Alaska State Senate  
P.O. Box V  
Juneau, AK 99811

Dear Senator Coghill

We have been involved in the development of a fish farm since 1978. In 1982 we began the permitting process with the Alaska Department of Fish & Game and at their suggestion began a development of a land locked (upland) fish farm on private property. In December of 1986 we were issued a license. We have invested a significant amount of time and money in development of a viable commercial fish farm operation. If we were denied the opportunity to proceed with this venture now we would be more than disappointed.

In our first attempts to locate a suitable site we looked at an area in Washington Bay, which was owned by the U.S. Forest Service. As you can see from the enclosed letter, they were not at all encouraging.


It is our understanding that the only permit we need, once our tanks are installed, is a Fish Transport Permit.

We have reviewed proposed Senate Bill 482. If it is necessary for the bill to pass we would suggest the words "except for land locked saltwater pens" be added to the end of Sec. 16.40.100, paragraph (e).

Additional information regarding our efforts is enclosed for your use.

Thank you for your attention.

Sincerely yours,

  
Thorne W. Ferguson, Jr. *WJF*

Encl.

DOC 0062r

MEMO -- January 12, 1988

TO: Fisheries Cabinet

FROM: Paul Peyton

RE: Aquaculture socioeconomic studies

Legislators and others considering proposed regulation of aquaculture activities in Alaska have asked for additional information concerning the social and economic impacts of the various possible forms of development in Alaska. Central to most of the discussion is whether salmon can be profitably farmed in Alaska and compete in the marketplace with wild salmon and farmed fish from other areas. If farm production was to be permitted, what are the potential impacts to the existing common property fishery? What sort of commitment, in terms of time and dollars, would be required of the State to manage and support salmon farming activities?

The DCED has entered into a \$20,000 contract with the Sea Fare Group in Seattle to conduct a study of world salmon markets and evaluate the extent of market competition between wild and farmed salmon, including farmed salmon which potentially could be produced in Alaska. Principle investigator for this study will be Dr. James Anderson of the University of Rhode Island. Anderson is a recognized authority in the area and has authored several papers dealing with the market's response to increasing world supplies of farmed salmon. Market contacts, statistical research and report editing functions of the contract will be conducted by the Sea Fare Group which is a commercial consulting business operated by those people that put out the Seafood Leader magazine.

A second \$20,000 contract has been undertaken with the DPA group of Vancouver, B.C. DPA will evaluate the relative costs of farmed salmon production in major producing regions around the world, develop a proforma cost of production model for the Alaska situation and assess the sensitivity of major cost factors to overall costs of production. DPA has done similar work for the Government of British Columbia and others and has identified specific sources for the necessary data.

Both contracts call for an interim or progress report to be submitted about February 1st and the final report during the first week of March.

A third phase of the project, that of developing a policy options matrix will be postponed at least until preliminary results from the two contracted studies are reported. At that time we may elect to select a limited number of issues for policy option development and conduct the required work in-house or through an RSA agreement with ISER. There is about \$5,000 remaining in the project budget.

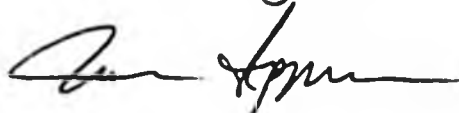
MAR 21 1988

JOHN IPPOLITO  
Box 770918  
EAGLE RIVER AK  
99577

SENATE RESOURCE COMMITTEE:

In addition to my testimony via  
TELECONFERENCE on SB 482, I would  
like to submit this copy of a petition  
to the Governor opposing FIN-FISH farming  
in ALASKA. I BELIEVE THIS ECHOS SENTIMENT  
FROM FISHERMEN THROUGHOUT THE STATE,

Sincerely,



P. O. Box 770918  
Eagle River, AK 99577

March 9, 1988

Governor Steve Cowper  
P. O. Box "A"  
Juneau, AK 99811

Dear Governor Cowper:

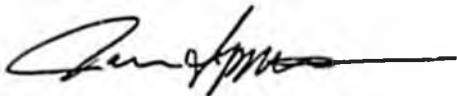
The attached petition represents our FIRM OPPOSITION to the pen-rearing of fin fish in Alaska. We consider this to be the most important topic on the legislative agenda. At stake is the future well being of Alaska's healthiest industry. Therefore, we find it imperative to receive proper representation from our elected officials.

To avoid compromise over the various mariculture bills before the legislature, consider our efforts an endorsement of the proposals and amendments to legislation supported by United Fishermen of Alaska (U.F.A.).

We will continue to scrutinize legislative progress on this most important issue and are counting on your support. In addition, we are requesting your position on fin fish farming.

Sincerely,

EAGLE RIVER/CHUGIAK FISHERMANS  
ASSOC. AND CONCERNED CITIZENS;



By: John Ippolito

ji/atc

Governor Steve Cowper:

We the undersigned are dreadfully concerned about the potential destruction of Alaska's healthiest natural fisheries resource's and therefore want you to vote AGAINST any legislation which would allow the establishment of a PEN-REARED SALMON Industry in ALASKA.

We feel that due to the number of questions and uncertainties that pen-reared fin fish pose, allowing or encouraging its existence in Alaska will destroy years of work and effort as well as effect the community we live in. At this time, we feel that pen-reared salmon are not in the best interest of the State. We have a healthy and vigorous commercial fishing industry, an industry that directly bolsters the Eagle River-Chugiak economy by many millions of dollars annually. How many millions of dollars will Pen-reared salmon bring to our community if we lose our most important natural resource?

| Print Name          | Signature         | Address                                         | Phone #  |
|---------------------|-------------------|-------------------------------------------------|----------|
| William E. Kuhlmann | Wm. E. Kuhlmann   | P.O. Box 770891, Eagle River.                   | 694-2426 |
| Diane L. Kuhlmann   | Diane L. Kuhlmann | P.O. Box 891, E.R.                              | 694-2426 |
| Erik W. Kuhlmann    | Erik W. Kuhlmann  | P.O. Box 770891, E.R.                           | 694-2426 |
| John Ludwick Jr     | John Ludwick Jr   | Po box 771811 Eagle river                       | 888-1192 |
| KATHLEEN M. LANGE   | Kathleen M. Lange | 19325 WAK ADMIRAL RD, EAGLE RIVER               | 694-9626 |
| STEVEN W STOECKER   | Steve Stoeker     | P.O. Box 770025 EAGLE RIVER                     | 694-2677 |
| JACK C. IUV         | Jack C. Iuv       | P.O. Box 770025 EAGLE RIVER                     | 694-2677 |
| Robert J. Kelly     | Robert J. Kelly   | 20215 Raven Drive S.R.                          | 694-2636 |
| KEN R. REST         | Ken R. Rest       | 67128Z CHUGIAK, AK.                             | 688-9300 |
| TOM L. HUFFEL       | Tom L. Huffel     | 17707 SANCTILANDY DR. Eagle River <sup>AK</sup> | 694-3326 |
| John L. Everitt     | John L. Everitt   | 17422 Teklanika Dr, Eagle River AK              | 694-6662 |

Print Name

Signature

Address

Phone #.

| Print Name                    | Signature                     | Address                                               | Phone #. |
|-------------------------------|-------------------------------|-------------------------------------------------------|----------|
| BILL JARDEL                   | William A. Jardele            | HC 79 BOX 6755 CHUGIAK AK                             | 688-9599 |
| DIANE L. RIPPKE               | Diane L. Rippe                | HC 79 BOX 6755 CHUGIAK AK                             | 688-9599 |
| ANNIEA COOPER                 | Anniea Cooper                 | P.O. Box 918, Eagle River AK 99577                    | 694-2109 |
| JOHN IPPOLITO                 | John Ippolito                 | 5 MILE EIR ROAD<br>BOX 720918 ER, 99577               | 694-0559 |
| JAMES M LOCKMAN               | James M Lockman               | 4840 E 43 <sup>RD</sup> APT# 2-A 99508                | 333-2578 |
| JEFF DUCK                     | Jeffrey W. Duck               | 801 AIRPORT HIGHS <sup>5</sup> 150 <sup>A</sup> 99500 | 278-4887 |
| JOHN RUSSELL                  | John Russell                  | 14727 W. Coleridge Eagle River 99501                  | 694-3375 |
| <del>CLAYTON PETRANOVIC</del> | <del>Clayton Petranovic</del> |                                                       |          |
| CLAYTON PETRANOVIC            | Clayton Petranovic            | STAR RT 1 BOX 2295 CHUGIAK 99567                      | 688-2542 |
| RODERIC H. PERRY              | Roderic H. Perry              | HC 78 Box 2263 Chugiak 99567                          | 688-2149 |
| RICHARD J PERSON              | Richard J Person              | HC 80 Box 7149 Chugiak 99567                          | 688-3678 |
| ANTONE R COELHO               | Antone R Coelho               | 10808 NATLION EAGLE RIVER<br>99567                    | 694-2585 |
| LILLIAN M. PERSON             | Lillian M. Person             | HC 80 Box 7149 Chugiak AK                             | 688-4178 |
| LONNIE S THOMAS               | Lonnie S Thomas               | 20718 Melody Ln. F.R. AK 99577                        | 694-4092 |
| FRANK W. NEUMANN              | Frank W. Neumann              | P.O. 670683 Chugiak AK 99567                          | 688-3953 |
| TIM MAUS                      | Tim Maus                      | P.O. Box 670725 Chugiak AK 99567                      | 688-2641 |
| PAROL JOHNSON                 | Parol Johnson                 | 10416 High Bluff, Eagle River, 99517                  | 694-8764 |
| HERBERT FASSLER               | HERBERT FASSLER               | P.O. Box 670181 Chugiak AK                            | 688-2504 |

Print Name

Signature

Address

Phone #

| Print Name          | Signature           | Address                              | Phone #  |
|---------------------|---------------------|--------------------------------------|----------|
| JAMES D. THOMSON    | James D. Thomson    | ST. RT. 2 Box 1635 Chugiak           | 688-2989 |
| DAN E SMOOT         | Dan Smoot           | 10107 Muldwood Eagle River           | 694-2429 |
| Linda Bassett       | Linda Bassett       | 2625 Darby Cir. Anchorage            | 276-3831 |
| ZACHARY W. HITCHENS | Zachary W. Hitchens | Falls Bay 1/2 Circle AK              | 699-1198 |
| ERNEST R. JOHNSON   | Ernest R. Johnson   | 10414 HIGH BLUFF DR. EAGLE RIVER     | 694-9744 |
| Karen M. Perry      | Karen M. Perry      | HC 78 Box 2263 Chugiak AK            | 688-2149 |
| Bruce C Mapp        | Bruce C Mapp        | Box 544 Chugiak AK                   | 688-3349 |
| Juliann N Duffus    | Juliann N Duffus    | 10052 BAFFIN ST EAGLE RIVER, AK      | 694-2359 |
| Mardi K. Hutchens   | Mardi K. Hutchens   | 11340 borealis Eagle River AK        | 694-5063 |
| EVELYN J. COELHO    | Evelyn J. Coelho    | 10808 KATLAN E.R. AK 99577           | 694-2585 |
| LEONARD DUBAY       | Leonard Dubay       | SR BOX 9125 E.R. AK. 99577           | 694-9844 |
| PAVE DOYLES         | Pave Doyles         | 3711 MATTHEWS DR                     | 345-3571 |
| Robert Witman       | Robert Witman       | 1220 OLD GLEN E.R. AK 99577          | 694-3297 |
| Mark Reamer         | Mark Reamer         | 2453 South Birchwood AK 99567        | 688-5860 |
| FRED SMITH          | Fred F Smith        | 17618 JUANITA LOOP                   | 694-6677 |
| THOMAS F. WALKER    | Thomas F. Walker    | 9289 HILAND DR. EAGLE RIVER AK 99577 | 694-5683 |
| Patti L. Hamilton   | Patti L. Hamilton   | P.O. Box 770532 ER AK 99577          | 696-2763 |
| Wiel Hamilton       | Wiel Hamilton       | Box 532 Eagle River AK 99577         | 696-2263 |

| Print Name         | Signature          | Address                                      | Phone #  |
|--------------------|--------------------|----------------------------------------------|----------|
| KEN A THURTELL     | Ken A. ThurteLL    | 10708 Wren Allen EN                          | 690/465  |
| Michele BALES      | Michele Bales      | 13350 Gopher Cir                             | 345-5223 |
| Jeanette Rust      | Jeanette Rust      | PO Box 770916 ER                             | 694-9242 |
| W. O. Rust         | W. O. Rust         | PO Box 770916 Eagle River                    | 694-4581 |
| NANCY L. HEUN      | Nancy L. Heun      | PO Box 1228 Palmer AK                        | 746-0248 |
| L. J. Jansson      | L. J. Jansson      | 1731 EARLY VIEW DR. AK                       | 337-7440 |
| RANDY RICHMOND     | Randy Richmond     | P.O. Box 211416 ANCH., AK                    | 786-8877 |
| ROB HEUN           | Robert Heun        | PO Box 1228 Palmer AK                        | 746-0248 |
| RD MILLIKENS       | RD MILLIKENS       | 12647 Beechwooden Eagle River                | 681-5110 |
| D. A. LONG         | D. A. Long         | SR 1794 EAGLE RIVER A.E.R.                   | 6949061  |
| Richard W. Austin  | Richard W. Austin  | P.O. Box 1140993 and <sup>99514</sup> Circle | 6289819  |
| Mary J. Whitley    | Mary J. Whitley    | 4637 Park Dr Chugiak AK 99567                | 688-9819 |
| DIANA L. WHITLEY   | Diana L. Whitley   | 21117 SPARKLE DR. APT. #                     | 688-9819 |
| RICHARD W. AUSTIN  | Richard W. Austin  | 21117 SPARKLE DR APT # B                     | 688-9819 |
| PATSY F. AUSTIN    | Patsy F. Austin    | PO Box 670923 Anch AK 99514                  | 688-9819 |
| PATRICIA W. SHOREY | Patricia W. Shorey | P.O. Box 670923 Chugiak 99567                | 276-1656 |
| MARIEN C. SHOREY   | Marien C. Shorey   | P.O. Box 670923 Chugiak 99567                | 276-1656 |
|                    |                    |                                              |          |

Print Name

Signature

Address

Phone #

| Print Name                          | Signature                | Address                                     | Phone #  |
|-------------------------------------|--------------------------|---------------------------------------------|----------|
| TEERU GALL                          | Terry Gall               | P.O. Box 671703 Chugiak <sup>99567</sup> AK | 688-2135 |
| Sandra Guthrie                      | Sandra Guthrie           | P.O. Box 671241 Chugiak AK 99567            | 688-5391 |
| KATHLEEN F. NIEDERHAUSER            | Kathleen F. Niederhauser | P.O. Box 7147 Chugiak AK 99567              | 688-4917 |
| Tamara Maus                         | Tamara Maus              | P.O. Box 671556 Chugiak AK 99567            | 688-3712 |
| Anna Maus                           | Anna Maus                | P.O. Box 670725 Chugiak AK 99567            | 688-2041 |
| Susie Maus<br><del>Susie Maus</del> | Susie Maus               | S.R. 2 Box 4110 Chugiak AK 99567            | 688-2760 |
| Dorise Gentry                       | Dorise Gentry            | 333 Davis St Anchorage AK 99508             | 337-4740 |
| Polivitcha M. Gentry                | Polivitcha M. Gentry     | 333 Davis St Anchorage AK 99508             | 337-4740 |
| Daniel Maus                         | Daniel P. Maus           | P.O. Box 671534 Chugiak AK 99567            | 688-3532 |
| TAMMIE R. MAUS                      | Tammie R. Maus           | HC 79 BOX 4110 Chugiak AK 99567             | 688-2760 |
| <del>Norman D. Vaughan</del>        | <del>Trapper J</del>     |                                             |          |
| NORMAN DANE VAUGHAN                 | Norman D. Vaughan        | P.O. Box 13-174<br>Trapper Creek AK 99683   | None     |
| DANIEL J. OWENS                     | Daniel J. Owens          | POB 2386 PALMER, AK.                        | 745-5631 |
| Karen M. Owens                      | Karen M. Owens           | DO Box 2386 Palmer AK 99645                 | 745-5631 |
| Dennis J. Lozano                    | Dennis J. Lozano         | 17724 W. Summit Loop Rd Eagle River         | 694-3425 |
| Carol Reed                          | Carol Reed               | Box 141 Palmer, AK                          | 745-4601 |
| <del>Doris Reed</del>               |                          |                                             |          |
| F. PAT REED                         | F. Pat Reed              | P.O. Box 872341 Wasilla, AK, 99688          | 376-6826 |





Governor Steve Cowper:

We the undersigned are dreadfully concerned about the potential destruction of Alaska's healthiest natural fisheries resource's and therefore want you to vote AGAINST any legislation which would allow the establishment of a PEN-REARED SALMON Industry in ALASKA.

We feel that due to the number of questions and uncertainties that pen-reared fin fish pose, allowing or encouraging its existence in Alaska will destroy years of work and effort as well as effect the community we live in. At this time, we feel that pen-reared salmon are not in the best interest of the State. We have a healthy and vigorous commercial fishing industry, an industry that directly bolsters the Eagle River-Chugiak economy by many millions of dollars annually. How many millions of dollars will Pen-reared salmon bring to our community if we lose our most important natural resource?

| Print Name         | Signature          | Address                               | Phone #  |
|--------------------|--------------------|---------------------------------------|----------|
| FRANKLIN D MAUS    | Franklin D Maus    | ST RTE 2 Box 4110<br>Chugiak AK 99567 | 688-2760 |
| Quentin C. Guthrie | Quentin C. Guthrie | P.O. Box 671241 Chugiak, AK 99567     | 688-5391 |
| Ely Brown          | Ely Brown          | Rt 2 Box 4493 Chugiak AK              | 688-0731 |
| Robert J. Hill Sr  | Robert J. Hill     | P.O. Box 670436 Chugiak AK 99567      | 688-2362 |
| Audrey Hill        | Audrey Hill        | P.O. Box 670436 Chugiak Ak. 99567     | 688-2362 |
| Mleanor J Maus     | Eleanor J. Maus    | 5901 E. 6th. Anchorage 99504          | 337-5670 |
| Tuanita H. Gall    | Tuanita H. Gall    | Box 45 Malaga AK 99571                | 686-2345 |
| LARRY A GALL       | Larry A Gall       | Box 67-1703 CHUGIAK 99567             | 688-2435 |
| Florence Maus      | Florence Maus      | H.C. 79 Box 4110 Chugiak AK 99567     | 688-2760 |
| Tom A. Maus        | Tom A Maus         | P.O. Box 671556 Chugiak Ak 99567      | 688-3712 |
| G. A. NIEDERHAUSER | G.A. Niederhauser  | P.O. Box 773575 EAGLE RIVER AK 99571  | 688-4917 |

Governor Steve Cowper:

We the undersigned are dreadfully concerned about the potential destruction of Alaska's healthiest natural fisheries resources and therefore want you to vote AGAINST any legislation which would allow the establishment of a PEN-REARED SALMON Industry in ALASKA.

We feel that due to the number of questions and uncertainties that pen-reared fin fish pose, allowing or encouraging its existence in Alaska will destroy years of work and effort as well as effect the community we live in. At this time, we feel that pen-reared salmon are not in the best interest of the State. We have a healthy and vigorous commercial fishing industry, an industry that directly bolsters the Eagle River-Chugiak economy by many millions of dollars annually. How many millions of dollars will Pen-reared salmon bring to our community if we lose our most important natural resource?

| Print Name          | Signature                  | Address                                      | Phone #   |
|---------------------|----------------------------|----------------------------------------------|-----------|
| Darlene Dubay       | <i>Darlene Dubay</i>       | SR Box 9125 Eagle River AK 99577             | 694-5844  |
| MARIE M. ZIB        | <i>Marie M. Zib</i>        | 10121 CARIBOU ST. Eagle River                | 694-2551  |
| Stephen S. Wilson   | <i>Stephen S. Wilson</i>   | SR2 Box 411 Raven Court Eagle River AK 99567 | 688-2281  |
| Patricia J. Murchan | <i>Patricia J. Murchan</i> | 900 S. Klein #2 Anchorage                    | 333-5613  |
| Louis J. Zib        | <i>Louis J. Zib</i>        | 10121 CARIBOU EAGLE RIVER AK                 | 694-2551  |
| CORINNE HEIDEMANN   | <i>Corinne Heidemann</i>   | PO Box 770661 Eagle River, AK 99577          | 1-88-4497 |
| Steven P. Heidemann | <i>Steven P. Heidemann</i> | PM Box 3455 Eagle River AK 99577             | 1-88-2598 |
| JOHN B. GRUBIC      | <i>John B. Grubic</i>      | 10351 STEWART DR, EAGLE RIVER 99577          | 694-9267  |
| RONALD A. WEAVERMAN | <i>Ronald A. Weaverman</i> | P.O. Box 112652 Anchorage AK 99511           | 345-4899  |
| JAMES MEEHAN        | <i>James Meehan</i>        | 81730 TOMKOWA WAY, EAGLE RIVER AK 99577      | 694-9658  |
| Rakett M Gray JR    | <i>Rakett M Gray</i>       | PO Box 231604 Anch                           | 786-8740  |