

ALASKA LEGISLATURE COMMITTEE FILES, 1989-1990 8672
5992 HOUSE RESOURCES

396

CORRECTION

**THIS DOCUMENT
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TO ASSURE LEGIBILITY**

APPENDIX B

Division Staffing, Qualifications, and Office Locations

During the past 2 years, there was a 16 percent reduction in total positions and a 25 percent reduction in full-time positions. Several full-time positions were converted to seasonal or part-time. The number of positions in broad job classes for the last 3 years is shown below.

	<u>FY86</u>	<u>FY87</u>	<u>FY88</u>
Biologists	104	91	86
Technicians	35	26	25
Administrative and Clerical	42	40	39
Other Technical	<u>13</u>	<u>12</u>	<u>12</u>
TOTAL	194	169	162

Nearly 70 percent of the division positions are biologists and technicians, about 24 percent have administrative (including supervisory functions) or clerical duties, and the remainder fulfill other technical functions such as computer programming, data entry, and statistical work.

Division of Game staff are recognized and respected world-wide for their expertise and professional capabilities as wildlife managers. All biologists have at least a B.S. degree in wildlife management or a closely related field, more than half also have an M.S. degree, 16 have a Ph.D degree, and two have Doctor of Veterinary Medicine degrees. Most of the technicians and technical staff have a B.S. degree and some also have master's and doctorate degrees. Experience with management of Alaskan wildlife averages over 10 years for staff biologists and nearly 14 years for the division's biological supervisory staff.

The Division of Game currently has staff in 24 communities across Alaska, located as follows:

Headquarters -- Juneau
Regional Offices -- Douglas, Anchorage, Fairbanks, Nome
Area Offices -- Ketchikan, Petersburg, Sitka, Cordova,
 Soldotna, Homer, Palmer, Glennallen,
 Kodiak, King Salmon, Dillingham, Tok,
 Delta, McGrath, Fort Yukon, Galena,
 Bethel, Kotzebue, and Barrow.

% CHANGE IN HUNTING LICENSES BY TYPE

- 11 -

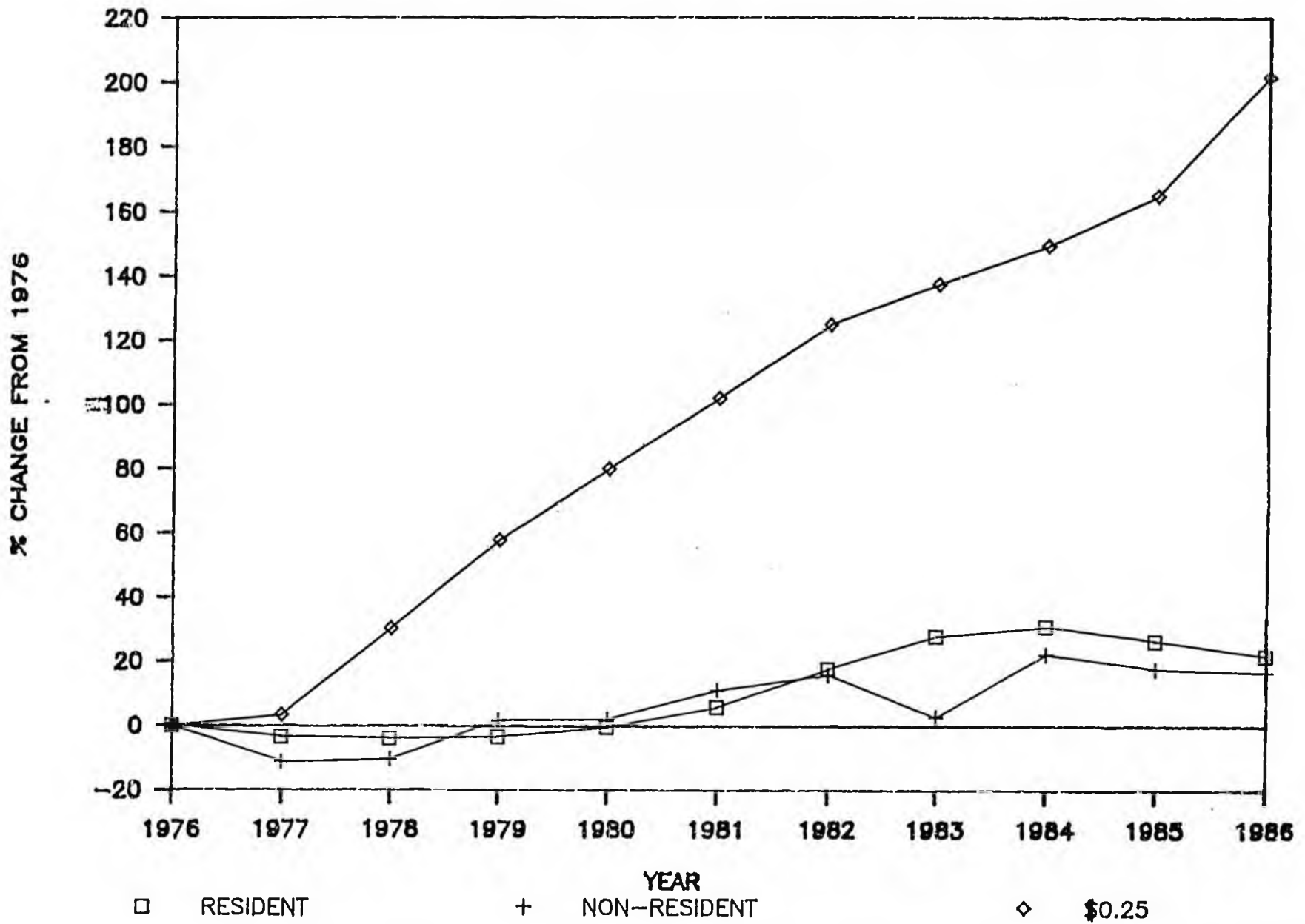


Figure 1

In recent years, offices in Ambler, St. Marys, and Yakutat were closed, and management activities were consolidated into other offices. The most effective wildlife management and public service is attained by biologists living and working with people in many communities. However, the monetary cost of maintaining these offices is high, particularly in "bush" Alaska.

APPENDIX C

Division Programs and Activities

Alaskans sometimes ask "What do you do with the money from hunting licenses and drawing permit applications?" or "What are you really doing for wildlife and for us?" Most individuals recognize that the Division of Game provides hunting regulation books each year. Most people know that we answer questions and provide assistance to people desiring information concerning hunting and other wildlife-oriented activities, and that we help those with a moose in their yard, or bats in their attic. Many in Anchorage know that we administer the Rabbit Creek Rifle Range; in Fairbanks people go to Creamer's Field Refuge to watch the spring waterfowl migration; people contact us to visit the McNeil River bear sanctuary or Round Island to see walrus. We do all of these things, but we do many more.

Our overall statutory responsibilities are to manage, maintain, protect, improve, and extend Alaska's wildlife resources for beneficial uses by the public. In simple terms, we monitor the status of Alaska's wildlife populations so people can use and enjoy these natural resources. We also conduct research to learn, for example, more about habitat requirements, how to more efficiently and reliably monitor population status, how to determine the effects of various hunting and trapping regulations, and how to better protect or mitigate the loss of wildlife and their habitat. The information we collect is used by the Board of Game to develop hunting and trapping regulations to assure sustained yield of our wildlife while providing optimal opportunity for the public to enjoy these resources. The information we collect and analyze is also used by the general public, the Alaska Legislature and Congress, local advisory committees, guides, tourists, other agencies and wildlife biologists worldwide, environmental and sportsmen's groups, conservation organizations, and a host of others.

A few of our specific activities include:

- ° conducting aerial population trend counts and censuses of moose, caribou, sheep, goats, bears, furbearers, waterfowl, and other wildlife;
- ° conducting research projects to learn more about moose nutrition and the number of moose an area can support; to develop ways to accurately census moose, bears, wolves, lynx, and many other species; to determine why moose densities in some areas are low; to identify factors affecting growth of caribou herds and how developments within their range may affect the animals; to determine when, where, and why moose migrate and what habitats they prefer; to identify the effects of lead shot ingestion on Alaskan waterfowl; and to evaluate how current timber harvesting practices affect deer and other wildlife;

- ° conducting annual harvest monitoring of hunted and trapped wildlife using harvest tickets, permits, questionnaires, fur sealing certificates, and reports from the public;
- ° compiling, printing, and distributing hunting and trapping regulations;
- ° analyzing various data to formulate proposed hunting and trapping season changes and presenting changes and wildlife status information to local advisory committees, the Board of Game, and the general public;
- ° performing habitat enhancement in selective areas for moose, waterfowl, hares/lynx, and other species;
- ° conducting wildlife education programs and a hunter education program statewide;
- ° working with other agencies and private landowners to assure proper wildlife protection and optimum public use on lands throughout Alaska;
- ° answering tens of thousands of questions each year from the general public about Alaska's wildlife;
- ° helping people who have problems with wild animals and assisting wildlife in distress;
- ° developing measures to reduce moose/vehicle collisions on Alaska's highways and the railroad; and
- ° assisting the Division of Fish and Wildlife Protection in law enforcement activities.

As a state agency, the division must comply with certain purchasing, budgeting, expenditure accounting, and other administrative procedures. Staff time and funds must be obligated to program administration, planning, budgeting, and similar duties that are required and necessary to ensure an efficient and financially accountable operation.

APPENDIX D

Additional Options for Increasing Revenues

Summarized below is a listing of additional options being considered for increasing revenues and their status; other options may exist and will be evaluated over time. Where available, estimates of anticipated revenues have been included.

Option I: Establish a Resident Big Game Tag

Currently, residents must have a big game tag to hunt muskox and brown/grizzly bear in most game management units. The Alaska Legislature could expand the resident tag fee requirements to create a single big game tag for hunting all species except brown/grizzly bear and muskox. If this tag were to cost \$10, increased revenues would be \$700,000 to \$800,000 annually.

Status: Under departmental consideration; would require action by the Alaska Legislature.

Option II: Establish a Nonresident License for Foreigners

The Alaska Legislature could establish a nonresident license specifically for foreign citizens. A non-U.S. citizen, living in or outside of Alaska, would be required to purchase a special license to hunt in Alaska. On the average, about 400 foreigners hunt annually in Alaska. If a license for these hunters were to cost \$500, the annual increased revenues would be about \$200,000.

Status: Under departmental consideration; would require action by the Alaska Legislature.

Option III: Repeal Transferability of Nonresident Big Game Tags

Nonresidents are required to purchase tags to hunt all species of big game. However, a tag issued but not used for one species may be used to hunt another species for which the tag fee is of equal or less value. The Legislature could repeal this transferability provision and thereby increase revenues at least \$200,000 annually.

Status: Under departmental consideration; would require action by the Alaska Legislature.

Option IV: Eliminate or Change the Structure of the 25¢ License

The origin of the 25¢ license dates back to statehood when the Alaska Legislature adopted into state law portions of the Territorial Fish and Game Code. In subsequent years, there were several legislative amendments. The last change was in 1979 when the annual income requirement was changed from less than \$3,600 to \$5,600. Since 1979, to qualify for this license, a person must: (1) be an Alaska resident and not a member of U.S. armed

services stationed in Alaska on active duty; (2) be the head or dependent member of a family, or be solely dependent on oneself for support; and (3) be obtaining (or within the past 6 months have received) state or federal welfare assistance, or have a gross annual family income for the preceding year of less than \$5,600. From 1976 to 1986, the number of 25¢ license holders has increased over 200 percent to about 16,000 in 1986. It presently costs the state about \$1 to issue a 25¢ license to a qualified resident.

- A. Maintaining the current 25¢ license would continue to result in a net loss to the state of about \$12,000 per year.
- B. Eliminating the 25¢ license would save \$12,000 per year in administrative costs and provide unknown additional revenues to the Fish and Game Fund. Assuming 16,000 additional resident licenses were sold at \$20 each, increased revenues would be \$320,000 annually.
- C. Increasing the cost of a "low-income" license to \$5 would generate additional revenues of up to \$80,000 annually.
- D. In July 1987, the Western Association of Fish and Wildlife Agencies passed a resolution which recommends ". . . as a guideline that the cost of a special hunting and fishing licenses for select population groups be no less than one-half of the regular license fee . . ." If this guideline were adopted in Alaska and if the general resident license cost \$20, the "low-income license" would cost a minimum of \$10 and generate up to \$160,000 annually in additional revenues.

Status: Under consideration in the Alaska Legislature; passage of SB 75 would eliminate the 25¢ license.

Option V: Department Authority to Establish Fees for Other Public Use Opportunities and Services

Limited authority has been granted by the Alaska Legislature to the department to establish user fees for various activities. By creating "program receipts" accounts for specific programs, income generated from certain public service projects can be used to fund those programs. For example, the Rabbit Creek Rifle Range in Anchorage is currently operated by funds received from user fees charged for shooting at the range. In 1987, user fees were established for visiting the McNeil River State Game Sanctuary to view brown bears.

Status: Continue existing user fee programs and expand where possible (e.g., establish visitation fee for Walrus Island State Game Sanctuary).

Option VI: Establish Wildlife Trust Funds

It may be possible to establish wildlife trust funds for managing specific programs. Under this option, funds would be received from private donations and invested for long-term operation of selected programs such as McNeil River and Walrus Island Sanctuaries, nongame wildlife, and state game refuges.

Status: Under departmental consideration and legal review.

Option VII: Establish a Nongame Wildlife Fund

The Alaska Legislature could establish a "Nongame Wildlife Fund" for generating revenues to help cover costs of the division's nongame wildlife program. Revenues collected from various sources could be deposited into this fund for use in management of nongame species and increasing opportunities for nonconsumptive uses of Alaska's wildlife.

Sources of revenue for the Nongame Wildlife Fund might include: (1) collection of a lodging tax (e.g., 1 percent) from hotels, motels, lodges, cruise ships, and other facilities in the state for each bed, berth, or camping space occupied from June 1 through September 30 of each year; (2) establishment of a Permanent Fund Dividend "checkoff" (similar to the Olympics checkoff) or a refund checkoff on state income tax if reinstated in the future; and (3) increase tax (e.g., 5 percent) on vehicle registration and license plates. Revenues from these sources have not been projected.

Status: Under departmental consideration and legal review.

Option VIII: Liquidated Damages for Violations of Fish and Game Laws

Some states presently have a system, wherein a game law violator is assessed not only a fine for the act committed, but also assessed the "cost" or value of the animal(s) taken illegally. An economic value of one animal of each species is established by law, and this amount is automatically assessed the violator upon his conviction, in addition to the fine for the offense. For example, the "value" of a moose might be \$1,000; caribou, \$500; duck, \$25; etc. This assessment is specified in law, and would apply to major violations such as wanton waste, hunting out of season, exceeding bag limit, etc., but not for violations such as failure to carry a license, shooting from a road, or taking before or after legal shooting hours.

Status: The option would require specific legislative action addressing this new concept for Alaska and for allowing deposits of court fines into the Fish and Game Fund.

Option IX: Create a Wildlife Conservation Stamp (Tag)

A wildlife conservation stamp (tag) could be established for anyone desiring to contribute to wildlife management and conservation in Alaska. A wildlife conservation stamp (tag) would be voluntary and could be coupled with an annual art contest and print sales. Some states have tried this option on a voluntary basis with little overall success.

Status: Under departmental consideration; would require action by the Alaska Legislature.

Option X: Auction or Raffle High Demand Permits

The department currently issues permits for various hunts based on a lottery system in which each applicant is limited to one chance per hunt. In this system, the chance of an individual drawing a permit for a special hunt is not determined by the amount of money a person is willing to spend, since each applicant is charged the same application fee. The Board of Game recently changed this system to allow up to 3 applications per species but for different hunts.

Given specific legislative authority, a few permits could be issued based on the amount of money an applicant is willing to spend. This could be done by a raffle in which applicants could purchase as many chances as they desire, or by public auction in which the permits would be awarded to the highest bidders.

A state-run raffle or auction for selected permits could be administered in several ways: different opportunities could be designed for residents versus nonresidents; only a few permits from the most popular hunts could be designated (e.g., Tok sheep, Delta bison, Kodiak brown bear); and highly sought special permits for nonconsumptive use (e.g., McNeil River) could be included. Some states have implemented this option with considerable success.

Status: Under department consideration; would require action by the Alaska Legislature.

Option XI: Establish a Dedicated Fund for Fish and Game Management Based on Revenues to the State from Development of Nonrenewable Resources

One way of ensuring that the revenues generated by the development of nonrenewable resources will continue to benefit Alaskans indefinitely is to dedicate a portion of those monies to the perpetuation and development of renewable resources. Implementation of this option would require an amendment to the Alaska Constitution to allow establishment of a dedicated fund. Legislation to allocate a set percentage of the annual fund revenues to various divisions within the department would also be required.

Under this option, an established percentage of revenues received by the state from development of nonrenewable resources (like oil/gas, hardrock minerals) would be deposited annually in a dedicated fund for management of Alaska's fish and wildlife resources. The amount of revenues deposited into the fund each year would vary depending upon the production rates of nonrenewable resources, state royalty shares, and the market value of resources being exploited.

This innovative approach, like Alaska's Permanent Fund, could serve as a possible long-term solution to fisheries and wildlife management funding problems. The Division of Game's budget could increase substantially and provide many more management programs for the public--for example, funding for marine mammal management, large-scale habitat improvement projects, purchase/acquisition of important habitats, and operation of more public use areas such as McNeil River.

Status: Under departmental consideration and review by some legislators.

Option XII: Increase General Fund Revenues

As previously discussed, General Fund dollars appropriated to the department overall, and the Division of Game in particular, have been reduced substantially since FY 86. General Funds appropriated to the division could be increased. One thing is certain--the current General Fund appropriation, coupled with other revenue sources, does not provide the necessary funds to ensure a viable long-term and comprehensive wildlife management program in Alaska.

Status: General Funds are appropriated by the Alaska Legislature.

APPENDIX E

Related Issues

The Department of Fish and Game recognizes that the need to increase revenues raises various issues and concerns. The department has tried to fully consider those concerns in developing various funding proposals. While many of the major issues that the department or others have identified as being related to the proposed increases in license and tag fees have already been discussed in this document, additional issues and the department's current position on them, are addressed below.

A. The 25¢ Resident Sport Fishing, Hunting and Trapping License

Senate Bill 75 would repeal the 25¢ resident sport fishing, hunting and trapping license. While passage of this bill would result in increased revenues to the Fish and Game Fund (see APPENDIX D--Additional Options for Increasing Revenues, Option IV), the department is maintaining a neutral position on this bill. Many Alaskans support the concept of providing hunting and fishing opportunities to those who otherwise could not afford to participate. Unfortunately, the qualifications of individuals receiving the 25¢ licenses are seldom verified. Thus, the program is subject to greater abuse than any other public assistance program administered by the state. There is considerable evidence that significant numbers of the 25¢ licensees purchase those licenses fraudulently. For these reasons, the department would like to see the existing law amended to limit program abuses and save administrative costs.

B. Disproportional Costs of Fish and Wildlife Management are Paid by Sportsmen

Some sportsmen feel that they have been singled out to pay a disproportionate share of the costs of fish and wildlife management. They pay excise taxes on purchases of hunting and fishing equipment that are used for the Pittman-Robertson and Dingle-Johnson Funds (see APPENDIX A--Funding and Budget Details). They also contribute directly to the Fish and Game Fund by their purchases of hunting and fishing licenses and tags. And as Alaskan citizens, they have a stake in the General Fund monies that are allocated by the Legislature to the department. Why has the department chosen to try to increase its revenues by adding to the costs of hunting and fishing?

The department is considering many alternatives for raising additional revenues (see PROPOSED INCREASES TO HUNTING LICENSES AND TAG FEES and APPENDIX D--Additional Options for Increasing Revenues). Some alternatives that affect only nonconsumptive uses are being considered and several have already been implemented. The decision to seek increases in license and tag fees was made for several reasons. Alaska provides its residents with many unequalled hunting and fishing opportunities. Alaskans

harvest more species of fish and game over longer seasons and with more generous bag limits than is available or possible anywhere else in the country. Despite having one of the nation's highest per capita incomes, Alaska's resident license and tag fees are among the lowest of all states. Consumptive users of fish and wildlife resources benefit materially from the animals that they harvest. It is reasonable that those who take public resources for their personal use should pay more for the privilege to do so.

The operational costs to the department for assuring well-managed consumptive uses are greater than those for nonconsumptive uses. The Boards of Fisheries and Game require a greater amount of more precise information in order to make sustained yield harvest and allocation decisions. The cost of acquiring this information through population survey, census, and inventory work, harvest monitoring and reporting systems, stock separation and identification work, and research have increased steadily. Consumptive users make far greater demands for public services offered by the department, and a large portion of the department's administrative costs are related to resource use (for example, the publication of the sport fishing, hunting, and trapping regulations and the administration of the permit lottery system). All of these costs have risen steadily over the past ten years, yet the cost of licenses has not changed since 1977.

C. Sportsmen are Asked to Pay More While Opportunities for Hunting and Fishing are Being Reduced

It is true that recent state and federal legislation has changed some of the hunting and fishing opportunities previously available to all Alaskans. The creation of new national parks, preserves, monuments and refuges, transfer of public lands to private ownership, and the establishment of subsistence and resident use preferences, have resulted in decreased opportunities for many people, especially those living in urban areas of the state and nonresidents. These changes have occurred simultaneously with a rapidly growing human population and increased demand on Alaska's resources. All of these factors have made the department's job more complex and significantly increased operating costs. The department has a major role in working with the federal government, other state agencies, and the private sector to provide public use opportunities of fish and wildlife resources. If revenues do not increase, our ability to maintain or enhance future opportunities will be diminished.

D. The Department of Fish and Game Listens Only to Certain User Groups

Nearly all special interest user groups have at one time or another suggested that the department caters to the needs of the "other" user groups. One sportsmens' organization wrote that "sport hunters have been methodically ignored." A recent letter to the editor of Alaska's largest newspaper suggests just the

opposite, that only the sport hunters' voice is heard. There is increased friction between nearly all user groups: some sport fishermen are unhappy with the amount of salmon allocated to the commercial fishermen and vice versa; some rural subsistence hunters do not want urban sports hunters in "their" area, while some sport hunters dislike the whole idea of a subsistence preference; some people would like to see all fur trapping eliminated in the state, while others would like to see greater emphasis on predator control.

The truth is that the Alaska Department of Fish and Game does not make the decisions as to "who gets what resource." The Boards of Fisheries and Game are the administrative entities which have the responsibilities for allocating fish and wildlife resources within the existing laws. It is a difficult job. As the population of Alaska has grown and diversified, the demands for fish and wildlife resources have increased and changed. The state of Alaska's system for establishing fish and game regulations is perhaps the most open to public input of all the 50 states. Nonetheless, it is impossible to satisfy all users, and there are bound to be conflicts among them. The department should not be put into the position of acting as referee. The department strives to serve all Alaskans, however diverse their views.

E. Enforcement of Existing Fish and Wildlife Laws is Inadequate

It is an unfortunate truth that there are a number of Alaskans who participate in fishing, hunting, and trapping activities without purchasing the required licenses and tags or who violate other fish and game laws and regulations. It is impossible to estimate how many people are involved in such activities, but it is certainly true that if all people obeyed the laws and regulations, additional revenues would be generated and wildlife resources would be in better shape. It is also impossible to correct this problem by law enforcement action alone. Alaska is simply too large to contemplate the number of enforcement officers that would be required to adequately cover all areas. The Department of Public Safety, Division of Fish and Wildlife Protection, is primarily responsible for enforcing fish and game laws. Like all state agencies, they too have had to deal with budget reductions. Fish and Wildlife Protection Officers are stationed throughout the state in such a way as to maximize their efforts.

The Department of Fish and Game assists in law enforcement through the deputization of field personnel. The department also recognizes that education is an important factor in encouraging all citizens to comply with fish and game laws. The department encourages compliance with the laws by sponsoring a number of education programs and publishing a variety of information pamphlets to inform the public on what the regulations are, how they are established, and why they are necessary. We would also like to see better compliance with fish and game regulations and more comprehensive enforcement.

F. "State Government is Already Too Big." How Can the Alaska Department of Fish and Game Justify Seeking More Money When the Alaskan Economy is Shrinking?

It might seem logical that as the Alaskan population declines and the economy shrinks, the public need for services performed by the department would also decline. In fact, just the opposite is true. The recession that Alaska is currently experiencing causes additional work for the department to meet our mandated responsibilities. In order to stimulate the economy, most of the public would like to diversify Alaska's economic base by promoting the development of both renewable and nonrenewable resources. The department plays a critical role in providing the biological and public use information necessary for regulatory decisions affecting resource development activities. Both federal and state laws place conditions on some developments which are intended to protect the natural environment. By providing pertinent data and technical assistance for proposed developments, the department can help to speed the decision-making process and ensure compatibility of developments with public fish and wildlife resources.

During times of economic hardship, some segments of the public increase their utilization of fish and wildlife resources. This creates the need for additional and more precise population assessment information for the Boards of Fisheries and Game to use in establishing seasons and bag limits and making allocation decisions.

STATE OF ALASKA

DEPARTMENT OF FISH AND GAME

OFFICE OF THE COMMISSIONER

STEVE COWPER, GOVERNOR

P O BOX 3-2000
JUNEAU, ALASKA 99802-2000
PHONE: (907) 465-4100

October 31, 1988

Mr. Ron McAlpin
President
Alaska Outdoor Council
8341 East 11th Court
Anchorage, AK 99504

Dear Ron:

Warren Wiley has discussed with me the conference call he arranged Saturday, October 15, with you and several members of the board of the Alaska Outdoor Council. I understand that during the course of the three-hour conference you were able to cover many of the subjects we have had under discussion for the past several months. It is my understanding that Warren relayed to you again the department's position on several of the questions asked by AOC board members at our meeting last April which was intended, in part, to respond to a letter to me from Ron Somerville.

Much of your conversation involved the department's proposal to ask the Legislature for an increase in fishing and hunting license fees. This letter is intended to respond directly to questions you have raised in the past regarding that proposal and other issues of interest to AOC and other outdoors organizations.

As you know, fishery enhancement activities primarily intended to benefit the recreational fishery are funded with Dingell-Johnson (D-J) money which the state matches with general fund money. An exception is Clear Hatchery which uses a Fish and Game Fund match. Responding to concerns expressed by your organization, I stated at our meeting in April that the director of the Sport Fish Division has had, and will continue to have, the lead responsibility in determining the direction of the department's D-J funding allocations.

The deputy director for that division is now the D-J coordinator for the entire department. What this means is that Norval Netsch has the primary responsibility for determining exactly where D-J funds are to be used within the department. Naturally, I cannot totally abrogate my responsibility as Commissioner of a cabinet-level department

and I am sure you understand that. Just so you will know, in FY 90 we expect over \$9 million will be available in D-J funding. Budgets have been prepared that would allocate those funds so that 57.4 percent would go directly to the Division of Sport Fish operational costs, sport fisheries public access programs would account for 19.2 percent, Division of Sport Fish special projects would account for 3.8 percent, FRED Division projects would account for 18 percent, and Habitat Division would receive 1.7 percent of available D-J funding. As you can see, more than 80 percent of D-J funds will be allocated directly to the Division of Sport Fish with the remainder going towards sport fish projects undertaken by other divisions within the department. In each case, these funding levels utilizing D-J dollars have been, and will continue to be, determined by the Division of Sport Fish director.

One of the primary topics discussed with Warren has to do with increasing the fees charged for resident, nonresident, and alien hunting and fishing licenses. You now have an idea of the increases proposed in a bill which we have had drafted but which has not been submitted. I know that in the past some Alaska sportsmen have been curious as to just how revenues produced through increased license fees would be utilized. Enclosed you will find a list from the Game Division director and from the Sport Fish Division director outlining the general direction in which they would proceed given additional revenues. Also enclosed is information regarding license fee changes. You will notice these lists identify specific projects. As I am sure you realize, the possibility always exists that specific projects might have to be dropped or adjusted, but these lists will give you an excellent idea where added revenues from increased license and tag fee sales would be allocated.

As Warren mentioned to you, new revenues from the proposed \$10 resident big game tag fee would go directly to the Fish and Game Fund and then would be made available to the Game Division. Additional revenues are needed for the Division of Sport Fish to ensure that we can match the increased revenues expected from the D-J program and also so we can cover Sport Fish Division projects that are not eligible for matching D-J money.

During the last legislative session Warren and Game Division Director Lew Pamplin were called upon to testify regarding the twenty-five cent low income hunting license. On at least two occasions both Warren and Lew testified before the Legislature to provide figures compiled from licenses sold to indicate the number of twenty-five cent licenses sold and the location of their sale. They also provided information on the costs for administering this program with respect to lost revenues (i.e., it costs the state more to issue

twenty-five cent licenses than we receive from sale proceeds). There is a strong belief among many Alaskans, including members of your organization, that abuses may exist in that program. In that this license is seen more as a social welfare issue than a bona fide hunting license, the department is not seen as taking a lead role in any discussions regarding changes to that program. However, since ADF&G is now responsible for maintaining license sales records, we are in a position to provide any interested party with information on where the licenses are sold, how many are sold, and whether license sales are increasing or decreasing. One of the major concerns regarding the twenty-five cent license program is the fact that there is very little in the way of enforcement by license vendors. These vendors are not empowered to request applicants document their qualifications for such licenses. Although the law states that applicants must provide evidence, I am sure you understand that license vendors cannot be compelled to act as enforcement agents when selling licenses. Since you have asked for our assistance, and since it appears that this program may be the subject of further discussions by the Legislature, we are in the process of asking the Department of Health and Social Services to do a comparison for us on a list of randomly-selected names to determine what percentage of those names submitted also appear on state records as having received assistance during the prior six months. This report will only show what percentage of the names we submit actually received some form of state assistance. It will not identify license holders by name.

Another issue discussed during your conference call with Warren was the department's effort to attempt to identify certain costs of the Game and Sport Fish Divisions which might be related directly to projects specifically beneficial to subsistence users. As we have discussed in the past, and as I am sure you can understand, this is a very difficult undertaking. Nevertheless, I have asked that both Norval Netsch and Lew Pamplin make an attempt to assess ANILCA-related costs (over what we would normally spend for various projects if ANILCA did not exist) so we may request reimbursement from the federal government. However, we are all aware that the federal government has never fully funded our previous requests for ANILCA reimbursement. We will continue to identify those costs and document our requests for reimbursement to the federal government.

In our discussion, Warren mentioned briefly two of the bills AOC may attempt to sponsor during the coming legislative session. When and if these bills are introduced, the department will review them and be prepared to testify before the appropriate legislative committee. Based on what I understand of at least two of your proposals, it appears

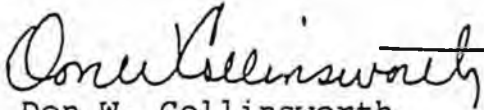
October 31, 1988

the department would be in a position to support them pending our review of the actual legislation.

In response to your request last spring for a meeting between myself and members of your board, I arranged that every division director in ADF&G be on hand for a meeting in April. You will recall that our meeting with your board members lasted nearly four hours. At my direction, Assistant Commissioner Wiley traveled to Anchorage and Fairbanks to meet with your board members and members of the public to discuss not only the license increase issue but other issues of interest to the Alaska Outdoor Council and conservation and sportsmen's organizations across Alaska. I mention these events simply to reiterate my belief that the more we involve Alaskans in our work the more each of us will benefit. All Alaskans who are interested in our fish and game resources should have an opportunity to participate in the decision-making process. It is imperative that ADF&G enjoy the understanding, support, and encouragement of those Alaskans who are concerned about our fish and game resources. In addition to participation through local advisory committees and regional councils, my staff and I continue to be available, as we have in the past, to discuss fish and game issues that concern Alaskans.

I sincerely hope this letter is a useful follow-up to Warren's conversation with you on October 15. I look forward to your continued cooperation and support.

Sincerely,



Don W. Collinsworth
Commissioner

Enclosures

cc: Norman A. Cohen, Deputy Commissioner
Division Directors, ADF&G
Rod Swope, Governor's Office
Board Members, Alaska Outdoor Council
President, each member organization of the
Alaska Outdoor Council

MEMORANDUM

STATE OF ALASKA
DEPARTMENT OF FISH AND GAME

TO: Warren W. Wiley
Assistant Commissioner
Department of Fish and Game

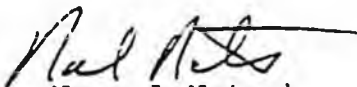
DATE: October 29, 1988

FILE NO:

THRU:

TELEPHONE NO: 465-4180

FROM:


Norval Netsch
Director
Division of Sport Fish

SUBJECT: License Revenue
Enhancement Projects

The January 1988 report entitled "The Need to Increase Funding for Sport Fish Management and Conservation in Alaska" provides background information on Alaska's sport fish program and describes current problems and needs, existing funding sources, and what we propose to do with additional funds. The report was widely distributed and is still pertinent. It addresses most of the questions that may arise, and we would be glad to make copies available to anyone interested (enclosure).

In response to requests for more specific details of how any additional funds would be spent, I believe it would be useful to reiterate the general activities covered in the January report, followed by a listing of individual projects and activity titles, locations, projected duration, and estimated costs. This list is not complete and the projects are not presented by order of priority; however, it does provide details on many of the needs recognized by Division of Sport Fish staff.

The following listing of projects and activities we would propose is taken from our January 1988 report:

- * New or expanded studies to provide information required for management of many species and in many areas. Examples include studies on:
 - ° Rainbow trout in Southcentral and Bristol Bay waters.
 - ° Cutthroat trout in selected Southeast waters from Ketchikan to Prince William Sound.
 - ° Grayling in waters where harvests are, or are suspected to be, reaching a point of management concern.
 - ° Steelhead in selected areas throughout their range.

- ° Various aspects of salmon management, including evaluation of enhancement efforts, mixed stock problems, collection of harvest and escapement data.
 - ° Dolly Varden/Arctic char that now, or in the future, would support a significant sport fishery. Areas include waters from southcentral Alaska to Kotzebue Sound.
 - ° Lake trout and burbot which are very slow growing, long-lived species that are extremely susceptible to overharvest.
 - ° Northern pike in areas where harvest is increasing and biological information is needed.
 - ° Halibut, rockfish, and ling cod in several areas where the sport fishing effort has significantly increased in recent years.
- * Strengthen area management capability. An increased level of effort in various areas of the state is needed to improve local fishery management expertise and to better serve the public.
 - * Provide additional enforcement effort in areas of intensive recreational fishing.
 - * Increase efforts directed at land use development projects, implementation of management plans for specific fisheries, and the development of cooperative plans by various state, federal, and local interests. Many of these are of vital importance to sport fishing, and considerable time is required to ensure that sport fish interests are addressed.
 - * Provide more and better information to sport fishermen and the general public in the form of publications, maps, brochures, videos, articles for the media, and personal appearances by department staff.
 - * Provide additional or improved access to areas where public use is now restricted due to land ownership or lack of facilities.
 - * Aquatic education. There is a need to educate all sectors and age groups on subjects related to aquatic resources,

conservation, and "how to" fish. This would be work done by department employees, as well as through cooperative efforts with schools, communities, and sportsmen's groups.

- * Constituency involvement programs. There is an opportunity to accomplish various projects through cooperative efforts between the Sport Fish Division and sportsmen's groups or communities. These include volunteer programs and jointly funded projects.
- * Economic evaluations. Accurate economic values associated with sport fishing are generally lacking. This would provide for continuing information on key economic values of sport fishing on a statewide basis.

Some of the details of specific projects on activities are listed below. Projects are not listed in priority order, nor are all the needs identified by staff listed. Also, some of these projects are in our FY 90 budget request for general funding--the success of which is yet to be determined.

<u>Project</u>	<u>Location</u>	<u>Schedule</u>	<u>Est. Costs (x 1000)</u>
Strengthen Management Capability	Interior/SC	Long-term	400/yr
Aquatic Education Program	Statewide	Long-term	75/yr
Sport Fishery Matching Grant Prgm.	Statewide	Long-term	250/yr+
Fisheries Mgt. Plan Development	Statewide	5 years+	100/yr
Improved Research Design & Data Mgt.	Statewide	Long-term	75/yr
Coho Research (4 areas)	SE	Long-term	160/yr
Chinook Research (Nahlin R)	SE	Long-term	60/yr
Charter Boat Logbook	SE	3 years	45/yr
Rainbow Trout Enhancement-Ketchikan	SE	Long-term	66/yr
Steelhead Enhancement-Juneau	SE	Long-term	40/yr
Steelhead Enhancement-Sitka	SE	Long-term	30/yr
Coho Enhancement-Sitka	SE	Long-term	10/yr
PWI Lake Surveys	SE	2 years	41/yr
PWI Marine Creel	SE	Long-term	61/yr
Cutthroat Trout Studies-Ketchikan	SE	3 years	43/yr
Steelhead Studies (4 areas)	SE	3 years	98/yr
Florence Lake Cutthroat Studies	SE	2 years	54/yr
Susitna River Coho Studies	SC	Long-term	381/yr
Kenai River King Mortality Studies	SC	2 years	98/yr
Willow Creek Weir	SC	Long-term	47/yr
Kenai River Coho Sonar	SC	Long-term	70/yr
Little Susitna King Mortality Studies	SC	Short-term	32/yr
Stock Separation Analysis	SC	Long-term	35/yr
Anchorage Area Salmon Enhancement	SC	Long-term	35/yr
Karluk Steelhead Studies	SC	Short-term	61/yr
Tebay Rainbow Trout/Steelhead Studies	SC	Short-term	38/yr

<u>Project</u>	<u>Location</u>	<u>Schedule</u>	<u>(x 1000)</u>
(cont.)			
PWS Cutthroat Studies	SC	4-5 years	25/yr
Bristol Bay Lake Trout Studies	SC	4-5 years	42/yr
Susitna River Northern Pike Studies	SC	4-5 years	35/yr
Resurrection Bay Groundfish Studies	SC	4-5 years	16/yr
North Slope Lake Trout Studies	Interior	5 years	38/yr
Kobuk Northern Pike Studies	Interior	5 years	52/yr
Tok Northern Pike Studies	Interior	5 years	48/yr
Tok Lake Trout Studies	Interior	2 years	40/yr
Tok Grayling Studies	Interior	5 years	32/yr

Since January 1988, an unanticipated need for state funds has emerged. Contrary to earlier predictions, the amount of Dingell-Johnson (D-J) funds available for sport fish programs in Alaska is projected to increase in FY 90 and may continue to increase over the next few years. These federal funds make up a significant part of our budget. However, D-J funds must be matched with at least 25 percent state funds, and sufficient state dollars may not be available from the fish and game fund in FY 90. If D-J appropriations increase as projected or if matching general funds currently utilized by the Divisions of FRED and Habitat are reduced, we will be facing the dilemma of having federal funds available for recreational fisheries programs that the state will, in essence, have to decline for lack of matching fish and game funds.

Enclosure

cc: Norman Cohen
 Lew Pamplin
 Frank Van Hulle
 John Clark
 Fred Gaffney
 Paul Krasnowski
 Mike Mills

Provided below is a listing of specific projects, locations, schedules, and estimated costs which we would propose conducting should there be an increase in license and tag fee revenues. Although this list is not complete nor in priority order, it does provide more detail in terms of important project needs identified by Game staff. The projects and associated costs represent needs in addition to current funding levels and work being done. We have other program functions which need additional funding, but other revenue sources (e.g., General Funds) are more appropriate to fund these projects than license revenues.

<u>Project</u>	<u>Location</u>	<u>Schedule</u>	<u>Estimated Costs (X 1000)</u>
Marten research	GMU 4	5 years	56.0/yr
Increase goat surveys	GMU's 1, 5,	Annual	9.0
Expand moose survey and inventory work (S&I)	GMU's 1, 5 & 20	Annual	35.0
Expand deer S&I	GMU's 1, 3, 4, 6, & 8	Annual	31.0
Increase caribou censuses	GMU's 7, 9, 10, 11, & 13-15	Annual	24.0
Increase monitoring of factors affecting caribou carrying capacity	GMU's 7, 9, 11, 13, 15, & 17	Annual	14.0
Increase moose censuses	GMU's 7, 9, 11, 13-16, & 20	Annual	70.0
Expand Moose Research Center work--optimum carrying capacity and bull:cow ratios	GMU 15; Statewide Application	Annual	12.0
Improve moose survey techniques	Statewide	5 years	35.0/yr
Research goat/logging relationships	GMU 6	2 years	33.0/yr
Regional furbearer biologists	Interior & Southcentral	Annual	125.0*

<u>Project</u>	<u>Location</u>	<u>Schedule</u>	<u>Estimated Costs (X 1000)</u>
Increase wolf S&I	GMU's 11-26	Biennial	32.0
Expand furbearer S&I (e.g., lynx, marten, wolverine)	GMU's 6, 7, 9, 13-17, & 19-21	Annual	48.0
Improve lynx and wolverine survey techniques	Statewide	5 years	30.0/yr
Increase sheep surveys	GMU's 7, 11-16, 19, & 20	Biennial	25.0
Elk censuses	GMU 8	Annual	4.0
<u>Moose habitat enhance- ment and evaluation</u>	GMU's 1, 5, 7, 12, 14, 15, & 20	5 years	160.0/yr
Increase field presence and law enforcement	Statewide	Annual	45.0
<u>Predator-prey research and expand S&I</u>	GMU 13	Annual	125.0*
Mentasta caribou herd calf mortality study	GMU 11	One time	50.0
Southern AK Pen. caribou calf mortality study	GMU 9	One time	65.0
<u>Wildlife enhancement and fire management coordination</u>	Interior & Southcentral	Annual	140.0*
Test infra-red bear census technique	GMU's 8, 9, & 17	One time	12.0
Initiate public cabin use program on selected refuges	GMU's 14 & 16	Annual	100.0-1st yr; 25.0/yr
Special Areas manager	GMU's 6, 3, 9, & 14-16	Annual	65.0*
Increase caribou S&I and harvest assessments; revise management plans	GMU's 19, 20, & 21	Annual	15.0

<u>Project</u>	<u>Location</u>	<u>Schedule</u>	<u>Estimated Costs (K 1980)</u>
Research on grizzly bear population dynamics	GMU 22	3 years	15.0/yr
Expand muskoxen S&I	GMU's 13, 23, & 26	Annual	23.0
Tule white-fronted goose nesting and production surveys	GMU's 9, 16, 17, 19, & 21	3 years	35.0/yr
Maintain citizen participation in predator/prey management planning	Statewide	Annual	15.0
Conduct bison summer range habitat evaluation	GMU's 11, 19, & 20	Annual	8.0
Increase interaction with advisory committees	Statewide	Annual	45.0
Reinstate full-time asst. area biologists in Palmer and King Salmon	GMU's 9, 10, 14, & 16	Annual	60.0
Upgrade quality and expand content of regulation booklets	Statewide	Annual	13.0
Expand development of operational management plans	Statewide	Annual	25.0
Publish annual report of division activities to better inform public of division programs	Statewide	Annual	12.0
Expand hunter education program via TV network: curriculum and instructor training videos	Statewide	Annual	65.0 1st year; 5.0/yr
Determine economic value of Alaska's wildlife	Statewide	4 years	125.0/yr
Upgrade wildlife information data base	Statewide	4 years	20.0/yr

* Requires new positions.

Taken from "The Need to Increase Revenues for Wildlife Management and Conservation in Alaska"; ADF&G, Division of Game, December 1987.

WHAT WOULD INCREASED REVENUES BE USED FOR?

The proposed increases in license and tag fees for hunting in Alaska would affect both resident and nonresident hunters. Most of the funds would be used to restore or enhance game management and research projects that were eliminated or severely reduced as a result of losing nearly 1.5 million dollars in General Funds since FY86. Some game management programs that would receive additional funding include:

- ° moose survey and inventory work statewide and population censuses in heavily hunted areas and in selected locations where populations may be experiencing problems;
- ° caribou survey and inventory work statewide and more frequent population censuses of major herds;
- ° research and development of improved, more cost-effective and accurate big game and furbearer survey techniques;
- ° wolf, wolverine, marten, and lynx surveys and monitoring population trends;
- ° providing biological information to the public, local advisory committees, and the Board of Game for the state's regulatory process;
- ° Dall sheep and mountain goat surveys;
- ° moose habitat carrying capacity studies and modeling;
- ° reestablish moose habitat enhancement projects in portions of southcentral and interior Alaska;
- ° more field presence by staff and additional law enforcement activities;
- ° compilation, detailed analysis, and computerization of historic information on big game populations;
- ° technical assistance to land management agencies for use in making decisions affecting wildlife populations, habitats, and public use opportunities;
- ° wildlife information and educational projects and the statewide hunter education program;
- ° additional emphasis on management planning; and

(OVER)

- more educational efforts to inform the public about the benefits of professional wildlife management and the ecological basis for regulated harvests.

It is important to recognize that many of these essential wildlife management programs would not receive additional funding, even if hunting license and tag fees were increased, unless the General Fund appropriations to the Division of Game remained near the current level.

1 IN THE HOUSE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2

HOUSE BILL NO. 124

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

SIXTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6

For an Act entitled: "An Act relating to sport fishing and hunting li-
censes and to big game tags; and providing for an
effective date."

8

9

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

10

* Section 1. AS 16.05.340(a)(1) is amended to read:

11

(1) Resident sport fishing license.....\$15 [\$10]

12

However, the fee is 25 cents for a resident who is blind.

13

* Sec. 2. AS 16.05.340(a)(2) is amended to read:

14

(2) Resident

15

(A) small game hunting license.....15 [12]

16

(B) hunting license for both big and small game..25

17

"Big game" means those species listed in (a)(15) of this section.

18

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

19

(3) Resident hunting and trapping license.....35 [22]

20

* Sec. 4. AS 16.05.340(a)(5) is amended to read:

21

(5) Resident hunting and sport fishing license...40 [22]

22

* Sec. 5. AS 16.05.340(a)(6) is amended to read:

23

(6) Resident hunting, trapping, and sport

24

fishing license.....50 [32]

25

However, the fee is 25 cents for an applicant who is the head of a
family or a dependent member of that family, or who is solely self-
supporting, upon proof presented by the applicant that the applicant

28

(A) is obtaining or has obtained assistance during the

29

preceding six months under any state or federal welfare program

1 to aid the indigent, or
2 (B) has an annual family gross income of less than
3 \$5,600 for the year preceding application.

4 * Sec. 6. AS 16.05.340(a)(7) is amended to read:

5 (7) Nonresident special sport fishing license -- valid for
6 the period inscribed on the license

7 (A) For 14-day license.....\$30 [\$20]

8 (B) For three-day license15 [10]

9 * Sec. 7. AS 16.05.340(a)(8) is amended to read:

10 (8) Nonresident sport fishing license.....50 [36]

11 * Sec. 8. AS 16.05.340(a)(9) is amended to read:

12 (9) Nonresident hunting license.....85 [60]

13 * Sec. 9. AS 16.05.340(a)(10) is amended to read:

14 (10) Nonresident hunting and sport fishing
15 license.....135 [96]

16 A nonresident may not take a big game animal without previously pur-
17 chasing a numbered, nontransferable, appropriate tag, issued under
18 (15) of this subsection. The tag must be affixed to the animal imme-
19 diately upon capture and must remain affixed until the animal is
20 prepared for storage, consumed, or exported. A tag issued but not
21 used for an animal may be used to satisfy the tagging requirement for
22 an animal of any other species for which the tag fee is of equal or
23 less value.

24 * Sec. 10. AS 16.05.340(a)(15) is amended to read:

25 (15) Nonresident big game tags:

26 (A) Bear, black, each.....225 [200]

27 (B) (Repealed, sec. 1, ch. 268, SLA 1976.)

28 (C) Bear, brown or grizzly, each.....425 [350]

29 (D) Bear, polar, each.....2,500 [500]

- 1 (E) Bison, each.....450 [350]
- 2 (F) Caribou, each.....325 [300]
- 3 (G) Deer, each.... 150 [135]
- 4 (H) Elk, each.....300 [250]
- 5 (I) Goat, each.....300 [250]
- 6 (J) Moose, each.....400 [300]
- 7 (K) Sheep, each.....425 [400]
- 8 (L) Walrus, each.....1,500 [500]
- 9 (M) Wolf, each.....175 [150]
- 10 (N) Wolverine, each.....175 [150]
- 11 (O) Musk oxen, each.....1,100

12 * Sec. 11. AS 16.05.340(a) is amended by adding new paragraphs to read:

- 13 (19) Nonresident small game hunting license..... 20
- 14 (20) Nonresident alien hunting license.....300

15 A nonresident alien may not take a big game animal without previously
 16 purchasing a numbered, nontransferable, appropriate tag, issued under
 17 (21) of this subsection. The tag must be affixed to the animal immed-
 18 iately upon capture and must remain affixed until the animal is pre-
 19 pared for storage, consumed, or exported. A tag issued but not used
 20 for an animal may be used to satisfy the tagging requirement for an
 21 animal of any other species for which the tag fee is of equal or less
 22 value.

- 23 (21) Nonresident alien big game tags:
- 24 (A) Bear, black, each.....300
- 25 (B) Bear, brown or grizzly, each.....600
- 26 (C) Bear, polar.....3,000
- 27 (D) Bison, each.....650
- 28 (E) Caribou, each.....425
- 29 (F) Deer, each.....200

1	(G) Elk, each.....	400
2	(H) Goat, each.....	400
3	(I) Moose, each.....	500
4	(J) Musk oxen, each.....	1,500
5	(K) Sheep, each.....	550
6	(L) Walrus.....	2,000
7	(M) Wolf, each.....	250
8	(N) Wolverine, each.....	250

9 * Sec. 12. This Act takes effect January 1, 1990.

THE NEED TO INCREASE FUNDING
FOR SPORT FISH MANAGEMENT AND CONSERVATION
IN ALASKA

ALASKA DEPARTMENT OF FISH AND GAME
SPORT FISH DIVISION
JANUARY 1988

ABSTRACT OF CONTENTS: Present funding is not sufficient to allow the Alaska Department of Fish and Game to keep pace with sport fish management needs resulting from increasing fishing pressure and conflicts between user groups. This packet provides background information in support of a license increase that will be considered during the 1988 legislative session. Proposed increases in resident and nonresident sport fishing licenses would provide an additional \$1.8 million annually to the Sport Fish Division for a variety of management, research, and public interaction activities. Public support is requested.

THE PROBLEM

There has been a steady increase in fishing pressure over the years which continues in spite of recent decreases in the state's population. For example, there were 201,058 anglers in Alaska in 1977; 249,229 in 1981; and 359,383 in 1986. These fishermen fished 2,071,412 angler days in 1986 compared to 1,420,172 in 1981. In addition, there has been steady growth in the number of lodges, guides, and outfitters in many areas of the state. Some areas that received little or no fishing pressure now have considerable use by fishermen and commercial operators. Sport fish harvest has increased from 2,528,056 fish (all species) in 1981 to 3,163,433 fish in 1986 and continues to increase in spite of reduced bag limits and more restrictive regulations for many waters. The total value of sport fishing in Alaska is unknown, but an economic study indicates that in 1986 sport fishermen spent \$127 million in the southcentral area of the state alone. Sport fishing in that area generated 2,840 full-time equivalent jobs in Alaska. Obviously, the contribution of sport fishing to the state economy is significant.

At the same time, refinements in commercial fisheries management have allowed for increased commercial harvest rates and development of new fisheries for salmon, halibut, and other species that are important to the sport fishery as well. Superimposed on both of these user groups is the use of fishery resources for subsistence and personal use. Conflicts between user groups over the use of limited resources have occurred and can be expected to increase. In combination, the increasing demands on finite fishery resources require more precise management to assure reasonable harvest levels while ensuring stock conservation.

The need for more access, public information, management planning, and coordination has also greatly increased. Although the Sport Fish Division budget has increased over the years, it does not approach the amount needed to adequately manage and protect the resources under the current harvest and public pressures. For example, we have individual biologists responsible for management of recreational fisheries in more waters than are contained in some of the larger lower 48 states (one AYK area biologist is responsible for an area the size of Texas); we have major river systems with world-class fisheries for which we have no current biological information; and we have many areas where public access is now limited or nonexistent, while nearby areas are overcrowded. Without the ability to conduct studies and collect data required for management, we will be faced with crisis situations to correct fishery resource problems that may require extraordinary measures, rather than preventing the problems before they occur. The days when superficial information was enough to manage an Alaskan recreational fishery due to light fishing pressure are history. We must pay the cost of adequate management or accept the fact of lost sport fishing opportunities.

CORRECTION

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

THE NEED TO INCREASE FUNDING
FOR SPORT FISH MANAGEMENT AND CONSERVATION
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SPORT FISH DIVISION
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PURPOSE OF THIS INFORMATION PACKAGE

The mission of the Sport Fish Division of the Alaska Department of Fish and Game is to manage, protect, maintain, improve, and extend the state's recreational fishery resources to provide a diverse mix of present and future fishing opportunities that address the desires of the angling public and contribute to the Alaskan economy.

To carry out this mandate, the Sport Fish Division conducts a wide range of activities, including fishery management, research, planning, habitat protection, access development and public interaction.

The Department of Fish and Game is concerned that present funding does not enable the Sport Fish Division to maintain the level of service that is required with increasing fishing pressure, limited public access, user conflicts, and other public use needs. An increase in license fees provides the most feasible option to meet these most important needs. Legislation to increase license fees was introduced at the department's request in 1987; it will be considered during the legislative session starting in January 1988.

This information package has been prepared by the Sport Fish Division to summarize the present Sport Fish program and its limitations, and in general terms, what additional programs can be accomplished with any additional funds received, should the license increase legislation be approved.

If the reader has questions, would like more detailed information, or would like to discuss fisheries activities of the Sport Fish Division, please contact any of the following:

Norval Netsch, Director, Sport Fish Division, Juneau
(465-4180)

Frank Van Hulle, Deputy Director, Sport Fish Division, Juneau
(465-4130)

Gary Sanders, Region I, Juneau (465-4270)

Paul Krasnowski, Region II, Anchorage (267-2218)

John Clark, Region III, Fairbanks (456-4359)

or any Sport Fish Division employee.

We are asking for your support for better protection and management of Alaska's sport fish.

THE PROBLEM

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THE ALASKA SPORT FISH PROGRAM

The recreational fisheries programs for the state are coordinated by the Sport Fish Division. Of approximately \$12 million received from all sources, more than \$9 million are used directly by the Sport Fish Division. The remaining funds are expended by FRED and Habitat Divisions to accomplish specific sport fish related projects, such as hatchery production of sport fish, under specific agreement with the Sport Fish Division.

Sport Fish Division

Primary activities within the Sport Fish Division can be categorized as fisheries management, research, and access. Management activities involve day-to-day fishery monitoring, data analysis, and regulation of sport fisheries. Professional fisheries biologists based in twelve offices statewide are responsible for all resident and anadromous species and stocks of fish that are targeted by recreational anglers. Management staff work closely with local users, sportsmen's groups, fish and game advisory committees, and staff of other divisions. They provide information to the Board of Fisheries during regulatory hearings. Many of the projects funded in this component deal with highly seasonal and frequently intense salmon fisheries which may require inseason management actions.

The division staff conduct research projects on resident species such as rainbow trout, grayling, char, whitefish, northern pike and burbot. These projects are designed to provide specific information on population abundance, size, and survival, and the impact of increasing fishing pressure. The information derived from Sport Fish Division research feeds directly into the management and regulatory process.

Purchase and development of access for recreational fishing is a rapidly growing portion of the Sport Fish Division program. An amendment to the D-J Act mandates a minimum of 10 percent of the federal funds be used to improve boating access. Monies can be spent to buy land for public use or to improve public areas by building roads, parking areas or boat launches. Because of the importance of access to sport fisheries in recent years, the division has significantly exceeded the required 10 percent.

Additional support services such as data management, planning, publications, and administration fill out the Sport Fish Division program.

FRED Division

The growth and development of sport fisheries throughout Alaska has paralleled or exceeded human population growth and increases in tourism. Fishermen near population centers are experiencing sharply increasing competition for limited fisheries resources. Hatchery production of trout, grayling, char, sheefish, and salmon is an important tool which complements conservative management of wild fish stocks, provides

increased angling opportunity and redirects effort from more vulnerable wild stocks.

In southeast Alaska, stocking efforts are directed at enhancement of steelhead, chinook and coho sport fisheries. In the interior, hatchery production has been realigned to provide salmon, rainbow trout, char, lake trout, sheefish, and grayling for landlocked lakes. Most of FRED Division's sport fish funding in southcentral is used to provide catchable and fingerling rainbow trout for Anchorage, the Mat-Su Valley, and Kenai Peninsula. The balance is split between release of chinook and coho smolt in areas where minimal interception by commercial fisheries and maximum use by recreational fisheries can occur.

Habitat Division

The Habitat Division has the responsibility to represent the department in many of the planning efforts of other agencies and to provide habitat protection recommendations for developmental activities that may affect fish and wildlife. This results in protection of many living resources of the state and helps assure long-term public enjoyment of these resources. Money from the recreational fisheries program is a minor portion of the Habitat Division budget. It is utilized for maintenance and update of the catalog of anadromous waters and for involvement in planning activities with other agencies to protect habitat and assure proper management of recreational fisheries.

SPORT FISH DIVISION FUNDING SOURCES

Funds for the Sport Fish programs are provided through three major sources:

1. Fish and Game Funds. This is money derived from the sale of hunting and sport fishing licenses. This money is deposited in the fish and game account and may not be directed to a purpose other than the protection, propagation, investigation, and restoration of sport fish and game resources, and the expenses of administering the sport fish and game programs of the department. Money from the sale of these licenses does not go into the general fund. By department policy, funds received from the sale of fishing licenses are credited to a sport fisheries account and the Sport Fish Division budgets against these funds to the extent they are available (Appendix A). Over the years most of the fishing license funds have been used by the Sport Fish Division, but during 6 of the 27 years of records shown in Appendix B, some of these funds have gone to the Habitat and FRED Divisions for recreational fisheries activities. There have been no increases in the cost of sport fishing licenses since 1977.
2. Dingell-Johnson (D-J) Funds. This is money provided by the U.S. Government derived from a federal excise tax on fishing tackle and is the major source of funding for the recreational fishing program. These monies are administered by the U.S. Fish and

Wildlife Service and allocated to the states by a fixed formula. These funds can be used only for certain approved activities that benefit the sport fishery and are matched with state money at a ratio of one state dollar to three federal dollars. In 1986, the amount of money received from this source was expanded by the Wallop-Breaux amendment which taxed additional items and included a portion of the federal fuel tax. This new amendment included a provision that a minimum of 10 percent of these funds be spent on boating access purchase and development. All D-J funds received by the department are prioritized and coordinated by the Sport Fish Division.

3. General Funds: These are state funds that finance most operations in state government. In past years, the Sport Fish Division has received over \$1.0 million per year of general funds. Since 1986, Sport Fish has not received any general funds in the operating budget. FRID Division receives \$600,000 and the Habitat Division receives \$52,000 from the state's general fund to match D-J money used in the recreational fisheries program. Appendix C provides a summary of the recreational fisheries program funding.

WHAT WOULD BE DONE WITH INCREASED FUNDS?

As the legislation was originally proposed (Appendix D), the resident sport fishing license would increase from \$10 per year to \$15, and the resident hunting and sport fishing license would increase from \$22 to \$35 per year. This would generate an estimated \$875,000 per year. A proposed amendment to the bill would increase nonresident license fees as well (Appendix E) would result in an estimated \$1.85 million increase in funds (details by type of license, Appendix F).

Project activities and priorities are developed during the annual budget cycle that involves several levels of decisions from the Sport Fish Division, through the department, the Governor, and the Legislature. When additional funds become available, the Sport Fish Division will implement the following types of projects:

- * New or expanded studies to provide information required for management of many species and in many areas.
 - ° Rainbow Trout in many southcentral and Bristol Bay waters.
 - ° Cutthroat trout in Southeast waters from Ketchikan to Prince William Sound.
 - ° Grayling in waters where harvests are, or are suspected to be, reaching a point of management concern.
 - ° Steelhead in selected areas throughout their range.

- Various aspects of salmon management including evaluation of enhancement efforts, mixed stock problems, collection of harvest and escapement data.
 - Dolly Varden/Arctic char that now or in the future would support a significant sport fishery. Areas include waters from southcentral Alaska to Kotzebue Sound.
 - Lake trout and burbot which are very slow growing, long-lived species that are extremely susceptible to overharvest.
 - Northern pike in areas where harvest is increasing and biological information is needed.
 - Halibut, rockfish, and ling cod in several areas where the sport fishing effort has significantly increased in recent years.
- * Strengthening area management capability. An increased level of effort in various areas of the state is needed to improve local fishery management expertise and to better serve the public.
 - * Increasing efforts directed at development and implementation of management plans for specific fisheries, and for cooperative plans being developed by various state, federal, and local interests. Many of these are of vital importance to sport fishing and considerable time is required to assure that sport fish interests are addressed.
 - * Providing more and better information to sport fishermen and the general public in the form of publications, maps, brochures, videos, articles in the media, and personal appearances by department staff.
 - * Providing additional or improved access to areas where public use is now restricted due to land ownership or lack of facilities.
 - * Aquatic education. There is a need to educate all sectors and age groups of the public on many subjects related to aquatic resources, conservation, and "how to" fish. This would be work done by department employees, as well as through cooperative efforts with schools, communities, and sportsmen's groups.
 - * Constituency involvement programs. There is an opportunity to accomplish various projects through cooperative efforts between the Sport Fish Division and sportsmen's groups or communities. These include volunteer programs and jointly funded projects.
 - * Economic evaluations. Accurate economic values associated with sport fishing are generally lacking. This would provide for continuing information on key economic values of sport fishing on a statewide basis.

Department Policy
Use of the Fish and Game Fund

The following policy is established to: 1) fund approved activities in accordance with the purposes establishing the Fish and Game Fund, 2) insure future participation in both Federal Fish and Wildlife Restoration Programs, and 3) provide the Division of Game and the Division of Sport Fish with the opportunity to develop and insure fiscal responsibility in program development and budget implementation.

The revenues generated from hunting, sport fishing and trapping licenses, associated fees and other designated revenues as deposited in the Fish and Game Fund shall be used as follows:

1. The Divisions of Game and Sport Fish shall be allowed to request funding for projects to the extent of fish and game revenues available or projected to be collected. The Division of Game shall budget against the sale of hunting and trapping licenses and associated fees and revenues deposited in the Fish and Game Fund. The Division of Sport Fish shall budget against revenues collected in association with fees generated from fishing activities.
2. A divisional budget, developed against anticipated revenues which fail to materialize, shall adjust it[s] program to recognize such shortages within that appropriation.
3. Any monies deposited in the Fish and Game Fund from sources other than license fees and tags shall be credited to the appropriate division. Funds not readily identified or general in nature (e.g. non-specific donation) shall be credited equally to each account.
4. The Division of Administration will prepare and maintain the necessary records to identify appropriate fund balances.
5. Each division will budget to maintain a year end balance for shortfalls in anticipated revenues.

/s/ Don W. Collinsworth

Don W. Collinsworth, Commissioner

5-21-83

Date

Department of Fish and Game
Fish and Game Fund
Revenues and Budgets for FY61 to FY88 /8

Fiscal Year	Sport Fisheries			Game			Revenues	Total Budget	+/- Recept
	Revenues	Budget	+/- Recept	Revenues	Budget	+/- Recept			
1961/1	\$519.1	\$390.0	\$129.1	-0-	-0-	\$27.7	\$519.1	\$390.0	\$156.8
1962/1	\$876.2	\$658.1	\$218.1	-0-	-0-	\$207.7	\$876.2	\$658.1	\$425.8
1963	\$549.6	\$512.5	\$37.1	\$1,008.0	\$997.7	\$10.3	\$1,557.6	\$1,510.2	\$47.4
1964	\$692.0	\$648.4	\$43.6	\$905.4	\$734.6	\$170.8	\$1,597.4	\$1,383.0	\$214.4
1965	\$644.8	\$512.4	\$132.4	\$1,052.3	\$946.1	\$106.2	\$1,697.1	\$1,458.5	\$238.6
1966	\$768.2	\$613.7	\$154.5	\$1,093.3	\$942.4	\$150.9	\$1,861.5	\$1,556.1	\$305.4
1967	\$785.6	\$640.4	\$145.2	\$1,114.6	\$1,095.6	\$19.0	\$1,900.2	\$1,736.0	\$164.2
1968	\$799.5	\$690.4	\$109.1	\$1,694.7	\$1,599.8	\$94.9	\$2,494.2	\$2,290.2	\$204.0
1969	\$934.2	\$895.4	\$38.8	\$1,607.9	\$1,731.5	(\$123.6)	\$2,542.1	\$2,626.9	(\$84.8)
1970	\$1,125.9	\$1,374.5	(\$248.6)	\$1,917.1	\$1,986.2	(\$69.1)	\$3,043.0	\$3,360.7	(\$317.7)
1971	\$882.1	\$1,246.3	(\$364.2)	\$1,374.1	\$2,288.5	(\$914.4)	\$2,256.2	\$3,534.8	(\$1,278.6)
1972/2	\$675.2	\$981.0	(\$305.8)	\$899.3	\$1,009.0	(\$109.7)	\$1,574.5	\$1,990.0	(\$415.5)
1973/3	\$1,583.8	\$1,994.9	(\$411.1)	\$3,003.2	\$2,161.1	\$842.1	\$4,587.0	\$4,156.0	\$431.0
1974/4	\$1,379.5	\$2,161.1	(\$781.6)	\$3,300.0	\$1,994.9	\$1,305.1	\$4,679.5	\$4,156.0	\$523.5
1975	\$920.4	\$1,373.7	(\$453.3)	\$1,386.9	\$1,526.2	(\$139.3)	\$2,307.3	\$2,899.9	(\$592.6)
1976	\$1,164.8	\$1,121.7	\$43.1	\$1,238.2	\$1,160.4	\$77.8	\$2,403.0	\$2,282.1	\$120.9
1977	\$1,436.0	\$941.8	\$494.2	\$1,371.1	\$1,474.5	(\$103.4)	\$2,807.1	\$2,416.3	\$390.8
1978	\$1,905.3	\$1,842.1	\$63.2	\$2,047.0	\$1,632.0	\$415.0	\$3,952.3	\$3,474.1	\$478.2
1979	\$2,186.0	\$2,394.4	(\$208.4)	\$2,163.8	\$2,439.6	(\$275.8)	\$4,349.8	\$4,834.0	(\$484.2)
1980	\$2,241.9	\$1,865.1	\$376.8	\$2,596.1	\$1,676.7	\$919.4	\$4,838.0	\$3,541.8	\$1,296.2
1981	\$2,886.2	\$2,284.6	\$601.6	\$2,584.6	\$2,808.2	(\$223.6)	\$5,470.8	\$5,092.8	\$378.0
1982	\$2,590.2	\$2,725.2	(\$135.0)	\$2,618.4	\$3,023.4	(\$405.0)	\$5,208.6	\$5,748.6	(\$540.0)
1983	\$3,537.5	\$2,850.0	\$687.5	\$2,883.5	\$3,399.0	(\$515.5)	\$6,421.0	\$6,249.0	\$172.0
1984	\$3,466.0	\$2,945.0	\$521.0	\$3,651.0	\$2,955.0	\$696.0	\$7,117.0	\$5,900.0	\$1,217.0
1985	\$3,580.0	\$3,730.4	(\$150.4)	\$3,706.0	\$4,469.2	(\$763.2)	\$7,286.0	\$8,199.6	(\$913.6)
1986/5	\$4,054.1	\$3,975.0	\$79.1	\$3,767.3	\$3,900.0	(\$132.7)	\$7,821.4	\$7,875.0	(\$53.6)
1987/6	\$4,000.0	\$4,081.8	(\$81.8)	\$3,900.0	\$4,450.0	(\$550.0)	\$7,900.0	\$8,531.8	(\$631.8)
1988/7	\$4,050.0	\$4,026.0	\$24.0	\$3,950.0	\$4,000.0	(\$50.0)	\$8,000.0	\$8,026.0	(\$26.0)
Total	\$50,234.1	\$49,475.9	\$758.2	\$56,833.8	\$56,401.6	\$667.6	\$107,067.9	\$105,877.5	\$1,425.8

Notes:

- (1) Detail amounts for 1961 and 1962 Game Division was not available. The only data available was the net of revenues and expenditures.
- (2) Includes Habitat Program of \$ 39.6 (Game \$ 26.7 and Sport Fish \$ 12.9).
- (3) Includes: Protection XFER to DPS (Game \$800.0 and Sport Fish \$136.2); Habitat Program \$38.1 (Game \$25.7 and Sport Fish \$12.4); and Hatcheries from Sport Fish \$50.0.
- (4) Includes Habitat Program \$39.8 (Game \$25.8 and Sport Fish \$14.0); and Hatcheries from Sport Fish \$75.0.
- (5) Includes \$ 500.0 funding to FRED from Sport Fish, and \$ 296.4 interest paid to the fund.
- (6) Includes \$ 250.0 funding to FRED from Sport Fish; revenues and budget amounts estimated thru end of FY 1987.
- (7) Revenues based FY1987 estimated receipts with an allowance of 2-3 percent increase in total collections. No allowance for permit or licence fee increases. Budget amount taken from FY1988 Governor's Budget Request.
- (8) The reader should note that all amounts presented for years prior to FY1976 (1961 - 1975) have not and can not be proved. The data presented for those years should be used with caution and not presented as fact.

DEPARTMENT OF FISH AND GAME
 FY 1988
 RECREATIONAL FISHERIES PROGRAM TOTALS
 (All costs in thousands of dollars)

	HQ	RTS	Region I (South- east)	Region II (Central)	Region III (AYK)	Statewide Total
SPORT FISH DIVISION						
Administration	350	152	183	231	98	1,014
Access						1,380
Planning	18		50	40		108
Data Mgmt.		375				375
Reports, Publications						
Regulations	105					105
Fisheries Mgmt.	105	245	841	1,473	593	3,257
Fisheries Research	125	309	591	1,079	795	<u>2,899</u>
Sport Fish Division total = \$3,708 Fish and Game Fund =						\$9,138
+ 5,430 D-J						
+ 0 General Fund						
FRED DIVISION						
Hatchery						
Production			409	1,670	366	2,445
Reports, Publications	43					<u>43</u>
FRED Division Total = \$ 250 Fish and Game Fund =						2,488
+ 1,652 D-J						
+ 586 General Fund						
HABITAT DIVISION						
Anadromous Catalog						51
Planning			63	97		<u>160</u>
Habitat Division Total = \$ 0 Fish and Game Fund =						211
+ 158 D-J						
+ 53 General Fund						
DEPARTMENT SPORT FISH PROGRAM TOTAL						\$11,837

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

1 IN THE SENATE

2 SENATE BILL NO. 129

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to sport fishing and hunting li-
7 censes; and providing for an effective date."

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

9 * Section 1. AS 16.05.340(a)(1) is amended to read:

10 (1) Resident sport fishing license..... \$15 [\$10]

11 However, the fee is 25 cents for a resident who is blind.

12 * Sec. 2. AS 16.05.340(a)(2) is amended to read:

13 (2) Resident hunting license 20 [12]

14 * Sec. 3. AS 16.05.340(a)(3) is amended to read:

15 (3) Resident hunting and trapping license30 [22]

16 * Sec. 4. AS 16.05.340(a)(5) is amended to read:

17 (5) Resident hunting and sport fishing license35 [22]

18 * Sec. 5. AS 16.05.340(a)(6) is amended to read:

19 (6) Resident hunting, trapping, and sport fishing

20 license45 [32]

21 However, the fee is 25 cents for an applicant who is the head of
22 a family or a dependent member of that family, or who is solely self-
23 supporting, upon proof presented by the applicant that the applicant

24 (A) is obtaining or has obtained assistance during the
25 preceding six months under any state or federal welfare program
26 to aid the indigent, or

27 (B) has an annual family gross income of less than
28 \$5,600 for the year preceding application.

29 * Sec. 7. This Act takes effect January 1, 1988.

March 19, 1987

The Honorable Jack Coghill
Alaska State Legislature
P. O. Box V
Juneau, AK 99802

Dear Senator Coghill:

I have reviewed SB 129 dealing with resident sport fishing and hunting license fees. I would like to propose a set of amendments to that bill. The proposed amendments would increase nonresident game license and tag fees, implement a tag fee structure for resident big game hunters, institute a new small game license, and increase nonresident sport fish license fees.

I would be somewhat reluctant to go after such a broad-sweeping increase in user fees, if we were not faced with significant declines in both general fund dollars and in the federal aid (Pittman-Robertson) funds for the Game Division and the need for state match for federal funds in sport fisheries which mandates expanded programs and land access purchases and developments.

If our forecasts are in the ballpark, and we think they are, and if these proposals were fully enacted, we would still fall short of maintaining funding for the Game Division at the FY 86 level.

The increase in the sport fish nonresident license would preserve the 1:3.6 ratio we currently have between resident and nonresident fees.

The following is the proposed package of amendments:

GAME

Increase nonresident license and tag fees

1. Increase ~~nonresident~~ hunting license fees from \$60 to \$85; estimated increased revenues - \$138.0.

March 19, 1987

2. Establish a nonresident small game hunting license for \$20; estimated increased revenues - \$13.0.
3. Increase nonresident tag fees for big game as follows:

<u>Species</u>	<u>From</u>	<u>To</u>
black bear	\$ 200	\$250
brown/grizzly bear	350	500
bison	350	500
caribou	300	350
Dall sheep	400	450
deer	135	150
elk	250	300
moose	300	400
mountain goat	250	300
muskoxen	1,100	no change
wolf	150	450
wolverine	150	450

Increases in nonresident tag fees would generate additional revenues estimated at \$460.0.

Total estimated increased revenues from implementing (1), (2), and (3) above would be approximately \$611.0.

Establish resident big game tags

Establish resident tag fees for selected big game species (there is already a brown/grizzly bear tag fee which costs \$25). The tag fees would be required for residents to hunt a particular species but would not be required for each animal taken in a multiple bag limit. For example, a resident hunter would have to pay a tag fee to hunt deer on Kodiak Island but could harvest the legal bag limit (up to 5 deer). Resident big game tag fees could be established as follows:

<u>Species</u>	<u>Tag Fee</u>
black bear	\$ 10
brown/grizzly bear	no change
bison	40
caribou	10
Dall sheep	25
deer	10
elk	15
moose	10
mountain goat	10
muskoxen	no change

March 19, 1987

All residents would be required to have the specified big game tag for the species they are hunting. Estimated annual revenues would be \$900.0 to \$1,100.0.

Combined revenues from these options would generate an additional \$1.5 to \$1.7 million. These options, coupled with an increase in resident hunting license fees, would provide a minimum of \$2.0 million annually to the Fish and Game Fund.

SPORT FISH

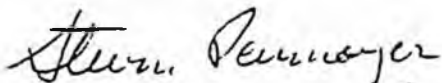
Increase nonresident license fees

1. Increase the nonresident 3-day sport fishing license fee from \$10 to \$15 (cost per day \$5); estimated net increase \$263.0.
2. Decrease the nonresident 14-day sport fishing license to 10 days and increase the license fee from \$20 to \$30; estimated net increase \$520.0.
3. Increase the nonresident annual sport fishing license from \$36 to \$50; estimated net increase \$224.0.

The above increases in revenue are estimates based on the assumption that present sales will not decrease from the 1985 base for the class of license indicated.

I would appreciate your review of these recommendations and would be happy to discuss them at your earliest convenience. Thank you.

Sincerely,



Don W. Collinsworth *for*
Commissioner

cc: Governor Steve Cowper
Senator Jim Duncan
Senator Dick Eliason
Representative Peter Goll
Bob Evans, Governor's Office

PROJECTED REVENUES BASED ON 1986 SALES AND NEW COSTS

Residency Status	License Type	Rate	Number Fishing	Number Hunting	Gross Revenues Fishing	Gross Revenues Hunting
R	Fish	15	110,751		\$1,661,265	
R	Hunt	20		26,911		\$ 538,220
R	Hunt/Trap	20/10		1,996		39,920
R	Fish/Hunt	15/20	42,794	42,794	641,910	855,880
R	Fish/Hunt Trap	15/20/10	7,967	7,967	119,505	159,340
Total			161,512	79,668	\$2,422,680	\$1,593,360
NR	Fish 10-day	30	52,521		\$1,575,630	
NR	Fish	50	16,934		846,700	
NR	Hunt	80		5,554		444,320
NR	Fish/Hunt	50/80	1,080	1,080	54,000	86,400
NR	Hunt/Trap	80		37		2,960
NR	Fish 3-day	15	52,682		790,230	
NR	Mil Fish	10	6,910		69,100	
NR	Mil SG/Hunt	12		775		9,300
NR	Mil Fish/ SG/Hunt	10/12	884	884	8,840	10,608
Total			131,011	8,330	\$3,344,500	\$ 553,588
R	Fish/Blind	0.25	6		1	
R	25c	0.25	15,943	15,943	1,992	1,992
R Total			177,461	95,611	\$2,424,674	1,595,352
NR Total			131,011	8,330	3,344,500	553,588
R/NR Total			308,472	103,941	\$5,769,174	\$2,148,940

PROJECTED FISHING LICENSE REVENUES \$5,769,174
 Actual 1986 license Revenues \$3,920,798
 Potential Increase \$1,848,376
 (With increase in resident and nonresidential fees.)

HB

128

HOUSE COMMITTEE REPORT

(9)

Date Referred: January 30, 1989

FURTHER REFERRALS: FINANCE

Date of Committee Action: 3-28-89

The RESOURCES Committee recommends that:

HOUSE BILL NO. 128 [OIL & GAS LEASES & ROYALTY REDUCTION]
"An Act relating to state oil and gas and geothermal leasing practices and adjustments of state royalties to encourage commercial production."

be replaced with CS HB 128 (RES) the same title
 a new title

have attached amendment(s)

- do pass
- do not pass
- no recommendation
- individual recommendations
- additional referral to the _____ Committee

DOPTS: _____ letter of intent

ATTACHES NEW FISCAL NOTE(S):

- fiscal impact
- zero fiscal note
- zero with analysis

APPROVES PREVIOUS:

- fiscal note(s) published: _____
- zero fiscal notes(s) published: _____

SIGNING DO PASS:

Cliff Davidson
George Farkas
Mike Deuss
Mike Savane

SIGNING OTHER THAN DO PASS:

(Do Not Pass, No Recommendation, Amend)

Bob A. Mann No-Rec
Bill Hunter No-Rec
W. J. ... Do Not Pass

Cliff Davidson
Chairman's signature

3/28/89
HB 128

AMENDMENT

by BROWN

page 3, line 12:

Delete "find"
Insert "make a written finding"

Adopted

3-28-89

STEVE COWPER, GOVERNOR

March 15, 1989

DEPARTMENT OF NATURAL RESOURCES

400 WILLOUGHBY AVE.
JUNEAU, ALASKA 99801-1796
PHONE: (907) 465-2400

OFFICE OF THE COMMISSIONER

The Honorable Cliff Davidson
Alaska State Representative
The Honorable Curt Menard
Alaska State Representative
Co-Chairmen
House Resources Committee
Alaska State Legislature
P.O. Box V
Juneau, AK 99811

Dear Representative Davidson and Representative Menard:

Subject: House Bill 128, relating to state oil, gas and geothermal leasing practices, and adjustments of royalties to encourage commercial production.

Position: The Department of Natural Resources supports this bill. It would allow us to be more responsive to industry requests for oil and gas lease sales, would clarify existing public noticing requirements, and would enable us to grant a royalty reduction for shut-in oil and gas that makes resumption of production economically feasible.

Background: Sections one and three of this bill reflect administrative changes in the state's oil and gas leasing program that would lead to increased efficiency for the department, and would generate additional revenues for the state.

An "exempt" oil and gas lease sale consists of acreage that has already been leased at least once by the state, or acreage that is adjacent to already leased lands. A "reoffering" sale consists of acreage that was offered for lease at least once by the state but, for various reasons, was never purchased.

Existing statutes allow the department to hold an exempt oil and gas lease sale without preparing a new written finding, if a written finding has been prepared for the general area during the previous 3 years. This bill would increase the elapsed time before a new finding needs to be prepared to five years. The existing three year period is not enough time for us to offer eligible acreage, as requested by industry, for lease.

This bill would also make the five year exemption from a written finding available to us for reoffering sales, and would increase the lease term for a reoffering sale from five years to ten. Ten

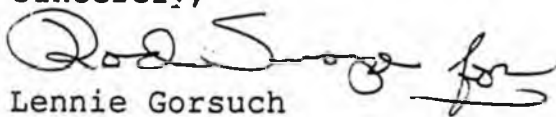
years is the lease term used for other oil and gas lease sales.

Section two of the bill would assist owners of shut-in fields to reestablish commercial production by allowing the Commissioner, based on certain conditions, to reduce the required lease royalty. Royalty reductions granted under this bill would be conditioned to protect the state's interest.

Section four of this bill is an housekeeping measure that would clarify the public noticing requirements for state oil and gas lease sales.

Please let me know if you would like additional information related to this bill.

Sincerely,

A handwritten signature in cursive script, appearing to read "Lennie Gorsuch for".

Lennie Gorsuch
Commissioner

cc: Committee members
Sponsor
Bob Evans
Denby Lloyd
Dennis Kelso
Don Collinsworth
Jim Eason

6-0529E ✓
Chenoweth
3/29/89

Original sponsors: Brown, M.Davis,
Gruenberg, and Ellis

1 IN THE HOUSE

BY THE RESOURCES COMMITTEE

2 CS FOR HOUSE BILL NO. 128 (Resources)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to state oil and gas and geothermal
7 leasing practices and adjustments of state royalties
8 to encourage commercial production."

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

10 * Section 1. AS 38.05.035(e) is amended to read:

11 (e) Upon a written finding that the interests of the state will
12 be best served, the director may, with the consent of the commis-
13 sioner, approve contracts for the sale, lease, or other disposal of
14 available land, resources, property or interests in them, and, in
15 addition to the conditions and limitations imposed by law, may impose
16 additional conditions or limitations in the contracts as the director
17 determines, with the consent of the commissioner, will best serve the
18 interests of the state. A contract for the sale, lease, or other
19 disposal of available land or an interest in land is not legally
20 binding on the state until the commissioner approves the contract but
21 if the appraised value is not greater than \$50,000 in the case of the
22 sale of land or an interest in land, or \$5,000 in the case of the
23 annual rental of land or interest in land, the director may execute
24 the contract without the approval of the commissioner. Before a
25 public hearing, if held, or in any case no less than 21 days before
26 the sale, lease, or other disposal of available land, property, re-
27 sources, or interests in them, the director shall make available to
28 the public a written finding that sets out the facts and applicable
29 law upon which the determination that the sale, lease, or other

1 disposal will best serve the interests of the state was based. A
2 written finding is not required before the approval of

3 (1) a contract for a negotiated sale authorized under
4 AS 38.05.115;

5 (2) a lease of land for a shore fishery site under AS 38.-
6 05.082;

7 (3) a permit or other authorization revocable by the com-
8 missioner;

9 (4) a mineral claim located under AS 38.05.195;

10 (5) a mineral lease issued under AS 38.05.205; [OR]

11 (6) a production license issued under AS 38.05.207; [OR]

12 (7) an exempt oil and gas sale under AS 38.05.180(d) of
13 acreage offered in a sale that was held within the previous five years
14 if the sale was subject to [FOR WHICH] a written best interest find-
15 ing, [HAS BEEN ISSUED FOR THE AREA OF THE SALE WITHIN THE 36 MONTHS
16 BEFORE THE DATE OF THE SALE] unless the commissioner determines that
17 new information has become available that justifies a revision of the
18 best interest finding; or

19 (8) a lease sale under AS 38.05.180(w) of acreage offered
20 in a sale that was held within the previous five years if the sale was
21 subject to a best interest finding, unless the commissioner determines
22 that new information has become available that justifies a revision of
23 the best interest finding.

24 * Sec. 2. AS 38.05.180(j) is amended to read:

25 (j) To prolong the economic life of an oil and gas field or to
26 reestablish commercial production of shut-in oil or gas that would not
27 otherwise be economically feasible, the commissioner shall adopt
28 regulations [FOR ALL BIDDING METHODS] to allow reduction of royalty on
29 leases [WITHIN THE FIELD TO COMPENSATE FOR INCREASING COSTS IN THE

1 LATER STAGES OF PRODUCTION DECLINE]. The commissioner may not grant a
2 reduction of royalty unless the [UNTIL TWO YEARS' INITIAL PRODUCTION
3 FROM THE FIELD HAS OCCURRED AND EACH] lessee requesting the reduction
4 makes [HAS MADE] a clear showing that the revenue from the lessee's
5 share of all hydrocarbons produced from the field is or is likely to
6 continue to be insufficient to produce a reasonable rate of return
7 with respect to the [THAT] lessee's total investment in the field.
8 The commissioner may condition a royalty reduction granted under this
9 subsection in any way necessary to protect the state's interest,
10 including restoration of the state's royalty share in the event of an
11 increase in the price of oil or gas. Before approving a royalty
12 reduction, the commissioner shall make a written finding that the
13 state has obtained the maximum possible economic return that is com-
14 patible with allowing a reasonable rate of economic return for the
15 lessee.

16 * Sec. 3. AS 38.05.180(w) is amended to read:

17 (w) Notwithstanding any other provisions of this section, land
18 which has been offered for lease within the previous five years and
19 which received no bids at competitive sale or for which no bid was
20 accepted may be, at the discretion of the commissioner, immediately
21 offered for lease, under regulations adopted by the commissioner, upon
22 terms appearing most advantageous to the state; however, noncompeti-
23 tive leasing is prohibited. The commissioner shall establish a royalti-
24 ty determined to be in the public interest but not less than 12 1/2
25 percent. A lease must provide for payment to the state or rental but
26 need not adhere to the rental schedule in (n) of this section nor to
27 the 5,760-acres-per-lease limitation in (m) of this section. The
28 lease term may not exceed 10 [FIVE] years, except as provided in (m)
29 and (o) of this section.

1 * Sec. 4. AS 38.05.945(c) is amended to read:

2 (c) Notice [EXCEPT FOR OIL AND GAS LEASING UNDER AS 38.05.180
3 AND GEOTHERMAL LEASING UNDER AS 38.05.181, NOTICE] at least 30 days
4 before action under (a) of this section shall also be given to the
5 following:

6 (1) to a municipality if the land is within the boundaries
7 of the municipality, to a coordinating body established by community
8 councils in a municipality if the coordinating body or a community
9 council within the area served by a coordinating body requests notice
10 in writing; if there is no coordinating body within the municipality,
11 notice shall be provided to each community council established by the
12 charter or ordinance of the municipality if the land is located within
13 the boundaries of the municipality and if the community council re-
14 quests notice in writing;

15 (2) to a regional corporation if the boundaries of the
16 corporation as established by sec. 7(a) of the Alaska Native Claims
17 Settlement Act encompass the land and the land is outside a municipal-
18 ity;

19 (3) to a village corporation organized under sec. 8(a) of
20 the Alaska Native Claims Settlement Act if the land is within 25 miles
21 of the village for which the corporation was established and the land
22 is located outside a municipality;

23 (4) to the postmaster of a permanent settlement of more
24 than 25 persons located within 25 miles of the land if the land is
25 located outside a municipality, with a request that the notice be
26 posted in a conspicuous location;

27 (5) to a nonprofit community organization or a governing
28 body that has requested notification in writing and provided a map of
29 its boundaries, if the land is within the boundaries.

Kay Brown

Alaska State Legislature House of Representatives

TO: Representative Cliff Davidson, Co-Chair
Representative Curt Menard, Co-Chair
House Resources Committee

FROM: Representative Kay Brown

DATE: March 16, 1989 *Kay*

SUBJ: HB 128/Oil and Gas Leasing Practices and State Royalties

Thank you for scheduling a hearing on HB 128. I appreciate the opportunity to discuss this legislation with the Resources Committee.

As indicated in the attached sectional analysis, the proposed legislation has several different provisions that collectively will improve the efficiency of the state's oil and gas leasing program; encourage production from marginal oil and gas fields; and strengthen the public notice requirements for proposed leasing actions undertaken by the state.

attachment

Rep. Kay Brown
03/15/89

SECTIONAL ANALYSIS

HB 128 - Oil and Gas Leasing Practices and State Royalties

Section 1

Amends existing law regarding the requirement to prepare a new "best interest finding" in the case of "exempt" oil and gas lease sales under AS 38.05.180(d) and AS 38.05.180(w). The proposed change would allow the Department of Natural Resources to lease lands under these statutes without preparing a new "best interest finding" if a finding had been prepared within the previous five years, unless the Commissioner determines that new information has become available that justifies revision of the prior finding.

Section 2

Would give the Commissioner of the Department of Natural Resources authority to reduce royalties in order to reestablish shut-in oil and gas production that would otherwise not be economically feasible. Before granting a royalty reduction, the lessee must make a clear showing that the shut-in resources would not be economical to produce without a reduction. Further, the Commissioner would have to find that the state was obtaining the maximum possible economic return compatible with a reasonable rate of return for the lessee.

Section 3

Amends AS 38.05.180(w) regarding the term of a lease that has been re-offered. Existing law stipulates that the term of a re-offered lease shall be limited to five years. The proposed change would increase the maximum term of a re-offered lease to ten years.

Section 4

Amends the Department of Natural Resources public notice requirements as they pertain to the leasing of hydrocarbon and geothermal resources. The proposed change would reestablish the requirement that the department provide broad public notice of leasing actions to potentially affected parties.

MEMORANDUM

State of Alaska

DEPARTMENT OF FISH AND GAME

TO: Pamela Rogers
Leasing Manager
Division of Oil and Gas
Department of Natural Resources

DATE: September 9, 1988

FILE NO.:
TELEPHONE NO.: 267 2343

SUBJECT: Proposed Changes
to Title 38
(Oil and Gas
Leasing)

FROM: Lance L. Trasky -
Regional Supervisor
Region II
Habitat Division
Department of Fish and Game

The Alaska Department of Fish and Game has reviewed your August 4 memorandum to Commissioner Brady regarding suggested changes to Title 38. We have no objections to the proposed revisions, provided that significant public opposition does not arise regarding the suggested change to Section AS 38.05.035(a)(7). It is very important to maintain a credible oil and gas planning process, even if this requires extra effort on the part of the state agencies. Should this revision be strongly opposed, and thereby compromise the credibility of the planning process for exempt and reoffering sales, we would encourage maintaining the 30 month timeframe rather than adopting the suggested 5-year time period.

Thank you for the opportunity to comment on the suggested changes to Title 38. If you would like to discuss this matter further, please do not hesitate to contact either me or Claudia Slater (267-2346).

cc: Frank Rue
Al Ott

FAX TRANSMITTAL MEMO

TO: Jay Nelson

DEPT: House Res. Com FAX #: 465-2718

FROM: Pam Rogers PHONE: 762-2584

CO: DNR/DOEG FAX # _____

Post-It brand fax transmittal memo 7871

NO. OF PAGES
1

Tom Painter
Division Manager

Conoco Inc.
3201 C Street
Suite 200
Anchorage, AK 98503

March 16, 1989

The Honorable Kay Brown
Alaska House of Representatives
P. O. Box V
Juneau, Alaska 99811

Dear Representative Brown:

RE: HB 128

We have reviewed with much interest the provisions of HB 128. Conoco believes enactment of this legislation would send a strong signal that the State of Alaska recognizes the current economic dilemma we all are in and is willing to make provisions to ensure the continued economic development and production of it's oil resources in times of volatile crude prices. Conoco foresees crude price volatility remaining the dominant factor effecting oil and gas investment decisions for some time to come. The following statement is offered in support of HB 128:

Section 1. Amendment to AS 38.05.035(e).

The proposed amendments to this statute will enable tracts offered for lease during the previous five years to be reoffered for lease through an expedited process. Removing both the two year scheduling requirement and a repeat best interest finding will remove some of the cumbersome detail currently necessary for leasing reoffered tracts. Continued effort to further streamline the present leasing system is needed and encouraged.

Section 2. Amendment to AS 38.05.180(j).

Conoco has been involved both legislatively and administratively with the interpretation of AS 38.05.180(j) for the past several years. We believe the changes proposed in HB 128 will clarify much of the confusion with the existing statute.

When Title 38 was rewritten in 1978, the legislature authorized royalty and net profits share to be included as bid variables. As we interpret the intent, subsection (j) was added to limit the circumstances under which a lessee could reduce its royalty below their bid value submitted to obtain a lease at a competitive lease sale. We believe it was not the legislature's intent at that time to prevent the Commissioner from utilizing authorities granted under subsection (p) which apply during the operation of a unit. The record shows specifically that the legislature rejected an amendment in 1978 that would have limited the Commissioner's authority under (p) by the provisions in (j).

The Honorable Kay Brown
March 16, 1989
Page 2

As applied however, the limitations of subsection (j) have apparently restricted the Commissioner's actions under subsection (p). The changes to 180 (j), as proposed in HB 128, will remove the interpretation conflicts between language originally intended for bidding provisions and the subsequent operation of a unit either producing or mechanically capable of production.

The late 1970's and early 1980's were "boom" times for both the oil industry and the State of Alaska. With oil prices in excess of \$30/bbl and forecasted to increase further, the perception and financial condition of both the State and industry were vastly different than under the economic realities of today. The realities of resource development today dictate changes by both the State and industry if continued economic development of the State's resources is to continue. Industry must reduce and optimize development and operational costs, and the State must institute royalty and taxing systems that preferentially attract and encourage continued private sector investment in Alaska.

Conoco views it's relationship with the State as a partnership, with each partner adhering to the implied and contractual obligations of the other. The partnership will be successful when both partners are able to work together, trust and respect each other, and perceive that they are receiving and equitable return from the partnership. By amending 180 (j) we believe the State would be contributing significantly towards a successful partnership.

Specifically the proposed amendments to HB 128 will:

- Remove the ambiguities between bidding methods and lease operations;
- Remove the arbitrary and poorly defined "two years initial production;"
- Give the Commissioner broader authority to protect the State's interests with crude price increases.

For these reasons, Conoco enthusiastically supports all of the proposed revisions.

Although we have made the decision to resume production from the Milne Point Unit, it should be noted that our anticipated income stream, while generating a small positive cash flow, remains insufficient to provide a positive rate of return on our total investment. Under existing statutes we are eligible to apply for a reduced royalty at Milne Point after approximately ten additional months of production. Although the proposed amendments to 180 (j) may not directly effect Milne Point at this time, we envision they may, given the volatility of crude prices, be of direct future benefit to Milne Point or any other smaller field in the State.

The Honorable Kay Brown
March 16, 1989
Page 3

Section 3. Amendment to AS 38.05.180(w).

Changing the proposed lease term from five years to ten years is very important for leases in frontier areas such as Alaska. With the long lead times for permitting and the potentially limited exploratory drilling seasons, five years is insufficient to adequately evaluate a lease. Increasing the term to ten years will make the leases more attractive to industry, which should also be reflected in lease bonuses to the state.

This concludes my statement supporting HB 128. If you have any questions or need additional clarification, please call me at 564-7601.

Very truly yours,


FOL
Tom Painter
Division Manager

AEH(jah)

Oil and Gas Lease Sale Options .
Comparison of existing statutes with changes proposed in HB 128
to AS 38.05.035(e) and AS 38.05.180(w)
Prepared by Division of Oil & Gas

Regular Sales

Exempt Sales

Reoffering Sales

<u>Regular Sales</u>		<u>Exempt Sales</u>		<u>Reoffering Sales</u>	
Existing Statutes	HB 128 Proposed Change	Existing Statutes	HB 128 Proposed Change	Existing Statutes	HB 128 Proposed Change
Must be on five-year leasing schedule. [AS 38.05.180(b)]	*No changes	Not required to be on five-year schedule. [AS 38.05.180(d)]		Not required to be on five-year schedule. [AS 38.05.180(w)]	
Sales proposed by Div. of Oil & Gas; industry comments solicited each year.		Sales based on unsolicited industry nominations; several received each year.		Sales based on unsolicited industry nominations; several received each year.	
Acreage consists of new "frontier" areas and old areas offered in the past.		Acreage previously leased and now relinquished or expired; or, acreage adjacent to existing leases.		Acreage previously offered but not leased.	
New best interest finding required for each sale; public notices issued.		Can use up to 3-year-old best interest finding if no new significant information; public notices issued.	*Allows use of up to 5-year-old best interest finding if no new significant information. All public notices will still be issued. [AS 38.05.035(e)(7)]	New best interest finding required for each sale; public notices issued.	*Allows use of up to 5-year-old best interest finding if no new significant information. All public notices will still be issued. [AS 38.05.035(e)(8)]
Lease term up to ten years.		Lease term up to ten years.		Lease term no more than five years.	*Allows lease term of up to ten years. [AS 38.05.180(w)]

3/16/89

HB

196

2nd CS

6-0857H
Lauterbach
3/15/89

Original sponsors: Menard, M.Davis,
Brown, et al.

1 IN THE HOUSE

BY THE RESOURCES COMMITTEE

2 CS FOR HOUSE BILL NO. 196 (Resources)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to persons who perform work relating
7 to petroleum and chemical storage tanks; and provid-
8 ing for an effective date."

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

10 * Section 1. AS 08 is amended by adding a new chapter to read:

11 CHAPTER 96. STORAGE TANK INSTALLERS.

12 Sec. 08.96.010. LICENSE REQUIRED. (a) A person may not in-
13 stall, repair, test, or close a petroleum or chemical storage tank
14 without a license issued under this chapter.

15 (b) A person may not offer to install, repair, test, or close a
16 petroleum or chemical storage tank without a license issued under this
17 chapter.

18 (c) A person may not employ another to install, repair, test, or
19 close a petroleum or chemical storage tank unless the person employed
20 is a contractor licensed under AS 08.18 and the contractor or the
21 person employed by the contractor to do the work is licensed under
22 this chapter.

23 (d) Violation of this section is a class A misdemeanor.

24 Sec. 08.96.020. APPLICATION FOR LICENSE. A person desiring to
25 be licensed under this chapter shall apply in writing to the division
26 of occupational licensing of the Department of Commerce and Economic
27 Development.

28 Sec. 08.96.030. ISSUANCE OF LICENSE; RENEWAL. (a) The division
29 shall issue a license authorizing a person to install, repair, test,

1 and close petroleum and chemical storage tanks if the applicant meets
2 the requirements that the Department of Environmental Conservation
3 establishes by regulation and pays the applicable fee.

4 (b) The Department of Environmental Conservation shall consult
5 with the division when establishing requirements under (a) of this
6 section. The requirements may include training, education, experi-
7 ence, satisfactory performance on written, oral, or practical examina-
8 tions, and other appropriate factors. The requirements must be de-
9 signed to ensure that a person licensed under this chapter is quali-
10 fied to install, repair, test, and close petroleum and chemical
11 storage tanks in a manner that complies with regulations adopted by
12 the Environmental Protection Agency and the Department of Environ-
13 mental Conservation.

14 (c) A license issued under this chapter may be renewed upon
15 satisfactory completion of continuing education requirements estab-
16 lished by the Department of Environmental Conservation by regulation.

17 Sec. 08.96.040. FEES. The Department of Commerce and Economic
18 Development shall set fees under AS 08.01.065 for licensing and li-
19 cense renewal under this chapter.

20 Sec. 08.96.050. INVESTIGATIONS. The Department of Commerce and
21 Economic Development, the Department of Environmental Conservation, or
22 the Department of Labor may investigate alleged or apparent violations
23 of this chapter. A department, upon showing proper credentials, may
24 enter, during regular hours of work, a construction site where it
25 appears that storage tank work governed by this chapter is being done.
26 A department may make inquiries about the identity of the storage tank
27 installer doing the work. Upon demand, a storage tank installer or
28 that person's representative, shall produce evidence of current licen-
29 sure.

1 Sec. 08.96.060. CEASE AND DESIST ORDER. (a) If the commissioner
2 of commerce and economic development determines that a person is
3 acting as a storage tank installer in violation of this chapter, the
4 commissioner may issue a cease and desist order prohibiting further
5 action by the person as a storage tank installer. The cease and
6 desist order remains in effect until the person has submitted evidence
7 acceptable to the commissioner showing that the violation has been
8 corrected.

9 (b) A person affected by an order issued under (a) of this
10 section may seek equitable relief preventing the commissioner of
11 commerce and economic development from enforcing the order.

12 Sec. 08.96.070. GROUNDS FOR SUSPENSION, REVOCATION OR REFUSAL TO
13 ISSUE A LICENSE. The division may, after a hearing, impose a disci-
14 plinary sanction on a person licensed under this chapter when the
15 division finds that the licensee

16 (1) secured a license through deceit, fraud, or intentional
17 misrepresentation;

18 (2) engaged in deceit, fraud, or intentional misrepresenta-
19 tion in the course of providing storage tank services;

20 (3) advertised storage tank services in a false or mislead-
21 ing manner;

22 (4) has been convicted of a felony or other crime that
23 affects the licensee's ability to continue to work competently and
24 safely;

25 (5) failed to comply with this chapter, with a regulation
26 adopted under this chapter, or with an order of the division.

27 Sec. 08.96.080. DISCIPLINARY SANCTIONS. (a) When it finds
28 that a licensee under this chapter is guilty of an offense under
29 AS 08.96.070, the division may impose the following sanctions singly

1 or in combination:

- 2 (1) permanently revoke the person's license;
- 3 (2) suspend the person's license for a determinate period
- 4 of time;
- 5 (3) censure the licensee;
- 6 (4) issue a letter of reprimand to the licensee;
- 7 (5) place the licensee on probationary status and require
- 8 the licensee to

9 (A) report regularly to the division upon matters

10 involving the basis of probation;

11 (B) limit authorized activities to those areas pre-

12 scribed by the division;

13 (C) continue professional education until a satisfac-

14 tory degree of skill has been attained in areas determined by the

15 division to need improvement;

16 (6) impose limitations or conditions on the licensee with

17 respect to the installation, repair, testing, or closure of storage

18 tanks.

19 (b) The division may withdraw probationary status of a licensee

20 if it finds that the deficiencies that required the sanction have been

21 remedied.

22 (c) The division may summarily suspend a license before final

23 hearing or during the appeals process if the division finds that the

24 licensee poses a clear and immediate danger to the public health and

25 safety if the licensee continues to perform work related to storage

26 tanks. A licensee whose license is suspended under this section is

27 entitled to a hearing by the division no later than seven days after

28 the effective date of the order. The licensee may appeal the suspen-

29 sion after a hearing to a court of competent jurisdiction.

1 Sec. 08.96.090. FRAUDULENT LICENSE. A person who obtains or
2 attempts to obtain a license under this chapter by dishonest or fraud-
3 ulent means, or who forges, counterfeits, or fraudulently alters a
4 license is guilty of a class B misdemeanor.

5 Sec. 08.96.100. EXEMPTION. A license is not required under this
6 chapter if the storage tank that is installed, repaired, tested, or
7 closed is an underground storage tank with a capacity of 500 gallons
8 or less or an above ground storage tank with a capacity of 1,100
9 gallons or less.

10 Sec. 08.96.900. DEFINITIONS. In this chapter

11 (1) "chemical" means a substance defined in 42 U.S.C.
12 9601(14) (sec. 101(14) of the Comprehensive Environmental Response,
13 Compensation, and Liability Act of 1980) as amended, and a substance
14 having the characteristics identified or listed under 42 U.S.C. 6921
15 (sec. 3001 of the Solid Waste Disposal Act), regardless of whether the
16 substance is a solid waste;

17 (2) "close" or "closure" means to remove all petroleum and
18 chemical liquids and sludges from an underground storage tank and to
19 either

20 (A) fill the tank with inert material; or

21 (B) remove the tank from the ground;

22 (3) "division" means the division of occupational licens-
23 ing, Department of Commerce and Economic Development;

24 (4) "petroleum" means crude oil or any fraction of crude
25 oil that is liquid at 60 degrees Fahrenheit and 14.7 pounds per square
26 inch absolute; "petroleum" includes petroleum-based substances com-
27 prised of a complex blend of hydrocarbons derived from crude oil
28 through processes of separation, conversion, upgrading, and finishing,
29 such as motor fuels, jet fuels, distillate fuel oils, residual fuel

1 oils, lubricants, petroleum solvents, and used oils;

2 (5) "storage tank" means one or a combination of stationary
3 devices that are designed to contain an accumulation of petroleum or
4 chemicals; are constructed of non-earthen materials such as concrete,
5 steel, or plastic; and provide structural support; "storage tank" in-
6 cludes pipes or piping connected to the storage tank;

7 (6) "underground storage tank" means a storage tank, the
8 volume of which, including the volume of underground pipes connected
9 to it, is 10 percent or more beneath the surface of the ground.

10 * Sec. 2. AS 08.01.010 is amended by adding a new paragraph to read:

11 (31) regulation of storage tank installers under AS 08.96.

12 * Sec. 3. AS 08.01.050(a) is amended to read:

13 (a) The department shall perform the following administrative
14 and budgetary services when appropriate:

15 (1) collect and record fees;

16 (2) maintain records and files;

17 (3) issue and receive application forms;

18 (4) notify applicants of acceptance or rejection as deter-
19 mined by the board or as determined by the department under AS 08.11
20 for audiologists, under AS 08.45 for naturopaths, [OR] under AS 08.55
21 for hearing aid dealers, or under AS 08.96 for storage tank install-
22 ers;

23 (5) designate dates examinations are to be held and notify
24 applicants;

25 (6) publish notice of examinations and proceedings;

26 (7) arrange space for holding examinations and proceedings;

27 (8) notify applicants of results of examinations;

28 (9) issue licenses or temporary licenses as authorized by
29 the board or as authorized by the department under AS 08.11 for

1 audiologists, under AS 08.45 for naturopaths, [OR] under AS 08.55 for
2 hearing aid dealers, or under AS 08.96 for storage tank installers;

3 (10) issue duplicate licenses upon submission of a written
4 request by the licensee attesting to loss of or the failure to receive
5 the original and payment by the licensee of a fee established by
6 regulation adopted by the department;

7 (11) notify licensees of renewal dates at least 30 days
8 before the expiration date of their licenses;

9 (12) compile and maintain a current register of licensees;

10 (13) answer routine inquiries;

11 (14) maintain files relating to individual licensees;

12 (15) arrange for printing and advertising;

13 (16) purchase supplies;

14 (17) employ additional help when needed;

15 (18) perform other services that may be requested by the
16 board;

17 (19) provide inspection, enforcement, and investigative
18 services to the boards and for the occupations listed in AS 08.01.010,
19 regarding all licenses issued by or through the department;

20 (20) retain and safeguard the official seal of a board and
21 prepare, sign, and affix a board seal, as appropriate, for licenses
22 approved by a board;

23 (21) issue business licenses under AS 43.70.

24 * Sec. 4. AS 08.18 is amended by adding a new section to read:

25 Sec. 08.18.024. STORAGE TANK INSTALLATION. (a) A contractor
26 may not install, repair, test, or close a petroleum or chemical stor-
27 age tank or submit a bid to do so unless the contractor or the person
28 employed by the contractor to do the work is licensed under AS 08.96.

29 (b) This section does not apply to the installation, repair,

1 testing, or closure of an underground storage tank with a capacity of
2 500 gallons or less or an above ground storage tank with a capacity of
3 1,100 gallons or less.

4 (c) In this section, "chemical," "close," "petroleum," "storage
5 tank," and "underground storage tank" have the meanings given in
6 AS 08.96.900.

7 * Sec. 5. This Act takes effect January 1, 1990.
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DEPT. OF ENVIRONMENTAL CONSERVATION

POSITION PAPER
CSHB 196

March 9, 1989

Contact: Lynn Kent 465-2630

Title

An Act relating to persons who perform work relating to petroleum and chemical storage tanks; and providing for an effective date.

Effect of the Bill

The Legislation would require the Department of Environmental Conservation to develop requirements, including education, experience, training, a written test, and other appropriate measures, for persons who install, repair and test tanks. The Department of Commerce and Economic Development would review applicants, give tests, and provide the endorsement.

Department Position

The Department supports this legislation.

It is the Department's belief that many of the pollution problems associated with storage tanks can be attributed to poorly installed and tested tanks. Because many of these tanks are underground, where they cannot be observed for leaks, it is critical that they be properly placed in the ground meeting all manufacturers requirements and specifications, be surrounded by the correct amount and type of backfill, be anchored when there is a high water table, and that adequate corrosion protection, and leak detection be applied. Additionally, the piping attached to an aboveground or underground tank may be as much a source of leaks as the tank itself, and much care must be taken to assure that the correct types of piping are used and that they are properly installed.

The Alaskan climate and environment, such as freeze/thaw conditions and high water tables, can play havoc on even the most durable tanks. All tank installers must be able to understand not only the installation requirements for a specific tank, but the way that the

Alaskan environment and climate will affect that tank.

The Department's main concern with storage tanks is that they be installed in such a way that they (and their piping) do not leak or spill and thereby endanger the soil, water and drinking water of the state. Endorsing those persons who install, test and repair tanks is a step in that direction.

Suggested Revisions

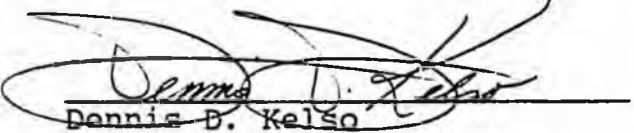
The Department would recommend that endorsement also include persons who close tanks. Too many tanks are "shut down" without site assessments, adequate evaluation of possible leaks, and health and safety precautions. Removal of tanks can be a very dangerous business because of the explosive nature of vapors which may be remaining in the tanks. Unqualified persons should not be allowed to close tanks.

One additional concern of the Department is the requirement that installers may not test the tanks they have installed. This requirement is listed in Section 1(e). The Department agrees with the basic concept of this requirement; however, we believe that it may be an unnecessary burden on the tank owners, particularly in small communities and rural areas. In some cases there is only one person who can test the tank and that is the same person who installed it. It may be expensive to bring in another tank tester. If installers are allowed to test the tanks they installed they should be required to have an endorsement, and meet all qualifications, for both installers and testers.

Fiscal Effect

The Department is requesting \$25,000 for FY 90 which would fund a consultant to develop a checklist of requirements for persons who install, repair and test tanks. The consultant would also be required to develop written tests to be taken by these people.

Department staff would be required to manage this contract and review and approve all materials produced. Additionally, the Department would need to write regulations which specified the requirements of the bill. It is estimated that .5 FTE (\$35,000) would be needed during FY 90 to accomplish this purpose.


Dennis B. Kelso
Commissioner
Department of Environmental
Conservation

FISCAL NOTE

REQUEST:

Revision Date: 3/14/89
 Title: An Act relating to person who perform work relating to petroleum & chemical tanks
 Sponsor: Menard, M. Davis, Brown, et al
 Requestor: House Resources
 Agency Affected: Environmental Conservation
 ARU: Environmental Quality
 Components: Environmental Quality

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES		26.0				
TRAVEL		3.5				
CONTRACTUAL		27.5				
SUPPLIES		5				
EQUIPMENT		2.5				
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		60.0				
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND		60.0				
FEDERAL FUNDS						
OTHER						
TOTAL		60.0				

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY		5				

ANALYSIS : (Attach a separate page if necessary)

See Attached

Prepared by: Lynn Kent, Section Chief OHSSR Phone: 465-2630
 Division: Environmental Quality Date: 3/9/89
 Approved by Commissioner: [Signature] Date: March 14, 1989
 Agency: Environmental Conservation

Distribution (by preparer):
 Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency(ies)

ANALYSIS:

To implement HB 196 the Department of Environmental Conservation would be required to establish requirements for endorsement of persons who install, repair and test tanks. There may be requirements for training experience and satisfactory performance on a test. A consultant would be hired to make a checklist of qualifications and develop a written test. This information should be available from other states and tank manufacturers. The Department estimates that \$25,000 would be required to fund the consultant's time, costs and associated materials.

The bill requires the Department to write regulations associated with the endorsement of persons who work on tanks. In order to administer the contract mentioned above and review the products produced from that contract, as well as prepare regulations, the Department would need .5 FTE. This person should be an Ecologist (Range 16) and funds would be used in the following way:

26.0	Personal Services
3.5	Travel
2.5	Contractual
.5	Supplies
2.5	Equipment
<hr/>	
35.0	TOTAL

1st CS

6-0857E
Lauterbach
3/7/89

Original sponsors: Menard, M.Davis,
Brown, et al.

1 IN THE HOUSE

BY THE RESOURCES COMMITTEE

2 CS FOR HOUSE BILL NO. 196 (Resources)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to persons who perform work relating
7 to petroleum and chemical storage tanks; and provid-
8 ing for an effective date."

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

10 * Section 1. AS 08.18 is amended by adding a new section to read:

11 Sec. 08.18.035. ENDORSEMENT ON REGISTRATION. (a) The depart-
12 ment may issue a registration endorsement authorizing a registered
13 contractor to install, repair, and test petroleum and chemical storage
14 tanks if the applicant for endorsement meets the requirements that the
15 Department of Environmental Conservation establishes by regulation and
16 pays the applicable fee.

17 (b) The Department of Environmental Conservation shall consult
18 with the department when establishing requirements under (a) of this
19 section. The requirements may include training, education, experi-
20 ence, satisfactory performance on written, oral, or practical examina-
21 tions, and other appropriate factors. The requirements must be de-
22 signed to ensure that a person with an endorsement issued under this
23 section is qualified to install, repair, and test petroleum and chemi-
24 cal storage tanks in a manner that complies with regulations adopted
25 by the Environmental Protection Agency and the Department of Environ-
26 mental Conservation.

27 (c) An endorsement issued under this section expires at the same
28 time as the certificate of registration to which it attaches. An
29 endorsement may be renewed upon satisfactory completion of continuing

1 education requirements established by the Department of Environmental
2 Conservation by regulation.

3 (d) A person may not install, repair, or test or offer to in-
4 stall, repair, or test a petroleum or chemical storage tank without an
5 endorsement issued under this section. A person who violates this
6 subsection is guilty of a class A misdemeanor.

7 (e) If a person who installs or repairs a petroleum or chemical
8 storage tank later tests that tank, that test does not satisfy the
9 requirements of any state law or regulation requiring the testing of
10 tanks.

11 (f) In this section,

12 (1) "chemical" means a substance defined in 42 U.S.C.
13 9601(14) (sec. 101(14) of the Comprehensive Environmental Response,
14 Compensation, and Liability Act of 1980) as amended, and a substance
15 having the characteristics identified or listed under 42 U.S.C. 6921
16 (sec. 3001 of the Solid Waste Disposal Act), regardless of whether the
17 substance is a solid waste;

18 (2) "petroleum" means crude oil or any fraction of crude
19 oil that is liquid at 60 degrees Fahrenheit and 14.7 pounds per square
20 inch absolute; "petroleum" includes petroleum-based substances com-
21 prised of a complex blend of hydrocarbons derived from crude oil
22 through processes of separation, conversion, upgrading, and finishing,
23 such as motor fuels, jet fuels, distillate fuel oils, residual fuel
24 oils, lubricants, petroleum solvents, and used oils;

25 (3) "storage tank" means one or a combination of stationary
26 devices that are designed to contain an accumulation of petroleum or
27 chemicals; are constructed of non-earthen materials such as concrete,
28 steel, or plastic; and provide structural support; "storage tank" in-
29 cludes pipes or piping connected to the storage tank.

1 * Sec. 2. AS 08.18.041 is amended to read:

2 Sec. 08.18.041. FEES. The department shall set [REGISTRATION
3 AND RENEWAL] fees under AS 08.01.065 for the following:

- 4 (1) registration and renewal for a general contractor;
5 (2) registration and renewal for a specialty contractor;
6 (3) registration and renewal for a mechanical contractor;
7 (4) endorsement and renewal under AS 08.18.035.

8 * Sec. 3. AS 08.18.035(a) and (b), enacted by sec. 1 of this Act take
9 effect immediately under AS 01.10.070(c).

10 * Sec. 4. Except as provided in sec. 3 of this Act, this Act takes
11 effect January 1, 1990.

(b) *Piping.* The piping that routinely contains regulated substances and is in contact with the ground must be properly designed, constructed, and protected from corrosion in accordance with a code of practice developed by a nationally recognized association or independent testing laboratory as specified below:

(1) The piping is constructed of fiberglass-reinforced plastic; or

Note: The following codes and standards may be used to comply with paragraph (b)(1) of this section:

(A) Underwriters Laboratories Subject 971, "UL Listed Non-Metal Pipe";

(B) Underwriters Laboratories Standard 67, "Pipe Connectors for Flammable and Combustible and LP Gas";

(C) Underwriters Laboratories of Canada Guide ULC-107, "Glass Fiber Reinforced Plastic Pipe and Fittings for Flammable Liquids"; and

(D) Underwriters Laboratories of Canada Standard CAN 4-S033-M81, "Flexible Underground Hose Connectors."

(2) The piping is constructed of steel and cathodically protected in the following manner:

(i) The piping is coated with a suitable dielectric material;

(ii) Field-installed cathodic protection systems are designed by a corrosion expert;

(iii) Impressed current systems are designed to allow determination of current operating status as required in § 280.31(c); and

(iv) Cathodic protection systems are operated and maintained in accordance with § 280.31 or guidelines established by the implementing agency; or

Note: The following codes and standards may be used to comply with paragraph (b)(2) of this section:

(A) National Fire Protection Association Standard 30, "Flammable and Combustible Liquids Code";

(B) American Petroleum Institute Publication 1615, "Installation of Underground Petroleum Storage Systems";

(C) American Petroleum Institute Publication 1632, "Cathodic Protection of Underground Petroleum Storage Tanks and Piping Systems"; and

(D) National Association of Corrosion Engineers Standard RP-01-69, "Control of External Corrosion on Submerged Metallic Piping Systems."

(3) The piping is constructed of metal without additional corrosion protection measures provided that:

(i) The piping is installed at a site that is determined by a corrosion expert to not be corrosive enough to cause it to have a release due to corrosion during its operating life; and

(ii) Owners and operators maintain records that demonstrate compliance with the requirements of paragraph

(b)(3)(i) of this section for the remaining life of the piping; or

Note: National Fire Protection Association Standard 30, "Flammable and Combustible Liquids Code"; and National Association of Corrosion Engineers Standard RP-01-69, "Control of External Corrosion on Submerged Metallic Piping Systems," may be used to comply with paragraph (b)(3) of this section.

(4) The piping construction and corrosion protection are determined by the implementing agency to be designed to prevent the release or threatened release of any stored regulated substance in a manner that is no less protective of human health and the environment than the requirements in paragraphs (b) (1) through (3) of this section.

(c) *Spill and overflow prevention equipment.* (1) Except as provided in paragraph (c)(2) of this section, to prevent spilling and overfilling associated with product transfer to the UST system, owners and operators must use the following spill and overflow prevention equipment:

(i) Spill prevention equipment that will prevent release of product to the environment when the transfer hose is detached from the fill pipe (for example, a spill catchment basin); and

(ii) Overfill prevention equipment that will:

(A) Automatically shut off flow into the tank when the tank is no more than 95 percent full; or

(B) Alert the transfer operator when the tank is no more than 90 percent full by restricting the flow into the tank or triggering a high-level alarm.

(2) Owners and operators are not required to use the spill and overflow prevention equipment specified in paragraph (c)(1) of this section if:

(i) Alternative equipment is used that is determined by the implementing agency to be no less protective of human health and the environment than the equipment specified in paragraph (c)(1) (i) or (ii) of this section; or

(ii) The UST system is filled by transfers of no more than 25 gallons at one time.

(d) *Installation.* All tanks and piping must be properly installed in accordance with a code of practice developed by a nationally recognized association or independent testing laboratory and in accordance with the manufacturer's instructions.

Note: Tank and piping system installation practices and procedures described in the following codes may be used to comply with the requirements of paragraph (d) of this section:

(i) American Petroleum Institute Publication 1615, "Installation of Underground Petroleum Storage System"; or

(ii) Petroleum Equipment Institute Publication RP100, "Recommended Practices for Installation of Underground Liquid Storage Systems"; or

(iii) American National Standards Institute Standard B31.3, "Petroleum Refinery Piping," and American National Standards Institute Standard B31.2 "Liquid Petroleum Transportation Piping System."

~~(e) Certification of Installation.~~ All owners and operators must ensure that one or more of the following methods of certification, testing, or inspection is used to demonstrate compliance with paragraph (c) of this section by providing a certification of compliance on the UST notification form in accordance with § 280.22.

(1) The installer has been certified by the tank and piping manufacturers; or

(2) The installer has been certified or licensed by the implementing agency; or

(3) The installation has been inspected and certified by a registered professional engineer with education and experience in UST system installation; or

(4) The installation has been inspected and approved by the implementing agency; or

(5) All work listed in the manufacturer's installation checklists has been completed; or

(6) The owner and operator have complied with another method for ensuring compliance with paragraph (d) of this section that is determined by the implementing agency to be no less protective of human health and the environment.

§ 280.21 Upgrading of existing UST systems.

(a) *Alternatives allowed.* Not later than December 22, 1990, all existing UST systems must comply with one of the following requirements:

(1) New UST system performance standards under § 280.20;

(2) The upgrading requirements in paragraphs (b) through (d) of this section; or

(3) Closure requirements under Subpart G of this part, including applicable requirements for corrective action under Subpart F.

(b) *Tank upgrading requirements.* Steel tanks must be upgraded to meet one of the following requirements in accordance with a code of practice developed by a nationally recognized association or independent testing laboratory:

(1) *Interior lining.* A tank may be upgraded by internal lining if:

(i) The lining is installed in accordance with the requirements of § 280.33, and



ALASKA STATE LEGISLATURE
HOUSE OF REPRESENTATIVES
RESEARCH AGENCY

P.O. Box Y, State Capitol
Juneau, Alaska 99811-3100
Mail Stop 3100
(907) 465-3991

March 8, 1989

MEMORANDUM

TO: Representative Curt Menard

ATTN: Marilyn Heiman

FROM: Brad Pierce *BP*
Legislative Analyst

RE: Certification of Underground Storage Tank Installers, Testers and Removers
Research Request 89.282

You requested information on how other states regulate underground storage tank (UST) installers, testers and removers. You asked that we provide a summary list of practices in various states as well as statutes, regulations and certification materials (e.g., study packets and test booklets) from other states.

I have been unable to locate a survey of all UST installer/tester/remover certification programs. Attached is a compilation of the characteristics of state UST installer certification programs in 21 states, two New York Counties, the city of Cheyenne, Wyoming, five Canadian Provinces and eight independent training programs. The information was provided by Beth Lockwood, of the Minnesota Pollution Control Agency. Minnesota is presently in the process of developing a training program for UST installers, testers and removers. Ms. Lockwood included a list of state contacts and their phone numbers and provided a draft of her considerations for developing a certification program.

To date, I have supplied you with laws, regulations and certification materials from Maine, Florida and Minnesota. Similar materials have been requested from Oregon and California and will be forwarded to your office as soon as they are received. Additionally, I have subscribed to LUST-Line, a monthly newsletter--produced by the New England Interstate Water Pollution Control Commission--on national developments concerning leaking underground storage tanks. Jenny Bridge of the commission is sending back issues of LUST-Line containing articles on certification procedures. These will be forwarded as soon as they are received.

I hope we have provided enough information for your purposes. If you have questions about individual state programs, I suggest you phone the appropriate contact person provided in the attachments to this memorandum. Please call if we can be of further service in this matter.

Attachment

STATE INSTALLER CERTIFICATION PROGRAMS

Agency	Law/Regs.	Fees	Reg. Population	Training Req.
1. Alabama	None			
2. California	Law/Reg - 1983	\$300,\$5000 bond	Indiv.-4 classes of contractor.	Exam + 4 years of tank related experience.- Study packet
3. Cheyenne, Wyo.	Ordinance	\$200 initial, \$35 renewal	Indv.;Inst.,Rem.,Repair	No exam required yet.
4. Connecticut	None			
5. Florida	Law/Reg.	\$50 appl.,\$200 exam,\$100 renew	Indiv.; Instal., Remove;Testers-regis.	Exam & experience; no formal training course required.
6. Iowa	None			
7. Kentucky	None			
8. Maine	Law/Reg	\$130+	Indv.;Inst.,Rem.,Insp.,Trainer	test & 2 yr exper. or on-site exam/8 hr refresher.-Study packet
9. Manatoba	Law/weak Reg.	None	Indiv.;Inst.,Repair,Tester	
10. Maryland	Law/Propsd Regs	\$100	Indv;Inst.,Repair	100 ques. exam(90% score=cert., 70-90% temp. cert)
11. Massachusetts	Law - ?			
12. Montana	Pend. Law	Proposed	Indiv.;Inst.,Rem.,Repair	exam & 1 day training
13. Nassau County, NY	Fire Mar. Rules	\$20 Tester;\$50 Firm	Indiv. Testers; Installation Firms	Written exam (also on-site test for testers)
14. New Brunswick, Can.	Law/Reg - 1987	\$25	Indv.;Inst.,Rem.,Repair,Tester	1 week course w/ hands-on & exam
15. New Hamshire	Law	Provisions for		
16. New Mexico	Law/Reg Pending	100Firm;250Indv;100-500Trainer	Firm & Indv.;Inst.,Repair	Written exam & on-site exam & experience(training,eng. degree)
17. New York	Pending	\$50 training fee	Installers	exam & 2 days training(all optional pend. leg.)
18. North Carolina	None			
19. North Dakota	Law - 1988			
20. Nova Scotia, Can.	Law/Reg-Feb. '88	None	Indiv.;Inst.,Rem.,Repair;Testers-regis	Written exam. Self-study packet. 2 day course begins Spring '89.
21. Ontario, Can.	Law/Reg	\$60 Indv.	Indv.;Inst.,Rem.,Repr.(not testers)	Registration application & personal interview
22. Oregon	Law/Reg Pending	\$100 firm;\$50 supv.	Firms & site supervisors	Multiple choice exam must be taken every 2 years.-Study packet
23. Prince Edward Island, Can	Law/Reg - 1986	None	Indv.;Inst.,Rem.,Repair	exam (70%) & 1 day training
24. Rhode Island	None		Testers	
25. Suffolk County, NY	New Code	\$50 Firm; \$50 Indv.	Indv. & Firm;Inst.,Rem.,Rep.,Tester	Now manuf. & on-site test. Soon exam & course
26. Utah	Law/Reg.	None yet	Indv.;Inst.,Rem.,Repr.(Insp. Pending)	8hrs training & state exam. Comm. Coll. devel. 3 1/2-day course
27. Vermont	None			
28. Wisconsin	Pend. Law	No charge for list	Indv.; ?	5 day course by Univ. of Wisconsin w/exam
29. Wyoming	None			

INDEPENDENT TRAINING PROGRAMS

COMPANY	TRAINING	FEES
1. Owens/Corning Fiberglas Corp.	3-4 hours by sales representative	None to customers
2. MN Health Dept.-Plumbing Unit	Exam + 4 yrs(Journeyman) or 5 yrs(Master) exper.	\$30 Exam;\$45 Jour;\$80 Mast;\$15 Appr.
3. Steel Tank Institute	2 day course w/exam-"Corr., Cath. Prot. & Tank Monit."-1988	\$350
4. Fiberglass Petro. Tank & Pipe Inst.	No formal seminar schedule. Do training when requested.	Will train MN enforcement staff free
5. Univ. of Wisconsin-Madison	5-day classroom training w/multiple choice exam.	\$750; 4.0 CEU's
6. Colorado School of Mines - Golden,CO	4-day course w/o exam. 2/3 classroom, 1/3 tank training facility.	Yes
7. Georgia Tech Research Inst.-Atlanta	4-day course w/optional exam. Classroom & hands-on training.	Course: \$495, Exam: \$65
8. Petcon	1-day course.	\$200

Agency	Renewal Period	Comments
1. Alabama		
2. California	2 years	No formal training. License not specific to tank work.
3. Cheyenne, Wyo.	1 year	1 year apprenticeship and insurance required.
4. Connecticut		Something to look at in the future.
5. Florida	2 years	Mr. Ruebon-904/359-6313 handles certification - always busy
6. Iowa		
7. Kentucky		Conducting feasibility study of such a program.
8. Maine	2 years	Init. train. by state. Now self-study & refresher training.
9. Manitoba	?	Currently sending registration regs out for public comment.
10. Maryland	2 years	1-day seminar by community college-not required.
11. Massachusetts		Looking at developing a program. Survey + checklists now.
12. Montana	?, not >3 years	Will require testers to be certified by manufacturers.
13. Nassau County, NY	1 year	Exam not required at recertification if company stays active
14. New Brunswick, Can.	1 year	New Brun. Comm. Coll. offers course (12 persons;\$6-700)
15. New Hampshire		Hcpe to develop a cert. program in 1989.
16. New Mexico	2 years	Underground only. Tank removers may not be included.
17. New York		Contracted w/ comm. colleges to develop course & train.
18. North Carolina		
19. North Dakota		Plan to begin cert. program development in mid-1989.
20. Nova Scotia, Can.	None	Certification, not license. Under & aboveground tanks.
21. Ontario, Can.	1 year	Registration, not certification (no course or exam).
22. Oregon	2 years	Also \$25 registration fee for firms. \$10 study guide.
23. Prince Edward Island, Can	None, as yet	100% inspec. of installations. Cert. includes piping.
24. Rhode Island		Sending a list of acceptable testers.
25. Suffolk County, NY	3 years	License testers now. New code for Inst., Rem. & Repairers
26. Utah	2 years	Comm. Coll. developing 3.5 day course & will administer state exam.
27. Vermont		Current law allows for licensing of tank testers. They don't.
28. Wisconsin	?	Looking at PEI Model Cert. Program for legislation.
29. Wyoming		

COMPANY	RENEWALS	COMMENTS
1. Owens/Corning Fiberglas Corp.	3 yrs. or <50% of employees have training	Contractors under agreements have periodic installation audits
2. MN Health Dept.-Plumbing Unit	None	Must register as an apprentice.
3. Steel Tank Institute	No formal schedule for seminars.	Developing a 1-day installer course this winter. Improving STI video.
4. Fiberglass Petro. Tank & Pipe Inst.	No formal training	Developing a checklist for fiberglass pipe installation.
5. Univ. of Wisconsin-Madison	Developing a schedule.	1st course offered Sept. 1988
6. Colorado School of Mines - Golden, CO	1989 schedule: late April, June, Sept.	Field:2-550gal. part. buried 2-wall tanks(steel/fiber),1-single fiber.
7. Georgia Tech Research Inst.-Atlanta	Next course April 11-14, 1989	"Leaking Underground Storage Tank Workshop"
8. Petcon	No formal schedule.	Course that Rafa E. attended...Fall, 1988. Does have "hands-on" work.