

**ALASKA**

**LEGISLATURE COMMITTEE FILES**

**1991-1992**

**8672**

**7183**

**HOUSE RESOURCES**

H B

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# STATE OF ALASKA

## DEPARTMENT OF NATURAL RESOURCES

OFFICE OF THE COMMISSIONER

WALTER J. HICKEL, GOVERNOR

400 WILLOUGHBY AVENUE  
JUNEAU, ALASKA 99801-1796  
PHONE: (907) 465-2400  
FACSIMILE: (907) 586-2754

February 26, 1992

The Honorable Cliff Davidson, Chair  
House Resources Committee  
State Capitol  
Juneau, AK 99811-1182

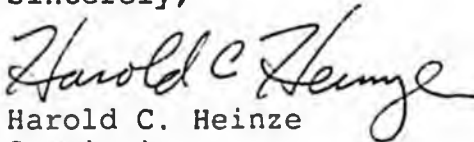
Dear Representative Davidson:

Subject: CSHB 508 (Res), establishing the Business Park Wetlands Special Management Area.

Position: The Department of Natural Resources does not object to receiving title to this special area, as long as the land is free of hazardous waste and the agreement referred to in Section 2 of the bill assures that all management, development, and operating expenses for the site will be borne by a private sector organization. Should that organization terminate the agreement, the state would not have the funds to actively manage the area and needs the flexibility to close it until another organization assumes responsibility.

Background: The mid-town Anchorage area to be included in the Business Park Wetlands Special Management Area currently contains no state-owned land. The Municipality of Anchorage is willing to donate land it owns in the area to the state (approximately 5 acres), and the Business Park Wetlands Coalition is willing to purchase other acreage at the site and donate that land to the state. The Coalition is also willing to maintain and manage the area at no cost to the state.

Sincerely,



Harold C. Heinze  
Commissioner

cc: Committee Members  
Representative Gruenberg  
Representative Ellis  
Representative Donley  
Paul Fuhs, Legislative Liaison, Office of the Governor  
Ron Swanson, Division of Land

FISCAL NOTE

STATE OF ALASKA  
1992 LEGISLATIVE SESSION

BILL NO. CSHB 508 (Res)

Revision Date: \_\_\_\_\_ Department Affected: Natural Resources  
 Title: Business Park Wetlands Special BRU: Land Management  
Management Area Component: Land Management  
 Sponsor: Rep. Gruenberg  
 Requestor: House Resources COMPONENT SERIAL NO. 

|  |   |   |   |
|--|---|---|---|
|  | 4 | 2 | 3 |
|--|---|---|---|

EXPENDITURES/REVENUES: (Thousands of Dollars)

| OPERATING              | FY 93 | FY 94 | FY 95 | FY 96 | FY 97 | FY 98 |
|------------------------|-------|-------|-------|-------|-------|-------|
| PERSONAL SERVICES      |       |       |       |       |       |       |
| TRAVEL                 |       |       |       |       |       |       |
| CONTRACTUAL            |       |       |       |       |       |       |
| SUPPLIES               |       |       |       |       |       |       |
| EQUIPMENT              |       |       |       |       |       |       |
| LAND & STRUCTURES      |       |       |       |       |       |       |
| GRANTS, CLAIMS         |       |       |       |       |       |       |
| MISCELLANEOUS          |       |       |       |       |       |       |
| <b>TOTAL OPERATING</b> | -0-   | -0-   | -0-   | -0-   | -0-   | -0-   |

|         |  |  |  |  |  |  |
|---------|--|--|--|--|--|--|
| CAPITAL |  |  |  |  |  |  |
|---------|--|--|--|--|--|--|

|                         |  |  |  |  |  |  |
|-------------------------|--|--|--|--|--|--|
| REVENUE<br>FUND SOURCE: |  |  |  |  |  |  |
|-------------------------|--|--|--|--|--|--|

FUNDING: (Thousands of Dollars)

|                       |     |     |     |     |     |     |
|-----------------------|-----|-----|-----|-----|-----|-----|
| GENERAL FUND          |     |     |     |     |     |     |
| FEDERAL FUNDS         |     |     |     |     |     |     |
| OTHER<br>FUND SOURCE: |     |     |     |     |     |     |
| <b>TOTAL</b>          | -0- | -0- | -0- | -0- | -0- | -0- |

POSITIONS:

|           |  |  |  |  |  |  |
|-----------|--|--|--|--|--|--|
| FULL-TIME |  |  |  |  |  |  |
| PART-TIME |  |  |  |  |  |  |
| TEMPORARY |  |  |  |  |  |  |

Estimate of current year impact: \_\_\_\_\_

ANALYSIS: (Attach a separate page if necessary.)

All management, upkeep, development, etc. costs for this area will be borne by the Business Park Wetlands Coalition or its successor.

Prepared By: Carol J. Wilson Phone: 465-2400  
 Division: Commissioner's Office Date: 2-26-92  
 Approved by Commissioner: Harold C. Heinze *HC* 2/26/92  
 Agency: Natural Resources Date: 2-26-92

AMENDMENT

OFFERED IN THE HOUSE

BY REPRESENTATIVE GRUENBERG

TO: HB 508

I. Page 1, line 13, after "department":  
Delete "for control, development, and maintenance"

II. Page 2, line 6, after "commissioner":  
Delete "shall"  
Insert "may"

III. Page 2, line 9, after "41.21.522.":  
Delete "Incompatible uses shall be prohibited or  
restricted, as provided by regulation."

IV. Page 2, line 11, after "with":  
Insert "the public, and"

V Page 2 line 22 - 25  
Delete "(1) give the Business Park Wetlands  
Coalition . . . and to accept donations; and  
(2) "

HB508.I\MTH

## ATTACHMENT TWO

## PROJECT FINANCIAL PROSPECTUS\*

## COSTS

1. Acquisition

| <u>Phase</u> | <u>Owner</u>                          | <u>Size</u> | <u>Estimated Price</u> |
|--------------|---------------------------------------|-------------|------------------------|
| I            | Alaska USA<br>Federal Credit<br>Union | 5.3 acres   | 200,000                |
| II           | Brechet                               | 4.4 acres   | 165,000                |
| IIIA         | George Mor                            | 4.33 acres  | 162,000                |
| IIIB         | Brechet                               | 4.4 acres   | 165,000                |
| IV           | Business Park<br>Fund                 | 2.4 acres   | 315,000                |

Total Phase I (1990): \$200,000 (completed)

Total Phase II (1991): \$165,000

Total Phase III (1991-1992): \$327,000

Total Phase IV (1993-1994): \$315,000

2. Enhancement

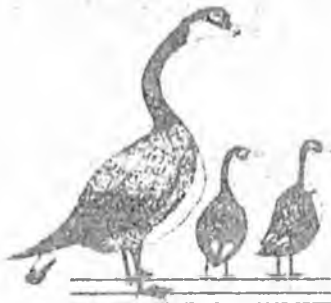
|  |                |
|--|----------------|
| a. One mile of combined boardwalk @ \$150/lf and gravel trail @ \$50/lf.       | \$ 200,000     |
| b. Educational displays and interpretive signage along the boardwalk and trail | 10,000         |
| c. Parking lot   | 30,000         |
| d. Revegetation and ponds  | <u>100,000</u> |
| Total Enhancement  | \$ 340,000     |

## REVENUES (Actual (in bold) and Projected)

|                                       |            |
|---------------------------------------|------------|
| Individuals and corporations          | \$ 275,000 |
| Exxon Co. USA - \$25,000              |            |
| Chevron USA Inc. - \$5,000            |            |
| Others - \$33,000                     |            |
| Public sources                        | 727,000    |
| Municipality of Anchorage - \$150,000 |            |
| State of Alaska - \$375,000           |            |
| Others - 202,000                      |            |
| Ducks Unlimited                       | 70,000     |
| Foundations                           | 275,000    |
| Chicago, Ill., foundation - \$25,000  |            |

TOTAL REVENUES (ACTUAL AND PROJECTED) \$1,337,000

\*Note that these acquisition prices are based on 1989 appraisal reports and may not accurately reflect the actual acquisition price reached after negotiations with the property owners.



# Quacker

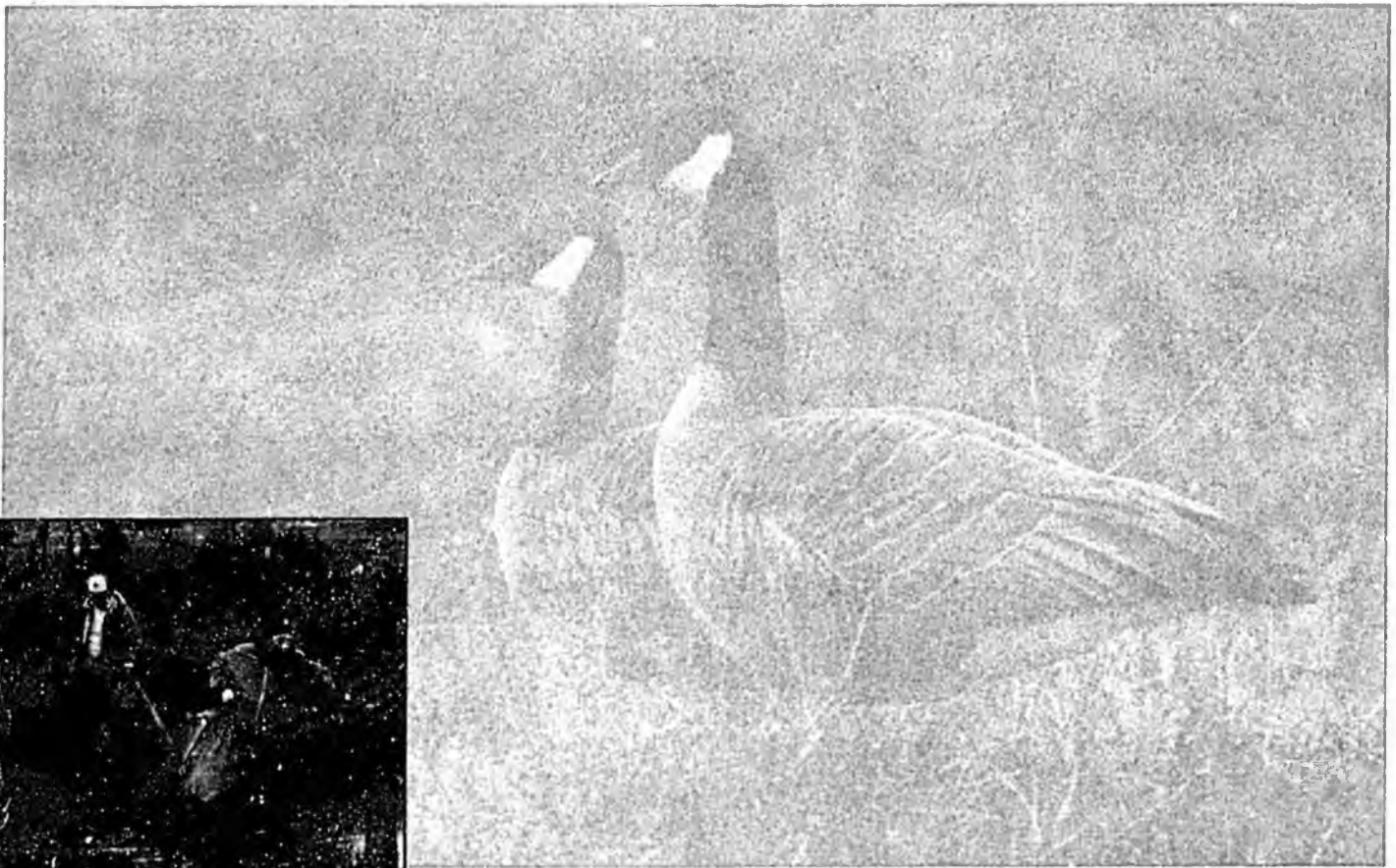
Quarterly

Vol. 1


Business Park Wetlands

Summer 1991

Greg McClellan



## Third Annual Clean-up A Success

 Thirty-five enthusiastic workers collected bags of cans, paper, and all kinds of interesting trash on the third official Business Park Wetlands Clean-up on April 20. The event, which drew significant interest and coverage from local television and news media, was a major success.

Starting in 1989, the Clean-up had been held during Creek Clean-up Day in mid-May. However, walking through deep peat and trying to avoid nesting wildlife led to Clean-up organizers rescheduling the 1991 event to a date earlier in

April. As hoped, participants were able to walk on frozen peat to reach the entire wetlands area and find previously undiscovered trash. Although many geese were present to "honk" the Clean-up workers on, no nests were disturbed.

The Business Park Wetlands Coalition wishes to thank Lee and Fred Steinhauser, organizers of the Clean-up, as well as KTUU Channel 2, KTVA Channel 11, and the Anchorage Daily News for their helpful coverage. Last, but not least, a big hand goes to the many Clean-up participants.

# Fundraising Facts

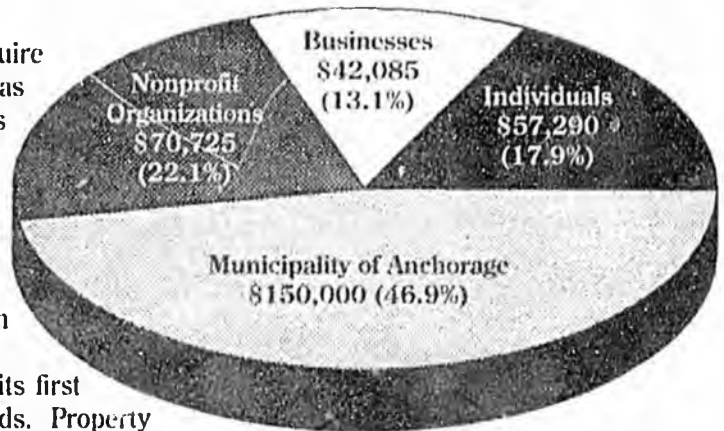


Alaska's first public/private joint venture to acquire and preserve an important natural area has reached a major fundraising goal. The efforts of the Business Park Wetlands Coalition, supported by nearly 200 contributors, have thus far culminated in raising or gaining commitments for over \$320,000!

The diverse sources of the funds include individuals, small businesses, major corporations, foundations, nonprofit organizations, and the Municipality of Anchorage. A breakdown of the contribution sources is illustrated to the right.

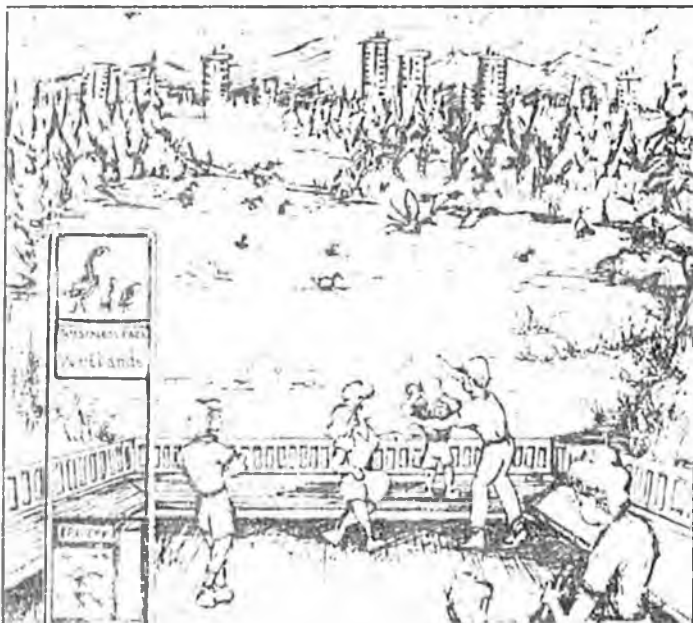
In February, the Business Park Wetlands Coalition made its first purchase of 5.3 acres of the major nesting area of the Wetlands. Property acquisition negotiations and fundraising efforts are continuing.

Interested in making a contribution? Call 562-2514. Thanks!



Total Raised To-Date: \$320,100

# Public Access Improvements Planned



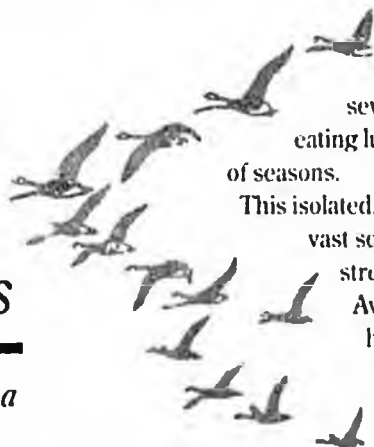
During a recent April meeting, the Coalition Executive Committee reviewed a proposed design to construct a public viewing area, educational signs, and a small picnic area at the west end of West 48th Avenue adjacent to the Wetlands. Designed by Elise Huggins of Earthscape, the improvements will provide a slightly raised viewing deck for school and other groups. Eye-catching placards detailing the resident and visiting waterfowl will be located near the viewing area. Just to the north of the viewing platform will be a small picnic area for the many noontime visitors to the Wetlands who now enjoy eating their lunch while watching the waterfowl activity.

Major contributors to this exciting project include Chevron USA Inc., Earthscape, and Alyeska Pipeline Service Co.

Construction is scheduled to begin in late summer, after this year's crop of goslings, ducklings, and gulls have moved on. Elise Huggins, Chair of the Site Improvements Committee is seeking donations of materials and labor. For more information, call Elise at 279-2688.

## Business Park Wetlands

Anchorage, Alaska



The Business Park Wetlands is a 28-acre open space area in Anchorage's highly-developed south midtown. Though located in close proximity to several major thoroughfares, it provides a quiet and surprisingly remote oasis for eating lunch, viewing the abundant waterbird population, or just watching the change of seasons.

This isolated, partially disturbed bog is a remnant piece of what was, until the late 1970's, a vast section of interwoven ponds and wetlands habitat known as patterned bog that stretched from near Potter Drive north to the old Fish Creek basin near 36th Avenue. The original wetlands area contained numerous large ponds and a highly diverse and productive mix of habitats. This area was arguably the most extensive patterned ground bog in the Anchorage Bowl.

Today, the Business Park Wetlands is extremely high in wildlife activity for its relatively small size. Every year, more than 20 pairs of Canada Geese

# State Appropriation Moves Ahead



Business Park Wetlands Coalition Chair, Marideth Sandler, reports that a \$375,000 appropriation for continued acquisition of the Wetlands was passed by a very enthusiastic Alaska State Legislature. Much of the legislative support is due to the many letters Anchorage legislators received from Business Park Wetlands supporters. Representative Dave Choquette's staff estimated that they alone received thirty-five letters!

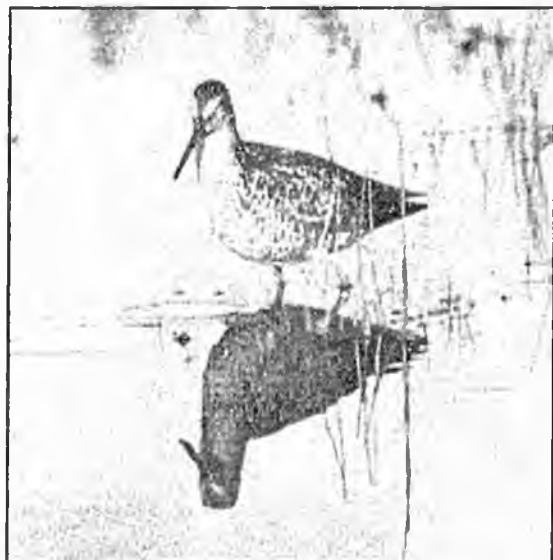
The Coalition asked the State to join our public/private fundraising efforts to acquire the Wetlands by matching the monies already raised. State participation is very important because it will leverage significant new monies from private and nonprofit sources.

Much can yet happen during the budget review by the Governor, including a veto of the appropriation. Please focus your attention on Governor Hickel by writing him to urge that he keep the appropriation in the budget. A good idea is to write your letter on your business letterhead. You can also easily send a Public Opinion Message by calling 561-7007.

Questions? Call Marideth Sandler at 274-7555 (days) or at 346-2535 (evenings).



John Warden



Greg McClellan

## New Bird Sightings



Right on schedule, the first Mallard Ducks began returning to a snowy Business Park Wetlands during the last week of March, according to Wetlands neighbors Lee and Fred Steinhauser. While the Business Park Wetlands Coalition was working to get out a mailing on Wednesday, April 3, the first Canada Geese flew overhead. A good omen! Later that week several Geese were observed walking gingerly on the snow.

The warming spring brought a wide array of waterfowl. As ever, hundreds of Canada Geese have either stopped briefly at the Wetlands or have returned for the summer. As of early May, four Eurasian Wigeons were sighted at the Wetlands, which is a first for the area and a fairly unusual Anchorage occurrence. Other new sightings have included Golden Plovers, Glaucous Gulls, and a Sandhill Crane.

Mark Dalton chairs the Wetlands Watch Committee and welcomes reports of any unusual or even usual sightings. Please give him a call at 562-2514 during the day.

nest in the area. The large number of nests is three to four times higher per unit area than other comparable Anchorage wetlands.


In early spring, it is common to see well over 100 ducks and geese at a time on the meltwater ponds. The area is also home to one of four significant Mew Gull colonies remaining in the Anchorage Bowl, as well as many Mallards, Northern Shovelers, American Wigeons, plovers, dowitchers, and other birds. Thirty-eight bird species have been observed in the wetlands during the summer months.

The Business Park Wetlands also provides an important and well-used open space for neighborhood residents and those working in the adjacent business and industrial areas. Greater Anchorage area residents bring their families to observe the geese and young goslings. On every spring and summer day, countless numbers of people walk

or drive to the Wetlands to enjoy a quiet moment. Others jog or fitness walk past the wetlands, using the convenient one mile loop of adjacent public roads. Tour companies have chosen the Wetlands as a regular stop on their city tours, and school classes use the site as a convenient outdoor classroom.

The area supports three wetlands plant communities and numerous ponds that contain open water all summer. Most of the wetlands plant communities contain ericaceous species like sweetgale, dwarf birch, leatherleaf, and Labrador tea. Sedges, grasses, rushes, and various mosses are common groundcover species. Several wetlands - dependant plants survive in the Business Park Wetlands, many of which have become rare in the Anchorage area from continued wetlands filling.

# Who Is The Business Park Wetlands Coalition?

 The Coalition was organized in June 1988 with the purpose of preserving the thirty-acre Business Park Wetlands in midtown Anchorage. In the three years of its existence, the Coalition has raised over \$320,000, collected data on the biological and recreational use of the Wetlands, negotiated the purchase of 5.3 acres of the Wetlands, completed several designs for enhancement of the area, and other significant accomplishments. The Coalition's efforts are the first time in Alaska that a joint venture of private and public efforts are successfully saving an important natural area.

...and what an important natural area the Business Park Wetlands is! Last summer, the Wetlands was the site of more nesting activity for Canada Geese and other waterfowl than any other wetlands in Anchorage! Over twenty pairs of nesting Geese raised over eighty goslings. Numerous other species also successfully raised their young at the Wetlands. Historically, the Business Park Wetlands is the second most productive wetlands in Anchorage per unit area.

The Coalition is comprised of individuals from many companies, organizations, and agencies. Coalition Executive Committee members are Marideth Sandler, Mark Dalton, Larry Rundquist, Charlene Hutton, Jim Thiele, and Elise Huggins. For more information on the Business Park Wetlands and Coalition activities, call 562-2514.

## Quacker Club Distinguished Benefactors

|                                  |                               |
|----------------------------------|-------------------------------|
| Municipality of Anchorage        | Representative Max Gruenberg  |
| Exxon Co. USA                    | HDR Engineering, Inc.         |
| BP Exploration (Alaska) Inc.     | Charlene and Jim Hutton       |
| Chevron U.S.A. Inc.              | James B. Kentch               |
| Alyeska Pipeline Service Co.     | Landmark and Associates       |
| Alaska Department of Fish & Game | Michael Le Vaugh              |
| Alaska Journal of Commerce       | Vivian Mendenhall             |
| Alaska Mill and Feed             | Moore Business Forms          |
| Anchorage Audubon Society        | The Nature Conservancy        |
| Anchorage Daily News             | Judy and Jack O'Neale         |
| Ashburn & Mason                  | Larry A. Rundquist            |
| AT Publishing, Inc.              | The Sandler Family            |
| Black-Smith & Richards           | Lee and Fred Steinhauser      |
| Cold Weather Contractors         | Jim Thiele                    |
| Susan and Wilson Condon          | Thomas, Head & Greisen, CPAs  |
| Cami and Mark Dalton             | Time Frame                    |
| Dave's Appliance Repair          | David H. Vatz                 |
| Earthscape                       | Jack White Company            |
| Alexander E'sson                 | Waterfowl USA                 |
| Diane & Michael Frank            | Wildlife Federation of Alaska |
| Robert Gottstein                 | Rodman Wilson M.D.            |

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Typography by Laser Smith



*Business Park Wetlands Coalition*  
Anchorage Audubon Society  
P.O. Box 101161  
Anchorage, Alaska 99510

Non-Profit Org.  
U.S. Postage  
**Paid**  
Anchorage, Alaska  
Permit No. 157

FISCAL NOTE

STATE OF ALASKA  
1992 LEGISLATIVE SESSION

BILL NO. HB508

Revision Date: 2/25/92

Department Affected: Fish and Game

Title: Business Park Wetland

BRU: Habitat

Management Area

Component: Habitat

Sponsor: Gruenberg, Ellis, Donley

Requestor: House Resources Committee

COMPONENT SERIAL NO. 

|  |   |   |   |
|--|---|---|---|
|  | 4 | 8 | 6 |
|--|---|---|---|

Expenditures/Revenues: (Thousands of Dollars)

| OPERATING         | FY 93 | FY 94 | FY 95 | FY 96 | FY 97 | FY 98 |
|-------------------|-------|-------|-------|-------|-------|-------|
| PERSONAL SERVICES | 0     |       |       |       |       |       |
| TRAVEL            | 0     |       |       |       |       |       |
| CONTRACTUAL       | 0     |       |       |       |       |       |
| SUPPLIES          | 0     |       |       |       |       |       |
| EQUIPMENT         | 0     |       |       |       |       |       |
| LAND & STRUCTURES | 0     |       |       |       |       |       |
| GRANTS CLAIMS     | 0     |       |       |       |       |       |
| MISCELLANEOUS     | 0     |       |       |       |       |       |
| TOTAL OPERATING   | 0     |       |       |       |       |       |

|         |   |  |  |  |  |  |
|---------|---|--|--|--|--|--|
| CAPITAL | 0 |  |  |  |  |  |
|---------|---|--|--|--|--|--|

|                      |   |  |  |  |  |  |
|----------------------|---|--|--|--|--|--|
| REVENUE FUND SOURCE: | 0 |  |  |  |  |  |
|----------------------|---|--|--|--|--|--|

FUNDING: (Thousands of Dollars)

|                    |   |  |  |  |  |  |
|--------------------|---|--|--|--|--|--|
| GENERAL FUND       | 0 |  |  |  |  |  |
| FEDERAL FUNDS      | 0 |  |  |  |  |  |
| OTHER FUND SOURCE: | 0 |  |  |  |  |  |
| TOTAL              | 0 |  |  |  |  |  |

POSITIONS:

|           |   |  |  |  |  |  |
|-----------|---|--|--|--|--|--|
| FULL-TIME | 0 |  |  |  |  |  |
| PART-TIME | 0 |  |  |  |  |  |
| TEMPORARY | 0 |  |  |  |  |  |

Estimate of current year impact: No impact on current year.

ANALYSIS: (Attach a separate page if necessary.)

Prepared By: Frank Rue, Director Phone: 465-4105

Division: Habitat Date: 2/25/92

Approved by Commissioner: [Signature]

Agency: Department of Fish and Game Date: 2/25/92

Distribution (by preparer): Leg. Fin., Legislative Sponsor, Requestor, OMB/DBR, Gov. Legis. OSC., & Impacted Agency(ies).

# State of Alaska

House Majority Leader

COMMITTEES

HOUSE JUDICIARY

HOUSE RULES

HOUSE STATE AFFAIRS

SPECIAL COMMITTEE

MILITARY AND VET. AFFAIRS

LEGISLATIVE COUNCIL



Representative Max F. Gruenberg, Jr.  
District 11  
Spenard, Upper Midtown Anchorage

P.O. Box V  
JUNEAU, AK 99811  
(907) 465-3718  
465-4968/4986  
(SESSION)

3111 C STREET, SUITE 440  
ANCHORAGE, AK 99503  
(907) 561-7621

## M E M O R A N D U M

TO: Members of the House Resources Committee

FROM: Representative Max Gruenberg *MAX*

DATE: February 24, 1992

RE: Support for HB 508, "The Business Park Wetlands Bill"

I would very much appreciate your support for HB 508.

HB 508 creates the the Business Park Wetlands Special Use Area (approximately 30 acres). The Business Park Wetlands are an incredibly productive nesting area for waterfowl in central Anchorage. Funds for the purchase of the property inside the Business Park Wetlands have been donated by groups such as Ducks Unlimited and Exxon Corporation.

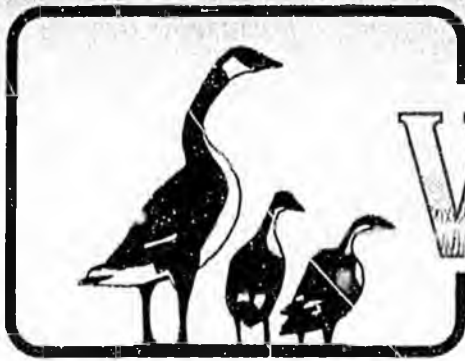
HB 508 is somewhat similar to HB 200, which the governor vetoed last summer. However, it contains improvements worked out with the governors office, the Municipality of Anchorage, and the Business Park Wetlands Coalition. We have been informed that this new concept has the support of all of these interests.

If you have any questions or comments please contact my legislative assistant, Mark Handley at 465-4968.

Thank you very much.

Enclosures.

HB508.SUP\MTH



# Business Park Wetlands Coalition

The Business Park Wetlands is a 28-acre open space area in Anchorage's highly-developed south midtown. Though located in close proximity to several major thoroughfares, it provides a quiet and surprisingly remote oasis for eating lunch, viewing the abundant waterbird population, or just watching the change of seasons. On many a nice day, area residents or workers can be found walking, jogging, or sitting along the wetlands' perimeter. Greater Anchorage area residents also use the area, especially for viewing wildlife.

## THE BUSINESS PARK WETLANDS: AN IMPORTANT NEIGHBORHOOD RESOURCE

### What is unusual about the Business Park Wetlands?

It is extremely high in wildlife activity for its relatively small size. In late spring 1989, upwards of 20 pairs of Canada Geese nested in the Business Park Wetlands. The large number of nests is three to four times higher per unit area than other comparable Anchorage Wetlands. In early spring, it is common to see more than 100 ducks and geese at a time on the meltwater ponds. The area is also home to one of four significant Mew Gull colonies remaining in the Anchorage Bowl, as well as many Mallards, Northern Shovelers, American Wigeons, Plovers, Dowitchers, and other birds. Over thirty avian species have been observed in the wetlands during the summer months. Although it is not a developed or even designated park area, the Business Park Wetlands provides an important and well-used open space for neighborhood residents and those working in the adjacent business and industrial areas. Greater Anchorage area residents bring their families to observe the geese and young goslings. On every summer day, many people walk or drive to the west end of West 48th Avenue to eat lunch. Others jog or fitness walk past the wetlands, using the convenient one-mile loop of adjacent public roads. This makes for an interesting outing, as it may involve dodging the harassment of concerned mother gulls and other protective birds.



Photo: Elise Huggins

## Anchorage Residents and Area Workers Protect the Business Park Wetlands.



Photo: Marideth Sandler

The Business Park Wetlands is owned by four separate private owners. It is largely zoned for high-density residential use and, because the Municipality of Anchorage classified it as developable wetlands in 1982, it can be filled and destroyed with no public input and little regulatory agency review. Despite the threat to its continued existence, the Business Park Wetlands has been adopted by the public. For years, adjacent residents and businesses have kept

intrusive uses and users out of the wetlands.

Nearly fifty stray cats and dogs were live-trapped over a three-year period and sent to the shelter where they could find caring owners. "Stray" humans whose actions seem out of character with the more recreational and educational atmosphere that surrounds the wetlands are quickly asked to go elsewhere by the nearby business workers and residents. Because of this overwhelming and active concern for the Business Park Wetlands, a petition drive was mounted six years ago to purchase the area for a park.

Although the drive stopped short of success at that time, the effort has been revived. In 1988, businesses, area residents, environmental and neighborhood groups, and governmental agencies joined together as the BUSINESS PARK WETLANDS COALITION. The Coalition is supported by nearly 1000 Anchorage residents, as evidenced by the success of a recent petition drive. When, in early spring 1989, one of the property owners began filling a portion of the wetlands, the immediate vocal support for this publicly cherished resource resulted in a short-term halt of fill activity.

The goal of the Business Park Wetlands Coalition is to purchase this important area of shrinking open space so that it is retained, enhanced, and managed for recreational, educational, and environmental purposes. The value of this effort is two-fold: the Business Park Wetlands already serves as an important open space and recreational neighborhood improvement for residents and workers alike. Creative design could easily multiply its present benefits. Because of its currently high productivity as a wetlands habitat, the Business Park Wetlands also holds exciting potential for increased wildlife use, if enhanced and managed properly.



Photo: Cami Dalton

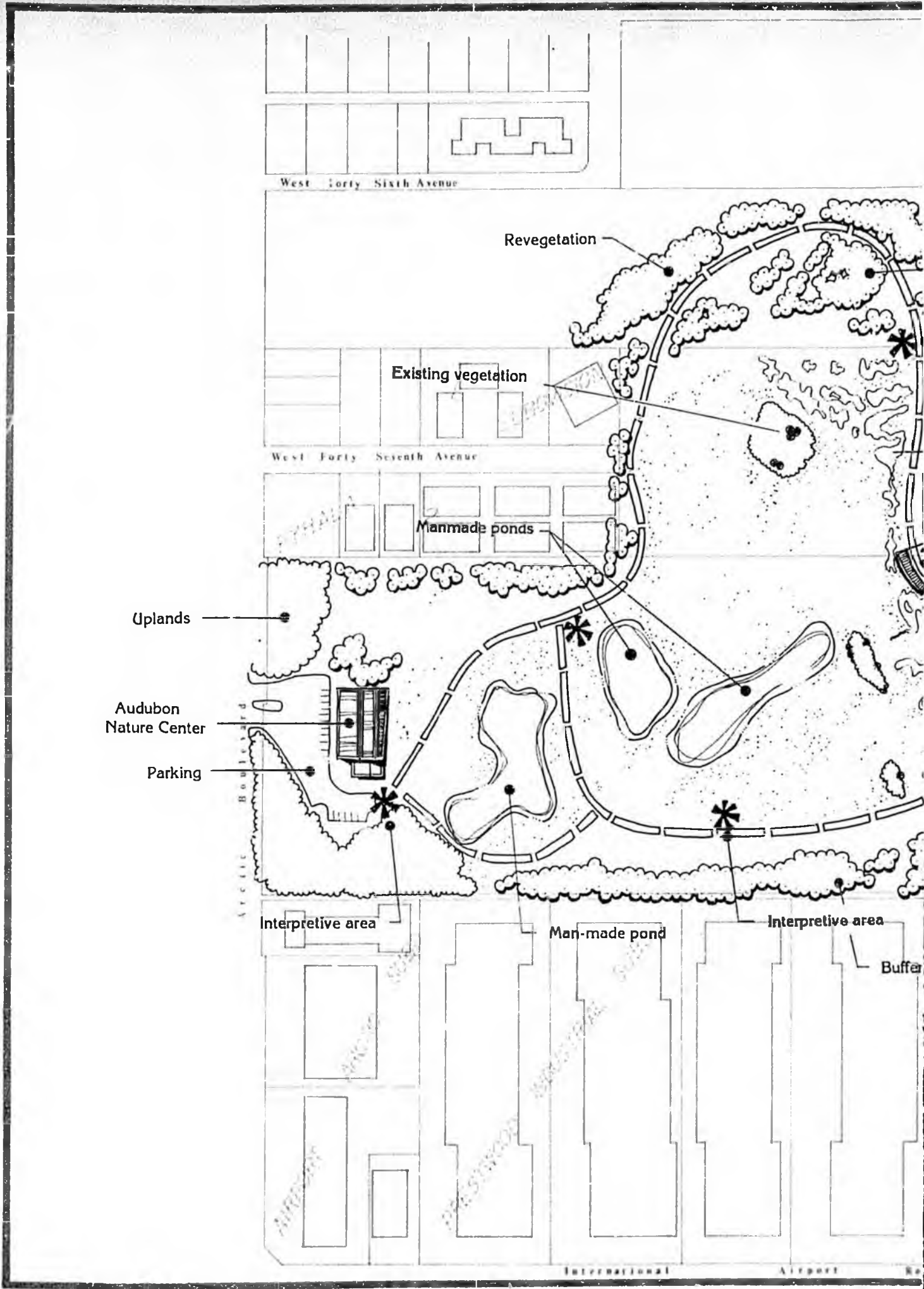
The Coalition has made strong progress toward meeting its goal. The wildlife and other resources of the area have been, and are continuing to be, documented and photographed. The actions of neighboring residents and businesses to manage these resources, both in the past and at present, are also being recorded. Discussions with area property owners have been underway for several months to ascertain purchase and trade options. Two of these options are in active negotiation with the respective parties. One involves a land trade for a significant portion of the wetlands and the second would result in acquisition of an immediately adjacent area. Together, these transactions will result in preservation of nearly half of the Business Park Wetlands. Fundraising for the project has begun, with a substantial amount already raised from private contributions. The Coalition has an overall fundraising strategy and has developed a concept plan for the area. This includes enhancement of the area to create more open ponds for waterbird rearing and to filter the drainage water entering the wet-

## The Future Looks Bright for the Business Park Wetlands

lands from adjacent uses. Other improvements

would facilitate use of the Business Park Wetlands for continued wildlife viewing, as well as jogging and fitness walking.

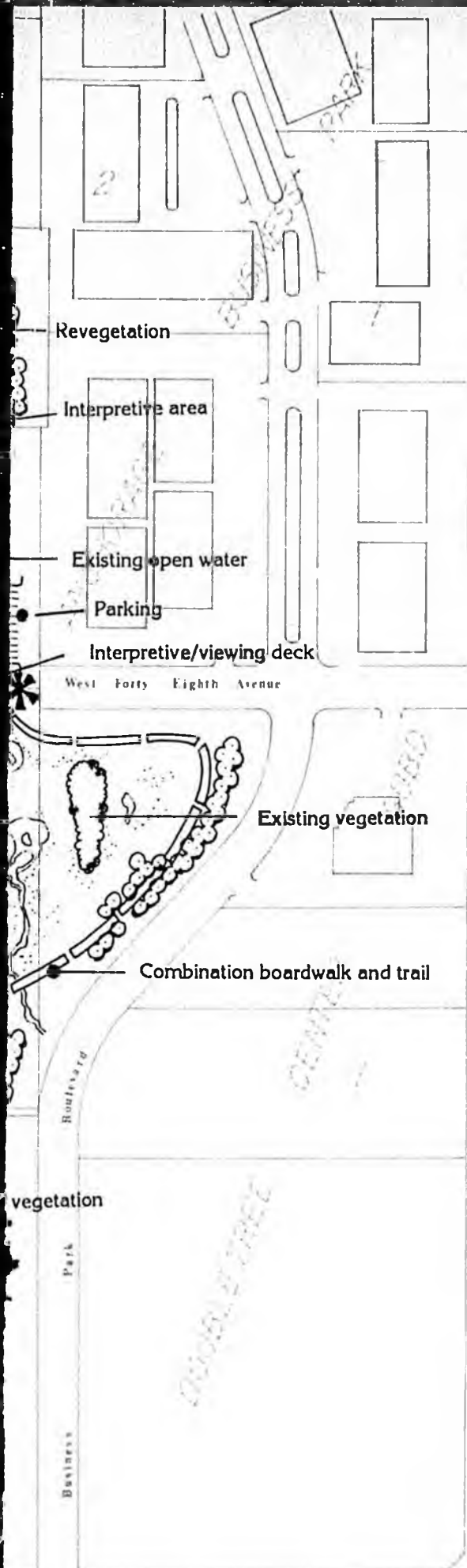
New and exciting activities could also find a home in the Business Park Wetlands. The uplands portion of the open space area lends itself well as the site for an Audubon-sponsored Urban Nature Center, that would house displays on wetlands habitat and wildlife. Because of the unique oasis feeling of this easily accessible setting, the nature center could be widely used by school and college classes (in addition to other youth and adult groups) to learn about natural wetlands habitat still remaining within Anchorage's urban scene. The planned trail and boardwalk loops are designed with areas for wildlife viewing, fitness stations, outdoor educational displays, and benches. Location of a Nature Center on-site would provide a rare opportunity to combine and bring into focus the Business Park Wetlands' environmental, recreational, educational, and open space potentials.





Business Park  
**Wetlands**  
Coalition

# Conceptual Plan



## potential activities

- *Jogging, Running, Walking*  
1/4 mile & 3/4 mile loop trail
- *Interpretive Areas* (✱)
- *Audubon Nature Center*
- *Wildlife Viewing*
- *Relaxing/Lunch Stop*
- *Habitat Enhancement*



Plan designed by Earthscape

## Business Park Wetlands A Threatened Natural Area

area contained numerous large ponds and a highly diverse and productive mix of habitats. This area was arguably the most extensive and complex patterned ground bog in the Anchorage Bowl.

This isolated, partially disturbed bog is a remnant piece of what was, until the late-1970s, a vast section of interwoven ponds and wetlands habitats known as patterned ground that stretched from near Potter Drive north to the old Fish Creek basin near West 36th Avenue. The original wetlands



The area supports three wetlands plant communities and numerous ponds that contain open water all summer. A small section of mixed birch and cottonwood forest



stands at the area's southwest corner. Most of the wetlands plant communities contain ericaceous species like sweetgale, dwarf birch, leatherleaf, and Labrador tea. Sedges, grasses, rushes, and various mosses are common understory species here. Several wetlands dependent plants survive in the Business Park Wetlands, many of which have become rare or threatened in the Anchorage area from continued wetlands filling.



Of major concern and influence to this site is the local hydrology, which has been altered by adjacent development. Groundwater input to this system is necessary to maintain the wetlands' habitats and open water in critical dry periods. Any additional change or loss of the area's groundwater will further degrade the wetlands' functions and viability.



Photos provided by John Hyde and Dan Rosenberg, ADF&G

**SUPPORTERS OF  
THE BUSINESS PARK WETLANDS**  
include:

**Anchorage Audubon Society  
Alaska Center for the Environment  
Spennard Community Council  
Anchorage Waterways Council  
Nature Conservancy  
American Society of Landscape Architects - Anchorage Chapter  
Alaska Department of Fish and Game  
Municipality Of Anchorage  
- Urban Design Commission  
- Parks and Recreation Commission  
- Department of Economic Development and Planning  
TRF Management  
Ott Engineering, Inc.  
The Virginia Computer Company  
Jim Thiele, Certified Financial Planner  
Ashburn and Mason  
Earthscape  
TimeFrame  
AT Publishing  
Moore Business Forms**

**Project Aerial Photos contributed by Aero Map, U.S.**

Nearly one thousand people agree with the many actively-involved businesses, organizations, agencies, and neighborhood residents that the Business Park Wetlands must be preserved now. Join us in our efforts! Use the enclosed envelope to help us acquire as many square feet of wetlands as you wish. Or, you're invited to "purchase" a goose nest to insure that this year's newborn Canada Geese will have a home to which they can return next spring. All contributions are tax deductible to the fullest extent of the law because of the Coalition's affiliation with the Anchorage Audubon Society, a local non-profit organization. If you'd also like to become more involved, there's space for you to let us know that too. Thank you for your support!

For more information, contact:

**Marideth Sandler (562-2514-days or 346-2535-evenings)  
or Robert Senner (258-4054-days or 345-5891-evenings.)**

## BIRDS YOU ARE LIKELY TO SEE IN THE BUSINESS PARK WETLANDS

Canada Goose\*  
Mallard\*  
Green-winged Teal  
American Wigeon\*  
Northern Pintail  
Northern Shoveler\*  
Greater Scaup  
Semipalmated Plover  
Killdeer  
Lesser Golden-Plover  
Greater Yellowlegs  
Lesser Yellowlegs\*  
Spotted Sandpiper  
Short-billed Dowitcher\*  
Common Snipe  
Least Sandpiper\*

Ring-billed Gull  
Mew Gull\*  
Herring Gull\*  
Glaucous-winged Gull  
Bald Eagle  
Tree Swallow  
Violet-green Swallow  
Common Raven  
Ruby-crowned Kinglet  
American Robin\*  
Yellow-rumped Warbler  
Savannah Sparrow\*  
White-crowned Sparrow\*  
Lincoln's Sparrow  
Pine Siskin  
Common Redpoll

\* Known or probable breeder.

List provided by the Anchorage Audubon Society



4446 Business Park Boulevard Anchorage, Alaska 99503

Non-Profit Org.  
U.S. Postage

**PAID**

Anchorage, Alaska  
Permit No. 157

H B

5 2 4

FISCAL NOTE

STATE OF ALASKA  
1992 LEGISLATIVE SESSION

BILL NO. CSHB 524 (RES)

Revision Date: 4/23/92 Department Affected: Fish and Game  
 Title: Fee on transfers of limited entry permits BRU: Commercial Fisheries (Limited) Entry Commission  
 Component: Limited Entry Program Administration  
 Sponsor: Representative Koponen  
 Requestor: House Resources Committee COMPONENT SERIAL NO 

|   |   |   |   |
|---|---|---|---|
| 0 | 4 | 7 | 1 |
|---|---|---|---|

EXPENDITURES/REVENUES:(Thousands of Dollars)

| OPERATING              | FY 93 | FY 94 | FY 95 | FY 96 | FY 97 | FY 98 |
|------------------------|-------|-------|-------|-------|-------|-------|
| PERSONAL SERVICES      |       |       |       |       |       |       |
| TRAVEL                 |       |       |       |       |       |       |
| CONTRACTUAL            |       |       |       |       |       |       |
| SUPPLIES               |       |       |       |       |       |       |
| EQUIPMENT              |       |       |       |       |       |       |
| LAND & STRUCTURES      |       |       |       |       |       |       |
| GRANTS, CLAIMS         |       |       |       |       |       |       |
| MISCELLANEOUS          |       |       |       |       |       |       |
| <b>TOTAL OPERATING</b> | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   |

|         |  |  |  |  |  |  |
|---------|--|--|--|--|--|--|
| CAPITAL |  |  |  |  |  |  |
|---------|--|--|--|--|--|--|

|              |  |  |  |  |  |  |
|--------------|--|--|--|--|--|--|
| REVENUE      |  |  |  |  |  |  |
| FUND SOURCE: |  |  |  |  |  |  |

FUNDING: (Thousands of Dollars)

|               |     |     |     |     |     |     |
|---------------|-----|-----|-----|-----|-----|-----|
| GENERAL FUND  | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| FEDERAL FUNDS |     |     |     |     |     |     |
| OTHER         |     |     |     |     |     |     |
| FUND SOURCE:  |     |     |     |     |     |     |
| <b>TOTAL</b>  | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

POSITIONS:

|           |  |  |  |  |  |  |
|-----------|--|--|--|--|--|--|
| FULL-TIME |  |  |  |  |  |  |
| PART-TIME |  |  |  |  |  |  |
| TEMPORARY |  |  |  |  |  |  |

Estimate of current year impact: \_\_\_\_\_

ANALYSIS: (Attach a separate page if necessary.)

This committee substitute establishes the administration, enforcement and collection of the transfer fee with the Department of Revenue. This fiscal impact is removed from the CFEC.

Prepared By: Roger Kolden Phone: 789-6160  
 Agency: Commercial Fisheries (Limited) Entry Commission, Date: 4/23/92

Approved by Commissioner: *Frank McHenry*  
 Agency: Commercial Fisheries (Limited) Entry Commission Date: 4/23/92

FISCAL NOTE

STATE OF ALASKA  
1992 LEGISLATIVE SESSION

BILL NO. CSHB 524 (RES)

Revision Date: April 30, 1992  
Title: Limited Entry Permit Fee

Department Affected: Department of Revenue  
BRU: Revenue Operations  
Component: Income and Excise Audit

Sponsor: Rep. Koponen  
Requestor: House Resources

COMPONENT SERIAL NO. 1 | 1 | 3

EXPENDITURES/REVENUES: (Thousands of Dollars)

| OPERATING                  | FY 93        | FY 94          | FY 95          | FY 96          | FY 97          | FY 98          |
|----------------------------|--------------|----------------|----------------|----------------|----------------|----------------|
| PERSONAL SERVICE           | 16.3         | 32.6           | 32.6           | 32.6           | 32.6           | 32.6           |
| TRAVEL                     | 0.0          | 0.0            | 0.0            | 0.0            | 0.0            | 0.0            |
| CONTRACTUAL                | 0.7          | 1.5            | 1.5            | 1.5            | 1.5            | 1.5            |
| SUPPLIES                   | 0.5          | 1.0            | 1.0            | 1.0            | 1.0            | 1.0            |
| EQUIPMENT                  | 3.5          | 0.0            | 0.0            | 0.0            | 0.0            | 0.0            |
| LANDS & STRUCTURES         |              |                |                |                |                |                |
| GRANTS, CLAIMS             |              |                |                |                |                |                |
| MISCELLANEOUS              |              |                |                |                |                |                |
| <b>TOTAL OPERATING</b>     | <b>21.0</b>  | <b>35.1</b>    | <b>35.1</b>    | <b>35.1</b>    | <b>35.1</b>    | <b>35.1</b>    |
| <b>CAPITAL</b>             |              |                |                |                |                |                |
| <b>REVENUE FUND SOURCE</b> | <b>510.7</b> | <b>1,021.4</b> | <b>1,021.4</b> | <b>1,021.4</b> | <b>1,021.4</b> | <b>1,021.4</b> |

FUNDING: (Thousands of Dollars)

|                   |             |             |             |             |             |             |
|-------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| GENERAL FUND      | 21.0        | 35.1        | 35.1        | 35.1        | 35.1        | 35.1        |
| FEDERAL FUNDS     |             |             |             |             |             |             |
| OTHER FUND SOURCE |             |             |             |             |             |             |
| <b>TOTAL</b>      | <b>21.0</b> | <b>35.1</b> | <b>35.1</b> | <b>35.1</b> | <b>35.1</b> | <b>35.1</b> |

POSITIONS:

|           |     |     |     |     |     |     |
|-----------|-----|-----|-----|-----|-----|-----|
| FULL-TIME | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| PART-TIME |     |     |     |     |     |     |
| TEMPORARY |     |     |     |     |     |     |

Estimate of current year impact: \$0.0

ANALYSIS:

SEE ATTACHED

Prepared By: Paul Dick *LEM* Phone: (907) 465-2320  
Division: Income and Excise Audit Date: April 30, 1992

Approved by Commissioner: Darrel J. Rexwinkel *PAM* *Darrel Rexwinkel*  
Agency: Department of Revenue Date: 4/30/92

Distribution (by preparer): Leg. Fin., Legislative Sponsor, Requestor, OMB/DBR, Gov. Legis. Ofc., & Impacted Agency(ies).

**Analysis**

This bill provides for a fee on transfers of limited entry permits under AS 16.43.170. Effective January 1, 1993, the seller of the permit would be liable for the fee and would be required to pay the fee to the Department of Revenue prior to the permit transfer. The Department of Revenue would collect and account for the transfer fees.

Under the provisions of this bill, the fee would apply to the estimated value of the permit and would be 1% if the transfer is to a state resident and 3% if the transfer is to a person who is not a state resident. This bill excludes transfers of limited entry permits by inheritance or gift from the transfer tax.

According to calendar year 1990 permit transfer data provided by the Commercial Fisheries Entry Commission (CFEC) dated April 28, 1992, there were 635 permit sales for the year. Of the total sales, 455 were sold to state residents and 180 were sold to nonresidents. Using CFEC data, total fees generated under this bill would be approximately \$1,021,400 as calculated below:

| <u>Seller</u> | <u>Purchaser</u> | <u># Sales</u> | <u>Average Value</u> | <u>Tax Rate</u> | <u>Fee Revenue</u> |
|---------------|------------------|----------------|----------------------|-----------------|--------------------|
| Alaskan       | Alaskan          | 376            | \$ 83,100            | 1%              | \$ 312,500         |
| Nonresident   | Alaskan          | 79             | 112,300              | 1%              | 88,700             |
| Alaskan       | Nonresident      | 90             | 105,900              | 3%              | 285,900            |
| Nonresident   | Nonresident      | <u>90</u>      | 123,800              | 3%              | <u>334,300</u>     |
| Total         |                  | <u>635</u>     |                      |                 | <u>\$1,021,400</u> |

Since this bill takes effect January 1, 1993, revenues for FY93 reflect a half year's transfer activity.

FY94 FUNDING REQUEST

Personal Services \$32.6

Accounting Clerk III      8A      1 @ 32.6      \$32.6

Travel 0.0

No travel funding provided for this program.

Contractual 1.5

Provides funding for print costs, postage, advertising,  
communication expenses, and other contractual costs.

Supplies 1.0

Provides funding for office and computer supplies.

TOTAL FY94 Request: \$35.1

**ANALYSIS OF LIMITED ENTRY TRANSFER FEE FROM CSHB 524 (RES)**  
 Prepared by Commercial Fisheries Entry Commission,  
 Research Section, (4/28/92)

**Table 1. Permanent Transfer of Limited Entry Permits<sup>1</sup>  
 1990 Transfer Activity**

| <u>Transfer<br/>From</u> | <u>Transfer<br/>To</u> | <u>Total<br/>Number of<br/>Transfers</u> | <u>Revenue<br/>Generating<br/>Transfers<sup>2</sup></u> | <u>Average<br/>Value of<br/>Transfers<sup>3</sup></u> |
|--------------------------|------------------------|--|---|---|
| Alaskan                  | Alaskan                | 620                                      | 376   | \$83,095  |
| Alaskan                  | Nonres.                | 101                                      | 90  | \$105,879   |
| Nonres.                  | Nonres.                | 137                                      | 90  | \$123,840   |
| Nonres.                  | Alaskan                | 92                                       | 79  | \$112,300   |
|                          | Total                  | <u>950</u>                               | <u>635</u>  | <u>\$95,733</u>                                       |

<sup>1</sup> Transfer statistics extracted from Changes In The Distribution Of Alaska's Limited Entry Permits, 1975-1990 (CFEC Report 91-6) and from the transfer survey files associated with this report.

<sup>2</sup> Transfers that are excluded from transfer fee determination are those outlined in CSHB 524 and include transfers involving: DCED, CFAB, inheritance, or any non-monetary transfers involving immediate family members. Confidentiality restrictions resulting from insufficient transfer sales in 4 fisheries prevent the estimation of permit values for those fisheries. A total of 4 transfers occurred in these fisheries in 1990 and are excluded from this analysis.

<sup>3</sup> CFEC published permit values from February 1989 were used for transfer fee determination in this analysis. These values are the same as used for 1990 permit renewal fees. Values were not available for the G34Z and C61A fisheries for February 1989 due to insufficient number of transfers. The first published values for these fisheries are from April and September 1990, respectively. These more recent values were used for transfer fee determination in these fisheries.

Table 2. Estimated Fees for 1990 Limited Entry Permit Transfers<sup>4</sup>  
(as outlined in CSHB 524)

| <u>Transfer From</u> | <u>Transfer To</u> | <u>Revenue Generating Transfers</u> | <u>Fee Rate</u> | <u>Total Transfer Fees</u> | <u>Average Fee</u> |
|----------------------|--------------------|-------------------------------------|-----------------|----------------------------|--------------------|
| Alaskan              | Alaskan            | 376                                 | 1%              | \$312,439                  | \$831              |
| Alaskan              | Nonres.            | 90                                  | 1%              | \$95,291                   | \$1,059            |
| Nonres.              | Nonres.            | 90                                  | 3%              | \$334,369                  | \$3,715            |
| Nonres.              | Alaskan            | 79                                  | 3%              | \$266,150                  | \$3,369            |
|                      | Total              | <u>635</u>                          |                 | <u>\$1,008,249</u>         |                    |

<sup>4</sup> Fees were determined by applying the residency specific rate (1% for resident transferors, 3% for nonresident transferors) to the fishery specific published permit value for each transfer that met the criteria of CSHB 524.

FISCAL NOTE

STATE OF ALASKA  
1992 LEGISLATIVE SESSION

BILL NO. CSHB 524

Revision Date: April 28, 1992  
Title: Limited Entry Permit Tax

Department Affected: Department of Revenue  
BRU: Revenue Operations  
Component: Income and Excise Audit

Sponsor: Rep. Koponen  
Requestor: HRES

COMPONENT SERIAL NO. | 1 | 1 | 3 |

EXPENDITURES/REVENUES: (Thousands of Dollars)

| OPERATING           | FY 93 | FY 94 | FY 95 | FY 96 | FY 97 | FY 98 |
|---------------------|-------|-------|-------|-------|-------|-------|
| PERSONAL SERVICES   | 16.3  | 32.6  | 32.6  | 32.6  | 32.6  | 32.6  |
| TRAVEL              | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   |
| CONTRACTUAL         | 0.7   | 1.5   | 1.5   | 1.5   | 1.5   | 1.5   |
| SUPPLIES            | 0.5   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| EQUIPMENT           | 3.5   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   |
| LANDS & STRUCTURES  |       |       |       |       |       |       |
| GRANTS, CLAIMS      |       |       |       |       |       |       |
| MISCELLANEOUS       |       |       |       |       |       |       |
| TOTAL OPERATING     | 21.0  | 35.1  | 35.1  | 35.1  | 35.1  | 35.1  |
| CAPITAL             |       |       |       |       |       |       |
| REVENUE FUND SOURCE | 409.6 | 819.2 | 819.2 | 819.2 | 819.2 | 819.2 |

FUNDING: (Thousands of Dollars)

|                   |      |      |      |      |      |      |
|-------------------|------|------|------|------|------|------|
| GENERAL FUND      | 21.0 | 35.1 | 35.1 | 35.1 | 35.1 | 35.1 |
| FEDERAL FUNDS     |      |      |      |      |      |      |
| OTHER FUND SOURCE |      |      |      |      |      |      |
| TOTAL             | 21.0 | 35.1 | 35.1 | 35.1 | 35.1 | 35.1 |

POSITIONS:

|           |     |     |     |     |     |     |
|-----------|-----|-----|-----|-----|-----|-----|
| FULL-TIME | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| PART-TIME |     |     |     |     |     |     |
| TEMPORARY |     |     |     |     |     |     |

Estimate of current year impact: \$0.0

ANALYSIS:  
SEE ATTACHED

Prepared By: Paul Dick P.D. LEM Phone: (907) 465-2320  
Division: Income and Excise Audit Date: April 28, 1992

Approved by Commissioner: Darrel J. Rexwinkel [Signature]  
Agency: Department of Revenue Date: 4/28/92

Distribution (by preparer): Leg. Fin., Legislative Sponsor, Requestor, OMB/DBR, Gov. Legis. Ofc., & Impacted Agency(ies).

### Analysis

This bill provides for a tax on transfers of limited entry permits under AS 16.43.170. Effective January 1, 1993, the seller of the permit would be liable for the tax and would be required to pay the tax to the Department of Revenue prior to the permit transfer. The Department of Revenue would collect and account for the transfer taxes.

Under the provisions of this bill, the tax rate would be 1% if the seller is a state resident and 3% if the seller is not a state resident. This bill excludes transfers of limited entry permits by inheritance or gift from the transfer tax.

According to calendar year 1990 data provided by the Commercial Fisheries Entry Commission (CFEC), there were 554 permit sales for the year. Of the total sales 408 were sold by state residents and 146 were sold by nonresidents. Using CFEC data, total tax revenues generated under this bill would be approximately \$819,200 as calculated below:

| <u>Seller</u>      | <u>Purchaser</u> | <u># Sales</u> | <u>Average Value</u> | <u>Tax Rate</u> | <u>Tax Revenue</u> |
|--------------------|------------------|----------------|----------------------|-----------------|--------------------|
| Alaskan            | Alaskan          | 321            | \$ 78,100            | 1%              | \$250,700          |
| Alaskan            | Nonresident      | 87             | 107,500              | 1%              | 93,500             |
| Nonresident        | Alaskan          | 76             | 112,200              | 3%              | 255,800            |
| Nonresident        | Nonresident      | 70             | 104,400              | 3%              | <u>219,200</u>     |
| Total Tax Revenues |                  |                |                      |                 | <u>\$819,200</u>   |

Since this bill takes effect January 1, 1993, revenues for FY93 reflect a half year's transfer activity. The Department of Revenue would be able to absorb the costs of administering this tax because of the low volume of transfers and minimal enforcement effort needed to collect the tax (CFEC may not transfer a permit until the tax has been paid.)

FY94 FUNDING REQUEST

|  |    |          |               |
|--|----|----------|---------------|
| <u>Personal Services</u>   |    |          | \$32.6        |
| Accounting Clerk III   | 8A | 1 @ 32.6 | \$32.6        |
| <u>Travel</u>  |    |          | 0.0           |
| No travel funding provided for this program.   |    |          |               |
| <u>Contractual</u>   |    |          | 1.5           |
| Provides funding for print costs, postage, advertising, communication expenses, and other contractual costs. |    |          |               |
| <u>Supplies</u>  |    |          | 1.0           |
| Provides funding for office and computer supplies.   |    |          |               |
| TOTAL FY94 Request:  |    |          | <u>\$35.1</u> |

*Bruce*

MEMORANDUM

STATE OF ALASKA

TO: The Honorable Cliff Davidson  
Chairman  
House Resources Committee

DATE: April 22, 1992

FAX NO: 789-6170

ATTN: Jay Nelson

TELEPHONE NO: 789-6160

FROM: COMMERCIAL FISHERIES  
ENTRY COMMISSION  
Bruce Twomley, Chairman  
Frank Homan, Commissioner  
Rich Listowski, Commissioner

SUBJECT: CSHB 524 Limit Entry  
Permit Transfer

Table 1. - Estimated Revenue from Proposed Tax (CSHB 524)  
based on 1991 Permit Transfers

| Permits<br>Transferred | Tax Percentage Level |             |             |             |             |
|------------------------|----------------------|-------------|-------------|-------------|-------------|
|                        | 1%                   | 2%          | 3%          | 4%          | 5%          |
| 867 <sup>1</sup>       | \$829,617            | \$1,659,234 | \$2,488,851 | \$3,318,468 | \$4,148,085 |

Table 2. - Transfers By Type for 1991

|  |            |
|--|------------|
| Combinations (permit and boat or gear or site) | 106        |
| Gifts (no money)                               | 236        |
| Inheritance                                    | 48         |
| Others (partnerships - family transfer)        | 75         |
| Sales  | 441        |
| Trades   | 14         |
| Incomplete Data                                | 4          |
| <b>TOTAL</b>                                   | <b>924</b> |

<sup>1</sup>These estimates do not include inheritance (48 permits in 1991) or 9 transfers for which there is no estimated permit value for the fishery.



# Alaska State Legislature

## HOUSE RESOURCES COMMITTEE

P.O. Box V  
State Capitol  
Juneau, Alaska 99811  
(907) 465-3715

TO: Representative Cliff Davidson, Chairman  
House Resources Committee

FROM: Jay Nelson *JN*  
Staff to Representative Davidson

DATE: 2 April, 1992

SUBJECT: HB 524 - Limited Entry Transfer Tax

Attached is a proposed draft of CSHB 524 (RES) as requested by the Committee. The collection of the transfer tax under this proposal would be greatly simplified over the original bill since each class of limited entry permit would have a set value established in regulation each year based on the average value for permits in that class. The Commercial Fisheries Entry Commission (CFEC) currently uses that method to establish the values for the annual permit fees.

I also requested that Mr. Chenoweth draft the legislation so that a differential, presumably higher, tax could be charged for limited entry permit transfers to non-residents versus permit transfers to resident Alaskans. Attached is a memorandum addressing the issue of whether or not it is legal to charge a higher fee for transfers of permits to non-residents. Currently, the CFEC does charge triple for non-resident annual permit fees although that is under legal challenge.

To simplify the bill for purposes of discussion, I also instructed Mr. Chenoweth to remove the language addressing the ultimate disposition of this revenue raised under this tax (seafood marketing, enforcement, etc.). It would be easy to add that into the bill if the committee so wishes.

Based on CFEC testimony and related Committee discussion, I asked Mr. Chenoweth to move the tax collection authority from the CFEC to the Department of Revenue.

Finally, I am unsure what level of tax the Committee would wish to propose. As a result, there are blank spaces on page 1 line 14 and page 2 line 2 where the percent tax needs to be inserted.

cc: House Resource Committee members

MEMORANDUM

STATE OF ALASKA

TO: The Honorable Cliff Davidson  
Chairman  
House Resources Committee

DATE: April 10, 1992

FAX NO: 789-6170

ATTN: Jay Nelson

TELEPHONE NO: 789-6160

FROM: COMMERCIAL FISHERIES  
ENTRY COMMISSION  
Bruce Twomley, Chairman  
Frank Homan, Commissioner  
Rich Listowski, Commissioner

SUBJECT: CSHB 524 ( )  
Draft Dated 04/01/92,  
7-LS2076/G

The following are a few comments and questions for your consideration regarding this latest draft.

1. It isn't clear in Section 1 that the tax is computed on the estimated value as determined by CFEC once each year. That is, when CFEC estimates the permit value for annual fee purposes that permit value remains in effect for one year and becomes the basis for computing the transfer tax. In other words, as we understand the intent, all permits in a particular fishery will all be assessed the same transfer tax during the same year but the actual sales value may vary with each transfer.
2. There is still some confusion as to which transfers are to be taxed. For example, line 7 page 1 uses the word "transfer", then line 9 page 1 uses the word "sale". This brings up the question as to the disposition of "gift" transfers. Those permits are most often transferred between relatives and friends. Are they to be taxed or are only sales taxed? Perhaps gifts between family members could be added to the list of exceptions.
3. There are two types of limited entry permit transfers; (1) permanent and (2) emergency. It is not stated that this tax applies only to permanent transfers, if that is the intention. Emergency transfers usually arise because of an unexpected hardship and are only effective for one year.
4. This version substantially reduces the fiscal impact on CFEC. There will remain, however, some investigation and administration regarding residency as there may be greater effort to claim residency to avoid the higher tax rate. There will also need to be some coordination with Department of Revenue.

Please let us know if we can provide any additional information.

Alaska State Capitol  
Juneau, AK 99801-1182  
XXXXXXXXXXXXXXXXXXXX  
Juneau, Alaska 99801  
(907) 465-4992

Alaska State Legislature  
Representative Niilo Koponen  
House District 21

119 N. Cushman, Suite 207  
Fairbanks, Alaska 99701  
(907) 456-8172

SPONSOR STATEMENT

House Bill 524

"An Act imposing a tax on transfers of limited entry permits; and providing for an effective date"

Whether or not the Alaska Legislature is successful in reducing the state operating budget, Alaskans will face continuing pressures from declining oil revenues coupled with stable or increasing demands for government services. We must consider new measures to accrue revenue to the state, including taxes. Taxes should be simple, fair, stable from year to year and relatively inexpensive to administer. It is desirable to implement an array of broad-based taxes set at low rates rather than to unduly burden any particular class of taxpayers.

Likely priority targets for state taxes are resource extraction activities employing out-of-state workers, who take the fruits of their labors outside, leaving nothing behind for Alaska -- the source of their wealth. Specifically, the fishing industry attracts many non-Alaskans to the state, who take their earnings home with them.

Permit renewal fees cover the costs of administering the program, but the real wealth goes relatively untaxed. The state has the opportunity (some would say the obligation) to recover more of the artificially-created wealth it has bestowed upon a few individuals through limiting entry to certain fisheries. HB 524 attempts to capture some of this wealth by imposing a tax on the transfer of limited entry fishing permits.

HB 524 taxes permits selling for less than \$100,000 at the rate of one percent of the selling price; permits selling for more than that are taxed at the rate of \$1,000 plus one percent of the selling price for each \$50,000 or fraction of \$50,000 in excess of \$100,000, not to exceed five percent of the selling price. Revenue projections are not yet available, but according to a 1989 analysis by the House Research Agency, an annual tax of one percent of the transfer value of transferable limited entry permits priced over \$50,000 would generate about \$9.9 million annually, the same tax on all transferable permits would yield \$11.6 million each year. Frank Homan of the Commercial Fisheries Entry Commission estimates that 8-10% of permits change hands in any given year; very roughly, the tax as proposed in HB 524 would generate about \$500,000 annually.

ANALYSIS OF LIMITED ENTRY TRANSFER TAX FROM HOUSE BILL NO. 524  
 Prepared by Commercial Fisheries Entry Commission,  
 Research Section, (3/26/92)

Table 1. Permanent Transfer of Limited Entry Permits<sup>1</sup>  
 1990 Transfer Activity

| <u>Transfer From</u> | <u>Transfer To</u> | <u>Total Number Of Transfers</u> | <u># of Sales</u> | <u>% Sales<sup>2</sup> of all Transfers</u> | <u>Average Value Of Sales</u> |
|----------------------|--------------------|----------------------------------|-------------------|---|-------------------------------|
| Alaskan              | Alaskan            | 620                              | 321               | 51.8%                                       | \$78,102                      |
| Alaskan              | Nonres.            | 101                              | 87                | 86.1%                                       | \$107,453                     |
| Nonres.              | Nonres.            | 137                              | 76                | 55.5%                                       | \$112,228                     |
| Nonres.              | Alaskan            | 92                               | 70                | 76.1%                                       | \$104,362                     |
|                      | Total              | <u>950</u>                       | <u>554</u>        | <u>58.3%</u>                                | <u>\$90,711</u>               |

Table 2. Estimated Taxes on 1990 Limited Entry Permit Sales<sup>3</sup>  
 (as outlined in House Bill No. 524)

| <u>Transfer From</u> | <u>Transfer To</u> | <u># of Sales</u> | <u>Tax On All Sales</u> |
|----------------------|--------------------|-------------------|-------------------------|
| Alaskan              | Alaskan            | 321               | \$394,820               |
| Alaskan              | Nonres.            | 87                | \$162,134               |
| Nonres.              | Nonres.            | 76                | \$154,288               |
| Nonres.              | Alaskan            | 70                | \$118,419               |
|                      | Total              | <u>554</u>        | <u>\$829,661</u>        |

<sup>1</sup> Transfer statistics extracted from Changes In The Distribution Of Alaska's Limited Entry Permits, 1975-1990 (CFEC Report 91-6) and from the transfer survey files associated with this report.

<sup>2</sup> Transfer categories other than "sales" include "gift", "trade", and "other" transfers. The "other" category includes such transfers as inheritance, divorce settlement, and other family transfers.

<sup>3</sup> Permit values are listed on transfer surveys for sales transfers only, therefore, taxes were calculated for sales transfers only.

Table 3. Tax Brackets Used To Estimate Transfer Tax <sup>4</sup>

| <u>Bracket</u>        | <u>Calculation</u>                                  |
|-----------------------|---|
| \$0 - \$100,000       | .01 * Sales Value                                   |
| \$100,001 - \$150,000 | \$1,000 <sup>5</sup> + .02(Sales Value - \$100,000) |
| \$150,001 - \$200,000 | \$2,000 + .03(Sales Value - \$150,000)              |
| \$200,001 - \$250,000 | \$3,500 + .04(Sales Value - \$200,000)              |
| \$250,001 +           | \$5,500 + .05(Sales Value - \$250,000)              |

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<sup>4</sup> Taxes were estimated using a graduated scale as interpreted from the tax definition in House Bill No. 524 and applied to each sales transfer that occurred in 1990.

<sup>5</sup> Increment added from previous tax bracket.

STATE OF ALASKA  
1992 LEGISLATIVE SESSION

BILL NO. HB 524

Revision Date: \_\_\_\_\_ Department Affected: Fish and Game  
 Title: Tax on transfers of limited entry permits BRU: Commercial Fisheries (Limited) Entry  
 Component: Commission Limited Entry  
 Sponsor: Representative Koponen Program Administration  
 Requestor: Representative Koponen COMPONENT SERIAL NO. 

|  |   |   |   |
|--|---|---|---|
|  | 4 | 7 | 1 |
|--|---|---|---|

EXPENDITURES/REVENUES: (Thousands of Dollars)

| OPERATING              | FY 93        | FY 94        | FY 95        | FY 96        | FY 97        | FY 98        |
|------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| PERSONAL SERVICES      | 108.1        | 108.1        | 108.1        | 108.1        | 108.1        | 108.1        |
| TRAVEL                 | 14.2         |              |              |              |              |              |
| CONTRACTUAL            | 12.9         | 2.4          | 2.4          | 2.4          | 2.4          | 2.4          |
| SUPPLIES               | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          |
| EQUIPMENT              | 2.5          |              |              |              |              |              |
| LAND & STRUCTURES      |              |              |              |              |              |              |
| GRANTS, CLAIMS         |              |              |              |              |              |              |
| MISCELLANEOUS          |              |              |              |              |              |              |
| <b>TOTAL OPERATING</b> | <b>138.7</b> | <b>111.5</b> | <b>111.5</b> | <b>111.5</b> | <b>111.5</b> | <b>111.5</b> |

|         |  |  |  |  |  |  |
|---------|--|--|--|--|--|--|
| CAPITAL |  |  |  |  |  |  |
|---------|--|--|--|--|--|--|

| REVENUE<br>FUND SOURCE: | GF<br>1004 | GF<br>1004 | GF<br>1004 | GF<br>1004 | GF<br>1004 | GF<br>1004 |
|-------------------------|------------|------------|------------|------------|------------|------------|
|                         |            |            |            |            |            |            |

FUNDING: (Thousands of Dollars)

|                       |       |       |       |       |       |       |
|-----------------------|-------|-------|-------|-------|-------|-------|
| GENERAL FUND          | 138.7 | 111.5 | 111.5 | 111.5 | 111.5 | 111.5 |
| FEDERAL FUNDS         |       |       |       |       |       |       |
| OTHER<br>FUND SOURCE: |       |       |       |       |       |       |
| <b>TOTAL</b>          |       |       |       |       |       |       |

POSITIONS:

|           |   |   |   |   |   |   |
|-----------|---|---|---|---|---|---|
| FULL-TIME | 1 | 1 | 1 | 1 | 1 | 1 |
| PART-TIME | 2 | 2 | 2 | 2 | 2 | 2 |
| TEMPORARY |   |   |   |   |   |   |

Estimate of current year impact: \_\_\_\_\_

ANALYSIS: (Attach a separate page if necessary.)

SEE ATTACHED

Prepared By: Roger Kolden Phone: 782-6160  
 Division: Commercial Fisheries (Limited) Entry Date: 03/24/92  
 Commission  
 Approved by Commissioner: *Frank J. Hansen*  
 Agency: CFC Date: 3/26/92

Distribution (by preparer): Leg. Fin., Legislative Sponsor, Requestor, OMB/DBR, Gov. Legis. Ofc., & Impacted Agency(ies).

## ANALYSIS OF BILL/PROGRAM EFFECTS

HB 524, imposing a tax on the transfer of entry permits would require CFEC to implement a program for administering, enforcing and collecting this tax and would require a staffing increase. We could not absorb the duties of administering, enforcing and collecting this tax with the existing staff.

At a minimum, we would probably need to create a new position that would be primarily responsible for administering this taxation responsibility. The person in the position would probably be at the approximate skill/duty level of the transfer officer or managing paralegal, range 17-19. In addition, investigations and adjudication duties would be increased for existing staff, or may require additional staff.

The person with primary duties administering this proposed tax would face issues such as: valuation of permit prices in individual transactions, investigating permit transfers, administering a bonding or security procedure pending appeals, and making initial tax determinations. A few comments follow about each category.

### Valuation issues

We currently seek to learn the price of each permit that is transferred in order to make monthly estimates of permit values. Imposing a tax according to the permit price adds another dimension to this process, because individual tax liabilities will be determined, and the determinations will be subject to appeals and adjudications. In addition to the reason stated in the bill, "selling price . . . is not separately stated," valuation issues may arise in examples such as these:

--buyer can not meet a payment, so they form a new contract, agreeing to a return of the permit in exchange for an extinguishment of the debt.

--permit holder agrees to trade one kind of permit for another, a practice that is becoming more common because capital gains taxes can be avoided.

--selling price is not specified, but is given as a percentage of the gross catch over a given number of years.

### Investigations

A relatively high proportion of permit transfers are gifts or other non-monetary transfers, and the bill leaves several uncertainties about how these transfers are to be treated under the taxing proposal. If the tax could be saved by designating a permit transfer as being a gift, or by minimizing its value, there would certainly be increased costs associated with investigating and enforcing the tax law as applied to these kinds of transfers.

## ANALYSIS OF BILL/PROGRAM EFFECTS

Over the 1980-1990 time period, 34.2% of permit transfers were "gifts" and 4.9% were trades or "other". Only 61.0% of transfers were "sales".

Part of the reason for many transfers being gifts or "partial gifts" is the high percentage of transfers that are between family members, relatives, friends, or business partners. For example, over the 1980-1990 time period, 60.9% of permit transfers were between immediate family members, other relatives, friends, or business partners.

### Bonding or other security

As the bill acknowledges, there will be instances where the permit sale price can not be easily ascertained quickly, so there will need to be some means for posting a bond or other security so the transfer can go forward before the valuation issue can be resolved.

### Adjudication

We currently face a large backlog of application cases. If the CFEC is to administer this tax, we will need to hear the initial appeals of tax determinations. Directing these appeals through our existing adjudication process will delay adjudication of permit application cases. An alternative appeal procedure may be possible, but that would require additional staff.



|                                      |                   |   |                      |                   |
|--------------------------------------|-------------------|---|----------------------|-------------------|
| Position Title<br>Hearing Officer II |                   | No. of Positions<br>1   | Range / Step<br>22 A | Barg. Unit<br>X   |
| Time Status<br>S                     | Staff Months<br>6 | Location<br>Juneau  |                      | Election District |
| <b>TYPE OF EXPENDITURE</b>           |                   | <b>Amount</b>   |                      |                   |
| Salary                               | 27.6              | 27.6  |                      |                   |
| Benefits                             | 10.0              | 10.0  |                      |                   |
| Premium Pay                          |                   |   |                      |                   |
| Other                                |                   |   |                      |                   |
| Total Personal Services              | 37.6              | 37.6  |                      |                   |
| Travel                               |                   | 7.1   |                      |                   |
| Contractual                          |                   |   |                      |                   |
| Commodities                          |                   | .3  |                      |                   |
| Equipment                            |                   |   |                      |                   |
| Other                                |                   |   |                      |                   |
| Total Cost                           |                   | 45.0  |                      |                   |
| <b>FUNDING SOURCE FOR TOTAL COST</b> |                   |   |                      |                   |
| Federal Receipts                     | 1002              |   |                      |                   |
| G.F. Match                           | 1003              |   |                      |                   |
| General Fund                         | 1004              | 45.0  |                      |                   |
| I-A Receipts                         | 1007              |   |                      |                   |
| CHP Receipts                         | 1061              |   |                      |                   |
| Other                                |                   |   |                      |                   |
|                                      |                   | <b>Justification</b><br>This position will become responsible for hearing the initial appeals of tax determinations. With the large backlog of application cases, the agency can not afford to absorb these costs and build an even larger backlog. |                      |                   |
|                                      |                   | <b>Support Costs</b><br>Public regulation hearings for two staff to 12 communities is estimated to cost 14.2. This position has one-half of the budgeted travel costs. Commodities (office supplies are .3).  |                      |                   |

**Request For  
New Position**

AGENCY Department of Fish and Game

BRU Commercial Fisheries (Limited) Entry  
Commission

COMPONENT Limited Entry Program Administration

**FY** 93

Page 2 of 3

Revised Date: \_\_\_\_\_



# **NFIB** Alaska

National Federation of  
Independent Business

POSITION PAPER

OF

NATIONAL FEDERATION OF INDEPENDENT BUSINESS  
(NFIB/ALASKA)

ON

**TAXES**

HB 522 - REAL ESTATE CONVEYANCE TAX.

HB 523 - CONVERTING THE BUSINESS LICENSE FEE TO A GROSS  
BUSINESS LICENSE TAX.

HB 524 - A TAX ON TRANSFERS OF LIMITED ENTRY PERMITS.

HB 525 - PERSONAL INCOME TAX.

State Office  
9159 Skywood Lane  
Juneau, AK 99801  
(907) 789-4278



The Guardian of  
Small Business

CHAIRMAN, MEMBERS OF THE COMMITTEE, MY NAME IS RESA JERREL, AND I AM THE STATE DIRECTOR FOR NATIONAL FEDERATION OF INDEPENDENT BUSINESS - NFIB/ALASKA.

NFIB/ALASKA IS COMPRISED OF 5,292 SMALL AND INDEPENDENT BUSINESS OWNERS. THE LEGISLATIVE AGENDA OF NFIB/ALASKA IS DETERMINED BY OUR BALLOT. THE BALLOT IS OUR ANNUAL POLL OF OUR MEMBERS ON A SERIES OF ISSUES DEEMED CRITICAL TO SMALL BUSINESS. A MAJORITY VOTE, OF THE MEMBERS IN RESPONSE TO THE POLL, SETS OUR POLICY AND POSITION ON LEGISLATIVE ISSUES. WE THEN SHARE THE RESULTS OF OUR POLL WITH THE LEGISLATURE AND ADMINISTRATION. THERE IS NOT ENOUGH SPACE ON THE ANNUAL POLL TO PLACE EVERY POSSIBLE ISSUE BEFORE OUR MEMBERS. THEREFORE, WE ALSO USE THE PREVIOUS YEARS BALLOT RESULTS AS GUIDANCE ON ISSUES.

ON THE 1986 STATE BALLOT THE MEMBERS OVERWHELMINGLY VOTED, (96%) TO REDUCE STATE GOVERNMENT BEFORE INCREASING PRESENT TAXES OR IMPOSING NEW TAXES.

ALSO, IN 1990 THE MEMBERS VOTED CLEARLY TO REJECT, (80%) THE REINSTATEMENT OF THE STATE PERSONAL INCOME TAX.

ADDITIONALLY, ATTACHED ARE THE RESULTS OF SEVERAL BALLOT QUESTIONS REGARDING GOVERNMENT COMPETITION.

NFIB/ALASKA OPPOSES HB 522, HB 523, HB 524 AND HB 525 BECAUSE THE STATE BUDGET NEEDS TO BE CUT BEFORE IMPOSING NEW TAXES. IF YOU SINCERELY WANT TO CUT THE BUDGET THEN PROHIBIT OR REDUCE THE COMMERCIAL ACTIVITIES OPERATED BY STATE AND LOCAL AGENCIES. SMALL BUSINESSES IN ALASKA FACE COMPETITION FROM STATE AND LOCAL GOVERNMENT AGENCIES IN A WIDE VARIETY OF COMMERCIAL ACTIVITIES. THE MANY SMALL BUSINESSES FACING GOVERNMENT COMPETITION ARE:

- PRINTING FIRMS
- GIFT SHOPS
- VIDEOTAPE OUTLETS
- DAY-CARE CENTERS
- SERVICE STATIONS
- LANDSCAPING
- ROAD REPAIR AND MAINTENANCE
- LABORATORIES
- MEDICAL CARE PROVIDERS
- PHARMACIES
- ARCHITECTURE AND ENGINEERING FIRMS
- OFFICE FURNITURE
- AUTO BODY REPAIR

GETTING GOVERNMENT OUT OF BUSINESS WOULD GO A LONG WAY TO BRINGING THE SIZE AND COST OF STATE AND LOCAL GOVERNMENT DOWN TO REASONABLE AND AFFORDABLE LEVELS - WITHOUT RAISING TAXES OR IMPOSING NEW TAXES.

NFIB/ALASKA THANKS YOU FOR THE OPPORTUNITY TO COMMENT ON THIS LEGISLATION. IF YOU HAVE ANY QUESTIONS I WOULD BE HAPPY TO TRY AND ANSWER THEM.

ATTACHMENT

The following is the result of the 1988 NFIB/Alaska ballot question regarding unfair competition:

Should legislation be enacted to restrict the commercial activities of government entities so they are not permitted to compete with existing private enterprises?

Yes 78%                      No 12%                      Undecided 10%

The following is the result of the 1990 NFIB/Alaska ballot question regarding government competition:

Should legislation be passed that would restrict government agencies from competing with private business in Alaska?

Yes 83%                      No 6%                      Undecided 11%

More recently, the following is the result of the 1991 NFIB/Alaska ballot question on this issue:

Should the legislature establish a Private Enterprise Preservation Task force in order to study and recommend legislation to limit competition with private business by state and local government?

Yes 67%                      No 23.1%                      Undecided 9.9%

7-LS2076M-  
Chenoweth  
4/29/92

CS FOR HOUSE BILL NO. 524 ( )  
IN THE LEGISLATURE OF THE STATE OF ALASKA  
SEVENTEENTH LEGISLATURE - SECOND SESSION

BY

Offered:  
Referred:

Sponsor(s): REPRESENTATIVE KOPONEN

A BILL

FOR AN ACT ENTITLED

1 "An Act imposing a fee on transfers of limited entry permits; and providing for an  
2 effective date."

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

4 \* Section 1. LEGISLATIVE FINDINGS. The legislature finds that the residents of the state are  
5 responsible for the general financial support of the programs of state government and that the vast  
6 majority of support for the programs of state government comes from taxes and revenue from state-  
7 owned resources. To a large extent, nonresidents of the state do not financially support the programs  
8 of state government that provide services to both residents and nonresidents within the state. These ser-  
9 vices include the administration of the various state departments and agencies and their programs, and  
10 specifically include fishery management programs. While the United States Constitution prevents the  
11 state from discriminating in its delivery of services to nonresidents, the Constitution does not prevent  
12 the state from charging nonresidents a differential that compensates the state for the costs and expenses  
13 that nonresidents impose on state government as long as the total fees that must be paid by a nonresident  
14 are substantially equal to the contributions by state residents when both their fees and their share of the

1 state revenue to which nonresidents make no contribution are taken into account. The legislature  
2 believes that the imposition of a higher fee for limited entry permit transfers to nonresidents to enjoy  
3 the state-provided benefit is substantially equal to amounts that must be paid by similarly situated  
4 residents when the residents' pro rata shares of state revenue to which nonresidents make no contribution  
5 are taken into account.

6 \* Sec. 2. AS 43 is amended by adding a new chapter to read:

7 CHAPTER 72. LIMITED ENTRY PERMIT TRANSFER FEE.

8 Sec. 43.72.010. TRANSFER FEE IMPOSED. There is imposed a limited entry transfer  
9 fee upon each transfer of a limited entry permit under AS 16.43.170. Payment of the fee  
10 imposed by this section is the obligation of the seller of the permit. The fee is computed by  
11 application of the following rates to the estimated value, at the time of transfer of the limited  
12 entry permit, of the class of the permit, as determined by the Commercial Fisheries Entry  
13 Commission by regulation adopted under AS 16.43.160 for purposes of calculation of the annual  
14 fees for the issuance and annual renewal of permits:

15 (1) the rate applicable for the transfer of a permit to a person who at the time of  
16 the transfer is a state resident is one percent of the estimated value of the permit;

17 (2) the rate applicable for the transfer of a permit to a person who at the time of  
18 the transfer is not a state resident is three percent of the estimated value of the permit.

19 Sec. 43.72.015. CONTINGENT TRANSFER FEE IMPOSED. If a court finds that the  
20 imposition of a higher fee under AS 43.72.010(2) is invalid as a violation of the United States  
21 or state constitution, then, instead of the fee imposed by AS 43.72.010, there is imposed a limited  
22 entry transfer fee upon each transfer of a limited entry permit under AS 16.43.170. Payment of  
23 the fee imposed by this section is the obligation of the seller of the permit. The fee is one  
24 percent of the value of the permit based on the estimated value, at the time of transfer of the  
25 limited entry permit, of the class of the permit, as determined by the Commercial Fisheries Entry  
26 Commission by regulation adopted under AS 16.43.160 for purposes of calculation of the annual  
27 fees for the issuance and annual renewal of permits.

28 Sec. 43.72.020. COLLECTION OF FEE. The fee shall be paid to and collected by the  
29 department. A limited entry permit subject to the fee may not be transferred by the commission  
30 under AS 16.43 until the fee has been paid. In a case in which the fee is not due on a transfer,  
31 the permit may not be transferred until suitable notation of the exception has been made by the

1 commission.

2 Sec. 43.72.030. PROVISIONS INAPPLICABLE. The fee does not apply to

3 (1) the transfer of an interim-use permit;

4 (2) a temporary emergency transfer of a permit authorized by AS 16.43.180(a);

5 (3) the transfer of a limited entry permit to the commission;

6 (4) the transfer of a limited entry permit to the state or the Alaska Commercial  
7 Fishing and Agriculture Bank as a result of foreclosure of a loan made under AS 16.10.300 -  
8 16.10.370 or under AS 44.81.210(a)(20) and 44.81.230 - 44.81.250;

9 (5) the transfer of a limited entry permit by the Department of Commerce and  
10 Economic Development under AS 16.10.337 or by the Alaska Commercial Fishing and  
11 Agriculture Bank under AS 44.81.250;

12 (6) the transfer of a limited entry permit from one spouse to the other under the  
13 terms of a divorce or dissolution decree or in fulfillment of a property settlement agreement;

14 (7) the transfer of a limited entry permit by inheritance; or

15 (8) the transfer of a limited entry permit that is made for a consideration other  
16 than cash if the transfer of the permit is

17 (A) from one spouse to another;

18 (B) between a parent or stepparent and the parent's or stepparent's child;

19 (C) between a grandparent and the grandparent's grandchild; or

20 (D) between siblings, whether related by birth, adoption, or the remarriage

21 of a parent.

22 Sec. 43.72.100. DEFINITIONS. In AS 43.72.010 - 43.72.100,

23 (1) "commission" means the Commercial Fisheries Entry Commission;

24 (2) "fee" means the limited entry permit transfer fee imposed by AS 43.72.010  
25 or 43.72.015.

26 \* Sec. 3. PROVISIONS NOT SEVERABLE. Notwithstanding AS 01.10.030, the provisions of this  
27 Act are not severable.

28 \* Sec. 4. This Act takes effect January 1, 1993.

7-LS2076J  
Chenoweth  
4/22/92

CS FOR HOUSE BILL NO. 524 ( )  
IN THE LEGISLATURE OF THE STATE OF ALASKA  
SEVENTEENTH LEGISLATURE - SECOND SESSION

BY

Offered:  
Referred:

Sponsor(s): REPRESENTATIVE KOPONEN

A BILL

FOR AN ACT ENTITLED

1 "An Act imposing a tax on transfers of limited entry permits; and providing for an  
2 effective date."

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

4 \* Section 1. AS 43 is amended by adding a new chapter to read:

5 CHAPTER 72. LIMITED ENTRY PERMIT TRANSFER TAX.

6 Sec. 43.72.010. TRANSFER TAX IMPOSED. There is imposed a limited entry transfer  
7 tax upon each transfer of a limited entry permit under AS 16.43.170. Payment of the tax  
8 imposed by this section is the obligation of the seller of the permit. The tax is computed by  
9 application of the following rates to the estimated value, at the time of transfer of the limited  
10 entry permit, for the class of the permit, as determined by the Commercial Fisheries Entry  
11 Commission by regulation adopted under AS 16.43.160 for purposes of calculation of the annual  
12 fees for the issuance and annual renewal of permits:

13 (1) the tax rate applicable for the transfer of a permit to a person who at the time  
14 of the transfer is a state resident is \_\_\_\_\_ percent of the estimated value of the permit;

1 (2) the tax rate applicable for the transfer of a permit to a person who at the time  
2 of the transfer is not a state resident is \_\_\_\_\_ percent of the estimated value of the permit.

3 Sec. 43.72.020. COLLECTION OF TAX. The tax shall be paid to and collected by the  
4 department. A limited entry permit subject to the tax may not be transferred by the commission  
5 under AS 16.43 until the tax has been paid. In a case in which the tax is not due on a transfer,  
6 the permit may not be transferred until suitable notation of the exception has been made by the  
7 commission.

8 Sec. 43.72.030. PROVISIONS INAPPLICABLE. The tax does not apply to

9 (1) the transfer of an interim-use permit;

10 (2) a temporary emergency transfer of a permit authorized by AS 16.43.180(a);

11 (3) the transfer of a limited entry permit to the commission;

12 (4) the transfer of a limited entry permit to the state or the Alaska Commercial  
13 Fishing and Agriculture Bank as a result of foreclosure of a loan made under AS 16.10.300 -  
14 16.10.370 or under AS 44.81.210(a)(20) and 44.81.230 - 44.81.250;

15 (5) the transfer of a limited entry permit by the Department of Commerce and  
16 Economic Development under AS 16.10.337 or by the Alaska Commercial Fishing and  
17 Agriculture Bank under AS 44.81.250;

18 (6) the transfer of a limited entry permit from one spouse to the other under the  
19 terms of a divorce or dissolution decree or in fulfillment of a property settlement agreement; or

20 (7) the transfer of a limited entry permit by inheritance.

21 Sec. 43.72.100. DEFINITIONS. In AS 43.72.010 - 43.72.100,

22 (1) "commission" means the Commercial Fisheries Entry Commission;

23 (2) "tax" means the limited entry permit transfer tax imposed by AS 43.72.010.

24 \* Sec. 2. This Act takes effect January 1, 1993.

HPB

5410

(File 1)

POSITION PAPERS OF SUPPORT FOR HB 540

City of Kodiak  
City of Kenai  
Homer Electric Association, Inc.  
Kenai Chamber of Commerce  
Resource Development Council  
Alaska Clean Seas  
Cook Inlet Spill Prevention and Response, Inc.  
SEAPRO Southeast Alaska Petroleum Resource Organization  
Tesoro Alaska Petroleum Company  
North Peninsula Chamber of Commerce  
Municipality of Anchorage  
Victoria Askin, Individual  
Cheryle Kent, Individual  
Linda White, Individual  
Georgia Poyner, Individual  
Jackie Ansotegui, Individual  
Susan Caswell, Individual  
Carolyn Prince, Individual  
Sharon Loosli, Individual  
Susan Lacey, Individual  
Micheal and Claudia Ussery, Individuals  
Tiny Schasteen, Individual  
Walter L. Gearing, Individual

John W. Lewis, Individual

Curt Rudd, Individual

Dale Greth, Individual

Bill Fallacaro, Individual

CITY OF KODIAK  
RESOLUTION NUMBER 08-92

A RESOLUTION OF THE COUNCIL OF THE CITY OF KODIAK SUPPORTING  
THE PASSAGE OF HOUSE BILL 540, LIMITING THE LIABILITY OF AN OIL  
SPILL RESPONSE ACTION CONTRACTOR

WHEREAS, the House Special Committee on Oil and Gas filed  
House Bill 540 which limits the liability of an oil spill  
Response Action Contractor (RAC) for release or threatened  
release of hazardous substances, and for an act or omission that  
is not contrary to a state or national oil spill contingency  
plan; and

WHEREAS, House Bill 540 also relates to the liability of an  
RAC for an act or omission that is not contrary to the state or  
national plan or an order of an on-scene coordinator; and

WHEREAS, House Bill 540 repeals the requirements that  
liability is not limited in an action for damages to personal  
property not caused by oil and is only limited if the act or  
omission occurs within 15 days after the release of oil; and

WHEREAS, House Bill 540 is supported by Pacific Fisheries  
Legislative Task Force, California Sierra Club, International  
Bird Rescue Center, Citizens' Oversight Council on Oil and Other  
Hazardous Substances, Ventura County Fishermen Association, and  
Alaska Coastal Community Cooperative; and

WHEREAS, RAC's do not create the risk of a spill; and

WHEREAS, it is imperative to have uniform liability standards  
to attract RACs to establish in Alaska; and

WHEREAS, certification standards must be consistent with  
other states in the event of a spill, and RACs would be wanted to  
respond in Alaska from other states; and

WHEREAS, Alaska must attract response action contractors as  
no business will willingly assume the strict liability for  
another's actions that result in oil spill damages,

NOW, THEREFORE, BE IT RESOLVED that the Council of the City  
of Kodiak, Alaska, supports the passage of House Bill 540, and  
urges the Legislature to pass the bill.

BE IT FURTHER RESOLVED that copies of this resolution be sent  
to the members of the House Resources and Judiciary Committees,  
the Kodiak delegation, and the City's Juneau lobbyist.

PASSI

ATTEST:

PASSED AND APPROVED this 9th day of April, 1992.

CITY OF KODIAK

Walter E. Johnson  
MAYOR

ATTEST:

Marjorie Dalbe  
CITY CLERK



**Homer Electric Association, Inc.**

CENTRAL OFFICE: 3977 LAKE STREET • HOMER, ALASKA 99603 • (907) 235-8167

March 31, 1992

The Honorable Bill Hudson, Member  
House Resources Committee  
Room 124, Capitol Building  
Alaska State Legislature  
State Capitol  
Juneau, Alaska 99801-1182

Dear Representative Hudson:

REF: HOUSE BILL #540 (RESPONDER IMMUNITY)

Homer Electric Association supports HB #540, Responder Immunity.

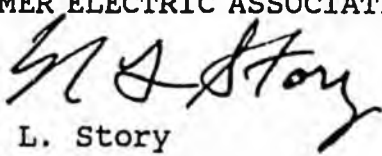
Tesoro Alaska Petroleum Company operates a large refinery in Kenai, Alaska. Tesoro's operations support 575 jobs in Alaska. In addition to investing in a \$20 million payroll in Alaska, Tesoro contributes approximately 55% of the cost of the Cook Inlet Spill Prevention and Response, Inc. (CISPRI).

Tesoro is the third largest borough taxpayer and supports the Kenai Peninsula community through charitable organizations, donating large sums of money and staff time. Tesoro is Homer Electric Association's largest consumer, purchasing in excess of 75 million kilowatt hours of electric energy each year. HEA is very committed to the support of Tesoro and the continuation of its enterprise on the Kenai Peninsula.

We urge you to support House Bill #540 and pass it out of the House Resources Committee.

Sincerely,

HOMER ELECTRIC ASSOCIATION, INC.

  
N. L. Story  
General Manager

NLS:em

|                        |                     |                  |
|------------------------|---------------------|------------------|
| cc: RF - NLS           | Rep. B. Hudson      | Rep. T. Martin   |
| Rep. Mike Navarre      | Rep. R. Taylor      | Rep. Mary Miller |
| Rep. Gail Phillips     | Rep. B. Grussendorf | Rep. Mike Miller |
| Sen. Paul Fischer      | Rep. C. Davis       | Rep. R. Phillips |
| Sen. Jay Kerttula      | Rep. P. Parnell     | Rep. B. Sharp    |
| Sen. Sam Cotten        | Rep. R. Foster      | Rep. M. Hanley   |
| HEA Board of Directors | Rep. L. Baker       |                  |
| Mark Necessary, Tesoro | Rep. D. Choquette   |                  |
| Dave Hutchens, ARECA   | Rep. J. Gonzales    |                  |

Kenai Chamber of Commerce  
402 Overland  
Kenai, Alaska 99611  
(907) 283-7989



April 8, 1992

Representative Bill Hudson  
Alaska State Legislature  
State Capitol  
Juneau, Alaska 99811-1182

Reference: House Bill 540

Dear Mr. Hudson,

Enclosed, please find a resolution from the Kenai Chamber of Commerce in support of House Bill 540.


The Kenai Chamber of Commerce is in strong support of House Bill 540. Without a limit of liability for oil spill responders, Tesoro Alaska Petroleum would have to post a bond of \$1 billion to counter the effect of litigation due to any oil spillage occurring during transportation between Valdez to the Kenai refinery. This huge burden on Tesoro's cash flow could put their ability to operate in Alaska in jeopardy.

Tesoro Alaska Petroleum is a major employer in the Kenai area, and a major contributor to Alaska's economy. Their lack of presence in the Kenai area would have a major negative impact state wide, as well as locally.

The Kenai Chamber of Commerce is asking that your support of this bill be strongly considered.

Thanking you in this matter.

Sincerely,

  
Jeff Belkumini  
President

Kenai Chamber of Commerce  
402 Overland  
Kenai, Alaska 99611  
(907) 283-7989



RESOLUTION 92-3

RESOLUTION SUPPORTING TESORO ALASKA

WHEREAS, the continued operation of the Tesoro Refinery is being threatened by the unreasonable demand by Alyeska Pipe Line Service Co. management; and

WHEREAS, Alyeska Pipe Line Service Co. is demanding Tesoro to secure a billion dollars insurance bond; and

WHEREAS, Tesoro Alaska can provide a billion dollars of P and I insurance and Alyeska Pipeline Service Co. rejected this offer; and

WHEREAS, Tesoro contributes substantially to the tax base of the Kenai Peninsula Borough; and

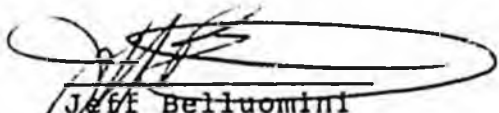
WHEREAS, The Alaska State Legislature is currently considering CSHB 540 which provides limited immunity for responders and a permanent solution to the issue:


NOW THEREFORE, BE IT RESOLVED BY THE GREATER KENAI CHAMBER OF COMMERCE:

Section 1: That the Greater Kenai Chamber of Commerce urges the Alaska State Legislature to intervene on Tesoro's behalf and resolve this situation.

Section 2: That copies of this resolution be distributed to Governor Walter Hickel, The Alaska State Legislature, Members of the House Resources Committee, Tesoro Alaska and Alyeska Pipe Line Service Co.

ADOPTED BY THE BOARD OF DIRECTORS OF THE GREATER KENAI CHAMBER OF COMMERCE ON THIS 3<sup>RD</sup> DAY OF APRIL, 1992

  
Jeff Belluomini  
President  
Kenai Chamber of Commerce

ATTEST:  
  
Eleanor Thomson



# Resource Development Council

for Alaska, Inc.

121 West Fireweed Lane, Suite 250, Anchorage, Alaska 99503-2035

Phone 907/276-0700 Fax 276-3887

FOUNDED 1975

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Becky L. Gay

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Barry Thomson

Scott Thorson

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Jeff Wilson

George P. Wuerch

#### EX-OFFICIO MEMBERS

Senator Ted Stevens

Senator Frank Murkowski

Congressman Don Young

## Resource Development Council

### Position Paper - HB 540

2/21/92

The Resource Development Council for Alaska, Inc., strongly supports HB 540 and urges the Alaska Legislature to carefully review and approve this legislation. RDC is a non-profit, pro-economic and resource development organization with a statewide board and membership.

RDC's primary concern with HB 540 is that it corrects prior legislation which wrongly placed the emphasis on preserving an avenue for future litigation that could result from an oil spill, as opposed to placing the emphasis on a good faith response. RDC believes the response action contractor (RAC) provisions contained in the Oil Pollution Act of 1990, which provide for simple negligence, are the appropriate approach in Alaska.

To increase the negligence standard to levels higher than those required by the federal government is not only unnecessary, but has threatened to shut down at least one major employer on the Kenai Peninsula, involving hundreds of jobs in that region. HB 540 addresses several concerns expressed by response action contractors, as well as those involved in the business of shipping oil.

RDC notes that 19 other coastal states have enacted legislation as protective as OPA-90 over the last 18 months, pointing to the integrity of the federal policy.

RDC firmly believes that response action contractors involved in controlling the release or threatened release of a substance should be held to the federal standard of simple negligence as outlined under OPA 90 and urges passage of HB 540.



(907) 345-3142  
Fax (907) 345-2435  
12350 Industry Way, Suite 200  
P O Box 196010  
Anchorage, Alaska 99519-6010

March 9, 1992

Alaska State Legislature  
House Special Committee on Oil & Gas

Re: **Position Statement - House Bill 540**

Thank you for the opportunity to provide written comments to the House Special Committee on Oil & Gas regarding an Act to limit the liability for oil spill response action contractors. Alaska Clean Seas supports House Bill 540 and believes this legislation is urgently needed to maintain the high level of response capability presently available within Alaska.

A key element for success in any spill action is swift and effective response. It is imperative that the response not be inhibited or delayed by the issue of liability. To ensure that additional manpower and equipment can be brought to bear quickly on a spill response, ACS and CISPRI have implemented a mutual aid agreement for assisting one another in the event of a spill. This agreement incorporates indemnity provisions to transfer all liability arising out of a response to the spilling party, regardless of fault. The agreement was tested during the recent East Forelands spill. Upon receipt of a request for assistance from CISPRI, Alaska Clean Seas had personnel on site within four hours and fourteen responders on site with a complement of equipment within eight hours of notification of the spill. Without an effective indemnity agreement, such immediate mutual aid would not have occurred.

Oil spill cooperatives within the State (ACS, CISPRI and SERVS) represent the bulk of spill equipment available within Alaska. Collectively this is the largest supply of spill equipment in the world. By organization, these cooperatives are not for profit. They have no interest in weighing risk vs reward. If these cooperatives are not provided protection from liability they will not respond to spills outside of their membership or geographic area of coverage. It would be a tragedy to have the resources of the cooperatives made unavailable because of issues of liability. Equally important, this would have implications for the availability of personnel and equipment from other sources both nationally and internationally.

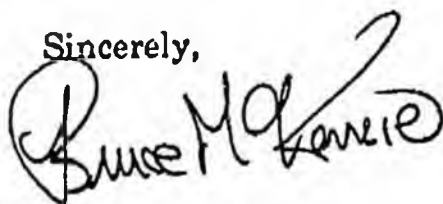
Under OPA 90, liability is clearly placed in the hands of the spiller. The notable exceptions are for the case of gross negligence, willful misconduct or violation of the law. House Bill 540 is consistent with this federal standard. Alaska has the right to differences to the federal standard. However, these differences should be

improvements and not detractions. Alaska Clean Seas views this Bill as making those improvements.

Alaska is presently in the fortunate position to have a cadre of well trained, experienced and professional spill response contractors operating within the State. This capability was obviously increased significantly as a result of the Exxon Valdez response and these organizations are now recognized throughout the United States and the world. They are actively involved in spill response, contingency planning, prevention and training. Without the provision of protection from liability it is questionable if this capability would continue to operate within the State of Alaska

In summary, the largest supply of spill equipment in the world is located in Alaska. Additionally some of the best trained and most experienced responders are located within the State, working either in the oil spill cooperatives or the private response contracting community. Unless House Bill 540 is made law, a significant portion of the personnel and equipment within the cooperatives would be unavailable for response to spills outside their defined jurisdiction. Additionally, a significant percentage of the expertise and equipment presently in existence through the contracting community will be lost from the State. The effort and work that has been expended over the last 3 years by the State of Alaska, the oil industry, citizens groups and the private contractor community to provide the best spill response capability in the world will have been for naught.

Sincerely,



*Per* Norman Ingram  
General Manager



## **COOK INLET SPILL PREVENTION & RESPONSE INC.**

### **CISPRI POSITION PAPER**

#### **OIL SPILL RESPONSE ACTION CONTRACTOR LIABILITY**

**MARCH 6, 1992**

CISPRI supports the liability relief language in OPA'90. We believe the Response Action Contractor should be relieved of liability except for gross negligence.

Currently, CISPRI By-Laws allow CISPRI to respond to any spill in Cook Inlet, whether or not the responsible party is a member of the cooperative or not. Without contractor liability relief, CISPRI members are reluctant to respond if there is not a clearly identified responsible party. Delays will occur while a contract is negotiated.

OPA '90 grants the Response Action Contractor relief but transfers that relief to the responsible party. If there were an orphan spill, no Response Action Contractor would ever respond for fear of being made liable for simply trying to correct someone else's responsibility.

The Kenai Peninsula Borough sits on CISPRI's Board of Directors. If there is not liability relief for CISPRI as a Response Action Contractor, they (Kenai Peninsula Borough) have been legally advised to withdraw from CISPRI.

CISPRI uses the Incident Command System and CISPRI responds to all decisions made as a result of the Unified Command meetings. If liability relief is not granted, are all members of the Unified Command responsible for CISPRI actions?

If the Response Action Contractor is made liable for damages, what happens to the lower level response contractors? Are the fishing vessels, vessels of opportunity and other response contractors liable?

The argument has been made that no Response Action Contractor has been sued. That is completely untrue. Cook Inlet Resource Organization (CIRO), is still involved in legal proceedings of the Glacier Bay Spill.

The 15 day liability relief granted in HB196 bill is not enough. During the small East Forelands Spill CISPRI had used nine days before all equipment was demobilized.

CISPRI supports HB 540 and requests that the legislature enact this legislation so CISPRI can continue rapid response to any spill in Cook Inlet.

# seapro

## Southeast Alaska Petroleum Resource Organization

540 Water Street Suite 202  
(907) 225-7002

Ketchikan, Alaska 99901  
Fax (907) 247-1117

February 27, 1992

Representative Bill Hudson  
P.O. Box V  
Juneau, AK 99811


Dear Representative Hudson,

In support of your bill HB 540, which limits response action contractor liability, I am enclosing our recently approved position paper on this subject. Also, since our organization is still rather new and little known, I have included a map which shows the major locations of our network, and a map which shows the eligible facilities which have chosen not to join our network.

As you will note in our position paper, we do not believe that all of the recommendations of the Citizen's Oversight Council on this subject are in the best interest of our region. We do believe, however, that HB 540 provides exactly the conditions we think will provide the best climate for further developing environmental protection capabilities in our region.

I will, of course, provide you with any information or other assistance you may need relative to environmental protection in Southeast, the remainder of the state, and the North Pacific region.

Respectfully,

  
R. M. Mullen  
Manager



## Southeast Alaska Petroleum Resource Organization

540 Water Street Suite 202  
(907) 225-7002

Ketchikan, Alaska 99901  
Fax (907) 247-1117

### POSITION PAPER

## OIL SPILL RESPONSE ACTION CONTRACTOR LIABILITY

February 25, 1992

SEAPRO and its nineteen member companies wish to record our observations and concerns about response action contractor liability, and its likely impacts on the current and future state of environmental response capability in Southeast Alaska. We are particularly concerned by the failure of the Citizen's Oversight Council to adequately investigate the state of environmental response in rural Alaska generally, and Southeast Alaska specifically, in reaching the conclusions and recommendations contained in their report to the legislature on this subject.

### Overview of Response Action Contractors in Southeast Alaska

There is only one business in the Southeast Alaska region which holds itself out as a response action contractor. That firm has very minimal capabilities which are almost totally restricted to the immediate areas around Juneau. Our region has always had to rely on existing business organizations within the region to provide response to pollution incidents and other emergencies. In addition to oil transporters and terminals, these businesses have included logging companies, construction companies, float plane and helicopter operators, tug and barge companies, fishing vessels, and many others. All of these are therefore "Response Action Contractors" as defined by state law when they enter into agreements to help respond to spills.

The services of companies like VRCA, VECO, Burlington Environmental, Foss Environmental, etc., have rarely if ever been used to respond to environmental emergencies in our region. The reason for this is the typical small size of spills, the nature of the products involved, and the logistic difficulties of deploying to the region in time to be effective. One of the primary motivations our members felt for formation of SEAPRO was the lack of response action contractors within the region.

SEAPRO is not currently a response action contractor. We are a cooperative sharing organization of predominantly local small businesses who make up the fuel and lubricating oil transportation and distribution network for all of Southeast Alaska. We also include several local companies who consume or handle large quantities of oil in support of their business activities, but who are not in the "oil business". Our organization was originally formed to act as a sharing network only in Ketchikan, but rapidly expanded to cover the entire region. We have now reached the point in our evolution where we must consider purchasing pollution response equipment in the near future and becoming some form of response entity.

All of our collective experience, along with our judgment of operating conditions within the region, forces us to conclude that there will likely never be a response action contractor of any significant ability in Southeast. We have no expectation that this situation will change any time soon because there is insufficient financial justification for bona-fide environmental or emergency contractors to capitalize a response capability which would only be profitably employed on our historical average of once a decade.

#### Potential Impact of Liability to Southeast Alaska Spill Response Capability

With the exception of SEAPRO member companies, almost none of the companies who have previously participated in environmental response activities in this region are aware of their potential liabilities when current state law sunsets in a few months. Additionally, since none of these companies consider themselves to be "response action contractors", it is unlikely that they will make themselves aware of their liability exposures in advance of being asked to respond to an environmental emergency. It is equally unlikely that they would submit to a "certification" process recommended by the Citizen's Oversight Council, or to the verification/inspection process which would be necessitated by such certification.

If these companies were to discover the potential extent of their liability exposure for participating in a clean up action after the current limitations sunset, it is unlikely that they will respond in a timely manner, if at all, when they are needed. The worse possible situation will be for one or more of these companies to become the target of an opportunistic law suit allowed by a lack of liability limitation. Such a situation would guarantee that it would be difficult, if not impossible, to convince local companies to respond to future emergencies, even if action were subsequently taken to limit liabilities. Given the ever increasing propensity for opportunistic law suits in our nation, and the sensitivity of regional businesses to this phenomenon, we believe that merely the possibility of such a situation will have a chilling effect on the regions environmental response capability.

Any reasonable person responding to an oil spill assumes that all liability for damages and costs resulting from the clean up will flow to the responsible party. This is as it should be. It makes no sense to imperil a contractor acting in good faith, and within the boundaries of state or federally approved contingency plans, to bear any responsibility for damages which could result from someone else's spill. Except for gross negligence, willful misconduct, or violation of law by a contractor, all damages from a hazardous substance release are the rightful responsibility of the spiller, not the third party people cleaning it up. This principle has been codified in federal law and the laws of at least 18 other coastal states. Acceptance of this principle is a condition of membership in SEAPRO and most other cooperatives.

As stated earlier, SEAPRO has evolved to the point that it must consider becoming a response entity in some form. Currently, Southeast is the only region of the state, outside the crude oil producing regions, which has taken any tangible steps to improve its environmental response capability. The steps that have been taken to date, have been entirely on the initiative of the regions businesses. In spite of some initial skepticism on the part of state and federal agencies, we have forged ahead with investment in our organization, greatly enhancing the effectiveness of the response equipment, material, and personnel in the region. We have proposed to both the state and federal agencies, cooperative steps which can be taken to provide our region and the rest of the state with marked improvement in our mutual ability to combat environmental emergencies. We want to begin taking these steps this year with or without agency participation.

However, the prospect of facing clean up costs and other damages for actions the co-op may take to mitigate environmental damage will surely weigh heavily on our decision making when considering how we may use SEAPRO to further improve the regions total response capability.

#### Response Action Contractor Certification in Southeast Alaska

The Citizen's Oversight Council has recommended that response action contractor liability limitation be linked to an, as yet undeveloped, certification program. While SEAPRO does not object to compliance standards for environmental response organizations, whether private companies, cooperatives or some other form, we fail to see the practicality or necessity of "certifying" entities in Southeast Alaska which meet the definition of response action under current law.

The current legal definition of response action contractor is:

(A) a person who enters into a response action contract with respect to a release or threatened release of a hazardous substance and who is carrying out the contract, including a cooperative organization formed to maintain and supply response equipment and materials that enters into a response action contract relating to a release or threatened release;

(B) a person who is retained or hired by and is under the control of a person described in (A) to provide services to the response action contract; and

(C) a person who acts as a volunteer and is engaged in a response action.

Looking at the history of spill response in Southeast, and the probable future response actions in the region, certifying the response action contractors defined above would mean establishing the standards and processes for certifying virtually every business, and many individuals in our region. This is a monumental task by any standards, and in our view, a nonsensical one.

The Citizen's Oversight Council made some very narrow assumptions of what constitutes a response action contractor, and even what constitutes a cooperative. It is our opinion that the Council did not consider the broad range of response actions that have taken place throughout this state, nor did they evaluate the complex mix of organizations and individuals who have participated, and are likely to be asked to participate in environmental response actions.

There could be some benefit to establishing certification criteria for certain categories of response action contractors, were those categories to be properly defined in the broader context of the entire state. But in any context, some agency will have to develop professional standards to measure contractor capability; will have to apply these standards through some sort of an inspection or verification process; will have to verify the continuity of certification levels, will have to measure actual contractor performance against certification standards; and will have to administer this entire process. In our view, the cost of the simplest of such a bureaucracy would be excessive for the benefit gained, especially in Southeast and other areas outside the crude oil producing regions. The time necessary to create such a system would be extreme, with no possibility that such a system could be in place before the current liability limitations sunset. And finally, it makes no sense to us to waste scarce state resources on creating such a system and supporting bureaucracy when the federal government is already in the process of doing exactly the same thing.

#### Summary

At no time prior to publishing its report did the Citizen's Oversight Council seek information about conditions in Southeast Alaska from either SEAPRO, its member companies, nonmember companies, or other organizations with whom we network. During their teleconferenced meetings on this subject, our representatives noted that Southeast Alaska was never discussed or even mentioned by the Council members. Additionally, it was our observation that the Council focused almost all of their attention on operations in the crude oil producing regions of the state, on one or two companies who are in the business of environmental response, on Alyeska Pipeline Company, on the Cook Inlet cooperative CISPRI, and infrequently on the Alaska Clean Seas cooperative.

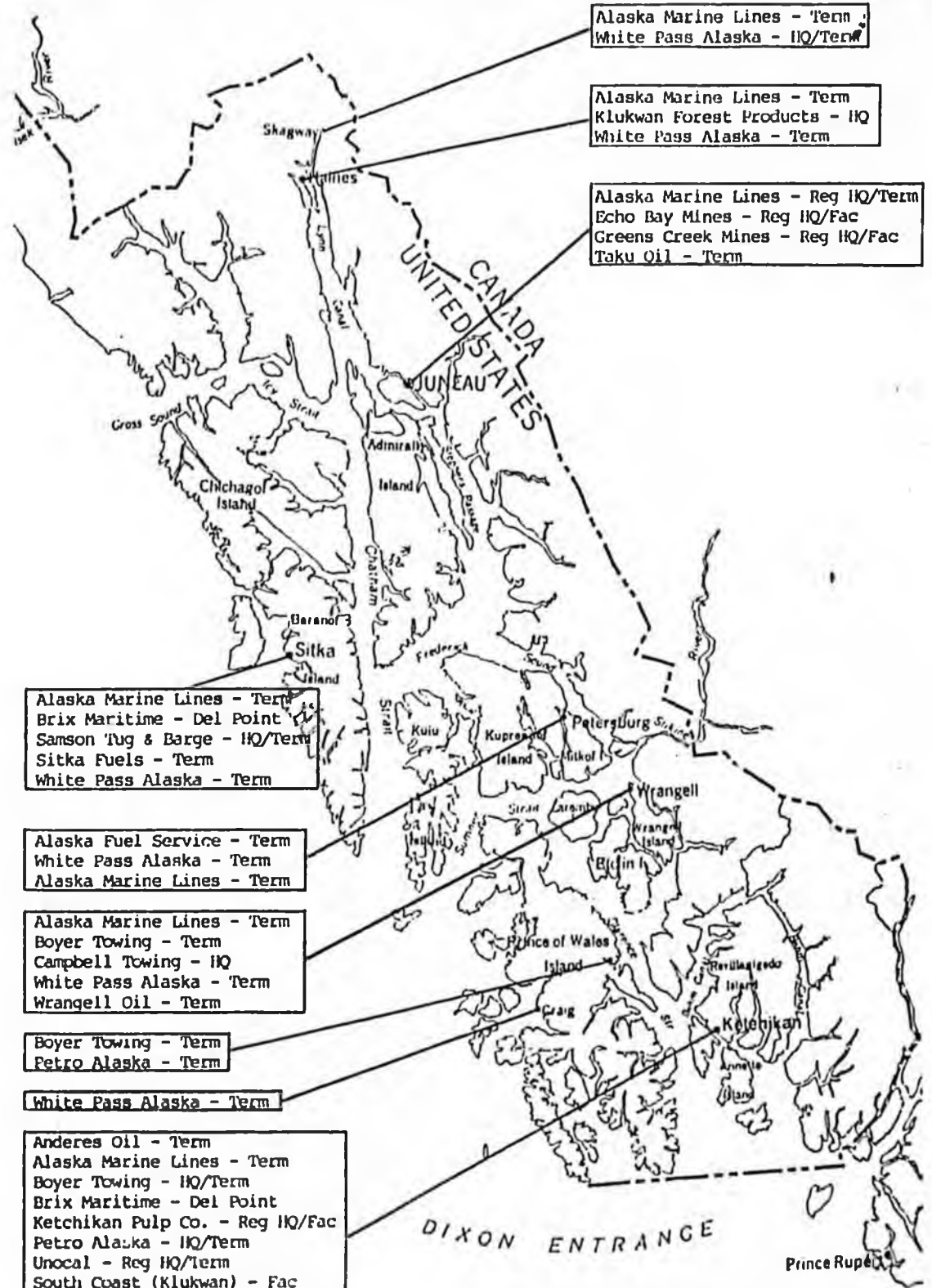
We find that their report seems to be strictly and narrowly aimed at perceived conditions in Prince William Sound, and to a lesser degree, Cook Inlet. It certainly does not accurately reflect environmental response conditions in our region, and we suspect that it does not accurately reflect conditions in other regions of the state. Consequently, this basic flaw places us in the position of not concurring with much of their rationale or their proposed solutions.

We believe that the state, like the federal government, should fix all obligations for clean up costs and damages resulting from a hazardous substance release on the responsible party, where it rightfully belongs.

We are concerned that failure to adopt liability limitations for environmental emergency responders, other than the responsible party, would negatively impact our regions ability to seek rapid and effective response actions from service providers outside the SEAPRO response network. Additionally, failure to provide this type of liability limitation would seriously threaten SEAPRO's ability to continue making further improvements in the total response capability of the region.

We cannot see substantial value to be gained within our region by creating a response action contractor certification process independent of that which will be created by the federal government. We also see no value in either waiting until a certification process is developed before granting liability limitation, or in tying liability limitations to any condition other than performance in accordance with federal and state contingency plans.

We believe that limiting the potential liability of responders, whether environmental contractors, cooperatives, other commercial entities, or volunteers is essential to improving the response capabilities of our region. This limitation should be similar, if not identical to that contained in the federal Oil Pollution Act of 1990.



Alaska Marine Lines - Term  
White Pass Alaska - HQ/Term

Alaska Marine Lines - Term  
Klukwan Forest Products - HQ  
White Pass Alaska - Term

Alaska Marine Lines - Reg HQ/Term  
Echo Bay Mines - Reg HQ/Fac  
Greens Creek Mines - Reg HQ/Fac  
Taku Oil - Term

Alaska Marine Lines - Term  
Brix Maritime - Del Point  
Samson Tug & Barge - HQ/Term  
Sitka Fuels - Term  
White Pass Alaska - Term

Alaska Fuel Service - Term  
White Pass Alaska - Term  
Alaska Marine Lines - Term

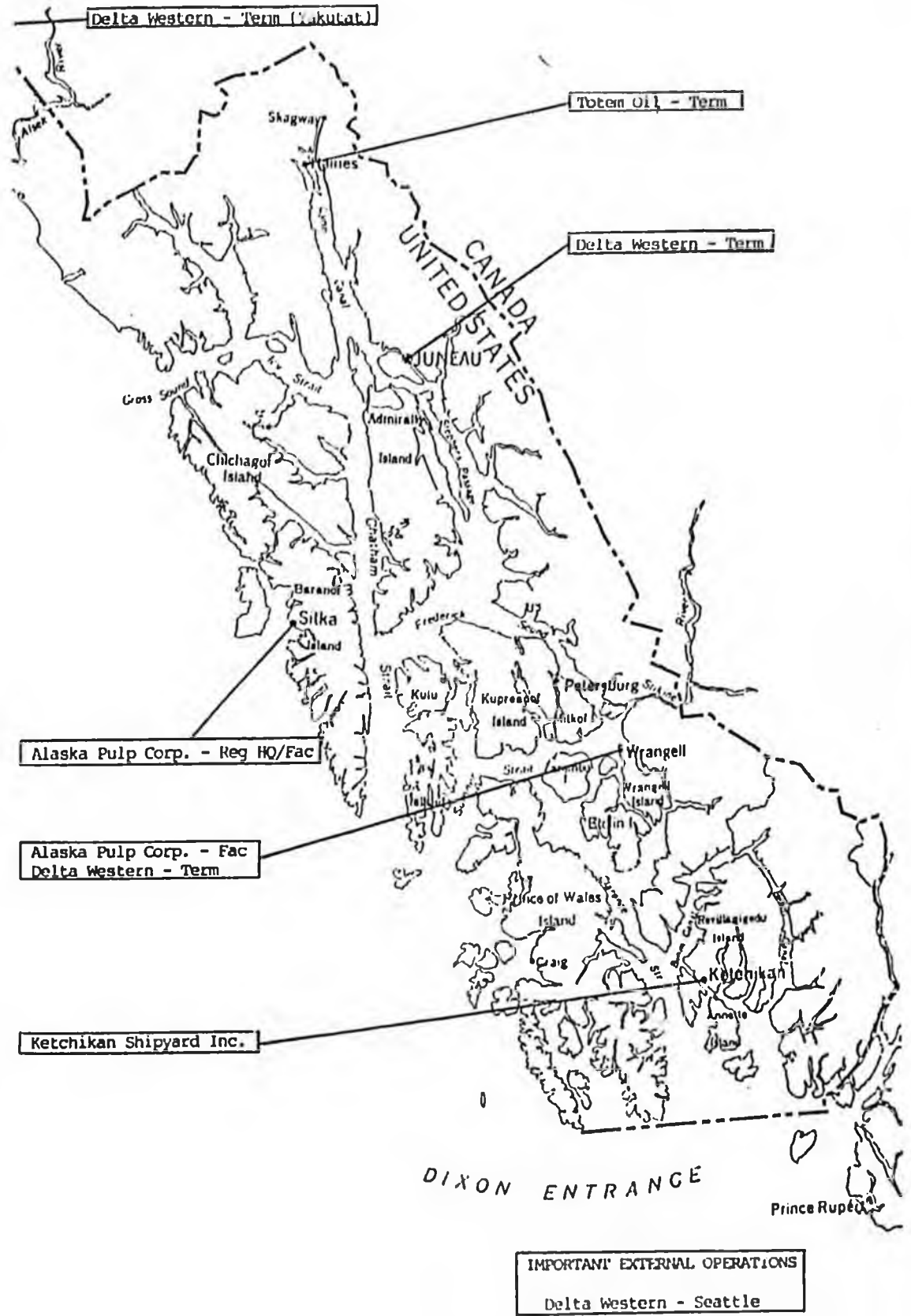
Alaska Marine Lines - Term  
Boyer Towing - Term  
Campbell Towing - HQ  
White Pass Alaska - Term  
Wrangell Oil - Term

Boyer Towing - Term  
Petro Alaska - Term

White Pass Alaska - Term

Anderes Oil - Term  
Alaska Marine Lines - Term  
Boyer Towing - HQ/Term  
Brix Maritime - Del Point  
Ketchikan Pulp Co. - Reg HQ/Fac  
Petro Alaska - HQ/Term  
Unocal - Reg HQ/Term  
South Coast (Klukwan) - Fac  
Foss Maritime - Base  
West Coast Shipping - Del Point  
White Pass Alaska - Term

**IMPORTANT EXTERNAL OPERATIONS**  
Alaska Marine Lines - Seattle  
Boyer Towing - Seattle  
Brix Maritime - Seattle/Portland  
Foss Maritime - Seattle  
Klukwan Forest Products - Seattle  
Samson Tug & Barge - Seattle  
West Coast Shipping - Los Angeles  
White Pass Transportation - Vancouver BC



Significant Facilities Which Have Declined Membership  
February 1992

BEFORE THE JOINT HOUSE RESOURCES COMMITTEE  
AND HOUSE SPECIAL SUBCOMMITTEE  
ON OIL AND GAS

Comments on Summary of Research Project Reports  
Prepared by the Citizens' Oversight Council  
As Part of the Council's Report to the Legislature Under  
Section 11 of HB 196 (Ch. 92 SLA 1991)

Presented by:  
Jim Meitner  
Spill Prevention & Response Coordinator  
Tesoro Alaska Petroleum Company

February 12, 1992

On behalf of Tesoro Alaska, I want to thank the staff and Board members of the Citizens' Oversight Commission ("COC") for the effort and consideration that went into their recently released report and recommendations. Tesoro and its 575 plus Alaska employees were pleased to see that the Citizen's Oversight Commission's first recommendation favorably recognizes the concept of limited immunity for response action contractors that Tesoro sought during the last legislative session.

Tesoro's interest in this matter was discussed in detail last year; and in summary relates to 1) our interest in the Cook Inlet Spill Prevention and Response, Inc. ("CISPRI"); and 2) our reliance on continued access to Alyeska's spill response services in order to pick up our crude oil which is essential to our ability to stay in business. Tesoro is presently responsible for over 50% of the funding of CISPRI and has great reservations about CISPRI's deployment to a spill from a non-CISPRI members in the absence of

a state spill responder immunity law. The exposure to risk of costly litigation over alleged damages arising from simple negligence is viewed as a significant detractor from making CISPRI available beyond its own members needs. This need is reflected in the COC study and in recommendation number 1.

Tesoro also has an interest in having a final resolution of this matter due to our need to access the Port of Valdez in order to stay in business and continue employment of over 575 Alaskans. Alyeska has the only available initial spill response service in Prince William Sound and has placed a very high level of demonstrated financial responsibility on parties wanting access to that service. Last year's passage of HB 196 prevented a possible interruption to our ability to transport feedstock crude oil since we were unable to meet the Alyeska financial responsibility requirements in effect before the passage of HB 196.

Tesoro is willing to work with the Citizen's Oversight Council, other interested groups, and the legislature to address the other recommendations contained in the Council's report. We believe the report provides the legislature with sufficient information to meet the COC responsibilities under HB 196, and in so doing, should facilitate the legislature's prompt resolution of this matter by passing legislation that includes limited immunity for response action contractors in Alaska. Thank you for the opportunity to comment.

# North Peninsula Chamber of Commerce

P.O. Box 8053

Nikiski, Alaska 99635

(907) 776-8369

## NORTH PENINSULA CHAMBER OF COMMERCE A RESOLUTION SUPPORTING HB 540 AND TESORO ALASKA

WHEREAS, HB 540 provides Response Action Contractors (RACs) limited liability unless the RACs acts with gross negligence, willful misconduct, causes personal injury, wrongful death or acts contrary to the direction of the state or federal on scene coordination; and

WHEREAS, it is imperative to have uniform liability standards to attract RACs to establish in Alaska; and

WHEREAS, not to provide limited liability for RACs will result in the failure of RACs to establish in Alaska. Shippers will then either be unable to ship heating fuel, gas, diesel fuel for electrical generation and other hazardous materials, or to keep home heating fuel, gasoline and crude and noncrude delivery, waivers will need to be granted to shippers, owners and handlers; and

WHEREAS, eighteen other coastal states have passed similar limited liability RAC laws; and

WHEREAS, Tesoro Alaska's ability to operate would be greatly jeopardized without the passage of HB 540 and the subsequent sunset of HB 196; and

WHEREAS, Tesoro Alaska contributes substantially to the economy and tax base of the Kenai Peninsular and Alaska; and

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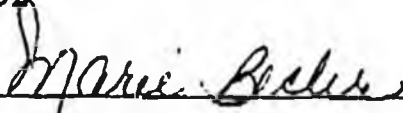
(907) 776-8369

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS of the NORTH PENINSULA CHAMBER of COMMERCE;

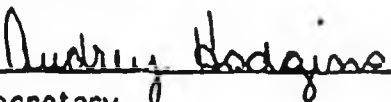
Section 1: That the North Peninsula Chamber of Commerce Board of Directors urges the Alaska State Legislature to pass HB 540.

Section 2: That copies of this resolution be distributed to Governor Walter Hickel, the Alaska State Legislature, and Tesoro Alaska.

ADOPTED BY THE BOARD OF DIRECTORS OF THE NORTH PENINSULA CHAMBER OF COMMERCE ON THIS 26th DAY of MARCH, 1992.

  
\_\_\_\_\_  
Marie Becker, President

ATTEST:

  
\_\_\_\_\_  
Secretary

**Municipality  
of  
Anchorage**



OFFICE OF THE MAYOR

P.O. BOX 196650  
ANCHORAGE, ALASKA 99519-8650  
(907) 343-4431

TOM FINK,  
MAYOR

March 27, 1992

Representative Cliff Davidson, Chairman  
House Resources Committee  
P.O. Box V  
Juneau, Alaska 99811

Re: HB 540, Civil Liability for Oil Spills

Dear Representative Davidson:

The Municipality of Anchorage supports HB 540, Civil Liability for Oil Spills, and encourages the House Resources Committee to act expediently on this legislation.

If this legislation does not pass, the financial impact on the Municipality could be significant. HB 540 relieves certain civil liabilities to consultants who are hired to clean up an oil spill. If the bill is not moved forward, a scenario could develop in which consultants would not be willing to work on oil spills, and the only recourse would be to hire people as municipal employees to clean up spills.

HB 540 solves a problem that could be significant if lawsuits put clean-up consultants out of business. If this happens, the impacts will be major and will impede our ability to react to spill events.

I urge your support for this legislation.

Very truly yours,

Tom Fink

cc: Representative Bill Hudson



1791-1991

**CITY OF KENAI**  
*"Oil Capital of Alaska"*210 FIDALGO KENAI, ALASKA 99611  
TELEPHONE 283-7535  
FAX 907-283-3014MEMORANDUM

**TO:** Governor Walter J. Hickel  
Senator Sam Cotten  
Senator Lloyd Jones  
Representative Mike Navarra  
Representative Bill Hudson  
Representative Cliff Davidson  
Representative Jim Zawacki

**FROM:** Carol L. Freas, City Clerk  
City of Kenai

**DATE:** April 2, 1992

**RE:** *HOUSE BILL 540*

Attached please find a copy of the City of Kenai's Resolution No. 92-18 concerning oil spill responder's limited immunity and House Bill 540.

If you have any questions, please contact Mayor John J. Williams, City of Kenai.

Thank you.

clf

SUGGESTED BY: Mayor Williams

City of Kenai

RESOLUTION NO. 92-18

A RESOLUTION OF THE COUNCIL OF THE CITY OF KENAI, ALASKA, CONCERNING OIL SPILL RESPONDER'S LIMITED IMMUNITY AND HOUSE BILL 540.

WHEREAS, it is in the interest of the citizens of the State of Alaska and the Kenai Peninsula Borough to ensure that qualified, highly trained oil spill response organizations are in place and ready to respond to all spills; and,

WHEREAS, the success of a spill response organization depends upon spill response contractors, as well as countless fishermen, subcontractors, and other part-time professionals and specialists who must be prepared on an emergency basis to act swiftly and without hesitance in the face of adverse circumstances and often with far less than complete information; and,

WHEREAS, these responders will be deterred from performing clean-up activities on behalf of the person or persons actually responsible for the spill if they are unduly exposed to unlimited liability in the course of their response activities; and,

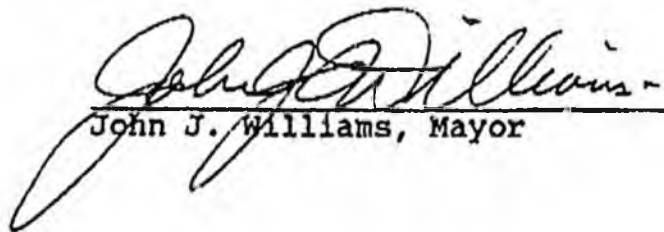
WHEREAS, twenty-one members of the House co-sponsored HB 540 which provides for limited immunity to oil spill response action contractors.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, that it supports and encourages Alaska State legislation, such as HB 540, which grants any person who responds to an oil spill, caused by another, immunity from liability from all costs and damages except in cases where the responder acts with gross negligence or willful misconduct, or causes personal injury or wrongful death; and,

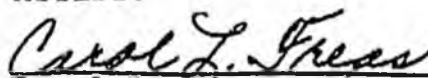
FURTHER BE IT RESOLVED, where limitations on immunity are granted to responders, it is important that victims be fully protected and compensated for damages, and the party responsible for the spill in the first instance shall be liable for any damages caused by responder's simple negligence.

COPIES of this resolution shall be transmitted to the Honorable Walter J. Hickel, Governor of the State of Alaska; and members of the Alaska House and Senate Resource Committees and Special Committees on Oil and Gas.

PASSED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, this first day of April, 1992.

  
\_\_\_\_\_  
John J. Williams, Mayor

ATTEST:

  
\_\_\_\_\_  
Carol L. Freas, City Clerk

(3/26/92)  
clf

## PUBLIC OPINION MESSAGE

*Landa*

DEAR: REPRESENTATIVE HUDSON

NAME: VICTORIA ASKIN

TITLE:

ADDRESS: PO BOX 178

CITY: KENAI

ZIP: 99611

PHONE: 283-5129

BILL NO: HB 540

SUBJECT: CIVIL LIABILITY FOR OIL SPILLS

MESSAGE: I STRONGLY SUPPORT THE PASSAGE OF HB540 FOR THE ECONOMY OF THE KENAI PENINSULA. THE FAILURE OF THIS BILL COULD RESULT IN LOSING A LARGE PORTION OF OUR TAX BASE WITH AN ADDITIONAL DRAIN PUT ON THE UNEMPLOYMENT AND WELFARE SYSTEM. AGAIN, I STRONGLY URGE YOU TO VOTE YES ON HB540.

POMID: 13154526

DATE: 92/03/26

TIME: 15:45:26

LIONAME: SOLDOTNA LIO

COPIES: REPRESENTATIVES REPRESENTATIVES SENATOR

DONLEY  
GRUENBERG  
MARTIN  
PARNELL  
DAVIDSON  
IVAN  
LINCOLN  
ZAWACKI  
C.DAVIS  
NAVARRE  
TAYLOR

ELLIS  
HANLEY  
M.W.MILLER  
CARNEY  
FINDELSTEIN  
LEMAN  
MOYER  
BAKER  
FOSTER  
G.PHILLIPS

FISCHER

## PUBLIC OPINION MESSAGE

*Landa*

DEAR: REPRESENTATIVE HUDSON

NAME: CHER E KENT

TITLE:

ADDRESS: BOX 636

CITY: KENAI

ZIP: 99611

PHONE: 283-5129

BILL NO: HB 540

SUBJECT: CIVIL LIABILITY FOR OIL SPILLS

MESSAGE: PLEASE VOTE YES FOR THIS IMPORTANT ISSUE. I SUPPORT IT WHOLEHEARTEDLY

POMID: 13155526

DATE: 92/03/26

TIME: 15:55:26

LIONAME: SOLDOTNA LIO

COPIES: REPRESENTATIVES REPRESENTATIVES SENATOR

DONLEY  
GRUENBERG  
MARTIN  
PARNELL  
DAVIDSON  
IVAN  
LINCOLN  
ZAWACKI  
C.DAVIS  
NAVARRE  
TAYLOR

ELLIS  
HANLEY  
M.W.MILLER  
CARNEY  
FINDELSTEIN  
LEMAN  
MOYER  
BAKER  
FOSTER  
G.PHILLIPS  
KUBINA

FISCHER

## PUBLIC OPINION MESSAGE

DEAR: REPRESENTATIVE HUDSON

*Lande*

NAME: LINDA WHITE  
 TITLE:  
 ADDRESS: PO BOX 7453  
 CITY: NIKISKI  
 PHONE: 203-5129  
 BILL NO: HB 540

ZIP: 99635

SUBJECT: CIVIL LIABILITY FOR OIL SPILLS

MESSAGE: I AM IN SUPPORT OF HB540. BY NOT EXTENDING THIS BILL, UNDUE AND UNNECESSARY HARDSHIPS TO MANY ENTITIES WILL OCCUR. HARDSHIPS TO NOT ONLY INDUSTRY BUT TO GOOD SAMARITAN VOLUNTEER ORGANIZATIONS WILL OCCUR. TRAINED, KNOWLEDGEABLE VOLUNTEERS ARE A NECESSITY TO A VIABLE RESPONSE, AS ARE RESPONSE ACTION CONTRACTS THEMSELVES.

POMID: 13160232

DATE: 92/03/26

TIME: 16:02:32

LIONAME: SOLDOTNA LIO

COPIES: REPRESENTATIVES REPRESENTATIVES SENATOR

|            |             |         |
|------------|-------------|---------|
| DONLEY     | ELLIS       | FISCHER |
| GRUENBERG  | HANLEY      |         |
| MARTIN     | M.W.MILLER  |         |
| PARNELL    | CARNEY      |         |
| DAVIDSON   | FINKELSTEIN |         |
| IVAN       | LEMAN       |         |
| LINCOLN    | MOYER       |         |
| ZAWACKI    | BAKER       |         |
| C.DAVIS    | NAVARRE     |         |
| G.PHILLIPS | TAYLOR      |         |
| FOSTER     |             |         |

## PUBLIC OPINION MESSAGE

DEAR: REPRESENTATIVE HUDSON

*Lande*

NAME: GEORGIA POYNER  
 TITLE:  
 ADDRESS: BOX 7397  
 CITY: NIKISKI  
 PHONE: 203-4304  
 BILL NO: HB 540

ZIP: 99635

SUBJECT: CIVIL LIABILITY FOR OIL SPILLS

MESSAGE: I SUPPORT THE PASSAGE OF HB540. COMPANIES LIKE TESORO ARE THE BACKBONE OF THE KENAI PENINSULA. LET'S NOT FINANCIALLY BURDEN THEM ANY FURTHER.

POMID: 13162122

DATE: 92/03/26

TIME: 16:21:22

LIONAME: SOLDOTNA LIO

COPIES: REPRESENTATIVES REPRESENTATIVES SENATOR

|           |             |         |
|-----------|-------------|---------|
| NAVARRE   | G.PHILLIPS  | FISCHER |
| FOSTER    | TAYLOR      |         |
| BAKER     | C.DAVIS     |         |
| DONLEY    | ELLIS       |         |
| GRUENBERG | HANLEY      |         |
| MARTIN    | M.W.MILLER  |         |
| PARNELL   | CARNEY      |         |
| DAVIDSON  | FINKELSTEIN |         |
| IVAN      | LEMAN       |         |
| LINCOLN   | MOYER       |         |
| ZAWACKI   |             |         |

## PUBLIC OPINION MESSAGE

DEAR: REPRESENTATIVE HUDSON

NAME: JACKIE ANSOTEGUI  
 TITLE:  
 ADDRESS: BOX 3315  
 CITY: KENAI, ALASKA ZIP: 99611  
 PHONE: 283-8405  
 BILL NO: HB 540  
 SUBJECT: CIVIL LIABILITY FOR OIL SPILLS  
 MESSAGE: I URGE YOU TO SUPPORT THIS BILL. THANK YOU.

POMID: 13092708  
 DATE: 92/03/27  
 TIME: 09:27:03  
 LIO: NAME: SOLDOTNA LIO

COPIES: REPRESENTATIVES SENATOR

|             |         |
|-------------|---------|
| G. PHILLIPS | FISCHER |
| NAVARRE     |         |
| CARNEY      |         |
| DAVIDSON    |         |
| FINKELSTEIN |         |
| IVAN        |         |
| LEMAN       |         |
| LINCOLN     |         |
| MOYER       |         |
| ZAWACKI     |         |

## PUBLIC OPINION MESSAGE

DEAR: REPRESENTATIVE HUDSON

NAME: SHEILA WEST  
 TITLE:  
 ADDRESS: PO BOX 82882  
 CITY: FAIRBANKS ZIP: 99708  
 PHONE: 474-8073  
 BILL NO:  
 SUBJECT: CHILD CARE GRANTS  
 MESSAGE: FULL FUNDING OF THE CHILD CARE GRANTS IS URGENTLY NEEDED. NO CUTS TO CHILDRENS PROGRAMS ARE ACCEPTABLE, WHILE OTHER AREAS SUCH AS TOURISM ARE GETTING MILLION DOLLAR INCREASES. PLEASE SHOU US WITH YOUR BUDGET - WHO'S FOR KIDS AND WHO'S JUST KIDDING. EOM

POMID: 07092158  
 DATE: 92/03/27  
 TIME: 09:21:58  
 LIO: NAME: FAIRBANKS LIO

COPIES: REPRESENTATIVES REPRESENTATIVES SENATORS

|             |             |              |
|-------------|-------------|--------------|
| BAKER       | BARNES      | ADAMS        |
| BOYER       | BROWN       | COLLINS      |
| BRUCKMAN    | CARNEY      | COTTEN       |
| CHOQUETTE   | DAVIDSON    | CRAFT        |
| B. DAVIS    | C. DAVIS    | DUNCAN       |
| DONLEY      | ELLIS       | ELIASON      |
| FINKELSTEIN | FOSTER      | FISCHER      |
| GONZALES    | GRUENBERG   | FRANK        |
| GRUSSENDORF | HANLEY      | HALFORD      |
| IVAN        | JACKO       | HOFFMAN      |
| KOPONEN     | KUBINA      | JONES        |
| LARSON      | LEMAN       | KERTTULA     |
| LINCOLN     | MACKIE      | MENARD       |
| MACLEAN     | MARTIN      | PEARCE       |
| M.A. MILLER | M.W. MILLER | POURCHOT     |
| MOYER       | NAVARRE     | RODEY        |
| PARNELL     | G. PHILLIPS | SHULTZ       |
| R. PHILLIPS | SHARP       | STURGULEWSKI |
| TAYLOR      | ULMER       | UEHLING      |
| ZAWACKI     |             | ZHAROFF      |

PUBLIC OPINION MESSAGE

DEAR: REPRESENTATIVE HUDSON

NAME: SUSAN CASHELL  
TITLE:  
ADDRESS: BOX 3230  
CITY: SOLDOTNA ZIP: 99669  
PHONE: 262-9554  
BILL NO: HB 540  
SUBJECT: CIVIL LIABILITY FOR OIL SPILLS  
MESSAGE: I URGE YOU TO SUPPORT THIS BILL.

POMID: 13092423  
DATE: 92/03/27  
TIME: 09:24:23  
LIONAME: SOLDOTNA LIO

COPIES: REPRESENTATIVES SENATOR

NAVARRE FISCHER  
G. PHILLIPS  
CARNEY  
DAVIDSON  
FINKELSTEIN  
IVAN  
LEMAN  
LINCOLN  
MOYER  
ZAWACKI

PUBLIC OPINION MESSAGE

DEAR: REPRESENTATIVE HUDSON

NAME: CAROLYN PRINCE  
TITLE:  
ADDRESS: BOX 1087  
CITY: SOLDOTNA ZIP: 99669  
PHONE: 262-4214  
BILL NO: HB 540  
SUBJECT: CIVIL LIABILITY FOR OIL SPILLS  
MESSAGE: I URGE YOU TO SUPPORT THIS BILL

POMID: 13092607  
DATE: 92/03/27  
TIME: 09:26:07  
LIONAME: SOLDOTNA LIO

COPIES: REPRESENTATIVES SENATOR

NAVARRE FISCHER  
G. PHILLIPS  
CARNEY  
DAVIDSON  
FINKELSTEIN  
IVAN  
LEMAN  
LINCOLN  
MOYER  
ZAWACKI