

ALASKA

LEGISLATURE

COMMITTEE

FILES

1991-1992

8672

7684

SENATE

RESOURCES

lands of Bligh, Busby, and Reef. Land in Valdez Arm, Galena Bay and even across the Arm at Point Freemantle and Heather Bay in the Columbia Glacier area are under the same Corporation ownership which is clearcutting the land in Two Moon Bay. The values for which these forests are treasured are being compromised by Corporate greed. The Native Culture which has relied on an intact ecological system for thousands of years to sustain itself is threatened as are subsistence uses, commercial and sport fisheries, commercial and personal recreation, scenic values, fish and wildlife habitat, aquaculture, mariculture, recovery from the Exxon Valdez oil spill, tourism and water quality. The economic value alone of any one of these interests overshadows the short term, minimum monetary gains and long term impacts from clearcutting.

In 1778 Captain James Cook anchored the Resolution in Snug Corner Cove in Port Fidalgo. It is the main area in Prince William Sound for herring spawning. This area comes alive in the spring with a Bait, Roe, and Roe on Kelp Commercial Fishery, along with the eagles, whales, sea lions and other bird and animals returning to the area for the first big feed of the year. This area is rich in wild salmon streams and is being utilized by the Valdez Fisheries Development Association for a remote release site for salmon. Because of these remote releases this area will see an increase in commercial fishing activities. Brown bear and mountain goat have one of their more extensive populations for Prince William Sound in this area. The native village of Tatitlek and the abandoned mining town, now land development of Ellamar are located here.

A person can view the Two Moon Bay clear cut and the now infamous Bligh Reef in a single glance. Some beaches in this area have known oil. The impacts of clearcutting on the sustainable health and diversity of this biologically, economically and culturally rich region are incalculable.

Prince William Sound Conservation Alliance urges you to give this area high standing when considering help through HB411/SB379. Land acquisitions, purchase of development rights, conservation easements and timber rights are actions that would protect these old growth forests.

It has not been clear to us who was to make the contacts or how the contacts were to be made to the Corporations. It is difficult to compete with corporations and large organizations which have access to the money and expertise needed. We hope the facts about the Port Fidalgo area help you with bringing this area on line with the process for protection.

Again we wish to strongly support those areas spoken of earlier and hope the Port Fidalgo area will also be included for consideration.

Thank you and please feel free to contact us if you have any questions or if we can be of any assistance.

Sincerely,


David P. Janka
Executive Director

cc Representative Gene Kubina



Prince William Sound Conservation Alliance

P.O. Box 1697
 Valdez, Alaska 99686
 (907) 835-2799
 Fax (907) 835-5395

----- FAX -----

Board Members

Representative Cliff Davidson

March 9, 1992

Senator Curt Menard

Vince Kelly
 President

Alaska State Legislature

P.O. Box V (MS3100)

Juneau, Alaska 99811

Nancy R. Lethcoe
 Vice-President

RE: Follow up Information on the Prince William Sound Nature Center and Request for Startup Funding from HB411/SB379

JoAnn Lundfelt
 Secretary/Treasurer

Greetings,

Kim McCarty

The Prince William Sound Conservation Alliance has been coordinating with non-profit, for profit, local, state and federal organizations in order to establish an environmental education center in Valdez. We have been working on this project one way or another for a couple of years now. We have had limited success when it has come to obtaining financial support. At this time there are no facilities to promote environmental awareness or to introduce the visitor to the diversity of natural attractions in Valdez and the surrounding areas of Prince William Sound.

Stan Stephens

Executive Director

David P. Janka

Administrative Assistant

The purpose of the center is to introduce visitors and locals to the natural world of Prince William Sound and demonstrate the connections between our lifestyle and our impact on the environment through the use of educational displays, interaction with a staff naturalist, guided interpretative walks, lectures, and multi-media viewing. Displays will cover topics such as local flora and fauna, marine and wetland ecology, geology, wildlife viewing (the dos and don'ts), recycling, human impacts on the environment such as oil in the marine environment, waste reduction, energy conservation, household wastes, alternative energy sources and marine pollution. A small sales area would have books, maps and relevant items available. Space would also be available for organizations and activities pertinent to the

Nancy Phelps

Prince William Sound region such as the Exxon Valdez Restoration, US Forest Service, Valdez Fisheries Development Association (Local Hatchery) and the Prince William Sound Science Center (Cordova).

The Prince William Sound Community College and the Valdez Fisheries Development Association have granted permission to use the site of an abandoned fish hatchery building located on the Richardson Highway, one mile north of downtown Valdez, at the edge of the Valdez Duck Flats. Liability insurance must be covered by the Conservation Alliance before activities can begin.

The Valdez Duck Flats is a wetland which is host to 95 species of birds which utilize the area for nesting, perching, feeding, migratory stopovers, and winter habitat. A salmon stream runs behind the building. There is also a highway pullout/parking lot, a salmon spawning viewing platform, and a bike and walking path in place at this time. Somewhere in the neighborhood of 50,000 people stop here each year to view the salmon. The bike path would provide alternative access to the center as well as a great place to start natural history walks along the edge of the Duck Flats. The site has potential for setting up hydro, solar, and wind power displays.

Prince William Sound Conservation Alliance requests startup money for this facility from the Exxon Valdez Criminal Settlement Money through HB411/SB379, Section 6, which deals with money for educational purposes.

At this time a two to three year startup budget of \$150,000 would enable us to put together and open a dynamite facility. It would be possible to open this spring with limited displays. This funding would include such things as building repairs and upgrades, administrative costs (not to exceed 15%), liability insurance, salaries for naturalist/volunteer coordinator, display design and setup and equipment purchases. Once the facility was up and running we feel that donations, sales, grants, trained volunteers and possibly some funding from the Exxon Valdez Civil Settlement would enable the Prince William Sound Nature Center to continue on.

Thank you for considering this proposal and especially for introducing these bills. Please feel free to contact us if you have any questions.

Sincerely,


David P. Janka

Executive Director

cc Representative Gene Kubina

VALDEZ FISHERIES DEVELOPMENT ASSOCIATION, INC.

P O BOX 125
VALDEZ, ALASKA 99686



main. 835-4874
835-4831
tebery 835-5947
835-5951

March 16, 1992

Representative Cliff Davidson
Box V
Juneau, Ak. 99811

Dear Representative Davidson;

Upon reviewing the working draft of House Bill # 411 I have noticed a very severe shortage of attention to the fisheries resources in Prince William Sound. While I have not seen most of the data from the assessment work, I am sure that many serious actual impacts have been documented that would warrant a great deal more attention in this bill. I know this process can not avoid being highly politicized but it seems odd that the most valuable resource in Prince William Sound is being grossly underrated.

Prince William Sound fisheries, particularly salmon, are suffering from many problems many of which are spill related. I would strongly suggest that this imbalance be addressed in this bill to restore the appropriate level of priority to this valuable resource. The fisheries problems with marketing and supply and demand are short term. In a way they are facilitating the necessary steps to the long term health of the industry which is mainly product diversification. Funding a higher level of fisheries projects in Prince William Sound is in my opinion the best use of the criminal settlement funds.

I would urge that you change the amount specified in Section 13 of the working draft of HB 411 to \$10,000,000. instead of \$1,400,000.. These funds would facilitate the following projects:

Early Marine Studies of Salmon with the Cooperative Fisheries and Ocean Studies consortium being the coordinating group.

Post spill fisheries management expansion. The department is grossly under funded in its' task of managing the PWS fishery.

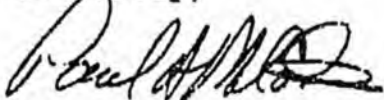
Assessment Summary Project specifically to assemble much of the important spill assessment data collected for presentation to the public which simply requires a signed waiver that none of the information will be used in litigation.

Wild stock enhancement program to rebuild the declining wild stocks in PWS.

DEDICATED TO THE UTILIZATION, CONSERVATION,
AND REHABILITATION OF ALASKA'S FISHERY RESOURCE
WITHIN THE 100 MILE LIMIT

Please let me know if you need any additional detail on these projects. I have been talking to the fishing groups, ADF&G, and the University of Alaska on these issues and know that there are a lot of us thinking along these lines. Please help us with this very critical situation.

Sincerely,



Paul McCollum
Executive Director

cc: Rep. Navarra
Rep. Gruenberg
Rep. Finkelstein
Rep. Ellis
Rep. Kubina
Dr. Robert T. Cooney
Prince William Sound Salmon Harvest Task Force Members
Mark Willete, A.D.F.&G.
Commissioner Carl Rosier, ADF&G
George Covell, PWS F&G Advisory Committee

RECEIVED MAR 13 1992

APPLIED MARINE SCIENCES, INC.

2155 Las Positas Court, Suite V
Livermore, CA 94550
Telephone No. (510) 373-7142
Facsimile No. (510) 373-7834

March 11, 1992

Representative Plis Davidson
Alaska State Legislature
Juneau, Alaska 99811

Dear Representative Davidson,

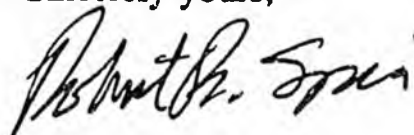
I am writing on behalf of Craig Matkin of the North Gulf Oceanic Society who wishes to have some of the monies from the criminal settlement of the *Exxon Valdez* oil spill for study of killer whales in Prince William Sound in 1992. There were abnormally high mortalities from one particular pod of killer whales (AB pod) between September of 1988 and June 1990--a total of 13 individuals are missing from this pod, many times the rate of expected natural mortality. Some of the missing animals are females, who left calves behind. The social structure of the pod has been disrupted. It may take this pod as long as 10 years to return to its prespill population level. There is some question of the cause(s) of death in this pod, as we do not know of a mechanism that would cause such acute mortality from oil. Also, this pod is the only one with a history of harassing commercial fishing operations and bullet wounds have been documented in some members of the pod. So, heavy damage occurred at the time of the spill, but there are significant uncertainties as to the cause of death of these whales.

The Trustee Council has supported assessment of damage to killer whales for the last three years and will be providing funds to NOAA to finish the damage assessment work in 1992. However, there is no funding allocated for new field work this season. Craig Matkin and his crew have done a wonderful job of tracking and identifying killer whales that frequent Prince William Sound. They now have a continuous data base on this and other pods that goes back into the early 1980s. They can carry out their work this summer for about \$60,000.

If the Alaska State Legislature were to provide funds to the North Gulf Oceanic Society for monitoring killer whales you can assume that work will be well done and performed for a very reasonable cost. As you are doubtlessly aware, killer whales are a very important and visible in

alaskan state waters and these studies will provide valuable information on this species in Prince William Sound.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Robert B. Spies". The signature is written in a cursive style with a large initial "R" and "S".

Robert B. Spies
Chief Scientist, *Exxon Valdez*
Spill Studies

KENAI RIVER HABITAT RESTORATION AND PROTECTION

March 4, 1992

Kenai River Habitat

A review of the technical literature indicates, even prior to the Exxon Valdez spill, that loss of riparian vegetation and wetlands and an increased potential for erosion and flood damage through development within the floodplain threaten the productivity of the Kenai River ecosystem. With its unusually abundant runs of early and late chinook, coho and sockeye salmon, the Kenai River is of primary importance to recreational fishing interests. The Kenai River enjoys the same status among commercial fishing interests because most of the ex-vessel value of the Upper Cook Inlet commercial salmon fishery is provided by harvest of late-run sockeye salmon returning to the Kenai River.

Oil spilled from the Exxon Valdez required fishery managers to close the drift gill net commercial fishery which operates in the offshore waters of Upper Cook Inlet. Closure of the drift gill net fishery resulted in substantial over-escapement of sockeye salmon in the Kenai River. Negative impacts associated with the over-escapement include:

- * devegetation of river banks due to trampling by recreational fishermen attracted to the massive numbers of sockeye passing upstream;
- * long-term damage to productivity of sockeye salmon nursery lakes due to over-population by emergent fry.

CIAA Proposal

Cook Inlet Aquaculture Association (CIAA) propose to utilize \$2,250,000 of oil spill restoration funds to create and endow a long-term program to restore and protect aquatic, wetland and riparian (near water) habitats throughout the Kenai River watershed.

The program would involve both restoration of stream bank habitats damaged or further damaged as a result of the oil spill and acquisition of development rights for stream bank and wetland habitats equivalent in value to those damaged as a result of the oil spill.

The primary habitat protection effort, designed to encourage participation of private landowners, would be modelled after The Nature Conservancy's highly successful "registry" and "conservation easement" program. Emphasis would be on the education of and personal contact with landowners which leads to permanent and legally binding acquisition of development rights ("conservation easements") via donation. Purchase of easements for especially sensitive properties would also be considered.

Kenai River Habitat Restoration and Protection

March 4, 1992

Page 2

Conservation easements would stipulate wetland or riparian habitats on a particular piece of property be maintained in their natural state. Conservation easements would be sought to protect habitats utilized by salmon throughout the watershed; e.g. sockeye and coho salmon spawning areas in small streams tributary to Kenai Lake, sockeye salmon spawning areas in the mainstem between Kenai and Skilak Lakes, and chinook salmon spawning and rearing areas between Skilak Lake and Cook Inlet.

Restoration efforts would focus on revegetation, rather than armoring, of river banks. Restoration efforts would target primarily public lands. The City of Soldotna is currently seeking funding for a revegetation demonstration project at one of its parks. There are multitudes of sites scattered along the entire length of the Kenai River which, if revegetated, would increase spawning and rearing habitat value for all species of salmon.

CIAA is a private nonprofit corporation "which exists to: (1) protect self-perpetuating salmon stocks and the habitats upon which they depend; (2) rehabilitate self-perpetuating salmon stocks; (3) rehabilitate salmon habitat; (4) maximize the value of the Cook Inlet (Area H) common property resource by applying science and enhancement technology to supplement the value attained from protection and rehabilitation of self-perpetuating stocks" (CIAA Mission Statement).

CIAA would maintain any funds received for the Kenai River Habitat Protection Project in a dedicated and regularly audited account totally separate from other CIAA accounts.

**Rep. Cliff Davidson
Sen. Curt Menard
Rep. Mike Navarre**

**Rep. David Finkelstein
Rep. Johnny Ellis**

and

**Afognak Joint Venture
Afognak Native Corporation
Alaska Center for the Environment
Alaska Environmental Lobby
Area K Seiners Association
City of Cordova
City of Yakutat
Cook Inlet Seiners Association
Cordova District Fishermen United
Eyak ~~Native~~ Corporation
Kachemak Bay Citizens Coalition
Kenai Peninsula Fishermen's Association
Kodiak Area Native Association
Kodiak Audubon
Kodiak Regional Aquaculture Association
Koniag, Inc.
National Outdoor Leadership School
Northwest Association of Marine Educators, Alaska Chapter
Prince William Sound Conservation Alliance
Seal Bay Timber Company
Seldovia Native Association
Sherstone, Inc.
Sierra Club, Alaska Chapter
Southeast Alaska Conservation Council
United Cook Inlet Drift Association
United Fishermen of Alaska**

invite you to a reception in support of

HB 411 and SB 379

**Monday, March 23, 1992
5:00 pm to 7:30 pm
Centennial Hall
Juneau**

Complimentary food, beer, and wine will be served

STATEMENT OF
JIM CARMICHAEL
MANAGER, AFOGNAK JOINT VENTURE
KODIAK, ALASKA

HOUSE FINANCE COMMITTEE

MARCH 24, 1992

Mr. Chairman, members of the Committee, I am Jim Carmichael, Manager of the Afognak Joint Venture (AJV) in Kodiak. AJV is a partnership, created in 1980, by Sec. 1427 of the Alaska National Interest Lands Conservation Act (ANILCA). AJV owns approximately 180,000 acres of land on Afognak Island. The two major partners in AJV are the Afognak Native Corporation and Koniag, Inc. There are also several smaller partners.

The Afognak Joint Venture supports HE 411, as passed by the Resources Committee. We own land surrounding Pauls Lake and Lower Malina Lake which are referred to in Sec. 10 of the bill. Those areas are part of two large AJV holdings, totalling 125,000 acres, stretching across the north and west sides of Afognak Island, on either side of the 50,000 acre Red Peaks unit of Kodiak National Wildlife Refuge, and nearby to the State's Shuyak State Park and western Raspberry Island.

This land ownership pattern is a result of recent events.

Afognak Island was originally set aside by the federal government as a Forest and Fish Culture Reserve in 1892. Until 1980, it was, like the lands in Prince William Sound, part of the Chugach National Forest. Extensive selections by village corporations on the southern portion of the island followed passage of the Alaska Native Claims Settlement Act (ANCSA). Later, ANILCA transferred extensive native selections from the Alaska Peninsula to most of the remaining portions of the island through the creation of the Joint Venture. Only the remnant Red Peaks unit, transferred from the Forest Service to the Fish and Wildlife Service, and a smaller State selection remain in public ownership.

Since that time, much of the southern portion of the island has been roaded and logged. Afognak Native Corporation, an AJV partner, maintains a logging camp on the island, and plans to continue timber harvest operations. But, AJV's holdings east and southwest of the federal land remain undeveloped.

These holdings contain outstanding fish and wildlife resources including large elk herds, Kodiak bears, and many of the species "injured" in the Exxon Valdez oil spill. Afognak was within the spill zone and some its shores were "oiled."

Testimony by
Afognak Joint Venture
March 24, 1992
Page 2

It had been AJV's intention to extend logging operations into the AJV holdings and to explore other income producing options for some of the islands non-timbered areas, such as cabins and lodges along the shore and at the high lakes. As a corporation, we owe it to our partners and their shareholders to return dividends.

However, for the past two years we have explored ideas which would lead to the sale of some or most of our holdings to federal and state land managing agencies. If successful, such an arrangement could enable our corporation to create a permanent fund and diversify our business operations. Of course, we would continue developing those lands which are not sold.

In that effort, we advocated passage by Congress for the funding of a special study of Afognak inholdings. In November, 1991, Congress authorized the study. We are currently cooperating with the Fish and Wildlife Service as it studies our lands. And in February, we testified before the Trustees of the Oil Spill Fund regarding our plans.

The lands identified in HB 411 are among the highest on the island for wildlife and recreational value.

Malina Lakes are the home of a significant elk herd and is a favorite hunting destination. The state Department of Fish and Game is fertilizing the lakes to increase productivity. This area lies immediately across Raspberry Strait from valuable recreation lands owned by that State and managed by Fish and Game.

Pauls Lake, an area of rich timber resources, is likely to be considered a particularly important area of "equivalent habitat" by the scientists reviewing the island. The salmon-bear-eagle ecosystem of the Pauls Lake-Laura Lake watershed is one of the three best on the island. The others have either been developed or are not being considered for public ownership. Neighboring Shuyak Island State Park is managed for kayaking and other primitive recreation values. Pauls Lake and the shoreline of the island may offer even better opportunities.

A one time purchase of these lands as envisioned by HB 411 would give AJV some working capital so that other deserving lands could be considered by the Trustees before they are developed. But, this rather small acquisition by itself would not be sufficient for us to reach our corporate goals of diversification and a permanent trust fund.

Testimony by
Afognak Joint Venture
March 24, 1992
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Rather, it is our hope that your efforts and the federal study will lead to a staged acquisition process, coordinated with both the state and federal governments to acquire a substantial portion of the AJV's assets; up to the entire 125,000 acre block. We would continue timber operations on those portions of the island now under development, but we would build our other financial options through sale of those lands identified by state and federal officials as deserving to remain undeveloped.

We are confident that Afognak's natural resource values will fare well in comparison to other areas within the spill zone. We are also hopeful that the presence of sizable tracts, contiguous to the large federal holding, and a cooperative seller will be attractive to the Trustees. If Afognak has a disadvantage, it is that its resources are not as well known as some other areas. We hope an objective investigation of the resources will overcome that disadvantage.

While we have participated in the hearings conducted by the Trustees, we understand that action by the Trustees may take some time. It costs our corporation money to refrain from development while the lands are considered for acquisition. The immediate purchase of these small but important tracts in HB 411, then, serves to reduce that liability.

Moreover, we believe that the areas in which the state is most likely to be interested are the areas listed in HB 411. Each is productive, undeveloped fisheries and wildlife habitat. Each is near state holdings and could be acquired as practical resource management units.

Having laid out what AJV offers, let me outline some conditions necessary for us to meet our obligations to our partners and shareholders.

First, we are interested in sale of lands, not development rights. If we are unable to sell most of the lands, we want to see sales of relatively compact parcels so we are not left with discontinuous tracts, lands encumbered by easements or holdings otherwise made difficult to develop.

Second, we are interested in selling a mix of timbered and non-timbered lands. To give up ownership of land, we must demonstrate to our partners that we are receiving a fair price and that the sale of the lands is an attractive alternative to timber development. We will not engage in a series of sales which leaves us holding lands with no revenue potential and no hope of further sales.

Testimony by
Afognak Joint Venture
March 24, 1992
Page 4

Third, we have already voluntarily withheld logging on many of our holdings while we have explored land sales. We have incurred substantial expenses in our efforts to work with Congress and the Trustees. We would not wish to be penalized for our cooperative efforts either by receiving bids lower than those offered to hostile sellers or to seeing sales of our lands delayed while uncooperative sellers are treated expeditiously. We have been open and cooperative and we expect fair play in return.

We have worked in cooperation with fishermen and public officials in the Kodiak Borough and we have appreciated their support for this proposal.

In conclusion, we believe that land acquisition is an important use of the settlement funds. We believe that land sales can help our shareholders and those of other corporations in the state. Unlike some other suggestions for the settlement money, investments and dividends flowing from the corporations should have long term economic benefits for our region and for the state. If we are successful in our efforts to establish a permanent fund, it will place our partner corporations on solid financial footing for the future.

We also believe that maintaining the best hunting, fishing and recreational resources is good for the region's economy.

We hope you will approve HB 411 and we hope to work with you to achieve the benefits of the legislation. Thank you.



Southeast Alaska Conservation Council

SEACC 419 Sixth Street, Suite 328 Juneau, Alaska 99801 (907) 586-6942

Southeast Alaska Conservation Council Testimony on HB 411 House Finance Committee -- March 24, 1992

Good afternoon, my name is Theresa Svancara and I am representing SEACC, the Southeast Alaska Conservation Council. SEACC is a grassroots coalition of fifteen local community, volunteer conservation groups in twelve communities across the Alaska panhandle, from Ketchikan to Yakutat. SEACC's individual members number well over one thousand, and are Alaskans from all walks of life. On SEACC's Board of Directors we have a pulp mill worker, several former loggers, a number of commercial fishermen, tourism business operators, teachers, biologists, and local community volunteers.

SEACC supports House Bill 411 and the acquisition of habitat as an appropriate use of the Exxon Valdez settlement funds. The funds received by the state under the criminal plea agreement can be used most effectively for restoration which includes replacement and enhancement of affected resources, and acquisition of equivalent resources.

We support acquiring habitat which prevents further environmental stress resulting from timber harvesting or other industrial activities. Timber and land acquisition will assist the recovery of the already damaged coastal estuaries.

As policy makers discuss options to enhance the recovery and restore the oil damaged resources, we urge you to think in terms of the entire ecosystem affected by the tragic Exxon Valdez oil spill. This entails careful consideration of the shoreline, estuaries, and upland forest habitat areas as well as the waters themselves.

For example, imminent logging, road construction, and related activities compound the impacts of the oil spill and threaten areas available for replacement of impacted resources. Clearcut logging and road building create soil erosion, muddying streams and suffocating life in the streams and on the ocean floor near the mouths of streams. These are habitats that support salmon, shellfish, and marine mammals. Protecting forest habitat is essential near salmon streams because the trees maintain a moderate in-stream temperature and prevent silt from eroding stream banks from suffocating the salmon eggs.

PELICAN FORESTRY COUNCIL • FRIENDS OF BERNERS BAY, Juneau • WRANGELL RESOURCE COUNCIL • SITKA CONSERVATION SOCIETY
FALSE ISLAND-KOOK LAKE COUNCIL, Tenakee Springs • LYNN CANAL CONSERVATION, Haines • TAKU CONSERVATION SOCIETY, Juneau
NARROWS CONSERVATION COALITION, Petersburg • FRIENDS OF GLACIER BAY, Gustavus • TONGASS CONSERVATION SOCIETY, Ketchikan
ALASKA SOCIETY OF AMERICAN FORESTDWELLERS, Point Baker • JUNEAU GROUP SIERRA CLUB • YAKUTAT RESOURCE CONSERVATION COUNCIL

Marbled murrelets, a bird severely damaged by the Exxon Valdez oil spill, not only spends time in the water but also nests in old growth forests.

Animals that we commonly think of as forest dwellers such as brown and black bear, deer, mink, and other small mammals also use the intertidal areas to forage for food and have been impacted by the Exxon Valdez Oil Spill. Studies have shown that both brown bear and deer in the oiled areas, have elevated oil levels in their tissue and fecal samples. Preserving their forest habitat will help them recover.

People in the communities impacted by the spill will also benefit from habitat acquisition. Jobs tied to intact forest and coastal habitat include commercial fishing, hunting and fishing guiding, recreation, and tourism. Cultural lifestyles are possible when habitat to allow subsistence use is preserved.

House Bill 411 makes sense. Common sense tells us if you're trying to nurture a stressed area back to health and revive fish and wildlife populations you don't clearcut and destroy the forests where they live.

Habitat acquisition is what the public wants. I've participated in several public meetings addressing how the restoration money should be spent. At each meeting citizens consistently and overwhelmingly called for restoration purchase of critical coastal forest habitat. The public is sending a clear message that habitat acquisition is a high priority for the settlement money.

HB 411 represents a chance to solve statewide conservation area protection issues. It provides for habitat acquisition in Prince William Sound, Afognak Island, Kachemak Bay, and Cape Suckling.

The area that SEACC is particularly interested in is Cape Suckling. It is highly valued as an economic resource by our member group the Yakutat Resource Council and SEACC has a long standing concern for this area.

Cape Suckling, the Suckling Hills, and the watersheds encompassed therein, will provide equivalent subsistence, sport, and commercial fishing, recreation and tourism opportunities to replace those resources essential to Cordova and other Prince William Sound communities that were damaged by the oil spill.

The Cape Suckling area is state land just east of Cordova, adjacent to the Yakutat State Wildlife Refuge. The timber rights, which the Alaska Department of Natural Resource has yet to convey properly to the University of Alaska, include the Suckling Hills in a 32,000 acre parcel between Cape Suckling and the Seal River.

When the Yakataga refuge bill passed in 1990 legislators recognized the valuable habitat of Cape Suckling and placed a moratorium on timber cutting until the timber rights were repurchased. This repurchase remains unachieved, however, because of a stalemate between the University of Alaska and the Department of Natural Resources. Sadly, cutting could begin in this valuable coastal habitat in 1993. Now, money appropriated from HB 411 to repurchase timber rights at Cape Suckling can fulfill a legislative goal and preserve one of the most valuable habitat areas in the state.

Appropriating money to Cape Suckling serves multiple purposes. First, it replaces resources that were damaged by the oil spill. Impacts to Prince William Sound and other regions increase our reliance on potential replacement habitats, such as Cape Suckling. Cordovans have a history of using Cape Suckling for fishing, guiding, and tourism and is very economically important to them.

Second, critical fisheries will be safeguarded. The Suckling Hills is laced with several anadromous salmon streams boasting some of the best Coho habitat on the Pacific Coast. The Kiklukh River is commercially fished by Prince William Sound and Yakutat gillnet fishermen. Thirty set gillnet fishermen holding permits for Eshamy in Prince William Sound can also fish in the Cape Suckling area with their permits. Both the Kiklukh and Seal Rivers host intensive commercial set net fisheries. The Okalee and Tashalich Rivers are other important salmon streams. This rich salmon resource is not only important to commercial fishermen but also lures sport fishermen and sustains subsistence fishermen.

A recent study conducted by the US Fish and Wildlife Service discovered that over 1000 Bald Eagles from the western part of Prince William Sound, the most heavily oiled area, migrate to Cape Suckling for the fall and winter Coho runs. Preserving this food source at Cape Suckling is directly related to the restoration of bald eagles that were damaged in Prince William Sound by the oil spill.

Third, a thriving wildlife habitat will be protected. Mountain goats live in the Suckling Hills of Boone and Crockett record size. Adjacent areas once held Alaska's largest goat population, but in the last 10 years have suffered a 75% decline, in part due to logging. Exceptional populations of brown bear, black bear, and moose are found in the Cape Suckling area. A guide from Cordova told me he counted 40 bears in a single strawberry patch. Bird life in this region is astounding. The nearby Eastern Copper River Delta nesting and migration areas are world-famous, and Cape Suckling includes significant expanses of contiguous habitat.

A fourth purpose served by appropriating money to Cape Suckling is an investment in the University of Alaska. The University supports HB 411 and testified in front of the House Resources Committee in favor of it. Money allocated to purchase the timber rights will go into a trust fund available for educating Alaskans. This is an investment in our citizens, our children, and our future.

When it comes to Cape Suckling the Legislature cannot go wrong by investing in coastal forest habitat at Cape Suckling and the University of Alaska.

We encourage you to support House Bill 411 with the inclusion to re-purchase Cape Suckling's timber rights.

Raptor Management
U.S. Fish and Wildlife Service
P.O. Box 768
Cordova, AK 99574
(907) 424-5802

Summary of Prince William Sound Bald Eagle Movements Data

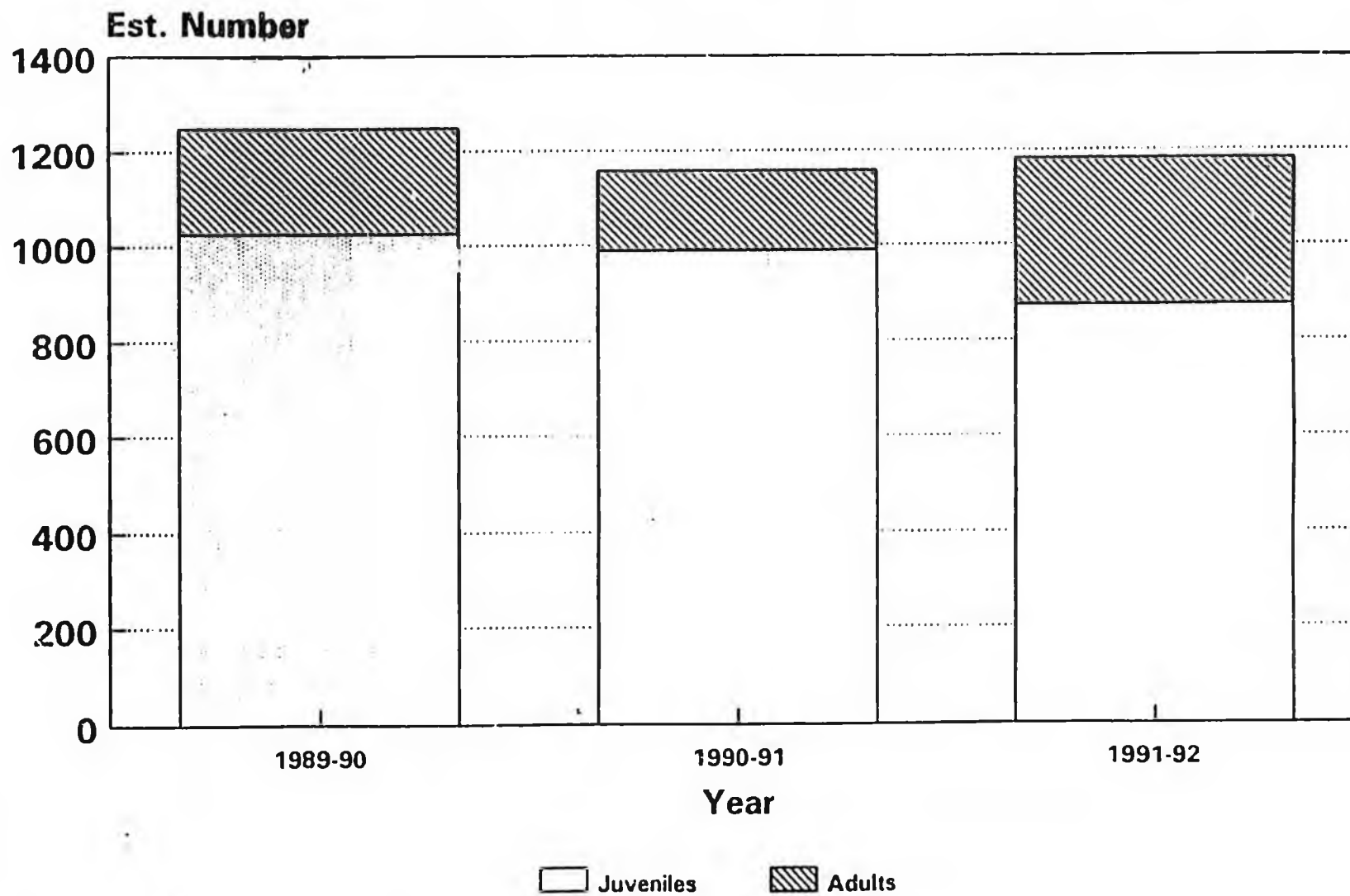
As part of the EVOS bald eagle damage assessment project, approximately 70 nestling and 90 adult bald eagles were radio-marked in Prince William Sound (PWS) in 1989 and 1990. These marked eagles have been tracked since marking began in late summer of 1989. The assessment studies have ended and no additional funding has been provided under restoration programs to continue these studies. Approximately 80 eagles are still equipped with functioning transmitters.

In general, juvenile eagles from PWS nests wander throughout PWS, the Gulf coast and southeast Alaska. They have been found as far west as Homer and as far south as Craig. After leaving their nests in September, young eagles generally move south out of PWS to feed on spawned-out coho salmon along rivers on the Gulf coast. The most important fall and early winter feeding areas we located were the Copper River Delta and the Cape Suckling area. More than 40 percent of the juveniles marked in PWS moved to the Cape Suckling area to feed (see the attached graphs) with an estimated total of 1000 juveniles from PWS using the area. As salmon runs decline and rivers begin to freeze up in January and February, the juveniles disperse. Some move to the east along the Gulf coast and into Southeastern Alaska. Others return to PWS. The south shore of Montague Island is an important wintering area after eagles leave the salmon runs, perhaps attracted to dead deer or marine mammals on the beaches. Juveniles that moved south usually return to PWS in the spring and summer, concentrating at herring and eulachon (hooligan) spawning areas within PWS or on the Copper River Delta. Cape Suckling and areas farther to the east were rarely surveyed in late spring so concentrations in these areas are unknown for this period. No large summer concentration areas were found. Food is apparently abundant during the summer and juveniles stay in PWS.

In contrast to juveniles, adults with nesting territories spend most of their time near their nests. PWS breeders will make long movements during the non-breeding season, but usually no further than the Copper River Delta. A few go as far as the Cape Suckling area, but most breeders do not travel that widely. Although thorough surveys of the area have not been conducted, we know of at least 10 nests in the Cape Suckling/Suckling Hills area, more than 40 between Cape Suckling and Cape Yakataga and more than 30 in the Controller Bay/Bering River area.

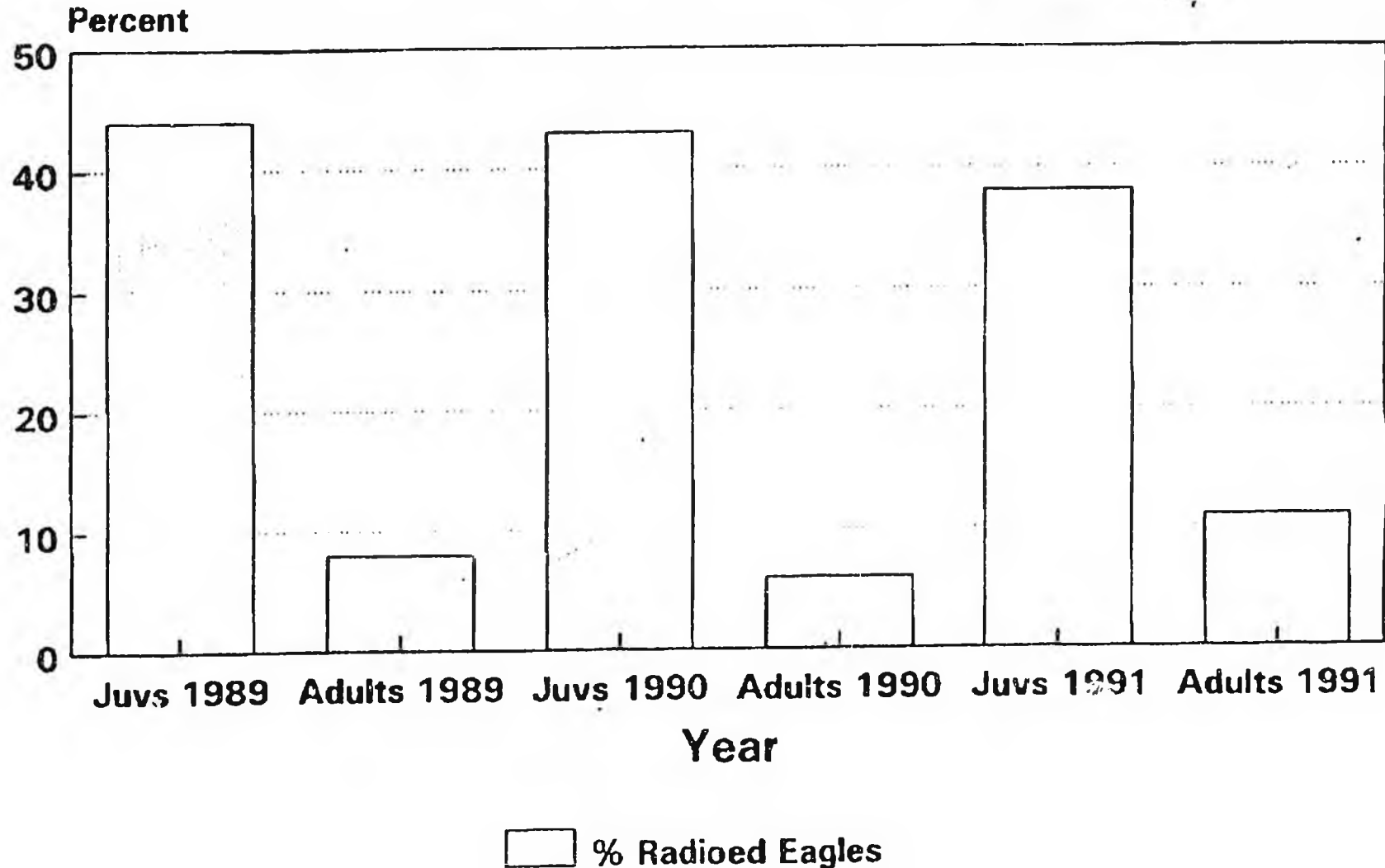
A few adults do not hold breeding territories. These adults wander more than breeders, but not as much as juveniles. No marked non-territorial adults moved further east than Cape Suckling and the majority didn't go beyond the Copper River Delta. Juveniles occasionally leave PWS for extended periods, but non-territorial adults typically restrict their movements to the PWS region.

Fall/Winter Use of Cape Suckling Area by Bald Eagles From Prince William Sound



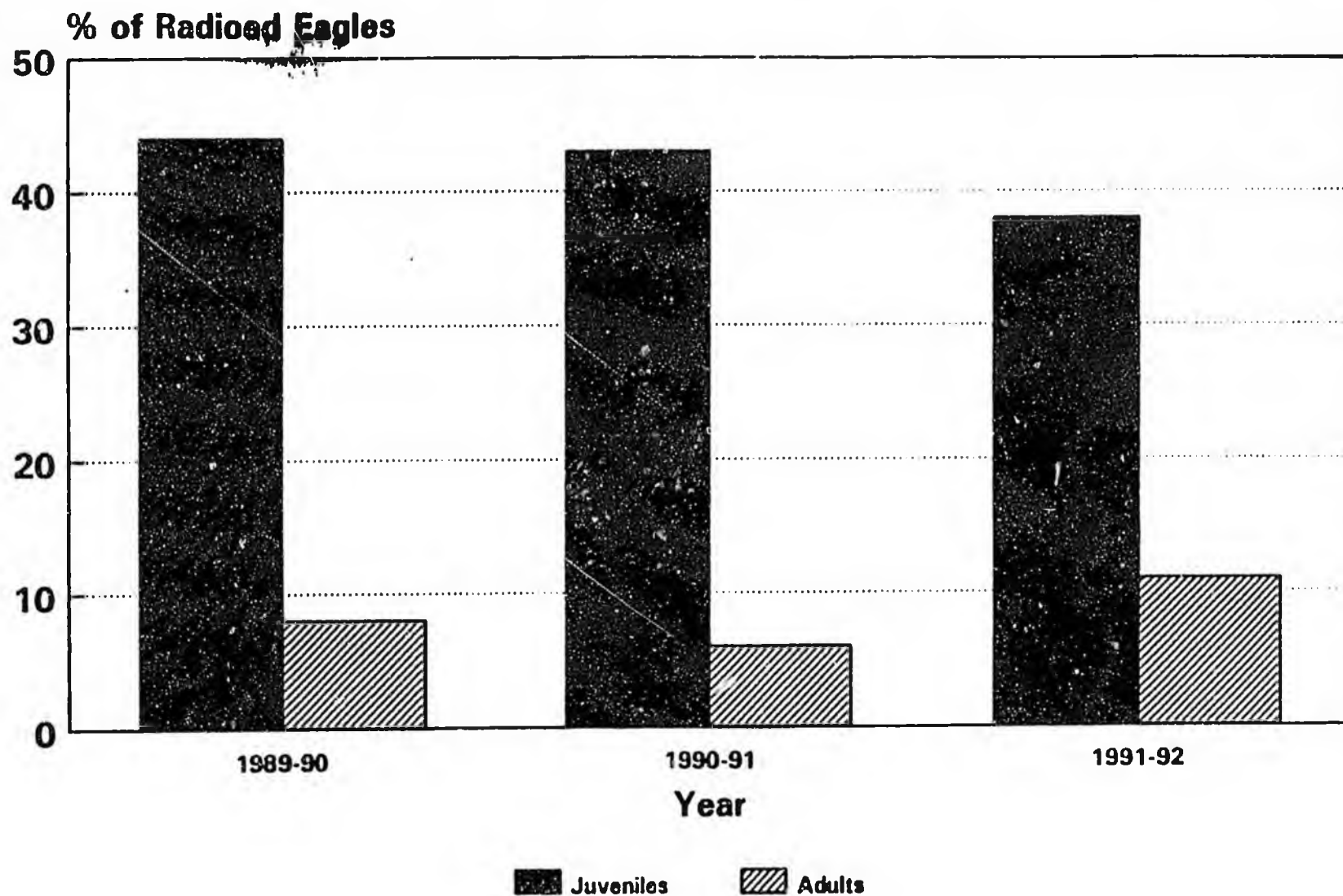
Fall/Winter defined as Oct. thru Jan.

Fall/Winter Use of Cape Suckling Area by Bald Eagles From Prince William Sound



Fall/Winter defined as Oct. thru Jan.

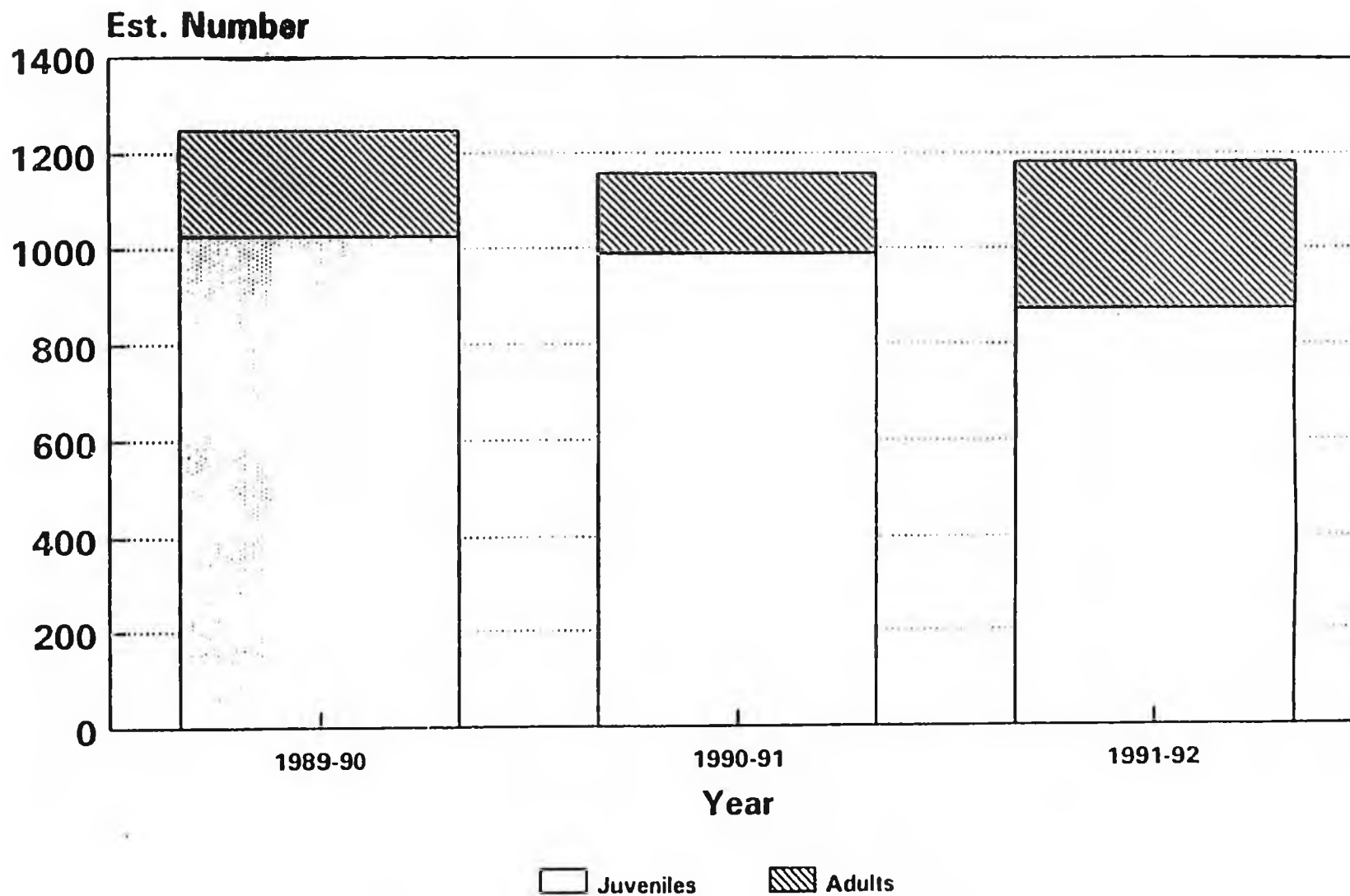
Fall/Winter Use of Cape Suckling Area by Bald Eagles From Prince William Sound



Fall/Winter defined as Oct. thru Jan.

Handwritten note: Study by USFWS

Fall/Winter Use of Cape Suckling Area by Bald Eagles From Prince William Sound



Fall/Winter defined as Oct. thru Jan.

TESTIMONY FOR RALPH ELUSKA

In Support of H.B. 411

My name is Ralph Eluska. I am President of Akhiok-Kaguyak, Inc., a Native corporation located on Kodiak Island. I am also Vice President of Seal Bay Timber Company, a joint venture between Akhiok-Kaguyak, Inc. and Old Harbor Native Corporation. I am testifying in support of House Bill 411.

The EXXON VALDEZ oil spill has irreparably harmed both Alaska and Alaskans. We cannot recover the pristine shorelines of Prince William Sound or other shores and islands affected by the oil. We cannot bring back to life the birds and sea life decimated by the spill. We cannot adequately compensate the people whose lives and livelihood were affected by the oil spill. And may never be able to erase from our minds the fear of another catastrophe such as this or the impact it will have on all of us.

We can, however, begin the process of restoring and enhancing the valuable lands which were affected by the oil spill. The funds available from the settlement of the criminal case against EXXON VALDEZ can and should be used to acquire valuable habitat affected by this disaster.

Kodiak and islands in the Kodiak archipelago, including Afognak Island, were directly and adversely affected by the oil spill. Some of these lands include lands on Afognak Island, particularly around the Paul's Lake and Laura Lake areas on Afognak which are extremely valuable, not only for their scenic value, but also for its old growth timber. [Referenced in Sec. 11 of draft dated 3/12/92.] The old growth timber located on these lands are presently in jeopardy of being cut. In fact, there is substantial timber presently being cut and being scheduled to be cut on Afognak Island. The monies available from House Bill 411 can and should be

used to seek ways by which these lands and these old growth timber on these lands can be obtained and maintained by the State of Alaska.

Although the EXXON VALDEZ is a true catastrophe, it would be just as disastrous for Alaska if we do not take the opportunity to use these funds to acquire the valuable habitat affected by the spill and which are presently at risk of being spoiled.

.....
JKW/cl
2020-1\Testimony.RLE

Ted Stevens

United States Senator For Alaska



NATIVE LANDS -- TWENTY YEARS LATER

Alaska Natives own more than 44 million acres of land. That makes you, the members of the AFN, the largest landowners in the world. Today, twelve of the thirteen regional corporations have received title to 35.7 million of the 44 million acres of land that Alaska Natives were entitled to with the passage of ANCSA.

To ensure the survey and transfer of remaining Native allotments and Native corporation land selections, I requested \$2.3 million in the Bureau of Land Management budget for the Alaska Cadastral Survey program. \$1 million was also included in the BLM budget for the Alaska Lands Programs, to review Native allotment applications and Native land selections.

A CLEAN ENVIRONMENT FOR THE FUTURE

I asked for language to be included in the fiscal year 1992 Department of Defense appropriations bill to provide complete reviews no later than August 1, 1992 of ongoing Department of Defense **environmental cleanup** at Attu, Kiska, Great Stikin, Amchitka and Elson Lagoon. Congress understands that these islands have been contaminated with debris and hazardous materials from defense activities during World War II and pose potential environmental hazards to island residents. In addition, the bill states that DoD must address the complete clearing of Elson Lagoon, and not just the clearance of a navigation channel.

Together with Senator Murkowski and Congressman Don Young, I am working on legislation to address the problem of **hazardous waste on Native lands**. We will work closely with AFN and Native leaders to resolve this difficult problem.

Funds were provided to explore the possibility of acquiring Native and other private lands affected by the oil spill. The Fish and Wildlife Service will evaluate lands owned by Afognak and other Native corporation located in Prince William Sound. It would be up to each corporation to decide whether to sell its lands.

Language is also included in the Department of the Interior appropriations bill to impose a moratorium on oil leasing in the North Aleutian Basin. (No oil or gas leasing is permitted in Bristol Bay.)

At my request, \$5 million was added to the fiscal year 1992 Energy and Water budget for the continuing construction on the Bethel Seawall to protect areas threatened by the erosion of the Kuskokwim Riverbank.

PUBLIC OPINION MESSAGE

DEAR: REPRESENTATIVE DAVIDSON

NAME: RICHARD & MOLLY MACINTOSH
TITLE:
ADDRESS: 909 MISSION RD.
CITY: KODIAK ZIP: 99615
PHONE: 486-3087
BILL NO: HB 411
SUBJECT: APPROP: EXXON VALDEZ RESTORATION PROJECTS
MESSAGE: WE CANNOT MAKE IT TO TESTIFY AT THE TELECONFERENCE THIS
AFTERNOON BUT WE SUPPORT CLIFF DAVIDSON'S HB 411, MAXIMIZING THE AMOUNT
OF MONEY GOING FOR PROTECTION OF THE THREE UPLAND SITES.

POHID: 09091212
DATE: 92/03/17
TIME: 09:12:12
LIONAME: KODIAK LIO

COPIES: REPRESENTATIVES

CARNEY
FINKELSTEIN
HUDSON
IVAN
LEMAN
LINCOLN
MOYER
ZAWACKI

PUBLIC OPINION MESSAGE

DEAR: REPRESENTATIVE DAVIDSON

NAME: BRIAN HIMELBLOOM
TITLE:
ADDRESS: PO BOX 1066
CITY: KODIAK ZIP: 99615
PHONE: 486-6382
BILL NO: HB 411
SUBJECT: SB 379 & HB 411
MESSAGE: I WOULD LIKE TO SEE SUPPORT FOR THE PASSAGE OF THESE BILLS.
THIS IS A GOOD WAY FOR THE RESTORATION FUNDS TO BE SPENT.

POHID: 09092021
DATE: 92/03/17
TIME: 09:20:21
LIONAME: KODIAK LIO

COPIES: REPRESENTATIVES SENATORS

NAVARRE
CARNEY
FINKELSTEIN
HUDSON
IVAN
LEMAN
LINCOLN
MOYER
ZAWACKI
ZHAROFF
JONES

Kodiak Area Native Association



402 Center Avenue
Kodiak, Alaska 99615
Phone (907) 486-5725

Representative Cliff Davidson
Alaska State Legislature
State Capitol
Juneau, AK 99801-1182

March 4, 1992

In re: *HB 411*

Prehistoric archaeological sites are utterly non-renewable resources. Kodiak Island's prehistoric record is especially precious. The Kodiak Island region appears to have been the "hearth" area, or staging ground for the dispersals of the first Eskimo cultures. In the period immediately preceding historic contact, Kodiak Island was also home to the most populous and culturally complex societies of the arctic maritime region (arctic coasts of Siberia, Alaska, Canada, and Greenland). Since nearly all of our prehistoric and early historic sites are coastal, archaeologists watched the 1989 Exxon-Valdez oil spill advance into Kodiak Island waters with great trepidation.

In an effort to minimize damage to the sites from shoreline cleanup activities, Exxon employed 26 professional archaeologists in a three-year cultural resource program. Federal archaeologists and State archaeologists were also sent out to monitor archaeological resources on National and State park lands. Shoreline cleanup activities were, nonetheless, very damaging to our prehistoric record. Data on site locations were improperly controlled by Exxon. Site maps were often given out to skippers, and in one case, a number of site location maps were found prominently heaped atop a curbside airport dumpster. Moreover, culture resource impact assessments by Exxon archaeologists did not make it out to field crews on a consistent basis, and very little on-site monitoring took place during cleanup. By Exxon's own admission, 22 sites which lay in the path of cleanup crews were vandalized during the summer of 1989 alone. Of these 22 sites, 17 were in the Kodiak area.

The true toll of three-years of cleanup activities is undoubtedly much higher. Exxon has done some post-spill assessment of archaeological damages, and the Park Service, and State have done some post-spill assessment of archaeological damage on their lands, but a comprehensive assessment of damage on all Kodiak Island lands has never been done. Thus, Native Corporation holdings, which are considered private land holdings, and other privately-owned lands, have largely been left out of consideration.

What is needed is a comprehensive survey of the nature and extent of archaeological resources on Kodiak Island. Proposals to use oil-spill settlement dollars for the purchase of additional park lands or for the establishment of habitat preserves need to consider archaeological resources as part of the equation. The

presence of archaeological resources does affect land valuations. So, the true value of a parcel of land cannot be accurately assessed without information on archaeological resources. Native Corporation land managers ought to have information on archaeological resources before they negotiate the sale of inholdings. All land managers, whether they work for the National Wildlife Refuge, the State parks, the Kodiak Island Borough, or one of Kodiak's many Native Corporations, are now faced with deciding whether any attempt should be made to stabilize vandalized sites. In some cases, stabilization with geo-textiles may be warranted, but this can be quite expensive, depending upon the extent of the damage. Thus, they need information on the extent and nature of archaeological resources so that they can begin to set priorities for stabilization or future site monitoring.

A comprehensive survey of Kodiak Island archaeological resources would also be a wise investment in the event of future oil-spills or other environmental damage. There is a distinct possibility that areas of the Shelikof Strait may be opened up to oil exploration leases. A number of important sections of our coastline, which could be directly impacted by a spill in the Shelikof Strait area, have never really been surveyed such as the west coast of Afognak Island, Olga Bay, southwestern Kodiak Island (south and west of Sturgeon Lagoon). The Kodiak Area Native Association (KANA) has been actively sponsoring archaeological excavations for almost ten years now. KANA has also developed innovative site stewardship and site monitoring programs which have caught the interest of the National Park Service, the State Historic Preservation Office, and the BIA. As a non-profit, KANA could conduct a comprehensive survey of Kodiak archaeological resources and carry out public education programs through its Alutiiq Culture Center with maximum return for the dollar. Accordingly, KANA proposes that *HB-411* allocate funds for comprehensive archaeological survey work and public education/outreach on archaeological resource protection.

Coastal survey and professional mapping costs are expensive. By means of comparison, the National Park Service conducted a post-spill assessment of archaeological sites in Prince William Sound, Kenai, Alaska Peninsula and Kodiak Island during the late summer/early fall of 1991 at a cost of roughly \$500,000. KANA would propose to charter a vessel and employ a six-man crew for a full summer of survey in Kodiak Island waters. The total number of sites which would be visited by KANA's crew would certainly equal the number visited by the Park Service crew. The Kodiak archipelago has more than twice the density of sites than exist in the remainder of the spill area (i.e., the Sound, Kenai Peninsula, and the western Alaska Peninsula). Thus, a comprehensive survey of Kodiak Island archaeological resources would probably cost upwards of \$500,000 allowing \$50,000 for professional mapping equipment (such as six EPS units, a plotter, a graphics image digitizer, and computer) and graphics generating software (AutoCad).

A comprehensive survey will undoubtedly generate several years' worth of laboratory work. Detailed maps and reports, including a photographic baseline of archaeological resources and cultural resource protection plans, will need to be produced once the survey has been completed. KANA would need to dedicate a

full-time staff archaeology position to this project. Although, KANA currently employs one full-time archaeologist, his time is split working on numerous projects.

Thus, it would be beneficial for *HB-411* to set funds aside so that KANA could employ at least one full-time archaeologist for this project. KANA's Culture Heritage Department enjoys good working relations with various Federal, State, and local entities, such as the National Park Service, the State Historic Preservation Office, the National Wildlife Refuge, and the Kodiak Island Borough. KANA has taken the lead in public outreach on matters of archaeological resource protection, and in training local residents in "site stewardship." KANA also operates the Alutiiq Culture Center which serves as a repository for archaeological collections, and research reports, and which disseminates information on archaeology to the general public and specialist audience alike. By setting aside a \$500,000 endowment for a KANA staff-position in archaeology, the State would be making a prudent investment in archaeological resource protection for all landowners and in public education.

Sincerely,

KODIAK AREA NATIVE ASSOCIATION
KELLY SIMEONOFF, JR., PRESIDENT

Phyllomena Knecht for Kelly Simeonoff, Jr.

Phyllomena Knecht, Alutiiq Program



CORDOVA DISTRICT FISHERMEN UNITED

P.O. Box 939

Cordova, Alaska 99574

Phone (907) 424-3447 Fax (907) 424-3430

March 20, 1992

Representative Cliff Davidson
Alaska House of Representatives
P.O. Box V
Juneau, Alaska 99574

Dear Cliff:

The CDFU Board of Directors met with representatives of Prince William Sound Aquaculture (PWSAC), Valdez Fisheries Development Association (VFDA) and ADF&G to identify and prioritize critical resource restoration and enhancement projects to be funded by the \$1.4 million allocated to Prince William Sound in HB 411.

The projects which the group has identified are critical to the basic, on-going management of PWS fisheries and have either been eliminated from the ADF&G budget or have been denied funding through the civil settlement monies by the EVOS Trustees. It is extremely disappointing that we are forced to utilize a portion of the State's criminal settlement to fund ADF&G projects that should be covered by the general fund. However, since funding is not forthcoming from regular sources, we are fortunate that there is at least this small amount of money that can be used as a safety net to keep these critical projects from falling through the cracks.

I wish to point out that we are submitting two lists of prioritized projects. The Priority A list includes projects which have been identified by consensus as being most critical to fisheries enhancement and restoration. The Priority B list is intended as a second tier of vital projects which we feel should be funded if additional monies become available.

PRIORITY A

\$175,000: Herring Spawn Deposition Program for the 1993 spring field season. This program is a necessary basic management tool which provides biologists with a real-time estimate of herring biomass to accurately forecast and assess herring stocks.

\$900,000: **Salmon Coded-Wire Tag Recovery Project.** This program covers all species of salmon and provides vital information for assessing wild and hatchery salmon stocks. It also provides basic baseline data on the constitution and definition of salmon populations in Prince William Sound.

\$65,000: **Restoration of Coghill Lake Sockeye Run.**

\$30,000: **Monitoring Early Marine Growth of Juvenile Salmon.** Estimates of early marine growth of juvenile salmon are needed to evaluate the effectiveness of restoration efforts for wild stock salmon and to refine salmon forecasts.

\$240,000: **Run Reconstruction.** This project will estimate the effects of the Exxon Valdez Oil Spill on wild stock PWS pink salmon populations. This information will allow resource managers to take specific action to help restore damaged pink salmon stocks.

TOTAL PRIORITY A LIST: \$1,410,000

PRIORITY B

\$40,000 **Adult Sockeye Weir at Eshamy Lake.** This basic management tool is necessary to achieve escapement levels and maximize the available harvest of Eshamy sockeyes for the 1992 season.

\$30,000 **Pink Salmon Aerial Surveys.** This project will provide information for escapement enumeration which will help avoid delays in opening the commercial harvest of pink salmon. Better information on pink salmon populations can ultimately reduce the incidence of watermarked fish and improve the quality of pink salmon harvested in PWS.

\$30,000 **Monitoring Sockeye Smolt in Eshamy Lake.** This project would estimate the outmigration of sockeye smolt from Eshamy Lake in the spring of 1993. This information is necessary to monitor the recovery of Eshamy Lake sockeye stocks and to determine fry survival and the lake's carrying capacity.

\$265,000 **CFOS Juvenile Salmon Studies.** This money would be appropriated for the Cooperative Fisheries and Oceanographic Studies (CFOS) which include monitoring of oceanic conditions and growth responses of juvenile salmon in PWS. This information is necessary for evaluating the recovery of wild stock salmon and forecasting future returns.

\$70,000 **1992 Pot Shrimp Survey.** This project will continue the monitoring of the pot shrimp stock to establish appropriate harvest levels.

\$700,000 **Coded-Wire Tagging of Wild Stock Salmon.** Coded-wire tagging of PWS wild stock salmon is needed to monitor the recovery and reduce the exploitation of damaged stocks.

TOTAL PRIORITY B LIST: \$1,135,000

We appreciate your consideration of our input and hope that as many of the projects listed as Priority B receive funding. Again, it doesn't seem right that the State's criminal settlement monies be spent to fund ADF&G's bare-bones management projects. These projects belong in the general fund. HB 411 provides a one-year reprieve for some critical management programs, but it does little to assure continued funding for basic resource management in PWS.

The CDFU Board of Directors appreciates your efforts on behalf of HB 411. The bill may not be perfect, but you have done a remarkable job of accommodating a wide variety of needs and interest groups to the fullest extent possible. Thank you.

Sincerely,

CORDOVA DISTRICT FISHERMEN UNITED



Mary L. McBurney,
Executive Director



STATE OF ALASKA

HOUSE OF REPRESENTATIVES

Box V, Juneau, Alaska 99811

(907) 465-2487 • 465-2498

REPRESENTATIVE CLIFF DAVIDSON • DISTRICT 27 • Box 746, Kodiak, Alaska 99615 • (907) 486-8250

TO: Senator Lloyd Jones, Chairman
Senate Resources Committee

FROM: Representative Cliff Davidson 

DATE: 8 May 1992

SUBJECT: House Bill 411

House Bill 411 appropriates \$50 million in criminal restitution monies obtained from the Exxon Corporation for violations of the Migratory Bird Treaty Act. Those monies are available for expenditure by the Alaska State Legislature pursuant to the restrictions placed on the uses of those monies by the District Federal Court.

The language in the court order restricting the uses of the restitutionary payments is as follows: The monies "are to be used by the State of Alaska...exclusively for restoration projects, within the State of Alaska, relating to the 'Exxon Valdez' oil spill. Restoration includes restoration, replacement and enhancement of affected resources, acquisition of equivalent resources and services, and long term environmental monitoring and research programs directed to the prevention, containment, cleanup and amelioration of oil spills."

It is my belief that the provisions of HB 411 follow the letter and the spirit of the settlement. Following is a summary of the provisions of CSHB 411(Fin)am.

- Section 1 Findings and Purposes
- Section 2-4 Acquisition of key fish and wildlife habitat in three regions of Prince William Sound - \$8,700,000
- Section 5 Acquisition of and moratorium on Cape Suckling parcel near Cordova - \$6,000,000
- Section 6 Kachemak Bay acquisition - \$14,000,000
- Section 7 Acquisition of conservation easements along Kenai River - \$2,800,000
- Section 8 Prince William Sound Science Center research - \$800,000

Section 9 Weir site acquisition near Seward - \$75,000

Section 10 Acquisition of key fish and wildlife habitat in two key watersheds on Afognak Island, Kodiak - \$7,000,000

Section 11 Acquisition of key fish and wildlife habitat in one watersheds on Afognak Island, Kodiak - \$1,300,000

Section 12 Weir site acquisition - \$350,000

Section 13, 23, 24, 25
Prince William Sound fishery restoration projects - \$1,410,000

Section 14-17 Cook Inlet fishery restoration projects - \$990,000

Section 18 Fishery restoration project near Seward - \$250,000

Section 19 Prince William Sound killer whale research - \$60,000

Section 20 Subsistence restoration near Chenega Bay - \$200,000

Section 21 Archeology work throughout the spill area - \$800,000

Section 22 Fisheries research for Fisheries Industrial Technology Center, Kodiak - \$100,000

Section 26 Expansion Fort Richardson sport fish hatchery - \$1,785,000

Section 27 Cleanup of Chenega Bay herring saltry - \$585,000

Section 28 Oyster spat hatchery, Seward - \$800,000

Section 29 Alaska Sea Life Center, Seward - \$565,000

Section 30 Oil/grease separators on Valdez storm drains - \$215,000

Section 31 Upgrading Prince William Sound hatchery - \$1,000,000

Section 32, 33 Prince William Sound fishery restoration projects - \$215,000

Section 34-39 Effective date clauses and lapse dates



Northern Alaska Environmental Center

218 DRIVEWAY
FAIRBANKS ALASKA 99701
(907) 452 5021

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To	Senator Jones	From
Co.		Co.
Dept.		Phone #
Fax #	465-3522	Fax #

May 6, 1992

Senator Lloyd Jones
Alaska Legislature
State Capitol
Juneau, Alaska 99801-1182

Senator Jones:

As the session nears an end, there are many important things yet to do. Not least among them is to support HB 411, legislation authorizing the buyback of timber rights in Kachemak Bay, Cape Suckling, Afognak Island, and Prince William Sound.

It is fitting that Exxon settlement monies be used to repurchase timber rights in these areas. Local economies and statewide tourism depend on the protection of these magnificent natural treasures.

We urge you to support HB 411. Thank you for considering this pressing issue.

Sincerely,

David van den Berg
Assistant Director





CITY of YAKUTAT

P.O. Box 6
YAKUTAT, ALASKA 99689
(907) 784-3323

May 6, 1992

Senator Lloyd Jones
Alaska State Legislature
Juneau Alaska

RE: HB 411; Restoration Projects Appropriations

Dear Senator Jones:

On behalf of the City of Yakutat, I strongly urge your support for HB 411. Particularly important to the residents of the Yakutat region is Section 5 of the bill, allocating a \$6 million downpayment for repurchase of extensive timber rights in the Cape Suckling area from the University of Alaska, and providing for a ten year moratorium on timber harvests there to permit negotiation and full repurchase of such timber, as called for by the legislature under Ch. 143, SLA 1990. Under that Act, the legislature previously determined that, upon repurchase of the Cape Suckling timber rights, the tract would automatically become part of the Yakataga State Game Refuge. This was very important legislation to the residents of our area.

The Cape Suckling area is important habitat for diverse wildlife resources, including mountain goats, moose, bear and waterfowl. It is important to maintain a refuge and sanctuary for the area's wildlife, given the extensive logging plans for other portions of the coastal forest by the University, Chugach Alaska Corporation and, perhaps, the Mental Health Trust. The Cape Suckling tract also impacts the drainages of important subsistence and commercial salmon streams.

In the long term, the value of the Cape Suckling area to the State of Alaska, for recreation, subsistence and tourist use, will be greater than a one-time low quality timber harvest by the University. Moreover, the cash paid for the repurchase will go to a good cause, otherwise subsidized by the State, the University of Alaska.

Sincerely,

CITY OF YAKUTAT

Larry Powell, Mayor

Post-It™ brand fax transmittal memo 7671		# of pages
To	From	1
Senator Jones	Larry Powell	
Co.	City	
	Yakutat	
Dept.	Phone #	



CORDOVA DISTRICT FISHERMEN UNITED

P.O. Box 939

Cordova, Alaska 99574

Phone (907) 424-3447 Fax (907) 424-3430

TESTIMONY: HB 411
Senate Resources Committee
May 8, 1992

CDFU strongly supports the intent of HB 411 and urges the Senate Resources Committee to give primary consideration to using the State's criminal settlement monies for preserving critical habitat areas such as the Cape Suckling tract and easements along anadromous fish streams. The Cape Suckling tract represents an area which supports one of the richest runs of silver salmon on the Pacific coast and is heavily utilized by the Cordova fishing fleet.

We are also in support of the proposal to purchase timber development rights for the areas around Eyak Lake and Nelson, Sheep and Simpson Bays in Prince William Sound. This proposal, which is included in Section 2 of the bill, would establish a three-year moratorium on timber harvesting activities in these areas which would allow time to identify, evaluate and prioritize critical habitat areas for later timber buy-backs.

CDFU also supports the allocation of funds to the Department of Fish and Game for various fishery restoration and enhancement projects in Prince William Sound. The projects described in Sections of HB 411 are critical to the basic, on-going management of Prince William Sound fisheries and have either been eliminated from this year's ADF&G budget or have been denied funding through the civil settlement monies by the Exxon Valdez Oil Spill Trustees. It is extremely disappointing that we are forced to utilize a portion of the State's criminal settlement to fund ADF&G projects that should be covered by the general fund. However, since funding is not forthcoming from regular sources, we are fortunate that there is at least this small amount of money that can be used as a safety net to keep these critical projects from falling through the cracks.

Cordova District Fishermen United urges your support of HB 411. There is a real and immediate need to utilize the State's spill settlement funds to protect threatened critical habitat areas and fund projects that assist spill-impacted communities and natural resources to recover from the nation's largest oil spill. The Memorandum of Agreement states that the criminal settlement funds are to be used for restoration of natural resources. There is no greater or higher use of these monies and there is no time of greater need than now.

April 14, 1992

Senator Lloyd Jones
Room 30, Capitol
P.O. Box V
Juneau, AK 99811

Dear Senator Jones,

House Bill 411, and specifically the acquisition of land and/or timber, is an inappropriate use of the Exxon Valdez Oil Spill settlement funds.

The attempt to acquire "upland forest habitat areas" as promoted by various special interest preservation groups is not based on scientific rationale to provide for restoration or enhancement of the affected resources within the Prince William Sound - Gulf of Alaska area. However, this is yet another blatant attempt on their part to halt natural resource development, in this case timber harvest. Feeding on the emotionalism of the oil spill, these preservationists are taking this opportunity to promulgate further misconception, false information and accusations directed against the forest products industry.

Representation have been made that logging, road construction, and its related activities will "compound the impacts of the oil spill". Accusations that "clearcut logging and road building create soil erosion, muddying streams and suffocating life in the streams and on the ocean floor" are simply unwarranted. This has not been the experience in southeast Alaska and simply is not the case in the southcentral Alaska region. The forest products industry within the Prince William Sound - Gulf of Alaska region, as well as throughout Alaska, coordinates all timber harvest operations with various State and Federal regulatory agencies. The Dept. of Natural Resources, Dept. of Environmental Coordination and Dept. of Fish & Game take very active participation in timber harvest operations.

Protection of forest habitat adjacent to salmon streams is essential and in this regard the forest products industry concurs with the fisheries industry that . The recently revised State of Alaska Forest Practices Act and Regulations establishes a mandatory 66 foot streamside buffer requirement on each side of all Class A anadromous fish streams. Based on scientific research, a buffer of this size was determined by the State of Alaska to be sufficient to adequately protect water quality and fish habitat concerns by providing shading to maintain in-stream temperatures and a long term source of "large woody debris" necessary for salmon spawning and rearing habitat. This buffer also creates an untouched area to provide natural filtration should short term erosion occur following timber harvest. Although this is a "taking" of private property, the forest products industry and private landowners supported the establishment of this streamside buffer and is an example of the of the industry's belief in responsible environmentally sound management of a renewable resource. Additionally, although not required to do so, a common industry practice in coastal regions is to establish shoreline buffer

zones for maintenance of wildlife habitat areas for such animals as brown and black bears, deer, otter, mink, bald eagles and the marbled murrelet. This shoreline buffer also aides to minimize any short term visual effects of timber harvest.

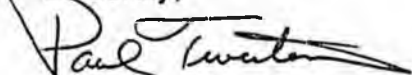
The adverse impacts to wildlife as a result of the oil spill have occurred in their use of the intertidal areas while foraging for food. This has been documented by studies indicating elevated oil levels in the tissue and fecal samples of brown bear and deer. Preserving upland forest habitat will provide neither a short term, nor long term enhancement to the life cycles of the wildlife in the affected areas. Specifically, timber acquisition will not contribute significantly to the recovery of those species severely damaged by the Exxon Valdez Oil Spill. Commercial fishing harvest levels, as documented in southeast Alaska, are not adversely affected by responsible timber harvest operations. The acquisition of forest areas, for the primary purpose of stopping timber harvest, will not protect or enhance the fisheries of this region.

HB 411 has been touted by some as "a chance to solve statewide conservation area protection issues." With the vast acreages of Alaska already set aside for this purpose, including areas within the Prince William Sound - Gulf of Alaska region, the State and Federal governments have previously established their credibility in the area of resource retention/protection.

Communities within the areas impacted by the Exxon Valdez Oil Spill will not receive an increased benefit from the acquisition of the timber over that which is received from the harvest of this renewable resource. Logging camps within this area range in size from 35 to over 80 people. I know of no guiding, recreation or tourism operation which provides as substantial economic benefit to the Prince William Sound - Gulf of Alaska region as the forest products industry. Additionally, the existence of a viable forest products industry is not at the expense or exclusion of the tourism industry. In fact, forest management activities, including timber harvest, provide opportunity for diversified recreational opportunities currently not available to the general public.

Habitat acquisition is not what the general public wants, Economic diversification and employment within the State of Alaska is what the public wants. As oil revenues continue to decline and industry lay-offs occur, the State of Alaska must look to and support development of other resource industries to maintain a healthy local economy. Use of the Exxon Valdez Oil Spill Settlement Funds should not be used to prohibit economic growth of this State. At one time there was a bumper sticker which, in effect, stated: Please Lord give us one more Prudhoe Bay and we will promise not to piss it away. Let's use the Settlement Funds for what it was intended for, that being true enhancement and/or restoration of the fisheries and wildlife seriously affected by the spill. This is what is right for the resources and the residents of the State of Alaska.

Sincerely,



Paul Tweiten
Anchorage, Alaska

CITY OF SEWARD

P.O. BOX 167
SEWARD, ALASKA 99664



- Main Office (907) 224-3331
- Police (907) 224-3338
- Harbor (907) 224-3138
- Fire (907) 224-3445
- Telecopier (907) 224-3248

April 10, 1992

THE HONORABLE LLOYD JONES
Chairman, Senate Resources Committee
MS 3100
Juneau, AK 99811

HB 411 - OYSTER HATCHERY FUNDING

At its regular meeting of April 8, 1992, the Seward Trade Board voted to give its full support to the \$800,000 appropriation identified in HB 411 for the proposed oyster hatchery to be located in Seward adjacent to the University of Alaska's Institute of Marine Science.

Oyster farming is a relatively new industry in Alaska, and the only obstacle to its success appears to be locating a supply of large spats, produced in cold water, which will produce a marketable product within an economically viable time frame. The proposed oyster hatchery should answer that need.

We urge you and the other members of the Senate Resources Committee to recommend passage of this bill with funding for the hatchery intact.

Sincerely,

THE CITY OF SEWARD, ALASKA

A handwritten signature in cursive script, appearing to read "Willard Dunham", is written over a horizontal line.

WILLARD DUNHAM
TRADE BOARD CHAIRMAN

cc: North Pacific Rim

WALTER J. HICKEL
GOVERNOR

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

April 9, 1992

The Honorable Edward Madigan
Secretary of Agriculture
14th and Independence
Washington, DC 20250

Dear Secretary Madigan:

As a result of the state and federal government's settlement of their criminal and civil litigation against Exxon related to the Exxon Valdez oil spill, money has been made available for restoration projects in the areas affected by the spill. The public has responded with a number of ideas on how to spend this money. Chief among them are habitat acquisition, long-term scientific research, and a variety of other restoration projects or enhancements to Prince William Sound and other areas affected by that spill.

As you know, I have long believed that the northern Gulf Coast, especially Prince William Sound, is one of the world's greatest water parks. To make these places accessible and usable by Alaskans and others visiting our state, it is clear that we must provide long-term protection, restoration, and enhancement of the resources in these areas. Toward that end, my administration recommends to the federal government and to our state legislature the following courses of action:

1. We are recommending that the Alaska State Legislature create an endowment from the \$50 million received by the state as criminal restitution as a result of the spill. Investment earnings from the \$50 million in the endowment would be available to finance restoration projects, subject to legislative appropriations, including (a) acquiring critical habitat-and state park lands in Alaska, and (b) financing restoration research and other enhancements in the affected areas.
2. We urge the federal government to use its share of the restitution related to that spill to match our efforts by supporting the same objectives--acquiring land for federally managed areas and supporting similar research in the affected areas of Alaska. We offer our assistance to work with the federal trustees and our congressional delegation to facilitate meeting these objectives.
3. We are recommending a plan to the Alaska State Legislature to buy land in Kachemak Bay State Park that is now privately owned, through annual appropriations of one-half of the investment earnings from the state's proposed

April 8, 1992
Page 2

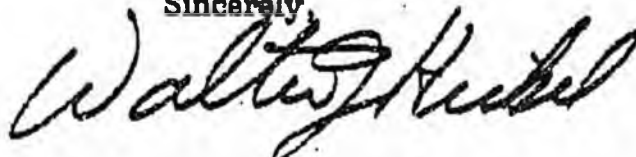
endowment for ten years. Through this purchase, we can return these valuable lands to state-owned public lands. Kachemak Bay State Park was formed in 1970 and designated as part of the state park system. Even though Alaska selected much of this land as part of its statehood entitlement, Native selections took precedence. It is now time that we gain official ownership of these lands through the purchase of these unique resources, and hence the ability to protect those resources as they recover from the effects of the oil spill.

On the federal side, we understand that the United States Fish and Wildlife Service has identified land within the Kodiak Island Wildlife Refuge as critical Kodiak bear habitat that should be returned to the refuge. If a federal endowment is created from its share of the criminal restitution payment, the federal government should consider using investment earnings from that endowment to purchase land on Kodiak, as well as financing restoration research in the affected areas of Alaska. There are also important privately-owned habitats on Afognak Island and in Prince William Sound that we should address together with the federal government for potential purchase and protection as public land.

As you know, our state trustees have also proposed an endowment for the investment of money to be received and managed jointly with the federal government from the Exxon Valdez civil settlement. We hope the federal trustees will join with the state trustees to support this issue. Rather than spending the criminal and civil money as it is received, we can establish these endowments and have the flexibility to address impacts of the Exxon Valdez spill in ways that may not be fully apparent at present.

With best regards.

Sincerely,



Walter J. Hickel
Governor

cc: Michael A. Barton, Regional Forester
U.S.D.A. Forest Service

Area K Seiners Association
P.O. Box 2399 Kodiak, Alaska 99615
Phone 907/486-4686 FAX 907/486-7655



Senator Lloyd Jones
Chairman, Senate Resources Committee
Room 30, State Capitol
Juneau, Alaska 99801-1182

April 7, 1992

Dear Senator Jones,

We would appreciate your attention to recently introduced legislation dealing with expenditure of the \$50 million criminal penalty from the Exxon Valdez oilspill settlement. SB 379 and its House companion bill, HB 411, are vehicles for promoting restoration projects in the spill affected areas. It is clear that we need the leadership of the Alaska State Legislature to initiate a meaningful restoration program.

HB 411 and SB 379 have received widespread support in Kodiak. We hope that after reviewing this legislation you will join us in supporting this citizens' effort to achieve a wise and productive restoration program.

Sincerely,

Kelly Schactler

Kelly Schactler, Director
Area K Seiners Association

April 4, 1992

Senator Fred Zharoff
Chairman, Senate Rules Committee

Dear Senator Zharoff,

We would like to thank you and your staff for the time spent communicating with representatives of various Kodiak area groups who have an interest in HB 411 and its counterpart SB 379. Both pieces of legislation deal with the \$50 million criminal penalty from the Exxon Valdez oilspill settlement. This money was dedicated to the Alaska State Legislature under specific guidelines for restoration work in the spill affected areas.

HB 411 has received a substantial amount of input and has undergone several drafts. It now includes proposals which are important to people in all of the spill affected areas. During a recent House Resources Committee hearing on HB 411 a total of 48 individuals and representatives of interested organizations from 13 communities testified. Of this group all but one supported HB 411. The Kodiak area groups which currently support HB 411 include: Area K Seinners, Kodiak Regional Aquaculture Association, Afognak Joint Venture, Seal Bay Timber Joint Venture, the Alutiiq Cultural Center, the University of Alaska Fishery Industrial Technology Center, Kodiak Audubon, and the Kodiak State Parks Citizens' Advisory Board. The Kodiak Borough Assembly unanimously adopted Resolution 92-11 in support of the current draft of HB 411.

Of particular interest are the conservation land purchases included in HB 411. Here exists an opportunity to acquire areas which are critical for fisheries and wildlife habitat, and access by sport and subsistence hunters and fishermen, recreational users, and tourists. Under state management we could expect to both preserve and enhance public use. The state cannot lose under the current scenario by acquiring such valuable assets, namely high quality lands and development rights. Money spent for conservation land purchases would provide an economic boost in various communities when area native corporations invest the purchase funds in local projects. Local economies will also receive a boost when shareholders spend their increased dividends.

SB 379 (Sen. Curt Menard, sponsor) is identical to the initial draft of HB 411. This bill should be expanded and modified so that it is identical to the current draft of HB 411. Any input or guidance you could provide in this area would be greatly appreciated.

In closing, we would like to note that many people are dismayed and disillusioned with the Trustee Council's oversight of spill

settlement funds. The Trustees evidently intend to use all but a pittance of the first year's restitution for reimbursing legal fees and for on going damage assessment studies; studies which may not even be available to the public because of litigation sensitivity. Even more disturbing are next year's funding projections, which include more of the same: legal fees and damage assessment studies. At this time it is unclear if these funds will ever go towards anything of substance. Many people are looking to the legislature to set an example for the trustees. HB 411 and SB 379 are the vehicles for starting true restoration in the spill affected areas.

Thank you for your attention to this important issue. Your staff has been most courteous and helpful in our contacts with your office.

Sincerely,

Kelly Schactler

Kelly Schactler
Director, Area K Seiners Association

June M. Selby Mayor Kodiak Island Borough
John Frank Director FITC
Kelly Simonoff Jr Kodiak Area Native Association

Chapman M. Malloy - Executive Director, Kodiak Regional ~~Association~~ Assoc.

Howard Malloy - Chairman Afognak Joint Venture

Roger F. Blackett - Chairman Kodiak State Parks Citizens' Advisory Board

Doug Petrich - Conservation Chair, Kodiak Audubon

cc: Alaska State Senate

Philomena Kuecht, KANA Alutiq. Culture Center, Kodiak

STATE COMMITTEE REPORT

5/5/92

FURTHER: Finance

Frank

DATE TURNED INTO OFFICE: May 10, 1992

Resources Committee considered CS HB 411 (FINANCE) am (efd fld)

"An Act making appropriations for restoration projects relating to the Exxon Valdez oil spill."

~~and reports as follows~~

and recommends:

replace with 5 CS CS HB 411 Rest same title
or adopt previous CS () new title
 attaches amendment(s) + rpt as follows technical title change (HB only)

adopts Letter of Intent

further referral to the as follows

do pass

do not pass

no recommendation

individual recommendations

APP NO

NEW FISCAL NOTES: Dept/Date

zero fiscal notes _____

fiscal notes _____

PREVIOUS FISCAL NOTES: Dept/Date

zero fiscal notes _____

fiscal notes _____

appropriation--no fiscal note

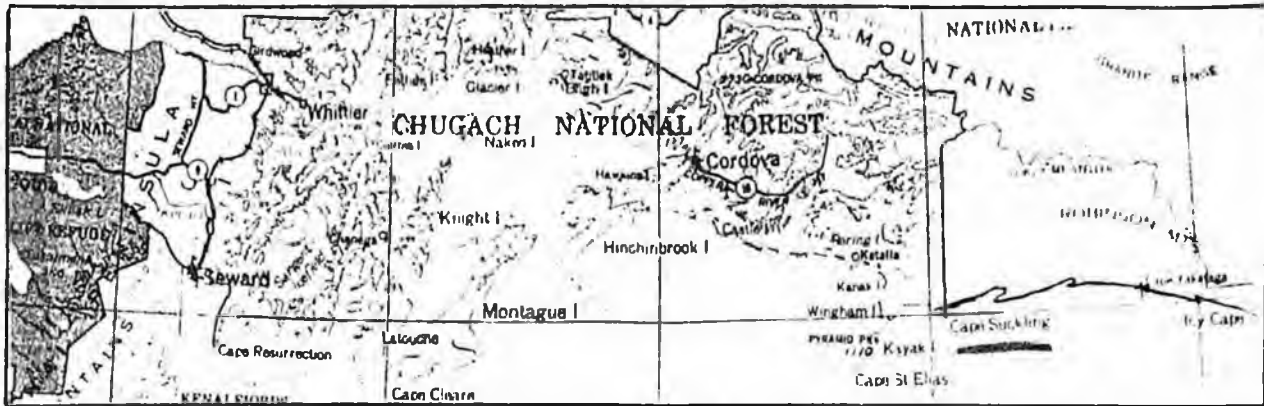
~~DO PASS:~~

OTHER RECOMMENDATIONS:

[Signatures]

Frank

[Signature]
Chair: Signature and Recommendation



THREE GOOD REASONS TO SUPPORT BUYBACK OF CAPE SUCKLING TIMBER RIGHTS IN HB 411—Exxon Settlement monies

1) Buyback of Cape Suckling timber rights would protect critical habitat and compensate Cordova and other spill impacted communities with an acquisition of equivalent resources authorized under the settlement.

Cape Suckling is among the highest value fish and wildlife habitats in Alaska. People in Cordova and Prince William Sound rely on the coastal ecosystem for their livelihoods and recreation. As a result of the oil spill damage, alternate resources become increasingly important. Commercial and sport fishermen, hunting guides, tourism operators and recreationists from Cordova and other spill impacted communities rely on Cape Suckling for jobs and recreation. Repurchase of Cape Suckling timber is an appropriate use of Exxon settlement monies. The criminal penalty settlement authorizes repurchase of equivalent resources.

Cape Suckling contains some of the best coho salmon habitat in the state supporting commercial, sport and subsistence fisheries. Over 1000 bald eagles from heavily oiled western Prince William Sound migrate to Cape Suckling for fall and winter coho runs. The area also supports exceptional populations of mountain goats, brown and black bear, and moose.

2) Buyback of Cape Suckling timber rights would fulfill a long-term legislative and community goal.

Thanks to the hard work of local communities, the University and many others, the Alaska Legislature designated the Yakataga State Game Refuge in 1990. This legislation specified that once timber buyout occurs, the Cape Suckling area automatically becomes part of the adjacent Yakataga Game Refuge.

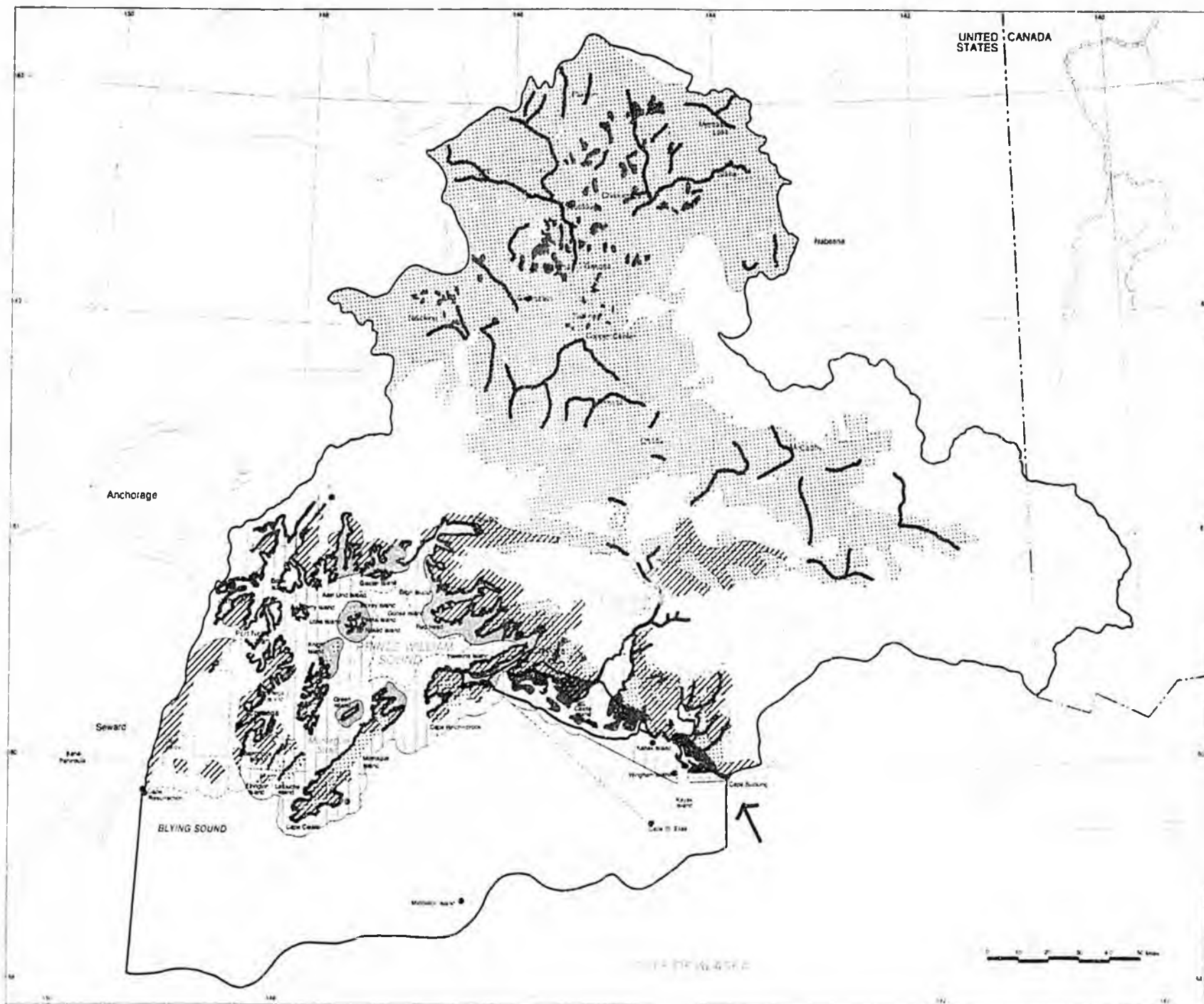
3) Buyback of Cape Suckling timber rights is an investment in the University of Alaska.

Because the timber rights are held by the University, money spent to purchase Cape Suckling timber rights will go into a trust fund for educating Alaskans. This is an investment in our citizens, our children, and our future.

SUPPORT HB 411











Begin restoring and replacing resources damaged in the oil spill!

Prince William Sound, Copper River, North Gulf of Alaska Ecosystem

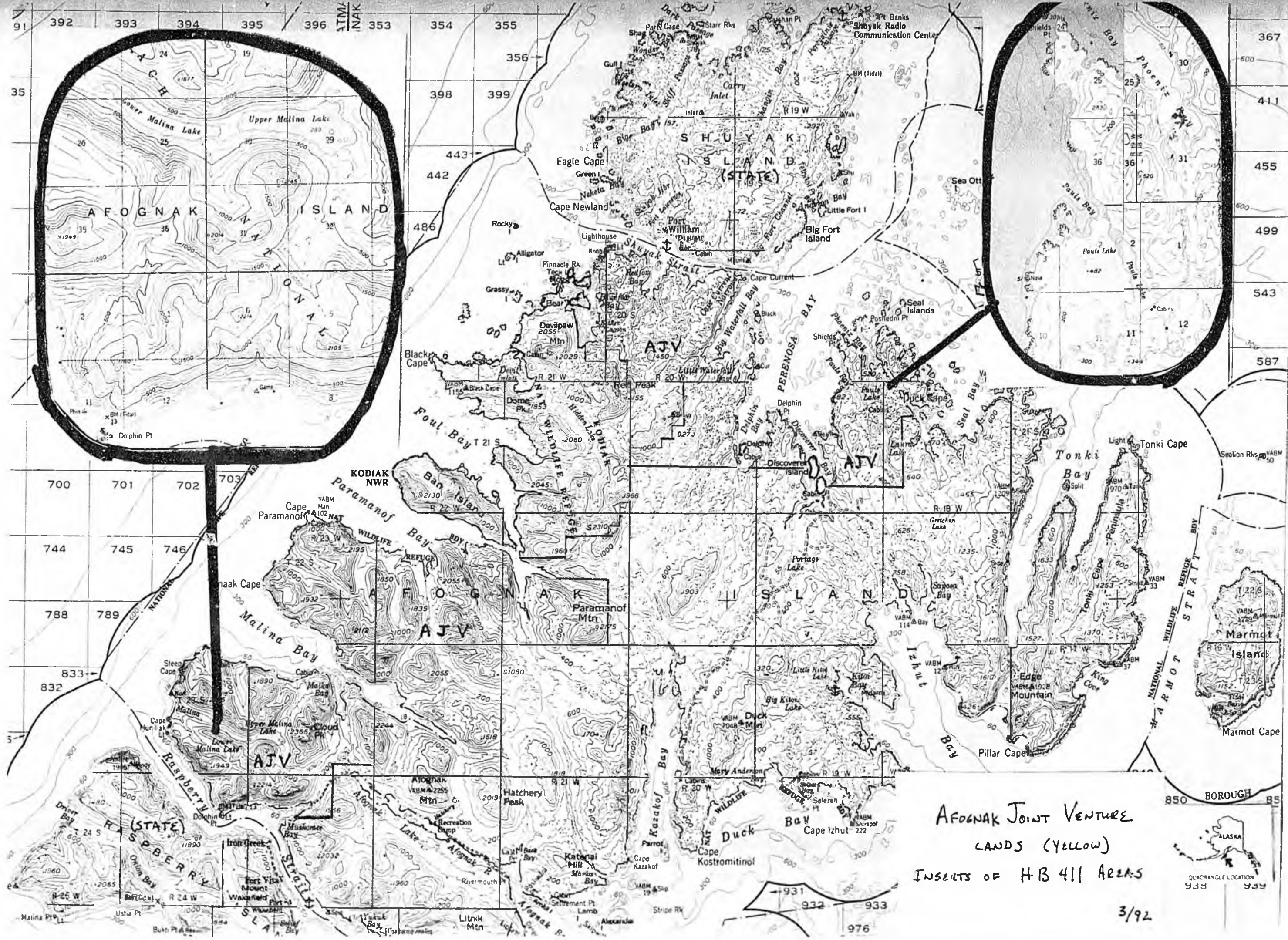


Map 3

Biological and Ecological Resources

-  Temperate rain forests
-  Salmon spawning
-  Herring spawning
-  Wetlands and tidal flats
- Critical marine environments**
-  Prince William Sound
-  Continental Shelf
-  Shorebird habitats and seabird colonies
-  Black-tailed deer, moose, and caribou ranges
-  Protected areas
-  Ecosystem complex boundary

Projection
 Universal Transverse Mercator
 Base Source
 Arctic Environmental Information and
 Data Center 1978



AFOGNAK JOINT VENTURE
LANDS (YELLOW)
INSERTS OF HB 411 AREAS

3/92



7-LS1718H ✓
Utermohle
5/10/92

SENATE CS FOR CS FOR HOUSE BILL NO. 411 (RESOURCES)

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - SECOND SESSION

BY SENATE RESOURCES COMMITTEE

**Offered:
Referred:**

Funding Information:	General Fund	\$ -0-
	Other Funds	<u>50,000,000</u>
		\$50,000,000

Sponsor(s): REPRESENTATIVES DAVIDSON, Navarre, Gruenberg, Finkelstein, Ellis, Mackie, Kubina

A BILL

FOR AN ACT ENTITLED

**1 "An Act making appropriations for restoration projects relating to the Exxon Valdez oil
2 spill."**

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

4 * Section 1. FINDINGS. The Seventeenth Alaska State Legislature finds that

**5 (1) Under the recently approved criminal plea agreement between the United States and
6 Exxon Shipping Company and Exxon Corporation (United States of America v. Exxon Corporation and
7 Exxon Shipping Company, United States District Court, District of Alaska, case No. A90-015 CR.), the
8 State of Alaska received \$50,000,000 as "remedial and compensatory payments." The payments received
9 by the state "are to be used by the State of Alaska . . . exclusively for restoration projects, within the
10 State of Alaska, relating to the 'Exxon Valdez' oil spill. Restoration includes restoration, replacement
11 and enhancement of affected resources, acquisition of equivalent resources and services, and long-term
12 environmental monitoring and research programs directed to the prevention, containment, cleanup and
13 amelioration of oil spills."**

14 (2) The expeditious appropriation of remedial and compensatory payments for the

1 acquisition and protection of high value resources and services and action on appropriations for
2 additional restoration, replacement, and enhancement activities will provide interim protection needed
3 to allow the Exxon Valdez Trustee Council time to develop a systematic restoration plan. The
4 appropriations made by this Act complement the process being established by the Exxon Valdez Trustee
5 Council.

6 (3) As stated by the United States Department of Justice in recommending that the United
7 States District Court accept the criminal plea agreement, "[t]his oil spill was a catastrophe, and it was
8 also an environmental crime. The criminal remedy should, likewise, in substantial part, be environmental
9 in nature; . . . The environment, as a victim, must be aided quickly through efforts funded by
10 restitutionary payments."

11 (4) The health of damaged coastal and near-shore habitats is substantially related to
12 activities on adjacent uplands. Economically important fish species, including herring and halibut, utilize
13 near-shore areas, and anadromous species, including five species of salmon, rely on continued access
14 to both clean streams and unpolluted estuaries for spawning and rearing.

15 (5) Sea otter pups are particularly dependent on pristine water quality, a productive near-
16 shore and shallow subtidal ecosystem, and a disturbance free environment.

17 (6) Populations of aquatic birds, including the tree-nesting marbled murrelet and bald
18 eagle and the fresh water nesting species such as harlequin ducks, were severely damaged by the Exxon
19 Valdez oil spill.

20 (7) Recreational, aesthetic, and subsistence services provided by the prespill environment
21 were severely damaged. Residents who relied upon these services desire to have these damaged services
22 replaced through the acquisition and retention of comparable threatened resources.

23 (8) The quality of fresh water entering the estuarine environment is critical to satisfactory
24 restoration and recovery of the physical and biotic environment in the region affected by the Exxon
25 Valdez oil spill.

26 (9) Recovery of the coastal estuaries affected by the Exxon Valdez oil spill is placed at
27 risk by further environmental stress resulting from timber harvesting and other industrial activities that
28 involve substantial environmental disturbance. In order to minimize the potential for further
29 environmental stress and to encourage and enhance the natural recovery and restoration of the affected
30 region, acquisition of coastal related uplands in the affected region, including Prince William Sound, the
31 Kenai Peninsula, the Kodiak Archipelago, and adjacent biologically related areas, is an important use

1 of "remedial and compensatory payments" received by the state under the criminal plea agreement.

2 (10) Continued citizen involvement and education of residents and nonresidents are
3 essential to the expeditious and effective restoration of the areas affected by the Exxon Valdez oil spill,
4 and to the prevention of future oil spills and the restoration of public confidence in the ability of the
5 state to protect the environment.

6 * Sec. 2. In order to achieve the purposes of the remedial and compensatory payments, the sum of
7 \$4,350,000 is appropriated from the remedial and compensatory payments to the Department of Natural
8 Resources for the acquisition of land, development rights in land, including timber rights, or moratoria
9 on timber harvesting from willing sellers in the areas of Eyak Lake, Nelson Bay, Simpson Bay, and
10 Sheep Bay in Township 15 South, Range 2 West; Township 15 South, Range 3 West; Township 14
11 South, Range 3 West; and Township 14 South, Range 4 West, Copper River Meridian.

12 * Sec. 3. In order to achieve the purposes of the remedial and compensatory payments, the sum of
13 \$2,175,000 is appropriated from the remedial and compensatory payments to the Department of Natural
14 Resources for the acquisition of land, development rights in land, including timber rights, or moratoria
15 on timber harvesting from willing sellers in the areas of Port Fidalgo and Bligh Island in Township 12
16 South, Range 6 West; Township 12 South, Range 7 West; and Township 12 South, Range 9 West,
17 Copper River Meridian.

18 * Sec. 4. In order to achieve the purposes of the remedial and compensatory payments, the sum of
19 \$2,175,000 is appropriated from the remedial and compensatory payments to the Department of Natural
20 Resources for the acquisition of land, development rights in land, including timber rights, or moratoria
21 on timber harvesting from willing sellers in the areas of Eshamy Bay, Paddy Bay, Ewan Bay, Jackpot
22 Bay, Chenega Island, Evans Island, and southern Knight Island in Township 1 South, Range 9 East;
23 Township 1 North, Range 9 East; Township 1 South, Range 8 East; Township 1 North, Range 8 East;
24 Township 1 North, Range 10 East; Township 2 North, Range 8 East; Township 3 North, Range 7 East;
25 Township 3 North, Range 8 East; Township 4 North, Range 7 East; Township 4 North, Range 8 East;
26 Township 4 North, Range 9 East; Seward Meridian.

27 * Sec. 5. (a) In order to achieve the purposes of the remedial and compensatory payments, the sum
28 of \$9,000,000 is appropriated from the remedial and compensatory payments to the endowment trust
29 fund established under AS 14.40.400 upon the completion of an agreement before January 1, 1993,
30 between the Department of Natural Resources and the Board of Regents of the University of Alaska for
31 (1) the transfer of timber rights on land between Seal River and Cape Suckling (as

1 conveyed under ADL 223456 and known as the Cape Suckling parcel) to the Department of Natural
2 Resources under the terms of ch. 143, SLA 1990; and

3 (2) a moratorium on the sale, harvesting, or other development by the University of
4 Alaska or its agents or contractors of the land described in (1) of this subsection that is subject to timber
5 rights held by the University of Alaska until December 31, 2002.

6 (b) It is the intent of the legislature that the agreement between the Department of Natural
7 Resources and the Board of Regents of the University of Alaska described in (a) of this section must
8 provide that

9 (1) the value of the timber rights on the Cape Suckling parcel is established as the fair
10 market value of those rights on July 1, 1992, under the process for appraisal and repurchase developed
11 under ch. 143, SLA 1990, provided that if the Department of Natural Resources and the Board of
12 Regents are unable to reach agreement as to the fair market value, the Department of Natural Resources
13 and the Board of Regents shall each submit a final offer that is between the two appraisals and a
14 mutually acceptable arbitrator shall determine the value of the timber rights by selecting the more
15 reasonable of the offers submitted by the Board of Regents or the Department of Natural Resources;

16 (2) if the fair market value of the timber rights exceeds \$9,000,000, the Department of
17 Natural Resources shall seek additional appropriations or provide additional assets necessary to complete
18 the acquisition of the timber rights; if the University of Alaska has received more than two-thirds of the
19 total value of the timber rights before December 31, 1997, then the moratorium described in (a)(2) of
20 this section shall be extended to December 31, 2007; interest shall accrue on the unpaid balance owing
21 the endowment trust fund at the rate prescribed by AS 09.30.070 and shall be included in the total
22 purchase price for the timber rights;

23 (3) if timber rights remain to be purchased at the conclusion of the moratorium, the
24 Department of Natural Resources and the Department of Fish and Game shall select timber rights for
25 those areas of the Cape Suckling parcel that are most valuable for fish and wildlife habitat and most
26 desirable for inclusion in the Yakataga State Game Refuge, up to the value of funds already paid to the
27 endowment trust fund plus an amount for imputed interest at the rate prescribed by AS 09.30.070 from
28 the date of payment; all timber rights selected by either department shall be valued at the fair market
29 value on July 1, 1992, plus an adjustment for interest at a rate prescribed in AS 09.30.070; in making
30 their selections, the departments shall assure that the University of Alaska retains reasonably accessible,
31 harvestable, and economically viable areas in which to harvest its remaining timber;

1 (4) in the event that the title of the University of Alaska to timber on the Cape Suckling
2 parcel is determined to be invalid before the end of the moratorium, the terms of this subsection shall
3 no longer apply and each party to the agreement shall retain the timber rights or funds it possesses on
4 the date of the determination.

5 * Sec. 6. In order to achieve the purposes of the remedial and compensatory payments, the sum of
6 \$5,809,315 is appropriated from the remedial and compensatory payments to the Department of Natural
7 Resources for the purchase of the inholdings of the Seldovia Native Association and of the Timber
8 Trading Company, within the Kachemak Bay State Park as identified in the Preliminary Exchange
9 Agreement dated June 30, 1989, as amended as of the effective date of this Act, between the state, the
10 Seldovia Native Association, and the Timber Trading Company; and for the purchase of the inholdings
11 of the Cook Inlet Region, Inc., within Kachemak Bay State Park.

12 * Sec. 7. In order to achieve the purposes of the remedial and compensatory payments, the sum of
13 \$2,800,000 is appropriated from the remedial and compensatory payments to the Department of Natural
14 Resources for the acquisition of development rights or conservation easements in aquatic, wetland, and
15 riparian areas important to the maintenance of important commercial and sport fish populations within
16 the Kenai River watershed.

17 * Sec. 8. In order to achieve the purposes of the remedial and compensatory payments, the sum of
18 \$800,000 is appropriated from the remedial and compensatory payments to the Department of
19 Environmental Conservation for payment as a grant under AS 37.05.316 to the Prince William Sound
20 Science Center for facility renovation, long-term damage assessment and aquatic ecosystem monitoring,
21 and development of an ecosystem database using a geographic information system for the greater Prince
22 William Sound ecosystem.

23 * Sec. 9. In order to achieve the purposes of the remedial and compensatory payments, the sum of
24 \$75,000 is appropriated from the remedial and compensatory payments to the Department of Natural
25 Resources for payment as a grant under AS 37.05.316 to the Cook Inlet Aquaculture Association for
26 acquisition of 33 acres of land (Kenai Peninsula Borough tax number 125-010-32; North 1/2 of the
27 Northeast 1/4 of Section 13, Township 1 North, Range 1 West, Seward Meridian) adjacent to the Cook
28 Inlet Aquaculture Association Bear Creek weir site.

29 * Sec. 10. (a) In order to achieve the purposes of the remedial and compensatory payments, the sum
30 of \$7,000,000 is appropriated from the remedial and compensatory payments to the Department of
31 Natural Resources for the acquisition from willing sellers of land surrounding Pauls Lake and Malina

1 Lake on Afognak Island. One-half of this appropriation shall be used to acquire land in Township 20
2 South, Range 18 West, Seward Meridian, Sections 30 and 31; Township 20 South, Range 19 West,
3 Seward Meridian, Sections 24, 25, 26, and 36; and Township 21 South, Range 19 West, Seward
4 Meridian, Sections 1, 2, 3, 10, 11, and 12; the balance of this appropriation shall be used to acquire land
5 on Afognak Island in watersheds draining into Muskomee Bay and into Malka Bay and land westward
6 of the watersheds draining into Muskomee Bay and into Malka Bay in Township 23 South, Range 23
7 West; Township 23 South, Range 24 West; Township 24 South, Range 23 West; and Township 24
8 South, Range 24 West, Seward Meridian.

9 (b) It is the intent of the legislature that the land acquired under this section be comprised of not
10 more than two reasonably compact parcels.

11 * Sec. 11. In order to achieve the purposes of the remedial and compensatory payments, the sum of
12 \$1,300,000 is appropriated from the remedial and compensatory payments to the Department of Natural
13 Resources for the acquisition of land or development rights from willing sellers on eastern Afognak
14 Island in Township 21 South, Range 18 West, Seward Meridian.

15 * Sec. 12. In order to achieve the purposes of the remedial and compensatory payments, the sum of
16 \$350,000 is appropriated from the remedial and compensatory payments to the Department of Fish and
17 Game for the acquisition from willing sellers of land, leases, or development rights in land at weir sites
18 important to anadromous fisheries in the Kodiak Archipelago.

19 * Sec. 13. In order to achieve the purposes of the remedial and compensatory payments, the sum of
20 \$175,000 is appropriated from the remedial and compensatory payments to the Department of Fish and
21 Game for a herring spawn deposition program in Prince William Sound.

22 * Sec. 14. In order to achieve the purposes of the remedial and compensatory payments, the sum of
23 \$560,000 is appropriated from the remedial and compensatory payments to the Department of Fish and
24 Game for a four-fold increase in test fishing at the boundary of the Cook Inlet Central District to
25 improve estimates of sockeye salmon run timing in the district.

26 * Sec. 15. In order to achieve the purposes of the remedial and compensatory payments, the sum of
27 \$100,000 is appropriated from the remedial and compensatory payments to the Department of Fish and
28 Game to provide "in season" estimates of the contributions of Kenai River, Susitna River, and Kasilof
29 River sockeye salmon stocks to the total sockeye salmon run at the boundary of the Cook Inlet Central
30 District by using stock identification techniques.

31 * Sec. 16. In order to achieve the purposes of the remedial and compensatory payments, the sum of

CORRECTION

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

1 Lake on Afognak Island. One-half of this appropriation shall be used to acquire land in Township 20
2 South, Range 18 West, Seward Meridian, Sections 30 and 31; Township 20 South, Range 19 West,
3 Seward Meridian, Sections 24, 25, 26, and 36; and Township 21 South, Range 19 West, Seward
4 Meridian, Sections 1, 2, 3, 10, 11, and 12; the balance of this appropriation shall be used to acquire land
5 on Afognak Island in watersheds draining into Muskomee Bay and into Malka Bay and land westward
6 of the watersheds draining into Muskomee Bay and into Malka Bay in Township 23 South, Range 23
7 West; Township 23 South, Range 24 West; Township 24 South, Range 23 West; and Township 24
8 South, Range 24 West, Seward Meridian.

9 (b) It is the intent of the legislature that the land acquired under this section be comprised of not
10 more than two reasonably compact parcels.

11 * Sec. 11. In order to achieve the purposes of the remedial and compensatory payments, the sum of
12 \$1,300,000 is appropriated from the remedial and compensatory payments to the Department of Natural
13 Resources for the acquisition of land or development rights from willing sellers on eastern Afognak
14 Island in Township 21 South, Range 18 West, Seward Meridian.

15 * Sec. 12. In order to achieve the purposes of the remedial and compensatory payments, the sum of
16 \$350,000 is appropriated from the remedial and compensatory payments to the Department of Fish and
17 Game for the acquisition from willing sellers of land, leases, or development rights in land at weir sites
18 important to anadromous fisheries in the Kodiak Archipelago.

19 * Sec. 13. In order to achieve the purposes of the remedial and compensatory payments, the sum of
20 \$175,000 is appropriated from the remedial and compensatory payments to the Department of Fish and
21 Game for a herring spawn deposition program in Prince William Sound.

22 * Sec. 14. In order to achieve the purposes of the remedial and compensatory payments, the sum of
23 \$560,000 is appropriated from the remedial and compensatory payments to the Department of Fish and
24 Game for a four-fold increase in test fishing at the boundary of the Cook Inlet Central District to
25 improve estimates of sockeye salmon run timing in the district.

26 * Sec. 15. In order to achieve the purposes of the remedial and compensatory payments, the sum of
27 \$100,000 is appropriated from the remedial and compensatory payments to the Department of Fish and
28 Game to provide "in season" estimates of the contributions of Kenai River, Susitna River, and Kasilof
29 River sockeye salmon stocks to the total sockeye salmon run at the boundary of the Cook Inlet Central
30 District by using stock identification techniques.

31 * Sec. 16. In order to achieve the purposes of the remedial and compensatory payments, the sum of

1 \$30,000 is appropriated from the remedial and compensatory payments to the Department of Fish and
2 Game for a study to verify the forecast for 1993 and 1994 five year old Kenai River sockeye salmon
3 through analysis of the 1992 and 1993 returns of four year old sockeye salmon.

4 * Sec. 17. In order to achieve the purposes of the remedial and compensatory payments, the sum of
5 \$300,000 is appropriated from the remedial and compensatory payments to the Department of Fish and
6 Game for a study to provide a total return estimate of the Kenai River sockeye salmon runs in 1993 and
7 1994 by considering genetic stock identification estimates for the East Side set net fishery.

8 * Sec. 18. In order to achieve the purposes of the remedial and compensatory payments, the sum of
9 \$250,000 is appropriated from the remedial and compensatory payments to the Department of Fish and
10 Game for payment as a grant under AS 37.05.316 to the Cook Inlet Aquaculture Association for an
11 accelerated growth sockeye salmon smolt program in Thumb Cove in Resurrection Bay.

12 * Sec. 19. In order to achieve the purposes of the remedial and compensatory payments, the sum of
13 \$60,000 is appropriated from the remedial and compensatory payments to the Department of Fish and
14 Game for a contract to continue long-term research and monitoring of killer whales in Prince William
15 Sound.

16 * Sec. 20. In order to restore, replace, and enhance subsistence resources and services in southwestern
17 Prince William Sound, particularly areas in or around Chenega Bay including Eshamy Bay, Granite Bay,
18 Chenega Island, Evans Island, Elrington Island, Bainbridge Island, Latouche Island, and Knight Island,
19 the sum of \$200,000 is appropriated from the remedial and compensatory payments to the Department
20 of Environmental Conservation for payment as a grant under AS 37.05.316 to the Chenega Bay Local
21 Response Program for restoration of subsistence resources and services, including removal of oiled
22 sediment, oil, and oil debris and revegetation of beach rye grass.

23 * Sec. 21. (a) In order to achieve the purposes of the remedial and compensatory payments, the sum
24 of \$800,000 is appropriated from the remedial and compensatory payments to the Department of Natural
25 Resources for contracts to assess, inventory, and map the archeological resources of the area affected
26 by the Exxon Valdez oil spill.

27 (b) It is the intent of the legislature that contractors employed under (a) of this section agree to
28 comply with federal and state laws, including the Archeological Resources Protection Act of 1979 (16
29 U.S.C. 470aa - 470ll) and AS 41.35.010 - 41.35.240, and the terms and conditions of the consent decree
30 entered by the United States District Court in Native Village of Chenega Bay v. United States and State
31 of Alaska, United States District Court, District of Alaska, case No. A91-454 Civ.

1 * **Sec. 22.** In order to achieve the purposes of the remedial and compensatory payments, the sum of
2 \$100,000 is appropriated from the remedial and compensatory payments to the University of Alaska,
3 Fairbanks, Fishery Industrial Technology Center for design and planning of a fishery technology and
4 research facility.

5 * **Sec. 23.** In order to achieve the purposes of the remedial and compensatory payments, the sum of
6 \$1,140,000 is appropriated from the remedial and compensatory payments to the Department of Fish and
7 Game for salmon projects in Prince William Sound.

8 * **Sec. 24.** In order to achieve the purposes of the remedial and compensatory payments, the sum of
9 \$65,000 is appropriated from the remedial and compensatory payments to the Department of Fish and
10 Game for restoration of the Coghill Lake sockeye salmon run.

11 * **Sec. 25.** In order to achieve the purposes of the remedial and compensatory payments, the sum of
12 \$30,000 is appropriated from the remedial and compensatory payments to the Department of Fish and
13 Game to monitor the early marine growth of juvenile salmon in Prince William Sound.

14 * **Sec. 26.** In order to achieve the purposes of the remedial and compensatory payments, the sum of
15 \$1,785,000 is appropriated from the remedial and compensatory payments to the Department of Fish and
16 Game, division of fisheries rehabilitation, enhancement and development, for construction of a heated
17 water pipeline to the Fort Richardson Hatchery.

18 * **Sec. 27.** In order to achieve the purposes of the remedial and compensatory payments, the sum of
19 \$585,000 is appropriated from the remedial and compensatory payments to the Department of
20 Environmental Conservation for removal and cleanup of the Chenega Bay herring saltery.

21 * **Sec. 28.** In order to achieve the purposes of the remedial and compensatory payments, the sum of
22 \$800,000 is appropriated from the remedial and compensatory payments to the Department of
23 Community and Regional Affairs for payment as a grant under AS 37.05.316 to the North Pacific Rim
24 Corporation for establishment and operation of an aquatic farm shellfish hatchery.

25 * **Sec. 29.** In order to achieve the purposes of the remedial and compensatory payments, the sum of
26 \$565,000 is appropriated from the remedial and compensatory payments to the Department of
27 Administration for payment as a grant under AS 37.05.315 to the City of Seward for research by the
28 Alaska Sea Life Center on endangered species in the region affected by the Exxon Valdez oil spill.

29 * **Sec. 30.** In order to achieve the purpose of the remedial and compensatory payments, the sum of
30 \$215,000 is appropriated from the remedial and compensatory payments to the Department of
31 Administration for payment as a grant under AS 37.05.315 to the City of Valdez to install oil and grease

1 separators on the storm drains.

2 * Sec. 31. In order to achieve the purposes of the remedial and compensatory payments, the sum of
3 \$1,000,000 is appropriated from the remedial and compensatory payments to the Department of
4 Commerce and Economic Development for payment as a grant under AS 37.05.316 to the Prince
5 William Sound Aquaculture Corporation for upgrading the Main Bay hatchery.

6 * Sec. 32. In order to achieve the purposes of the remedial and compensatory payments, the sum of
7 \$130,000 is appropriated from the remedial and compensatory payments to the Department of Fish and
8 Game for payment as a grant under AS 37.05.316 to the Valdez Fisheries Development Association, Inc.,
9 for a study of the migration behavior of juvenile Prince William Sound salmon.

10 * Sec. 33. In order to achieve the purposes of the remedial and compensatory payments, the sum of
11 \$85,000 is appropriated from the remedial and compensatory payments to the Department of Fish and
12 Game for payment as a grant under AS 37.05.316 to the Valdez Fisheries Development Association, Inc.,
13 for a remote release fry transport study.

14 * Sec. 34. In order to achieve the purposes of the remedial and compensatory payments, the sum of
15 \$5,000,000 is appropriated from the remedial and compensatory payments to the Department of Revenue
16 for establishment of a commercial fisheries development endowment for the Alaska Fisheries
17 Development Foundation for the purpose of fisheries development and research, including research on
18 the effects of the Exxon Valdez oil spill on commercial fisheries. The appropriation made by this
19 section is contingent upon the enactment into law of a bill passed by the Seventeenth Alaska State
20 Legislature establishing the commercial fisheries development endowment.

21 * Sec. 35. In order to achieve the purposes of the remedial and compensatory payments, the sum of
22 \$190,685 is appropriated from the remedial and compensatory payments to the Department of Fish and
23 Game for the development of a commercial sockeye salmon fishery at Kodiak Island to replace damaged
24 Red Lake stocks.

25 * Sec. 36. In this Act, "remedial and compensatory payments" means the remedial and compensatory
26 payments received by the state under the criminal plea agreement between the United States and Exxon
27 Shipping Company and Exxon Corporation in United States of America v. Exxon Corporation and Exxon
28 Shipping Company, United States District Court, District of Alaska, case No. A90-015 CR.

29 * Sec. 37. The appropriations made by secs. 2 - 7, 9 - 12, and 20 of this Act replace resources and
30 services injured by the Exxon Valdez oil spill with equivalent resources and services.

31 * Sec. 38. The appropriations made by secs. 2 - 4, 6, 7, 9 - 12, 21, 22, 26, 30 and 31 of this Act are

1 for capital projects and lapse under AS 37.25.020.

2 * **Sec. 39.** The appropriations made by secs. 8, 18, 23, 27 - 29, 32, 33, and 35 of this Act lapse into
3 the fund from which they were appropriated June 30, 1995.

4 * **Sec. 40.** The unexpended and unobligated balances of the appropriations made by secs. 14 - 17,
5 19, 20, 24, and 25 of this Act lapse into the fund from which they were appropriated December 31,
6 1994.

7 * **Sec. 41.** The unexpended and unobligated balances of the appropriations made by secs. 5 and 13
8 of this Act lapse into the fund from which they were appropriated June 30, 1993.

9 * **Sec. 42.** The appropriation made by sec. 34 of this Act is for the establishment of an endowment
10 and does not lapse.



STATE OF ALASKA

HOUSE OF REPRESENTATIVES

Box V, Juneau, Alaska 99811

(907) 465-2487 • 465-2498

REPRESENTATIVE CLIFF DAVIDSON • DISTRICT 27 • Box 746, Kodiak, Alaska 99615 • (907) 486-8250

TO: Senator Lloyd Jones, Chairman
Senate Resources Committee

FROM: Representative Cliff Davidson 

DATE: 8 May 1992

SUBJECT: House Bill 411

House Bill 411 appropriates \$50 million in criminal restitution monies obtained from the Exxon Corporation for violations of the Migratory Bird Treaty Act. Those monies are available for expenditure by the Alaska State Legislature pursuant to the restrictions placed on the uses of those monies by the District Federal Court.

The language in the court order restricting the uses of the restitutionary payments is as follows: The monies "are to be used by the State of Alaska....exclusively for restoration projects, within the State of Alaska, relating to the 'Exxon Valdez' oil spill. Restoration includes restoration, replacement and enhancement of affected resources, acquisition of equivalent resources and services, and long term environmental monitoring and research programs directed to the prevention, containment, cleanup and amelioration of oil spills."

It is my belief that the provisions of HB 411 follow the letter and the spirit of the settlement. Following is a summary of the provisions of CSHB 411(Fin)am.

- | | |
|-------------|---|
| Section 1 | Findings and Purposes |
| Section 2-4 | Acquisition of key fish and wildlife habitat in three regions of Prince William Sound - \$8,700,000 |
| Section 5 | Acquisition of and moratorium on Cape Suckling parcel near Cordova - \$6,000,000 |
| Section 6 | Kachemak Bay acquisition - \$14,000,000 |
| Section 7 | Acquisition of conservation easements along Kenai River - \$2,800,000 |
| Section 8 | Prince William Sound Science Center research - \$800,000 |

Section 9 Weir site acquisition near Seward - \$75,000

Section 10 Acquisition of key fish and wildlife habitat in two key watersheds on Afognak Island, Kodiak - \$7,000,000

Section 11 Acquisition of key fish and wildlife habitat in one watersheds on Afognak Island, Kodiak - \$1,300,000

Section 12 Weir site acquisition - \$350,000

Section 13, 23, 24, 25 Prince William Sound fishery restoration projects - \$1,410,000

Section 14-17 Cook Inlet fishery restoration projects - \$990,000

Section 18 Fishery restoration project near Seward - \$250,000

Section 19 Prince William Sound killer whale research - \$60,000

Section 20 Subsistence restoration near Chenega Bay - \$200,000

Section 21 Archeology work throughout the spill area - \$800,000

Section 22 Fisheries research for Fisheries Industrial Technology Center, Kodiak - \$100,000

Section 26 Expansion Fort Richardson sport fish hatchery - \$1,785,000

Section 27 Cleanup of Chenega Bay herring saltry - \$585,000

Section 28 Oyster spat hatchery, Seward - \$800,000

Section 29 Alaska Sea Life Center, Seward - \$565,000

Section 30 Oil/grease separators on Valdez storm drains - \$215,000

Section 31 Upgrading Prince William Sound hatchery - \$1,000,000

Section 32, 33 Prince William Sound fishery restoration projects - \$215,000

Section 34-39 Effective date clauses and lapse dates



CORDOVA DISTRICT FISHERMEN UNITED

P.O. Box 939

Cordova, Alaska 99574

Phone (907) 424-3447 Fax (907) 424-3430

TESTIMONY: HB 411
Senate Resources Committee
May 8, 1992

CDFU strongly supports the intent of HB 411 and urges the Senate Resources Committee to give primary consideration to using the State's criminal settlement monies for preserving critical habitat areas such as the Cape Suckling tract and easements along anadromous fish streams. The Cape Suckling tract represents an area which supports one of the richest runs of silver salmon on the Pacific coast and is heavily utilized by the Cordova fishing fleet.

We are also in support of the proposal to purchase timber development rights for the areas around Eyak Lake and Nelson, Sheep and Simpson Bays in Prince William Sound. This proposal, which is included in Section 2 of the bill, would establish a three-year moratorium on timber harvesting activities in these areas which would allow time to identify, evaluate and prioritize critical habitat areas for later timber buy-backs.

CDFU also supports the allocation of funds to the Department of Fish and Game for various fishery restoration and enhancement projects in Prince William Sound. The projects described in Sections of HB 411 are critical to the basic, on-going management of Prince William Sound fisheries and have either been eliminated from this year's ADF&G budget or have been denied funding through the civil settlement monies by the Exxon Valdez Oil Spill Trustees. It is extremely disappointing that we are forced to utilize a portion of the State's criminal settlement to fund ADF&G projects that should be covered by the general fund. However, since funding is not forthcoming from regular sources, we are fortunate that there is at least this small amount of money that can be used as a safety net to keep these critical projects from falling through the cracks.

Cordova District Fishermen United urges your support of HB 411. There is a real and immediate need to utilize the State's spill settlement funds to protect threatened critical habitat areas and fund projects that assist spill-impacted communities, and natural resources to recover from the nation's largest oil spill. The Memorandum of Agreement states that the criminal settlement funds are to be used for restoration of natural resources. There is no greater or higher use of these monies and there is no time of greater need than now.

Support letters



CITY of YAKUTAT

P.O. BOX 6
YAKUTAT, ALASKA 99689
(907) 784-3323

May 6, 1992

Senator Lloyd Jones
Alaska State Legislature
Juneau Alaska

RE: HB 411; Restoration Projects Appropriations

Dear Senator Jones:

On behalf of the City of Yakutat, I strongly urge your support for HB 411. Particularly important to the residents of the Yakutat region is Section 5 of the bill, allocating a \$6 million downpayment for repurchase of extensive timber rights in the Cape Suckling area from the University of Alaska, and providing for a ten year moratorium on timber harvests there to permit negotiation and full repurchase of such timber, as called for by the legislature under Ch. 143, SLA 1990. Under that Act, the legislature previously determined that, upon repurchase of the Cape Suckling timber rights, the tract would automatically become part of the Yakataga State Game Refuge. This was very important legislation to the residents of our area.

The Cape Suckling area is important habitat for diverse wildlife resources, including mountain goats, moose, bear and waterfowl. It is important to maintain a refuge and sanctuary for the area's wildlife, given the extensive logging plans for other portions of the coastal forest by the University, Chugach Alaska Corporation and, perhaps, the Mental Health Trust. The Cape Suckling tract also impacts the drainages of important subsistence and commercial salmon streams.

In the long term, the value of the Cape Suckling area to the State of Alaska, for recreation, subsistence and tourist use, will be greater than a one-time low quality timber harvest by the University. Moreover, the cash paid for the repurchase will go to a good cause, otherwise subsidized by the State, the University of Alaska.

Sincerely,

CITY OF YAKUTAT

Larry Powell, Mayor

Post-It™ brand fax transmittal memo 7671		# of pages → 1
To: Senator Jones	From: Larry Powell	
Co.	Co. YAKUTAT	
Dept.	Phone #	



Northern Alaska Environmental Center

218 DRIVEWAY
FAIRBANKS, ALASKA 99701
(907) 452 5021

Post-It™ brand fax transmittal memo 7671		# of pages
To	Senator Jones	From David van den Berg
Co.		Co. NATEC
Dept.		Phone # 452-5021
Fax #	465-3522	Fax #

May 6, 1992

Senator Lloyd Jones
Alaska Legislature
State Capitol
Juneau, Alaska 99801-1182

Senator Jones:

As the session nears an end, there are many important things yet to do. Not least among them is to support HB 411, legislation authorizing the buyback of timber rights in Kachemak Bay, Cape Suckling, Afognak Island, and Prince William Sound.

It is fitting that Exxon settlement monies be used to repurchase timber rights in these areas. Local economies and statewide tourism depend on the protection of these magnificent natural treasures.

We urge you to support HB 411. Thank you for considering this pressing issue.

Sincerely,

David van den Berg
Assistant Director



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**UCIDA****UNITED COOK INLET DRIFT ASSOCIATION**

P.O. Box 389 • Kenai, Alaska 99611 - 0389

(907) 283-3600 • FAX (907) 283-3306

May 8, 1992

Sent by telefax

Senator Lloyd Jones
Chair, Senate Resources Committee
State Capitol
Juneau, AK 99801-1182

Subject: CS For HB 411 (Finance)

Dear Senator Jones,

United Cook Inlet Drift Association (UCIDA) represents the 585 salmon drift permit holders in Upper Cook Inlet. Some 350 permit holders are current members of our association. UCIDA is also active at the state and federal levels as a member of the Executive Committee of United Fishermen of Alaska (UFA).

The Kenai sockeye run could arguably be the fishery resource most impacted by the Exxon Valdez oil spill due to the large overescapement which resulted from the total closure of the drift fishery.

- ADF&G has just recently released test results which would indicated minimal returns to the Kenai in 1994. The parent year for the 1994 return is 1989 - the year of the Exxon Valdez oil spill.

- The Kenai sockeye run is the "backbone" of Upper Cook Inlet commercial fishery upon which fishermen, processors, cannery workers, transporters and local businesses are very dependent.

UCIDA feels that to the fullest extent possible affected resources and users should be "restored". For the short term this would include minimizing the impacts of current activities on a recovering resource.

For Upper Cook Inlet it is imperative for the short term that:

a) We protect the impacted resource - Kenai river sockeye.

b) We protect the livelihood of impacted citizens as much as possible without retarding the recovery of the resource.

To accomplish these goals we have identified three projects:

- 1) Continued study of the Kenai system to identify problems and possible remedial efforts.
- 2) Development of better scientific techniques to identify Kenai sockeye - genetic stock I.D. techniques and better monitoring equipment.
- 3) Intensive management in 1993 and 1994 to allow for as much commercial harvest as possible without overfishing Kenai sockeye.

UCIDA and the state EVOS trustees have succeeded - but only with great difficulty - in acquiring EVOS federal "civil" funds to accomplish the first two goals.

For fiscal year 1992 the federal trustees have approved three projects which will help Upper Cook Inlet - FS 27, R53, and R59 - for approximately \$1.5 million. These projects will be needed for 3 years.

To accomplish the final goal of the infield application of these new management tools we have identified four needed projects. UCIDA is sensitive to concerns that state departments might attempt to "pad" their budgets with "Exxon dollars". The four projects we have identified are not currently in place and have no realistic chance of being added as supplements with state general fund dollars given the current "budget" crisis. The goals of these projects will be to identify the run size and composition as soon as possible and to permit as much harvest as possible consistent with the goal of not over-harvesting Kenai sockeye.

These projects and their annual fiscal notes as currently estimated are:

- Quadrupal test boats on southern boundary of the Central District, \$280,000.
- Apply genetic stock I.D. at southern boundry, \$50,000.
- Analysis of previous year's 4 yr. old component, \$15,000.
- Apply genetic stock I.D. on restricted Eastside fishery, \$150,000.

UCIDA proposes that the remaining funds dedicated to Upper Cook Inlet be used to acquire conservation easements, habitat etc. along Kenai river - all users of river will benefit. In order to maximize the benefit to the affected sockeye resource, we would suggest starting at the lake and working "down". Local F&G staff has also identified Quartz and Ptarmigan Creeks has possible sites for the use of these funds.

The intensive management projects identified by UCIDA are incorporated in Sections 14 - 17 of HB 411. Funds for the acquisition of

conservation easements in aquatic, wetland and riparian areas of the Kenai River water shed are in Section 7 of HB 411.

UCIDA respectfully requests that your committee support these projects and appreciates your efforts on behalf of the oil spill affected areas and damaged resources.

Sincerely,



Theo Matthews
Administrative Assistant

cc: Sen. Kerttula
Sen. Fischer
Rep. Phillips
Rep. Zawacki
KFFA