ALASKA LEGISLATURE COMMITTEE FILES 1995-1996 8672
9005 SENATE RESOURCES

Port Alsworth, Alaska 99653
February 6, 1996

FEB 12 1996

Senator Loren Lehman
Juneau, Alaska

Dear Loren:

As sponsor of legislation creating the shore fishery leasing program many years ago I am alarmed by reports that there is now a bill in the hopper which proposes some horrendous changes.

The original intent was simply to provide a means of resolving disputes over set net locations other than by the armed conflicts resorted to occasionally in the past. No one was required to lease; but could do so if they felt threatened by someone trying to claim their location. Even then they are by no means totally secure in that regard, as both my wife and daughter found out.

Though both had leases on sites they'd fished for over 30 years, the State Shore Fishery and Protection people permitted a deplorable situation to continue for almost six year during which an individual continued to encroach on both of them. Only when it came to the point they both were eliminated from the fishery by the individual placing his net first with three hundred feet of their locations was the issue resolved by the state after an extremely costly court hearing. The incompentance exhibited by the shore Fishery personal then handling the issue was appalling and hardly warrants an expansion of their authority or funding. Fortunately, one of the main bumblers has been dismissed.

One of the compounding problems was attributed to regulations which stipulate, we were told, that regardless of leasing, he who first has his net in the water is entitled to fish. ~~the other~~.

As a fellow set netter I'm sure you're aware of the utter chaos which would ensue if the proposed leasing fees and proceedures were adopted. In Bristol Bay at least 80% of set netters are residents. Many have virtually no other source of income. Few could meet the vastly increased fees or match competative bids by "outsiders".

As a result, many would simply not lease at all and thereby return to square one when locations are totally up for grabs by those most agressively asserting themselves.

In light of the grime prognosis for commercial fisherfolk confronted with not only depressed prices but increasing

assault by sports fishing interests, it hardly seems an auspicious time to threw yet another curve ball at their heads.

Also, of course, there's the matter of equity. In Bristol Bay drift fishermen are allowed three times the gear set netters are permitted. Although about one third of the Bay's fisherfolk are set netters, they glean only about 10% of the harvest. By contrast, about 65% of the drift pay days goes to non-residents.

Rather than raise costs to set netters, it already seems most unfair for the state to charge a resident set netter almost twice what we charge a resident drifter. (Set netters now pay $300 for a lease plus $150 for their permit for a total of $450 while drifters pay but $250). Since they fish three times the gear for a much longer time one would assume drifters would charged three times the fee for their "lease" of the movin column of water they occupy at a given time. That they also fish round the clock while set nets fish only a portion of the open period seems another disparity which hardly warrants charging set netters even more. If more revenue is required to come from the fishery it should be based on production.

Please advise as to the status and potential for passsage of this measure. Few set netters I know are even aware of it.

Many thanks,

Jay Hammond

Northwest Setnetters Association
Box 870, Kodiak, Alaska 99615

Feb. 23,1996

Senator Loren Leman
Chair, Sen. Resource Committee
Alaska State Legislature
State Capitol(MS3100)
Juneau, Alaska 99801-1182

Dear Senator Leman,

I write to you as a follow up to my conversation with Annette Kreitzer on Feb. 14 regarding House Bill 191, Sec. 24 coming before the Senate Resource Committee. I would like to deal specifically with the solutions put forth by the Division of Land in regards to new and disputed shore fishery leases in the set net fishery.

As you are aware, the shore fishery program was established to help preserve fishing opportunities to those fishing traditional areas as well as to add stability to the State's set net fisheries. The awarding of a shore fishery lease to the highest bidder in the case of a new or contested lease will actually create instability within the set net fishery and may contribute to shore fishery disputes. We appreciate the difficulty the Division of Lands has in resolving conflicting claims and their desire for a solution in the form of a law such as what is before you now in House Bill 191. This solution though is ill conceived.

Our group is working on an alternative proposal or approach to this issue. At a minimum we suggest that you solicit the opinions of the different set net organizations around the State. Perhaps in so doing a model of arbitration or resolution could be architected. In the meantime, we hope that this language dealing with new and contested fishery leases will be eliminated from House Bill191. Thank you for your consideration of this.

Sincerely,

Virginia C. Adams

Virginia C. Adams, President

NORTHERN DISTRICT SET NETTERS ASSOCIATION OF COOK INLET
P.O. Box 101480 ★ Anchorage, Alaska 99510-1480
Est 1954

FEB 14 1996

9 February 1996

Senator Loren Leman
Chair, Senate Resources Committee
Juneau, Alaska 99801

RE: HB 191

Dear Senator Leman:

I just read some proposed changes to the shore fishery lease statutes and have some serious concerns related to them. Please consider the following comments.

Sec. 24. AS 38.05.082(b)
Please keep the original language. Changing the language so the director SHALL invite public applications only invites unneeded trouble between commercial fishers and would result in total disruption of the set net fishery in Upper Cook Inlet that is over 100 years old. Commercial fishers have long-established sites that are often handed down from generation to generation. To arbitrarily negate this long tradition of family fishing at certain locations would serve no useful purpose and only disenfranchise people from their heritage and family tradition. Set net fishing is more than just the economic return to commercial fishers. It represents a social and family way of life that is uniquely tied to specific geographic locations.

Furthermore, the idea that the director SHALL AWARD the lease at a public auction completely misunderstands the purpose of shore fishery leases. The original language of awarding the lease to the most qualified applicant and then specifying the measures of "most qualified" is consistent with common sense, equity among commercial fishers, and the goal of providing social and economic security to commercial fishing families. To throw the shore fishery leasing process into a "highest bidder public auction" would result in chaos for existing fishing families that cannot afford to "outbid" prospective buyers. Please keep the original language.

Sec. 25. AS 38.05.082(c)
DNR already has established a reasonable rental for the shore fishery leases. I recall that the leases used to be $40 to $60 per year and then they were raised to something like $100 or $150 a year and currently they are $300 per year. Often family fishing operations have several permits and thus several leases that cost $300 each. It is not uncommon for a set net fishing family to pay $600 or $900 or more for their shore fishery leases. I know that for many of the commercial fishers in the Northern District, the $300 per lease is expensive. In years of poor returns to the Northern District and poor prices for salmon for everybody, the current rate for the shore fishery leases is a burden. In fact, I know of several fishers who do not have leases as they cannot afford the current cost of the lease.

I also understand that the current shore fishery lease fee of $300 more than pays for the current administration of the program. I understand that money received from the shore fishery program is used for other state purposes. I suggest that you have someone research the amount of money raised by the shore fishery program and compare it with the cost of administering that program before any changes in fees is instituted. If the shore fishery program is generating more than it costs to administer it, where is the additional money going?

If the state is interested in getting even more money from the shore fishery program, I have a suggestion. In this suggestion I am not speaking as a board member of the Northern District Set Netters Association, as I have not reviewed this concept with the other board members; I am only speaking for myself. My suggestion is to tie the shore fishery lease fees to the commercial fishing gross revenues of each lessee. Hence, a small percentage of that lessee's gross for the fishing season would go to the State of Alaska. Thus, low producing sites would pay less than higher producing sites. In this manner, the state would be receiving more money for the more valuable sites. From a Northern District fisher's perspective (a relatively low producing fishing area), this would be an equitable way to generate additional funds. But, first review whether there is any need to raise the shore fishery lease fees. As I indicated, current fees are already too high for some fishers and, I understand, more than pay for the cost of administering the program.

The current fees already allow a reasonable return to the state for the use of state land for set net sites. If the state wants even more money from commercial fishing lessee's (in a time when fish markets are in serious decline), consider the "percentage of gross" lease structure. But, please do not support any legislation that arbitrarily attempts to remove long-established family fishing traditions at specific locations for the purpose of "a more administratively efficient agency." This would be a terrible disservice to the commercial fishing public in Alaska.

From my review of the proposed changes, they do not simplify the shore fishery lease program nor do they reduce any costs to DNR when one considers the potential disruption to the lives of Alaskans the proposed regulatory changes would cause. In addition, from what I read, there was no explanation of how the proposed regulatory changes reduce costs to DNR.

I am not sure I saw the complete proposed regulatory changes. It seems strange that Alaska commercial set net fishing organizations are not on a mailing list for such proposals. There are not many such organizations in Alaska, and they represent the people who would be most effected by the proposed changes. Please send me a complete description of the shore fishery proposed changes.

Thank you for your attention to this matter and please retain the existing shore fishery program language that protects the interests of set net commercial fishers.

Sincerely,

Stephen R. Braund

Stephen R. Braund
President

HB191

April 4, 1996

Representative Gene Therriault
House Finance Subcommittee Chairman
Juneau, AK 99801

Re: House Bill 191

Dear Representative Therriault:

The deletion of the amended language referring to "negotiable leases & fair market value sales" in Sec. 24, 26. AS 38.05.082(b), (c) is a step in the right direction. The amended language in Sec. 25 AS 38.05.082(c) to implement a 1% assessment on a limited entry permit's value with a $300 minimum payment is not a reasonable solution for determining the fee for a shore fishery lease.

In the mid 80's the value of a permit for area H soared to $105,000 this in no way was reflective of our annual gross; quite the contrary, they were some of our poorest years ever in Lower Cook Inlet. The value of the permit was driven to such extremes by more productive sites 150 miles from our area yet under the present wording in Sec. 25 AS 38.05.082(c) our fee per lease would cost $1,005; 10% of our average yearly gross ($10,000).

actually 50 miles

The price of fish has been on a downward spiral with no end in sight but if the demands for permits are high in an area so will the price of a permit thus creating an inflated value on a tide land lease. If, instead, an annual fee of 1% with no minimum payment was implemented on our annual gross income this in all likelihood will cover the cost of running the program. This approach also reflects the true value of the sites whereas the value of a permit has nothing to do with the an individual's site selection. Those with more lucrative sites would pay more and those with lesser situations would pay their fair share.

Furthermore this is an elective program not to be compared with oil, gas, mining, timber & aquatic farm leasing programs as suggested by the DNR in wanting to bring the shore fishery in line with their mandatory leasing programs. Aside from covering the cost of administering the program we do not feel that the DNR should derive a surplus revenue from the set net fishery. We are already paying for the resource through a raw fish tax and a fee levied on our entry permits just like every other fisher that harvests salmon throughout the State. We fail to see why the set net fishery is singled out to generate income for the State when we are but one of four groups benefiting from this resource.

Re: House Bill 191
April 4, 1996

The $300 annual fee is high enough as it is; if HB 191 becomes law as written it would put this program completely out of reach for many rural Alaskans that live at a subsistence level. Families that have fished sites for generations with no leases may lose them to anyone who could afford to file on their location. This happened to us in 1992 when aquatic farmers applied for 5 farm sites (35 acres) in Kasitsna Bay; we were able to fight off this hostile take over because our area is inside the Kachemak Bay Critical Habitat Area and the law forbids the displacement of existing fisheries. We have since applied for leases but it has been 3 years and they have not even reached the public comment period; anyone can still file for the same area and we are vulnerable until they become finale. We are also concerned that we may not be able to afford the yearly fee when our leases are finalized if this legislation was to pass.

The State limited entry commission recognizes the fact that some pe ople are even unable to afford the yearly renewal cost for their permit and has a low income clause built into their program that reduces the annual fee; why is this not being discussed for the shore fishery lease program?

Thank you for your attention to this matter and please retain the existing shore fishery program language that protects the interest of set net commercial fishers.

Cordially,

Robert & Renée Purpura
Pat & Ann Daigle
Tim & Jane Wilkes
Mildred McMichael
Kasitsna Bay Salmon Producers

cc: Senator Leman
Senator John Torgerson
Rep. Gail Philips

4/4/96

HB191

Send response
need to update
L. 4/11

Sen. Leman
Alaska State Legislature
Juneau, AK 99801

Dear Sen. Leman:

I'm sending some pictures which I hope you will find helpful in working on H.B. 195. I am concerned about the lease (rental) rate for set net sites. Once again, I must state that the leasing program as we now know it supports the program financially. I do not believe that additional funds should be paid to take care of disputes. Disputes should be settled in court - not by state agencies in my opinion. I feel that the state should raise funds - if that is the need, through open taps on everyone's back - not on the small family business.

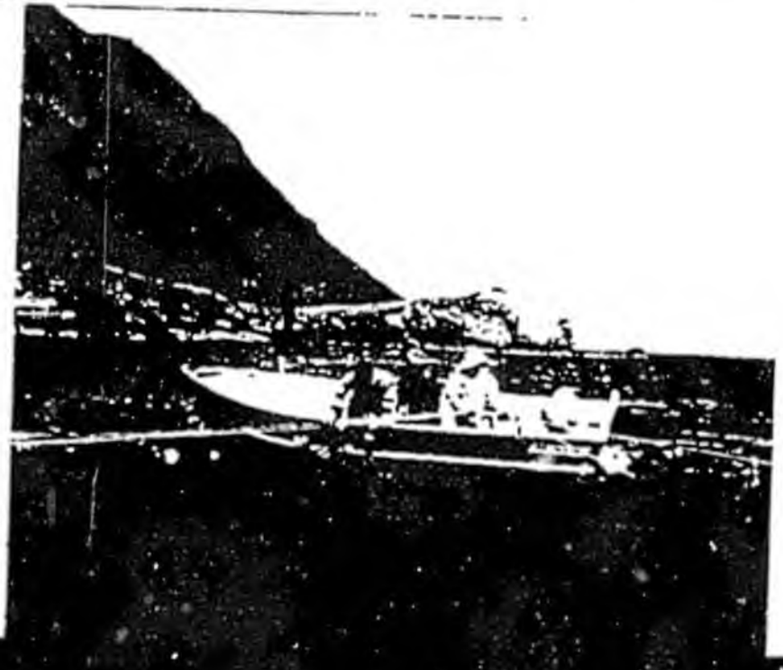
I believe that most set netters will drop the registration of their sites rather than to pay this exorbitant tax. We are not asking your hand for catching fish. I'm sure that you are doing all that you can to balance the budget. But, as fishermen, I know we are paying our way with the spiking taxes. Thank you so much for your patients in reading my rant.

Sincerely yours, Marvin Pleasant Box 669

Here are some pictures which I hope will show that we fish in water. Our sites are in deep water. The fishing part of the net seem pretty dry. We do not use the land to access the sites or the actual unbarbed the fish are caught.

Sincerely yours,

Benjamin (Charlie) Pearson



Ms. Debra L Rice 783-2186

PO Box 331

file ✓ sent to.

			Distribution	Affiliation	Reg Voter
Girdwood	AK	99587	12	Comme	Y

Date POM Sent	Constituency	Bill Number	Response	Subject
04/12/96	N	HB 191	Amend	

SUPPORT CONTINUANCE OF DNR SFL AS IS. LEASE FEES SUPPORT THE PROGRAM. LEASE PROTECTS OUR PLACE TO FISH, PREVENTS BLOODY FREE-FOR-ALL AS SET-NET FISHERS WE ARE WILLING TO PAY FOR THIS PROGRAM. PLEASE DON'T AXE THIS

PROGRAM OR GIVE IT AWAY. IT BELONGS IN STATE HANDS. ASK LEMAN ABOUT THIS PROGRAM.

HB 191

HENRY J. CAMAROT
12490 N. Madison Ave. N.E.
Bainbridge Island, WA 98110
206-842-1441
FAX: 206-842-1502

TO: Rep Gene Tarr

FAX NO.: (907) 465-3884 NUMBER OF PAGES 5 (INCLUDING COVER PAGE)

FROM: Henry J. Camarot

DATE: April 30, 1996

RE: H.B. 191

MESSAGE: I have been told that the above Bill has been amended to require a bond before a miner may state a claim on private property conveyed by the State, with a retention of the mineral rights. This would adversely affect hundreds of claims. (See attached affidavit of Kevin Krause.) Please don't pass the Bill with such a requirement.

H. Camarot.

Henry J. Camarot, Esq.
12490 N. Madison Ave. N.E.
Bainbridge Island, WA 98110

Attorney for Plaintiffs
(206) 842-1441

IN THE SUPERIOR COURT FOR THE STATE OF ALASKA

FIRST JUDICIAL DISTRICT AT JUNEAU

ALASKA JUNEAU ASSOCIATES, Plaintiff,	)	
vs.	)	
MICHAEL HAYES, et al., Defendants.	)	Case No. 1JU-82-2048 Civ.

AFFIDAVIT OF KERWIN KRAUSE

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

COMES NOW Kerwin Krause, being first duly sworn upon oath, deposes and states as follows:

1. I am employed by the State of Alaska ("State"), Department of Natural Resources, Division of Mining, as the Property Management Geologist. I have held this position since approximately January, 1988.

2. Upon the request of Henry Camarot, counsel for defendants in the above captioned case, I caused to be conducted a computer records search of the Division of Mining records to determine the number of state mining claims on lands wherein the State has reserved the mineral estate and the surface estate is owned by a party other than the State.

3. Based upon the computer records search carried out under my supervision on December 29, 1993, there appear to be approximately 1,441 state mining claims on lands wherein the State has reserved the mineral estate and the surface estate is owned by a party other than the State. I cannot guarantee the accuracy of this number and I make no representations as to the validity of any of the mining claims included within this number.

FURTHER YOUR AFFIANT SAYETH NAUGHT.

Kerwin Krause

Kerwin Krause

SUBSCRIBED AND SWORN TO before me this 6th day of January, 1994.

Rita G. Hilmore

Notary Public in and for Alaska
My Commission Expires: 10/31/95

I hereby certify that a true and correct copy of the foregoing was served by ( ) mail (✓) fax ( ) hand this 6th day of January, 1994, to:

James N. Reeves, Esq.
Bogle & Gates
1031 W. 4th Ave., Suite 600
Anchorage, Alaska 99501

Henry J Camarot

Berg, Smith, Infeld & Corey
[illegible] 7TH AVENUE
SUITE [illegible]
[illegible]

SECOND AFFIDAVIT OF KERWIN KRAUSE

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

COMES NOW Kerwin Krause, being first duly sworn upon oath, deposes and states as follows:

1. I am employed by the State of Alaska ("State"), Department of Natural Resources, Division of Mining, as the Property Management Geologist. I have held this position since approximately January, 1988.

2. This affidavit is offered for the sole purpose of clarifying the computer search parameters and results described in my previous affidavit dated January 6, 1994, and filed with the court in the above-captioned case.

3. The Department of Natural Resources computer programs available to me are capable of defining land ownership and status down to the level of a section (640 acres). Any finer delineation must be determined by manual inspection of plats (maps) of each section, which plats are available for public inspection at the Department of Natural Resources offices.

4. In the computer search of December 29, 1993, the results of which are given in my previous affidavit, the computer records available were searched to determine which sections in the state contain (a) lands wherein the State of Alaska owns or has reserved the mineral estate but where the surface estate has been conveyed to a party other than the State of Alaska ("split estate lands"); and (b) state mining claims.

5. The computer search showed that approximately 1,441

state mining claims are shown as existing within sections containing split estate lands. No determination was made as to whether the state mining claims were located on or overlapped onto the split estate lands. No manual search of plats was carried out nor is one planned as this is a very time-consuming and labor-intensive search for information not currently required for a Department of Natural Resource purpose that is most appropriately carried out by the inquiring party.

Kerwin Krause

Kerwin Krause

Subscribed and sworn to before me this 31st day of January, 1994.

Notary public in and for Alaska.
My commission expires: Oct 10, 1997

✓ Ur sent

Ata HB191 response

APR 10 1996

Red Mtn, Box RDO
Homer, Ak, 99603
2 April 1996

Senator Loren Leman
Chair, Senate Resources Committee
Juneau, Ak, 99801

Oppose changing shore fishery leases
RE: HB 191

Dear Senator Leman:

I am very concerned about the effect of the so-called "housekeeping" measure HB 191. This is not just a housekeeping measure. It is a direct attack on set net fishers. We already pay $300/year for our shore fishery leases. HB 191 would probably force that figure higher.

I grossed $11,000+ last year. This is not a "rich fisherman" operation.

I homesteaded this land. I live on it. I fish mostly on sites where I am the upland owner. HB 191 would permit someone else to outbid me and take away the fishery I have worked long and hard at.

Fishing requires a big inventory of equipment. I have a lot of money tied up in skiffs, outboard motors, nets, leads, buildings, tools, lines, buoys. This has been built up over 34 years of fishing.

The shore fishery lease program was designed to protect fishers from having their sites jumped by someone else. HB 191 would use that same law to confiscate the use permit that the State has already agreed to.

This fishery cannot exist without some stability. If we don't know from one year to the next if we can fish, we cannot make long term investments. How can anyone who fishes for a living buy a "$5000" skiff and a "$3000" outboard if they might be outbid next year?

Why is the representative from North Pole dabbling in the shore fishery?

Sincerely,

Lera Barter

HB191

April 27, 1996

Senator Leman
Chairman, Senate Resources Committee

Re: House Bill 191

Dear Senator Leman:

The amended language in Sec. 25 AS 38.05.082(c) to implement a 0.06% assessment on a limited entry permit's value with a $600 cap is not a fair or reasonable solution for determining the fee for a shore fishery lease.

The now proposed language would only target a small group of set net fishermen; with most area permit values being well below $50,000 the State is relying on 15% to 20% of the total lease holders to make up for budget shortfalls. Lease holders from Kodiak & False Pass would see an increase of 100% in their yearly fee and would receive absolutely nothing in return for this extra financial burden.

It is the week-end so we are unable to research our numbers but just shooting from the hip we would guess the number of lease holders is just over 1000; the percentage of the total number of permit holders this represents (25% to 30%) is small. This would lead one to ask if the leasing program is affordable as it is. By associating the lease cost to the value of ones' permit people in certain areas may well for go it altogether thus placing even more stress on the program. With no recruit class in crab stocks you would have no fishery; the same logic applies to the shore fishery lease program as well!

One only has to read the newspaper to realize that there are a lot of fishermen are in financial trouble; some people are unable to pay their IRS bills and are fighting to just hold onto their permits; how can doubling the cost of a lease be beneficial for them or the State.

We urge you to please reject the amended language in Sec 25 as being counter productive and unnecessary. We strongly believe that in no way should the annual fee of a shore fishery lease be connected to the value of a limited entry permit and see no reason why some would pay more than others, thank you.

Robert & Renée Purpura
Pat & Ann Daigle
Tim & Jane Wilkes
Mildred McMichael
Kasitsna Bay Salmon Producers

cc:Mail for: Annette Kreitzer

Subject: Re[2]: HB 191
From: Kodiak LIO at LAA_ANC 4/30/96 8:31 AM
To: Annette Kreitzer at JNU_CAPITOL

I did get a copy of the work draft and before the t/c started. But I would very much appreciate a copy of that new CS to HB 191 Annette. If you have a chance to fax, that would be great.

Lorna

Subject: Re: HB 191
From: Annette Kreitzer at JNU_CAPITOL
Date: 4/29/96 7:03 PM

Lorna, did you get a copy? The committee amended the bill, so there will be a new CS available tomorrow. I'll try to fax a copy to you later.

Subject: HB 191

From: Kodiak LIO at LAA_ANC

Date: 4/29/96 2:06 PM

Hi Annette,

I have a constituent here in Kodiak that says he talked to the Senate Resource committee and that they have a version W of HB 191. Is it possible for us to get a copy of that sent to us before the teleconference at 3:30? Our fax number is 486-5264.

Lorna / Kodiak LIO

Alaska State Legislature

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

committee on HB 191 bill/subject, dated 3-1-96.

To Sen. Lemon, Chairman House Resources Com.

I am a Kodiak Island Salmon fisherman and also a permit holder.

House Bill 191 is an obvious attack to the salmon fishery. The current laws in the fishery are fair, reasonable, and just. The idea that a late-comer can buy a business out from under someone, under this HB 191, is unfair and just not right! Please defeat this bill and let the fishery remain at the state gov.

Thank You

Keith Ontl

PO Box 545
Kodiak, AK 99615

Alaska State Legislature

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

committee on HB 191 bill/subject, dated 3-1-96

Box 1161
Kodiak Alaska 99615
Feb 29, 1996

Dear Bill.

Please read this letter at the Conference call hearing with HB 191.

To Rep. Jensen, Chair House Resources Com.

We are Kodiak Island settlement fishermen and have fished in the Afognak Dist. since 1964. When we purchased our site in Cape Bay the former owner could sell us our present fishing location knowing he had the legal right to fish them or sell them as he chose however that was the established custom and usage of the time. The introduction of share fisheries leases was intended to perpetuate existing this custom. This bill will destroy this needed long standing and honored custom by putting share fisheries leases to bid. Rather than stabilize the setnet fishery this bill has the opposite effect:

Financially HB191 targets the setnet fishery and excludes all other giving the seiner and setter freedom in a highly competitive industry.

Also, HB191 has the potential of placing the lease value in gill nets rather than the bank. Another form of loan we don't need.

Rather than eliminate or lessen problems HB191 will tend to create problems and heighten tensions.

We would urge you to reject this bill and retain the status quo.

Sid Ontiel

Barbara Ontiel

Alaska State Legislature

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

committee on HB 191 bill/subject, dated 3-1-96

We, Olaf & Celestine Omlid own & operate our own setnet site in Moser Bay South End of Kodiak Island, and are against House ~~Bill~~ Bill # 191

1- The Shore Fishery Leases were to put stability and protection of our sites into the set net fishery, and we feel it has done that.

2- It would allow the Commissioner to set the value of the lease according to the the Amount of fish or what he feels necessary. This would be another tax on one gear type.

This bill as written would cause undo hardship on the setnetters & would not have the protection it offers now. We are very unhappy with it.

Sincerely,
Olaf & Celeste Omlid

PO Box 615
Kodiak, AK 99615

Legislative Teleconference Network

TCN # [illegible]

SPONSOR: Senate Resources

SUBJECT: HB 191

START /END TIME: 2:00 pm. DATE: 5/1/96

SIGN-IN SHEET

PLEASE PRINT

	Name - Organization You Are Representing	Address	Zip	Phone #	Testify	Observe	Bill #
1	Paul Dick	642 Liten Elk Way, Fbks	99712	488-0704	X		191
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							

Teleconference

DATE: 3-1-96

SPONSOR: SRES

TIME: START 2:53 END _____

2.35 DIALED BRIDGE

HB 191 - MANAGEMENT OF STATE LAND + RESOURCES

TCN# 60422

* 3 MINUTE TESTMONY LIMIT

NAME (PLEASE PRINT)	REPRESENTING	BUSINESS/PERSONAL MAILING ADDRESS	ZIP CODE	(H) PHONE	(W) PHONE	TESTIFYING		WHAT SUBJEC OR BILL?
(BRENT) √Brent Johnson	Self	HC 2 Box 508 Clam Gulch AK	99568	262-4763		Y	N	191
√Bill Ward	Ward Farms	PO Box 350 Soldotna	99669	262-5735		Y	N	
						Y	N	
						Y	N	
						Y	N	
						Y	N	
						Y	N	
						Y	N	
						Y	N	
						Y	N	
						Y	N	

03/01/96 LEGISLATIVE TELECONFERENCE NETWORK SYSTEM LTN1150

14:20:18 PARTICIPANT LIST (ALL PARTICIPANTS) BY:JNU

TCN:60422 SCHEDULED FOR:03/01/96 14:00 TO 15:30 FOR:JNU

PUBLIC HEARING SENATE RESOURCES

LOCATION:JUNEAU

HB 191	MR.	DAVID	SANDEN		TESTIFY
HB 191	MS.	KIMBERLY	PETERSON		TESTIFY
HB 191	MS.	VIRGINIA	ADAMS	N.W. SETNETTERS	TESTIFY
HB 191	MR.	TOM	SCHWARTZ	HOMESTEAD WINNER	TESTIFY
HB 191	MR.	HUGH	MALONE	KPFA	TESTIFY
HB 191	MS.	CHERYL	SUTTON		OBSERVE

03/01/96 LEGISLATIVE TELECONFERENCE NETWORK SYSTEM LTN1150

14:27:23 PARTICIPANT LIST (ALL PARTICIPANTS) BY:KOD

TCN:60422 SCHEDULED FOR:03/01/96 14:00 TO 15:30 FOR:KOD

PUBLIC HEARING SENATE RESOURCES

LOCATION:KODIAK

HB 191	√MS	DEE DEE	PEARSON	SETNET PERMIT	TESTIFY
HB 191	√MR	DON	FOX		TESTIFY
HB 191	√MS	NELLE	MURRAY	SET NET PORTION	TESTIFY
HB 191	√MS	LAQUIATA	YATSIK		TESTIFY
HB 191	XMR	RICK	ELLINGSON		OBSERVE
HB 191	XMS	CLAUDIA	ANDERSON		OBSERVE
HB 191	XMS	LAURA	RESOFF		OBSERVE
HB 191	XMR	WILLIAM	BARKER		TESTIFY
HB 191	√MR	John "Pete" ~~PAT~~	MURREY		TESTIFY
HB 191	XMR	KIP	THOMET		TESTIFY
HB 191	XMR	CHRIS	MYRICK		TESTIFY

03/01/96 13:59:58 LEGISLATIVE TELECONFERENCE NETWORK SYSTEM LTN1120
MESSAGE FROM: LIOCJEN IN ANCHORAGE KEN

RE TCN: 60422 SCHEDULED FOR:03/01/96 14:00 TO 15:30
SPONSOR: SENATE RESOURCES PURPOSE: PUBLIC HEARING

MESSAGE TEXT: TOLD REP THERRIAULT DELAY-WILL CALL BACK

03/01/96 LEGISLATIVE TELECONFERENCE NETWORK SYSTEM LTN1150

14:11:42 PARTICIPANT LIST (ALL PARTICIPANTS) BY:DLG

TCN:60422 SCHEDULED FOR:03/01/96 14:00 TO 15:30 FOR:DLG

PUBLIC HEARING SENATE RESOURCES

LOCATION:DILLINGHAM-

HB 191	√MR.	JOE	CHUCKWUK		TESTIFY
HB 191	√MS.	SUSAN	FLENSBURG	BBCRSA	TESTIFY

03/01/96 LEGISLATIVE TELECONFERENCE NETWORK SYSTEM LTN1150

14:30:56 PARTICIPANT LIST (ALL PARTICIPANTS) BY:HOM

TCN:60422 SCHEDULED FOR:03/01/96 14:00 TO 15:30 FOR:HOM

PUBLIC HEARING SENATE RESOURCES

LOCATION:HOMER

HB 191	MR.	TOM	BURSCH	TESTIFY
HB 191	MS.	LAUREN	CARLTON	TESTIFY
HB 191	MR.	WILL	BISHOP	TESTIFY

03/01/96 LEGISLATIVE TELECONFERENCE NETWORK SYSTEM LTN1150

13:56:40 PARTICIPANT LIST (ALL PARTICIPANTS) BY:MAT

TCN:60422 SCHEDULED FOR:03/01/96 14:00 TO 15:30 FOR:MAT

PUBLIC HEARING SENATE RESOURCES

LOCATION:MATSU

HB 191	√MR	STAN	CARLSON	TESTIFY
HB 191	MR.	STAN	CARLSON	TESTIFY

03/01/96 LEGISLATIVE TELECONFERENCE NETWORK SYSTEM LTN1150

14:23:17 PARTICIPANT LIST (TESTIFIERS ONLY) BY:COR

TCN:60422 SCHEDULED FOR:03/01/96 14:00 TO 15:30 FOR:COR

PUBLIC HEARING SENATE RESOURCES

LOCATION:CORDOVA

HB 191	MRS.	PAT	JONES	SELF	TESTIFY
HB 191	MR.	JOHN	THOMAS	SELF	TESTIFY

03/01/96 15:23:24 LEGISLATIVE TELECONFERENCE NETWORK SYSTEM LTN1120
MESSAGE FROM: LIOCELI IN JUNEAU KEN

RE TCN: 60422 SCHEDULED FOR:03/01/96 14:00 TO 15:30
SPONSOR: SENATE RESOURCES PURPOSE: PUBLIC HEARING

MESSAGE TEXT: DAVID SANDEN IN JNU ON HOMESTEAD 2MIN

03/01/96 15:01:39 LEGISLATIVE TELECONFERENCE NETWORK SYSTEM LTN1120
MESSAGE FROM: LIOCLRS IN KODIAK KEN

RE TCN: 60422 SCHEDULED FOR:03/01/96 14:00 TO 15:30
SPONSOR: SENATE RESOURCES PURPOSE: PUBLIC HEARING

MESSAGE TEXT: ALL KOD PARTIC TO TESTIFY ON SB224,23,26

Author: Annette Kreitzer at JNU_CAPITOL
Date: 3/1/96 9:05 AM
Priority: Normal
TO: Kenai LIO at IAA_ANC
Subject: Today's Resources Meeting

---------- Message Contents ----------

Greetings! Could you pass on to [redacted] that along with Ron Swanson, Deputy Director, Division of Lands/DNR at the Anchorage LIO will be Kathy Dugan from DNR's set net shore lease fishery program. I could not confirm that before Senator Leman left yesterday. This is in regard to the hearing on HB 191. Thanks.

✓ no address in voter reg. base
4/5

MAR 26 1996

March 8, 1996

Senator Loren Leman, Chairman
Senate Resources Committee
State Capitol
Juneau, AK 99801
465-4907 (FAX 465-3810)

Dear Senator Leman:

I am writing to you in regard to HB 191 that is currently being considered in the Senate Resources Committee. I am a set net fisherman and am opposed to any changes being made to the shore lease fishery program. Please do not allow HB 191 to pass from your committee with these detrimental changes to this program.

Sincerely, Permit Holders

Brad Deering
Lauette Gronholdt

Northwest Setnetters Association
Box 870, Kodiak, Alaska 99615

Senator Loren Leman
Senate Resources Committee
Alaska State Legislature
State Capitol (MS 3100)
Juneau, AK. 99801-1182

April 23, 1996

Dear Sen. Leman,

Northwest Setnetters Association of Kodiak has been following SB 191, Sec.24-25 for quite some time now, that being both before and after $150,000 was proposed to be cut from the Dept. of Natural Resources Shore Lease Program. That threat being in the past, perhaps I could point out the inequities of a 1% rental rate levied on CFEC set net permit values to fund the DNR shore lease program.

Firstly, this 1% rental rate has made this a decisively Kodiak issue as Kodiak set net permits are valued higher then most other set net permits in the State. Secondly, this is even more painful when you realize that the majority of the Kodiak set net fishermen fish a minimum of two permits. A very quick example, the Officers of NWSA; President, 2 permits; Vice President, 10 permits; Treasurer, 1 permit; Secretary, 5 permits. I,m sure you can do the arithmetic. At a ceiling of even $600, double our present annual fee, the shore lease program in Kodiak will essentially be sabotaged as Kodiak set net fishermen will not be able to afford to participate. This, I believe will eliminate the State's very valuable shore lease program. The present rental rate supports the shore lease program and should remain in effect. If rates were to be increased at all, they should be increased as a flat fee for all set net fishermen of the State, not assessed on permit values.

This issue has been argued ad infinitum by Alaska's set net fishermen. We are supporting the DNR shore lease program presently by the fees being charged. Leave the fees as they are. Pull Sec. 25 from SB 191 and get on with business.

Sincerely,

Virginia Adams

Virginia Adams, Pres.

CC. Sen. Fred Zharoff
Sen. Steve Frank
Sen. Georgianna Lincoln
Rep. Alan Austerman
Rep. Gene Therriault
Rep. Jerry Mackie

EGEGIK SETNET ASSOC.
Kim S. & Debra L. Rice
P.O. Box 331
Girdwood, AK. 99587
ph 907-783-2186
fax 907-783-3171
4y12y96

Dear Senator Loren Leman,

We do not support any changes to the Shore Fishery Lease program. The program is self funding, provides a measure of security and public safety for the Set Net fisherman. The Shore Fishery Lease department has created a well-organized, efficient , cost effective program to deliver the service of issuing and maintaining shore fishery leases. This program provides a stabilizing effect to a often chaotic fishery. This program was set up to have the lease fees cover the cost of administration. It does, and can continue to do so.

If this program is abolished then people will be forced to protect their place to fish on their own. This has the potential to become a Public Safety concern. We strongly urge you to not change the existing Shore Fishery Lease program. If it's not broken, don't fix it!

Sincerely,

Kim and Debra Rice

✓ Rec'd 4/15

Sharon White
HCR 60 Box 154
Bonners Ferry, Id. 83805
208-267-7170

March 17, 1996

MAR 26 1996

Dear Senator Leman,

In reference to House Bill 191; I find the wording unclear on page 11, lines 3-18. Does this refer to new land designated for set net fishing, not previously leased--- or does it refer to renewing an existing ten year lease? If the latter is the case, I am strongly opposed to it!

The lease program, as it stands has done a wonderful job keeping peace on the beaches. Neighbors are often found helping each other rather than fighting over site locations. If, when the ten year lease comes up for renewal, anyone could apply, you would potentially receive applications from neighbors who just wanted to expand, businesses trying to get a monopoly on the industry, etc. It would be extremely unfair that in these particular cases where there were two or more applications, you would have to pay for the right to lease what has been your fishing site for the past 10-20 years. Essentially it could, left without a site, make your permit useless and force you out of the business. Many of us have family operations with cabins adjacent to our sites. We have been there for eighteen years and the kids look forward to returning to their summer residence each year. To suddenly be out bid would be a tragedy.

Thank you for your consideration on this issue.

Sincerely,

Sharon White

Sharon White

Entered, letter sent 1/A

March 8, 1996

Senator Loren Leman, Chairman
Senate Resources Committee
State Capitol
Juneau, AK 99801
465-4907 (FAX 465-3810)

Dear Senator Leman:

I am writing to you in regard to HB 191 that is currently being considered in the Senate Resources Committee. I am a set net fisherman and am opposed to any changes being made to the shore lease fishery program. Please do not allow HB 191 to pass from your committee with these detrimental changes to this program.

Sincerely,

Joe D. Ludvick

Joe D. Ludvick
PO Box 74
Sand Point, AK
99661

House Bill #191(FIN)

To: Senate Resource Committee

From: Thomas E. Schantz
1995 Homestead Lottery Winner parcel #1007 Jack Bay

Date: March 1, 1996

Although I do not object to the spirit of the bill, I feel it is unfair to subject the 53, 1995 Homestead Lottery Winners to this 1996 legislation. Much thought, strategic planning, and expense is incurred in selecting what parcels an Alaskan chooses to purchase entries for. This legislation would drastically change the purchase options originally presented and published by the Department of Natural Resources in 1995. Four Thousand One Hundred and thirty three twenty five dollar entries were received by Alaskans in the 1995 Homestead lottery under the old rules. It is not fair to change the now.

APR 03 1996

March 8, 1996

Senator Loren Leman, Chairman
Senate Resources Committee
State Capitol
Juneau, AK 99801
465-4907 (FAX 465-3810)

Dear Senator Leman:

I am writing to you in regard to HB 191 that is currently being considered in the Senate Resources Committee. I am a set net fisherman and am opposed to any changes being made to the shore lease fishery program. Please do not allow HB 191 to pass from your committee with these detrimental changes to this program.

Sincerely,

March 8, 1996

Senator Loren Leman, Chairman
Senate Resources Committee
State Capitol
Juneau, AK 99801
465-4907 (FAX 465-3810)

Dear Senator Leman:

I am writing to you in regard to HB 191 that is currently being considered in the Senate Resources Committee. I am a set net fisherman and am opposed to any changes being made to the shore lease fishery program. Please do not allow HB 191 to pass from your committee with these detrimental changes to this program.

Sincerely,

Richard Kochuten Sr.
P.O. Box 13
Sand Point Ak
99661

Richard Kochuten Sr.
P.O. Box 13
SAND POINT AK
99661

Than'k-you Senator Leman for giving me this chance to testify.
I am here to testify in support of Senator Leman's changes to SECS. 24, 25, and 26 of House Bill 191.
My husband and I are Kodiak setnetters fron the Alitak Bay District, south end of Kodiak. My husband Jimmy is born and raised Alaskan and has set-netted in the Alitak Bay Districk since 1965. I am a 20 year Alaskan and setnetting since 1985.
In 1974 Jimmy bought the fishing location and rights and caBIN Location at Deadman Bay west and noth west of ~~Fox~~ Island from the people he was working for.
Everybody that fishes on the southend knows what we consider our fishing territory and of course we are very protective of it. We did't skiff up and throw out a net or cork somebody off to establish our sites. We bought our sites that have been traditional sites since the 1940s. We still have the bill of sale.
In the seventies ~~1986~~ the state created the monster limited entry supposedly to protect our right to fish.
In 1988 a set-net friend tells us we can put away our weapons and get sore fishefy water leases from DNR, the state. and then nobody can legally mess with us.
Sounds good we pay for surveys and an attorney and apply and recieve our shore leases.
The fee per year at this time is 150.00, ~~per year~~ Now they are 300.00. I can't believe it costs that much to send os a pre-printed piece of papper. We will personnally stop by and sign it in Anchorage if that will save the state money.
In 1994 a costly and rediculus change in a regulation takes place and DNR says some of our sites muat be re-surveyed and their point of attachment monumented.
Fine we spend several more thousand dollors and us and other rock fisherman have to pay DNR to come down to the Alitak Bay Districk and put in some refrence markers.
We meaning ALL THE EFFECTED FISHERMAN PAYED FOR EVERYTHING.
So now your telling me you want to charge more per year for our leases and when we have to get them re-issued the fee could be based on the market value of our sites.
And if we don't pay we lose our sets to the highest bidder. Where is all this money going?. Also your saying our yearly lease payment will be based on the market value of our permits, Why should some fisherman pay more for the same service.
Sorry to say we don't go for any of this and if you think you can aution off our sets to the highest bidder and we are going to let this happen, no way.
We will protect our sites with our life if necessary. Our fishing operation is our whole life and we intend to pass it on to our children.. There should'nt even be a re-issuing fee
We follow all rules, pay our taxes and fees. We have watched the price of salmon go down the tolet while the price of fuel food gear permits leases and living go up up up. We pay 2% enhancement tax to the state so they can raise humpys, 1% to Asmi the state so they can advertise them and the price goes lower and lower.
Now some legislator wants to bring in fish farming into an already overly glutted market.
I understand the state is in financial crisis but increasing user fees isn't fair.
Why is the state trying to put the number 2 employer and money maker us fisherman out of business. Bring back state income taxes or spend some of the precious permanent fund on your ever growing burocuracy.
I'm hoping my kid can go to college but at this rate fisherman will probably be on wellfare.

McKINLEY MORTGAGE CO.
Post Office Box 1015
776 Crystal Ave, Suite 1
Girdwood, AK 99587
Phone (907) 783-2277
Facsimile (907) 783-2492

TO: Sen. Loren Leman
FAX: 465-2095

FROM: Tobias J. Preston

DATE: March 1, 1996

TOTAL PAGES: 1

RE: H.B. 191

Dear Senator;

For 17 years, I've commercial salmon gillnet fished. Since 1983, Prince William Sound setgillnetting has been my summer venture.

I'm very against H.B 191, and the potentially devastating effects upon setgillnetters. In my opinion, taking away the security of State leased sites is like taking away a Drift gillnetters boat! The unique individualism of setgillnetters is symbolized by their indiviual sites. Taking away that security, in my opinion, is similar to denying private property rights!

Furthermore, changing the current State policy will transfer power to the State! (And away from the individual setnetter, who for more than 50 years has worked his sites). With higher user fees from auctions, and subjection to the greed of neighboring setgillnetters, H.B. 191 will exacerbate the havoc to the individual. Equality of opportunity will be denied those fishermen not able to afford "their lease" at auction.

I hear the present system "pays for itself". If not true, then setgillnetters with leased sites should pay more in annual fees.

Thankyou for your consideration, and the protection of this gear group which has one of the highest percentage of ALASKAN residents and Native Alaskans.

Sincerely,

Tobias J. Preston

cc: Lolly Moss

Attn. Chairman
Lehman

3-1-96

This letter is in reference to

House bill 191

My name is Thomas Rohloff
P.O. Box 278 Girdwood, Ak. 99587
907) 783-2015

I'm a set net fisherman in the Yakutat district.

The bill revision would prove to be ineffective to those share lease fisheries in that area. I strongly advise that this bill be shot down. It will cause a decrease harmony in the fishery and becoming a program that would not be able to police w/ the changing delta regions

T Rohloff

March 8, 1996

Senator Loren Leman, Chairman
Senate Resources Committee
State Capitol
Juneau, AK 99801
465-4907 (FAX 465-3810)

Dear Senator Leman:

I am writing to you in regard to HB 191 that is currently being considered in the Senate Resources Committee. I am a set net fisherman and am opposed to any changes being made to the shore lease fishery program. Please do not allow HB 191 to pass from your committee with these detrimental changes to this program.

Sincerely,

Lawrence Calugan, Sr.

Lawrence Calugan, Sr.
PO Box 22
Sand Point, AK 99661

KASITSNA BAY SALMON PRODUCERS
P.O. BOX 243
HOMER, ALASKA 99603
(907-235-2210)

March 16, 1996

Senator Loren Leman
Chair, Senate Resource Committee
Juneau, AK 99801

Re: House Bill 191

Dear Senator Leman:

The members of Kasitsna Bay Salmon Producers strongly oppose any changes in the shore fishery program as proposed by House Bill 191. We dealt with these same issues in 1994 when Senate Bill 339 and House Bill 515 had the exact same language as House Bill 191.

This so called "house cleaning" measure would pit neighbor against neighbor and could go as far as to actually destroy an individual's life time of sweat equity. This measure is unfair because it allows a person with no prior use history an opportunity to ace out the guy that spent his life developing the sites; no other fishery operates with this specter looming over it.

We average under $10,000 gross per permit annually; this just is not that big of a pie and it is getting smaller every year. It would open the door for part time fisherman that use the fishery as a tax write-off to out bid the poor working "Joe" whose sole income in derived from fishing. If we have to compete with doctors, lawyers, teachers and blue collar workers for areas to fish it's *no-brainer* to see what will happen to every "Mom & Pop" outfit in the State. With a negotiable lease you could be faced with the scenario of bidding against anyone who coveted your operation; the only thing wrong with this picture is I can see the guns being drawn as I type.

Rep. Gene Therrialt's district is a long way from any set net site; we question if he fully understands the consequences of these measures. We can not even imagine how the State is going to determine what the fair market valve is for a site. I have been fishing the same area for 17 seasons and can say for sure that no two years are the same for any one site. We have sites that catch a lot of pinks compared to some sites in other districts. How will these be valued compared to sites closer the mouth of the Kenai River, all I can see is a bureaucratic nightmare if this bill becomes law.

We believe it to be a fundamental error to compare the shore fishery lease program to oil, gas, mining & timber leasing, for example: There is no natural resources being extracted from the land as with oil, gas, mining & timber. The fish that we catch are currently being taxed through the State

Re: House Bill 191
March 16, 1996

raw fish tax and limited entry permits fees. It's not as if the State is deriving nothing from the resource and would only be creating a chaotic situation by trying to bring the shore fish leasing program in line with other State programs that have nothing in common with the uniqueness of this fishery.

Nothing has changed since 1994 and our reasons for opposing these measures are the same now as then; the set net fishery is one of four gear types harvesting this resource and should not be expected to shoulder a burden that is not shared equally by the other user groups.

Anyone with an ounce of knowledge concerning the salmon fishery would say these measures are *trying to get blood from a stone.*

Cordially,

Robert & Renée Purpura
Pat & Ann Daigle
Tim & Jane Wilkes
Mildred McMichael
Kasitsna Bay Salmon Producers

Ray Vargo
Box 154
Sand Point, AK.
99661

MAR 18 1996

March 8, 1996

Senator Loren Leman, Chairman
Senate Resources Committee
State Capitol
Juneau, AK 99801
465-4907 (FAX 465-3810)

Dear Senator Leman:

I am writing to you in regard to HB 191 that is currently being considered in the Senate Resources Committee. I am a set net fisherman and am opposed to any changes being made to the shore lease fishery program. Please do not allow HB 191 to pass from your committee with these detrimental changes to this program.

Sincerely,

Hi Senator Leman,

Please do oppose this bill. Set Net Shore Leases are already so high that most of us can hardly afford them now. In fact many of the "old timers" here have let their leases lapse because of the increased expense of going fishing against the sharks. Fishing time is hard for people.

There is no need or reason to increase shore lease expense. It is hard enough now to pay to pay our current costs.

Thanks

Have a good day!

Ray

PS. Rep Paul Moses
Sen Lyman Hoffman

MAR 18 1996

March 8, 1996

Senator Loren Leman, Chairman
Senate Resources Committee
State Capitol
Juneau, AK 99801
465-4907 (FAX 465-3810)

Dear Senator Leman:

I am writing to you in regard to HB 191 that is currently being considered in the Senate Resources Committee. I am a set net fisherman and am opposed to any changes being made to the shore lease fishery program. Please do not allow HB 191 to pass from your committee with these detrimental changes to this program.

Sincerely, Harry R. Foster

Po Box 224
Sand Point, Alaska 99661

MAR 15 1996

March 8, 1996

Senator Loren Leman, Chairman
Senate Resources Committee
State Capitol
Juneau, AK 99801
465-4907 (FAX 465-3810)

Dear Senator Leman:

I am writing to you in regard to HB 191 that is currently being considered in the Senate Resources Committee. I am a set net fisherman and am opposed to any changes being made to the shore lease fishery program. Please do not allow HB 191 to pass from your committee with these detrimental changes to this program.

Sincerely,

Arthur Johnson
PO Box 15
Sand Point, AK 99661
383-3949

MAR 15 1996

Martin Johansen
P. O. Box 102
Sand Point, Alaska 99661

March 13, 1996

THE HONORABLE SENATOR LOREN LEMAN
Chairman
Senate Resources Committee
State Capitol
Juneau, Alaska 99801

Dear Senator Leman:

I am writing to you today in regards to HB 191 that is currently being considered in the Senate Resources Committee. I am a set net fishermen and am opposed to any changes being made ato the shore lease fishery program. Please do not allow HB 191 to pass from your committee with these detrimental changes to this program.

We are severely strickened enough. How can we make a living> Who is going to pay for our bills next winter. Your taking everything away from us.

Please do not pass HB 191 as it states right now. Thank You.

Sincerely,
Martin Johansen

Martin Johansen

MAR 25 1996

William H. Erwin
138 Elmwood
Helena, Montana 59601
March 19, 1996

Senator Loren Leman
Senate Resource Committee
Alaska State Capitol
Juneau, Alaska

Dear Senator Leman,

I am a setnet fisherman and member of the Egegik Setnetters Association ---I support your efforts in opposition to HB 191.

The annual shore lease fee we pay now already covers the administrative costs of the shore fishery leases---any amount above that is a tax. As for paying a percentage of fishing proceeds---some years I do not make expenses. In that case, DNR would loose funds on shore leases.

In addition, it appears that HB 191 would have a particular negative impact on Alaska native setnet fisherman. From what I have seen, they are already in a tenuous economic situation.

It seems like setnet fisherman are being picked on---What about the drift fisherman?

Thank you,

Sincerely,

William H Erwin
SOHT 55859N

MAR 25 1996

March 8, 1996

Senator Loren Leman, Chairman
Senate Resources Committee
State Capitol
Juneau, AK 99801
465-4907 (FAX 465-3810)

Dear Senator Leman:

I am writing to you in regard to HB 191 that is currently being considered in the Senate Resources Committee. I am a set net fisherman and am opposed to any changes being made to the shore lease fishery program. Please do not allow HB 191 to pass from your committee with these detrimental changes to this program.

Sincerely,

Peter Calugan
3115 Madison Way
Anchorage, AK 99508 -4418

MAR 25 1996

110 North Queen Street
Chestertown, MD 21620
March 19, 1996

Senator Loren Leman
Senate Resource Committee
Alaska State Capitol
Juneau, Alaska 99881

Dear Senator Leman:

I have just received a disturbing communication from my Setnet neighbor and President of the Egegik Setnetter's Association, Kim Rice, of Girdwood, Alaska, who has enclosed pages 10 and 11 of House Bill 191 for my reading pleasure.

I cannot believe I am reading correctly at the top of page 11 that the Director may offer a shore lease at public auction without considering the qualifications (viz. historic right) of an applicant to fish the site. I'm not clever at reading legalese and hope I am wrong.

I understand from Kim's letter that "in the teleconference (of 1 March) Senator Therriault stated that he had in mind a lease fee of up to $1000.00 per site, per year, or a percentage of the fishing proceeds from each site."

As a Cook Inlet Setnetter you, yourself, know that you already pay for a limited entry permit, a current site lease fee, and are taxed a percent of your gross in borough and other levies. Now I see no reason to object to Senator Therriault's proposal to exact a lease fee from each setnetter equal to a certain percentage of the fishing proceeds from his site, as long as the senator contributes an appropriate percent of his senatorial salary for the chair he occupies in the State House, and exacts the same from every other citizen living in the state whose business benefits from its land, water, or air space.

In a period of diminishing fish prices and rising costs an increase in user fees is always unwelcome, but this is not just an increase in fees predicated on the terms of the original lease agreement, it is a change in the spirit of the original agreement and in the terms upon which those fees are calculated. This is, of course, a governing body's prerogative, however this proposal seems to single out the setnetter from other fishermen and from other Alaskans.

To return to the subject of percentage. Thus far percentages have been taken from gross rather than net and although we setnetters net what we gross and gross what we net, we only do so in terms of fish not income, so with the rising costs and plummeting net income a percent of gross proceeds is quite unfair to many fishermen, while a percent of net proceeds would require a whole bureaucracy to handle.

My best wishes on your efforts to preserve the spirit of the original piece of legislation.

Sincerely,

B. D. Dr

Box 2135
Kodiak, Alaska
March 3, 1996

Senator Loren Leman
Chairman Senate Resources Committee
Alaska State Senate
Juneau, Alaska

Dear Senator Leman,

I am sorry that I could not testify during your teleconference on Friday March 1, 1996. Although I was in attendance at the Kodiak LIO at 2:00 I had to make another appointment at 3:30 and did not have a chance to speak before I left.

I am opposed to HB 191 as currently written, In particular Sec. 24 thru 26, for the following reasons:

1. I believe that the reason for the existence of shore fisheries leases is to bring stability and order to the shore based fisheries. This bill will destroy both stability and order.

2. This bill leaves too much discretion and interpretation in the hands of the director, with too little guidance.

3. I believe this bill will open up wholesale claim jumping of set net sites. It would be a shame if family, fishing a site into the third or forth generation, would loose that site by the implementation of this bill. As I read it that would be not only possible but very likely. The older sites are some of the most productive sites and with nothing in the law to give preference to those with prior use they would become vulnerable.

4. There is nothing in the bill to allow for transfer of the site to family member or for the sale of the site.

5. This bill if passed would be the equivalent of a tax that targets the shore based fisheries. It is obvious that the value of the lease is not the land resource but the fisheries resource.

I prefer the wording and intent of the current statute. It is my understanding the current fee structure pays for the administration of the shore fisheries lease. This

does not appear to be a cost to the state.

Some other thoughts:

The use of the term "May" in the statute appears to me to open many potential problems. I am sure the sponsor of the bill understands what he means and the Director may understand what the sponsor wants, but Directors change.

If the state wants to generate revenue, has any thought been given to the sale of the tide lands, giving preference to the current lease holder?

The courts are overwhelmed now, it seems proper that as many decisions as possible should be made at the administrative level.

Has any thought been given to the possibility of another teleconference on this bill. I know of other people that had to leave last Friday prior to giving their testimony.

Thank you for your consideration.

William H. Barker

Phone (907) 486-8229
Fax (907) 486-2237

PENINSULA MARKETING ASSOCIATION
P.O. BOX 248
SAND POINT, ALASKA 99661
PH(907)383-3600 FAX(907)383-5618

March 6, 1996

Senator Loren Leman, Chairman
Senate Resources Committee
State Capitol
Juneau, AK 99801

Dear Senator Leman:

I would like to thank you and your staff for calling attention to the set net lease provision changes that are contained in HB 191. As was indicated by most people who testified at the teleconference, this proposed change went through the House of Representatives without any of us having any knowledge of. This is very alarming and concerns me that there may be other issues or changes being considered that could also adversely affect us. Our remote location makes it very difficult to follow the legislative activity as close as we would like.

I would like to go on record in opposition to any changes being made to the existing shore fishery lease program. The proposed fee system that would reflect the permit value could potentially set our renewal fee at $1000 or more. If this were the case, I can foresee many fishermen losing their sites because of their inability to pay such a high annual fee. I am also opposed to the provision which would place a set net lease up for auction if there were more than one application submitted. All of these proposed changes will hurt the majority of set net fishermen throughout the state and will only benefit the wealthy. The system works fine the way that it is, so please do what you can to stop this attempt to make changes.

Sincerely,

Melanie Gundersen

Melanie Gundersen,
President

cc: Representative Carl Moses
Senator Lyman Hoffman

Martin Johansen
P. O. Box 102
Sand Point, Alaska 99661

March 13, 1996

THE HONORABLE SENATOR LOREN LEMAN
Chairman
Senate Resources Committee
State Capitol
Juneau, Alaska 99801

Dear Senator Leman;

I am writing to you today in regards to HB 191 that is currently being considered in the Senate Resources Committee. I am a set net fishermen and am opposed to any changes being made ato the shore lease fishery program. Please do not allow HB 191 to pass from your committee with these detrimental changes to this program.

We are severely strickened enough. How can we make a living> Who is going to pay for our bills next winter. Your taking everything away from us.

Please do not pass HB 191 as it states right now. Thank You.

Sincerely,

Martin Johansen

04/29/96 LEGISLATIVE TELECONFERENCE NETWORK SYSTEM LTN1150

15:29:30 PARTICIPANT LIST (ALL PARTICIPANTS) BY:ANC

TCN:60813 SCHEDULED FOR:04/29/96 15:30 TO 17:00 FOR:ANC

PUBLIC HEARING SENATE RESOURCES

LOCATION:ANCHORAGE

HB 191	STEVE	BORELL	AK MINERS	TESTIFY
HB 538	JOHN	WINTHER		TESTIFY

04/29/96 LEGISLATIVE TELECONFERENCE NETWORK SYSTEM LTN1150

15:33:36 PARTICIPANT LIST (ALL PARTICIPANTS) BY:ANC

TCN:60813 SCHEDULED FOR:04/29/96 15:30 TO 17:00 FOR:ANC

PUBLIC HEARING SENATE RESOURCES

LOCATION:ANCHORAGE

HB 191	STEVE	BORELL	AK MINERS	TESTIFY
HB 191	JULES	TILESTON	ANS ?S	TESTIFY
HB 538	JOHN	WINTHER		TESTIFY

04/29/96 LEGISLATIVE TELECONFERENCE NETWORK SYSTEM LTN1150

15:57:26 PARTICIPANT LIST (ALL PARTICIPANTS) BY:KOD

TCN:60813 SCHEDULED FOR:04/29/96 15:30 TO 17:00 FOR:KOD

PUBLIC HEARING SENATE RESOURCES

LOCATION:KODIAK

HB 191	MR BILL	BARKER	TESTIFY
HB 191	MR DUNCAN	FIELDS	TESTIFY

04/29/96 LEGISLATIVE TELECONFERENCE NETWORK SYSTEM LTN1150

15:32:26 PARTICIPANT LIST (ALL PARTICIPANTS) BY:HOM

TCN:60813 SCHEDULED FOR:04/29/96 15:30 TO 17:00 FOR:HOM

PUBLIC HEARING SENATE RESOURCES

LOCATION:HOMER

HB 191	MR ROBERT	PURPURA	KACHITSNA BAY	TESTIFY

$10K/yr

Mr. Everett L. Thompson 246-4224
PO Box 183

file

Naknek	AK	99633	Distribution	Affiliation	Reg Voter
			09	Comme	Y

Date POM Sent	Constituency	Bill Number	Response	Subject
03/04/96	N	HB 191	Opposes	

LEAVE THE LEASES STATUS QUO! THE BIDDING PROCESS IS STUPID. I WOULD RATHER PAY A STATE TAX INSTEAD OF WORRYING ABOUT OUR SITE BEING BIDDED OFF TO THE HIGHEST BIDDER.

Mrs. Betty J. Bonin 246-4224
PO Box 183

file

Naknek	AK	99633	Distribution	Affiliation	Reg Voter
			08	Comme	U

Date POM Sent	Constituency	Bill Number	Response	Subject
03/04/96	N	HB 191	Opposes	

THIS IS ABSURD. OUR SET NET SITE HAS BEEN IN OUR FAMILY FOR ALMOST 40 YEARS. THIS WILL ENABLE OTHERS TO BID ON OUR SITE WHEN THE LEASE EXPIRED. I WOULD RATHER HAVE A STATE INCOME TAX INSTITUTED RATHER THAN THIS PROCESS
THIS CAUSES A LOT OF PROBLEMS FOR SITE OWNERS.

Mr. Franklin Waldron 567-3666
PO Box 93

Ninilchik	AK	99639	Distribution	Affiliation	Reg Voter
			08	self	Y

Date POM Sent	Constituency	Bill Number	Response	Subject
03/28/96	N	HB 191	Amend	

I AM CONCERNED WITH THE SHORE FISHERY LEASE PROGRAM. THESE LEASES ARE USED ONLY FOR COMMERCIAL FISHING ACTIVITY, THEREFORE ANY FEE OVER AND ABOVE ADMINISTRATIVE COSTS MAY BE CONSIDERED A TAX ON OUR FISH. WE ALREADY PAY ALL
ADMINISTRATIVE COSTS. I DON'T OPPOSE A FISH TAX, JUST ONE THAT SINGLES OUT ONLY ONE COMPONENT OF THE INDUSTRY TO BEAR THE BURDEN. THIS TAX WOULD SINGLE OUT SETNETTERS AND NOT AFFECT DRIFTERS

Mr. Dale M. Peters 246-4224
PO Box 144

Naknek AK 99633

Distribution	Affiliation	Reg Voter
07		Y

Date POM Sent	Constituency	Bill Number	Response	Subject
03/02/96	N	HB 191	Opposes	

I AM IN FAVOR OF LEAVING THE SHORE FISHERIES LEASE PROGRAM ALONE. I AM OPPOSED TO THE PROPOSAL AS OUTLINED IN HB 191. MANY FAMILIES RELY ON THEIR SITES AND PERMITS FOR SUPPORT AND THIS CHANGE COULD ENDANGER THEIR OPPORTUNITY
TO FISH. PEOPLE WHO HAVE HISTORICALLY FISHED THESE SITES HAVE RIGHTS.

Mr. Earl Williams 246-6647
PO Box 23

Naknek AK 99633

Distribution	Affiliation	Reg Voter
08		U

Date POM Sent	Constituency	Bill Number	Response	Subject
03/02/96	N	HB 191	Opposes	

OLD TEXT HAS BEEN MANAGEABLE FOR YEARS. NEW TEXT WITH PUBLIC AUCTION WOULD CAUSE PERSONAL HARDSHIP AND CONFLICT.

Ms. Sandra B. Fraits 246-6647
PO Box 23

Naknek AK 99633

Distribution	Affiliation	Reg Voter
08	Setnetts	U

Date POM Sent	Constituency	Bill Number	Response	Subject
03/02/96	N	HB 191	Opposes	

OLD TEXT HAS BEEN MANAGEABLE FOR YEARS. NEW TEXT WITH PUBLIC AUCTION WOULD CAUSE PERSONAL HARDSHIP AND CONFLICT.

Helen Gregorio 493-5185
PO Box 211

Togiak AK 99678

Distribution	Affiliation	Reg Voter
60		Y

Date POM Sent	Constituency	Bill Number	Response	Subject
03/02/96	N	SB 280	Opposes	

AS A COMMUNITY MEMBER OF TOGIAK, ALASKA, I AM OPPOSED TO SB 280. BOROUGH FORMATION IS NOT GOOD FOR OUR COMMUNITY AND SHOULD NOT BE MANDATED BY THE STATE. PLEASE VOTE AGAINST SB 280.

Ms. Nancy Hummel 457-1405
725 Manchester Lp

Fairbanks	AK	99712	Distribution 60	Affiliation	Reg Voter Y

Date POM Sent	Constituency	Bill Number	Response	Subject
03/01/96	N		None	TOBACCO

I SUPPORT TOBACCO TAXES. PLEASE GIVE THEM A HEARING AND PLEASE PASS THEM.

Ms. Joyce Guest 333-4820
3921 Gardner St

Anchorage	AK	99508	Distribution 60	Affiliation	Reg Voter Y

Date POM Sent	Constituency	Bill Number	Response	Subject
03/01/96	N	HB 431	Supports	

SB 210 AND SB 234: I SUPPORT STRONGLY THE TAX. STUDIES HAVE PROVEN THAT THE TAX IS EFFECTIVE ESPECIALLY IN REDUCING TEENAGE SMOKING.

Ms. Sandra B. Fraits 246-6647
PO Box 23

Naknek	AK	99633	Distribution 07	Affiliation Setnetts	Reg Voter U

Date POM Sent	Constituency	Bill Number	Response	Subject
03/01/96	N	HB 191	Opposes	

OLD TEXT HAS BEEN MANAGEABLE FOR YEARS. NEW TEXT WITH PUBLIC AUCTION WOULD CAUSE PERSONAL HARDSHIP AND CONFLICT.

Mrs. Michele Entwisle 376-6058
HC33 Box 2853

Wasilla	AK	99654	Distribution 60	Affiliation	Reg Voter Y

Date POM Sent	Constituency	Bill Number	Response	Subject
03/01/96	N	SB 175	Opposes	

NO! NO! NO! IF THEY TAKE AWAY THE TELEVISION AND STEREOS, THE PRISONERS ARE GOING TO FIND OTHER THINGS TO DO LIKE HURT MY HUSBAND WHO IS A CORRECTIONAL OFFICER.

Mr. Todd Palin 373-3113
Box 876182

Wasilla	AK	99687	Distribution 34	Affiliation	Reg Voter U

Date POM Sent	Constituency	Bill Number	Response	Subject
04/09/96	N	HB191	None	FISH & GAME (FISH)

PLEASE LEAVE THE SHORE FISHERY ISSUE AS IS. IT IS UNFAIR TO THE PEOPLE THAT SPENT MONEY GETTING THEIR SHORE LEASE SITES SURVEYED AND SET-UP TO CHANGE IT NOW.

Ms. Sarah Palin 373-3113
Box 876182

Wasilla	AK	99654	Distribution 34	Affiliation	Reg Voter U

Date POM Sent	Constituency	Bill Number	Response	Subject
04/09/96	N		None	FISH & GAME (FISH)

KEEP THE PRESENT SHORE LEASE FISHERIES AS IS. PLEASE DON'T CHANGE THE WAY WE ARE LEASING OUR SET-NET SITES. IT WOULD BE VERY DETRIMENTAL.

Mr. Chuck Heath 376-5790
425 Klouda Cr

Wasilla	AK	99654	Distribution 10	Affiliation	Reg Voter U

Date POM Sent	Constituency	Bill Number	Response	Subject
03/13/96	N	HB 191	Opposes	

I AM A SET NETTER. UNDER THIS LEGISLATION MY ANNUAL RENTAL FEE WOULD GO FROM $50.00 TO $7,000.00. WE ARE JUST GETTING BY AS IT IS. WITH SALMON PRICES GOING DOWN, I DO NOT SEE HOW WE CAN MAKE IT WITH THIS INCREASE. I AM
HAVING NIGHTMARES OVER THIS BILL. PLEASE VOTE NO.

Ms. Sarah Palin 373-3113
PO Box 876182

Wasilla	AK	99687	Distribution 11	Affiliation	Reg Voter Y

Date POM Sent	Constituency	Bill Number	Response	Subject
03/15/96	N	HB 191	Amend	

I AM OPPOSED TO THE PROVISION IN THIS LEGISLATION WHICH DEALS WITH INCREASED FEES FOR SET NET LEASES. THE RUMORED AMOUNT OF INCREASE IS MORE THAN MANY SET NETTERES MAKE IN PROFIT EACH SEASON. PLEASE AMEND THIS PORTION
OR VOTE NO. THANK YOU.

Ms. Terry Cummings 269-7367

6740 E 10th Ave

Anchorage AK 99504

Distribution	Affiliation	Reg Voter
60		Y

Date POM Sent	Constituency	Bill Number	Response	Subject
03/19/96	N	HB 191	Opposes	

ANNUAL LEASE FEES FOR SHORE FISHERIES LEASES WERE ESTABLISHED TO PAY FOR THE ADMINISTRATIVE COSTS OF THE LEASE, NOT AS A SOURCE OF REVENUE.

Ms. Bonnie J. Perata 224-5638

PO Box 1696

Seward AK 99664

Distribution	Affiliation	Reg Voter
07		Y

Date POM Sent	Constituency	Bill Number	Response	Subject
03/23/96	N	HB 191	Opposes	

I SETNET IN THE BAY. I OPPOSE HB 191. THE LEASE PROGRAM RUNS GREAT AS IT IS. IT GIVES CLARITY TO WHO LEASES EACH SITE. WE USE IT PLUS OR MINUS THREE MONTHS A YEAR FOR TIDAL ANCHORING PURPOSES. OUR SALMON INDUSTRY IS IN FINANCIAL
TROUBLE ALREADY. WHY MAKE IT HARDER FOR THE FISHERPEOPLE?

Mr. Bacci G. Perata 224-5638

PO Box 1696

Seward AK 99664

Distribution	Affiliation	Reg Voter
07		Y

Date POM Sent	Constituency	Bill Number	Response	Subject
03/23/96	N	HB 191	Opposes	

WE LIKE HOW THE SHORE FISHERIES LEASE PROGRAM IS RUN NOW. WHY CHANGE SOMETHING THAT WORKS. SALMON FISHERPEOPLE NEED TO CONCENTRATE ON FINDING MARKETS FOR THEIR SALMON NOT FIGHT THE STATE ON FEE INCREASES. PLEASE HELP NOT
HINDER OUR SALMON INDUSTRY. REJECT HB 191!!!

PHONE MESSAGE DATE 4/11 TIME AM PM

FOR * std and Rm // Av

M Paul Swanson & Jeannie Soarenson

OF Kenai

PHONE ( ) 283-1722 EXT.

FAX MOBILE PAGER ( ) 283-7079 (Hm)

MESSAGE HB 191 - opposition

Knows LL - Coach BB

36790 Chinulna Dr., Kenai, AK 99611

SIGNED

URGENT
PHONED
RETURNED YOUR CALL
PLEASE CALL BACK
WILL CALL AGAIN
WAS IN
WANTS TO SEE YOU

AVERY

rec'd letter 3/11/96 fax

APR 11 1996

March 8, 1996

Senator Loren Leman, Chairman
Senate Resources Committee
State Capitol
Juneau, AK 99801
465-4907 (FAX 465-3810)

Dear Senator Leman:

I am writing to you in regard to HB 191 that is currently being considered in the Senate Resources Committee. I am a set net fisherman and am opposed to any changes being made to the shore lease fishery program. Please do not allow HB 191 to pass from your committee with these detrimental changes to this program.

Sincerely,

James R Brown
Box 25
Sand Point, AK 99661
phone # 907-383-3966

CITY OF EGEGIK

P.O. Box 189
Egegik, AK., 99579
Ph.: (907) 233-2400
Fax: (907) 233-2231

To: Senator Loren Leman, Chairman

Organization: Senate Resources Committee

Phone: 465-4907 Fax: 465-3810

From: John Purcell, City Administrator

CITY OF EGEGIK–

Phone: Fax:

Date: 3/23/96 Time: 11:20 AM

Number of Pages, Including Cover Letter: 2

Message: See Attached

1. respond
2. file

CITY OF EGEGIK

P.O. Box 189
Egegik, AK., 99579
Ph.: (907) 233-2400
Fax: (907) 233-2231

22 March, 1996

Senator Loren Leman, Chairman
Senate Resources Committee
State Capitol, Room 113, MS 3100
Juneau, Alaska, 99801-1182

Dear Chairman Leman:

The City of Egegik and the Egegik Tribal Council strongly request that you and your fellow Senators on the Senate Resources Committee, not allow HB 191 to leave your Committee. It is the expressed conviction of the City and the Tribal Council that this Bill should be defeated.

This Bill adversely would affect several Egegik residents who have set-net sites here. In most instances, it would increase the annual cost of set-net leases more than threefold, from an average of $300.00 to $1,000. Such an immense increase is considered by all Egegik fishermen as extremely exorbitant. With the sales price of sockeye salmon expected to drop well below $0.70 per pound this summer, such an increase in the set net leases will have a drastic effect on the ability of local set-net fishing persons to earn any decent level of income from their set-net operations.

Accordingly, the City and the Tribal Council consider this Bill as bad legislation. If HB-191 should become law, it would force many residents here to rid themselves of their set-net leases and, therefore, forcibly deprive these residents of their primary annual income source.

Together, the City of Egegik and the Egegik Tribal Council strongly urge that your Committee not allow HB 191 to progress to the Senate Finance Committee.

Thank you for your attention and action concerning our request.

Sincerely,

Richard E. Deigh, Mayor
City of Egegik

Lawrence D. Abalama, Vice President
Egegik Tribal Council

Alaska State Senate
Office of the President

Dave Sanden
364-2890

HB 191

- Concerned about effective date & how that will effect the last land sale.

Senate Resources
State Capitol
Juneau, Alaska 99801-1182

Patrick A Dalton
PO Box 1413
Delta Junct, Alaska
99737

Jan 24, 1996

FEB 01 1996

Dear Sirs,

I am writing this letter to urge you to reconsider some of the changes proposed in HB191. The reason for this urgency is my fear that if this bill passes, homesteading as we know it will die. I have confidence you will be persuaded of my viewpoint, after considering the following objectives jections:

Section10, has the worst alteration. They have exchanged the former "should be fair market" with "shall be fair market value". This simple change guarantees that in the future of our state, only the wealthy and well-to-do will ever again be able to use their resourcefullness and persistance to forge a productive life, out of the otherwise unused lands. It is discriminatory. It was furthermore, not the intent of the Alaska Constitution. Article 8, section1 states "it is the policy of the State to encourage the settlement of its land and the development of its resources by making them available for maximum use consistent with public interest.

I will further explain why I believe this so called fair market value is certainly not in the best interest of all, but only wealthy and well-to-do. Fair market value is often not affordable to those who step out on faith and prayers to settle Alaskan lands. Jobs are often not available in these remote areas. These individuals do without plumbing, glass windows, and instead use plastic for windows and roofs at 60 below. They sometimes go hungery to prove up. This is their price, not fair market value. I believe they are more likly to stay on that land than the part time residents. In my opinion both should have the opportunity, as it always has been.

My second objection to fair market value stems from personal experience with it. In our case a fair market appraisal was arrived at in a very nebulous fashion. State officials had influence on the appraiser who theoretically is objective. So, first-hand, appraisals are sometimes, if not frequently, skewed by other influences.

Finally, I protest the fee and rental hikes to those who can not afford them. Please refer to Homestead Entry Permit, section24, and section 27.

I sincerely hope you will not allow HB 191 to pass until my objections are considered. I hope homesteading can continue for anyone who is thankfull for our great land regardless of their economic status.

Sincerely,

Patrick A Dalton

Northwest Setnetters Association
Box 870, Kodiak, Alaska 99615

Feb 23,1996

Senator Loren Leman
Chair, Sen Resource Committee
Alaska State Legislature
State Capitol(MS3100)
Juneau, Alaska 99801-1182

MAR 01 1996

Dear Senator Leman,

I write to you as a follow up to my conversation with Annette Kreitzer on Feb 14 regarding House Bill 191, Sec 24 coming before the Senate Resource Committee I would like to deal specifically with the solutions put forth by the Division of Land in regards to new and disputed shore fishery leases in the set net fishery

As you are aware, the shore fishery program was established to help preserve fishing opportunities to those fishing traditional areas as well as to add stability to the State's set net fisheries The awarding of a shore fishery lease to the highest bidder in the case of a new or contested lease will actually create instability within the set net fishery and may contribute to shore fishery disputes We appreciate the difficulty the Division of Lands has in resolving conflicting claims and their desire for a solution in the form of a law such as what is before you now in House Bill 191 This solution though is ill conceived

Our group is working on an alternative proposal or approach to this issue At a minimum we suggest that you solicit the opinions of the different set net organizations around the State Perhaps in so doing a model of arbitration or resolution could be architected In the meantime, we hope that this language dealing with new and contested fishery leases will be eliminated from House Bill191 Thank you for your consideration of this

Sincerely,

Virginia C. Adams

Virginia C Adams, President

FEB 29 1996

February 25, 1996
Senate
Interdepartment Mail Stop 3101
State capitol, Juneau, Ak. 99801-1182

FROM: Donald R Blanc
529 5th Ave.
Fairbanks, Alaska 99701

Dear Senator Leman-Chairman Resource Committee

I strongly request that when the present Senate Bill dealing with the distribution and operation of State Shore Fishing Leases be worded to eliminating gray areas which would be decided by the Director of the Department Of Natural Resources. This would prevent "political" decisions that could be biased, discrimatory and showing favoritism. I believe we should be operating within the scope of rules, regulations and laws.

My experience with the way the D.N.R functions in the past is as follows;

In 1987 a neighbor entered an application against a legal State Shore Lease held by myself. I did nothing about this during the year of 1988. During the winter of 1988 I secured a survey by Studzmann Engineering of Fairbanks, Alaska.

The surveyor stated that the map that had been submitted by the applicant(Costellos) was in error. A copy of the Studzmann map to the DNR was submitted in February of 1989. This map was drawn to scale from an aerial photo that was secured from the Geophysical Institute at the University at Fairbanks.

A confrontation developed, the DNR declared my shore lease legal and the troopers cited the Costellos and I fished the site for the following six years.

The DNR continued the Costello application and awarded the costellos a shore lease that severely impacted my long time fishing location. The DNR decision has been appealed and is now before the courts.

Because of the impending lease application the DNR refused to extend my ten year lease that expired at the end of 1989 so the past six years I have fished without a shore lease.

The DNR repeatedly stated that I was fishing outside my lease site. This was shown by the Studzmann map to be false. The DNR was still referring to the Costello Map submitted in 1987 although additional surveys made in 1994 and 1995 further proved the Studzmann surveyor correct in his determination in 1989 of the Costello's map being in error.

I am submitting a copy of a letter sent from the DNR's office showing that a lease was upheld and continued to a woman in Bristol Bay that had totally abandoned a shore lease for a period of two years. This is in stark contrast to the way I have been treated in Kodiak Island concerning my past shore lease.

When contemplating new laws, rules and regulation I would recommend that decisions not be left up to the director of any department.

Sincerely Yours
Donald R Blanc

3 - 3

STATE OF ALASKA

WALTER J. HICKEL, GOVERNOR

DEPARTMENT OF NATURAL RESOURCES

DIVISION OF LAND
SOUTHCENTRAL REGION

3601 C STREET
P.O. BOX 107005
ANCHORAGE, ALASKA 99510-7005

October 19, 1994

Indy R. Walton
1904 N. 650 W.
Provo, UT 84604

Re: Shore Fishery Lease Application

Dear Mr. Walton:

I have received your application for a lease in Bristol Bay. I cannot accept the application because the site is already under lease to Mickey Frahm. You listed Mr. Frahm as one of previous fishers on this site.

Mr. Frahm applied for the lease in 1980 and the lease was issued in 1988. Mr. Frahm died in 1990 and the lease is now held by his widow as part of the estate. I don't know if Mrs. Frahm has made arrangements with you or anyone else to use the site. If no one representing the estate is there fishing, then the site is open to whoever gets there first.

Although I cannot accept your application to apply for a lease on the site you may contact Mrs. Frahm to see if she is interested in assigning the lease to you. If so, we will prepare the assignment papers and I believe I can use the non-refundable application fee of $100 for the assignment fee.

(503) 471-3289

Mrs. Frahm can be contacted at this address: Joann Frahm, PO Box 767, Merlin, OR 97532-0757. I do not have a telephone number for her. I will hold your application in order to give you time to contact Mrs. Frahm and then for one of you to contact me with the results.

If you have questions you may contact me at (907) 762-2469 or by writing the above address.

Sincerely,

Kathleen S. Dugan

Kathleen S. Dugan
Natural Resource Officer

(See attached note)

February 25, 1996

NOTE OF EXPLANATION. MR INDY R WALTON FISHED THIS LEASE SITE THAT THE DNR IS HOLDING FOR MRS FRAHM FOR TWO YEARS WITHOUT LEASE OR ANY OTHER ARRANGEMENT AS THE SITE WAS ABANDONED

Donald R Blanc

5 pages

Alaska State Legislature

Official Business

State Capitol
Juneau AK 99801

2/28/96

TO WHOM THIS MAY CONCERN:

You asked for information regarding HB 191, Relating to management of state land and resources as it affects set net shore lease holders.

Attached to this cover page are:

*The sections of HB 191 (most current version) pertaining to set net shore leases (Sections 24, 25 and 26). (Two pages)

*The Sponsor Statement for HB 191 (one page)

*The Department of Natural Resources Fiscal Note (one page)

The Senate Resources Committee will be taking testimony on these sections of HB 191 via teleconference Friday, March 1 from 2:00 p.m. to 3:30 p.m.. Senator Loren Leman will be chairing the meeting from the Kenai LIO. All other sites may add on by notifying the Juneau LIO.

Contact Senate Resources Committee Aide, Annette Kreitzer (907) 465-4907 if you have further questions about the hearing.

Alaska State Legislature

REPRESENTATIVE
GENE THERRIAULT
P.O. Box 55326
North Pole, Alaska 99705
(907) 488-0802

House District 33

While in Session
State Capitol
Juneau, Alaska
99801-1182
(907) 465-4797

House Of Representatives

CS SSHB 191 (FIN) "An Act relating to the management and disposal of state land and resources; relating to certain remote parcel and homestead entry land purchase contracts and patents; and providing and effective date."

SPONSOR: Rep. Gene Therriault

SPONSOR STATEMENT:

This bill is a housekeeping measure intended to clarify certain Title 38 statutes governing DNR's management of state land and resources. CSSS HB 191(FIN) is intended to bring greater efficiency to the management of state lands without sacrificing public involvement in land use decisions.

As the House finance subcommittee chairman for the DNR budget, I have worked with the Department to come up with changes to Title 38 that would simplify programs and reduce costs to DNR. The passage of this bill will result in a more administratively efficient agency. CS SSHB 191 (FIN) revises the "remote cabin permit program" to a program that would allow for either the sale or lease of land for a remote cabin site. The permit program was never put into action because of the associated administrative costs with a minimal return to the state. This program is just one example of proposed changes intended to give DNR the tools necessary to dispose of state land more efficiently. The committee substitute also includes a section clarifying that the sale of state land does not obligate the state to provide additional services. Furthermore, HB 191 makes some changes to the Shore Fisheries program to allow a reasonable return to the state for the use of state land for set net sites.

Although this bill is not intended to be a complete rewrite of Title 38, I believe it is a positive effort, supported by the administration to streamline state government.

FISCAL NOTE

STATE OF ALASKA **BILL NO. CSSSHB 191 (Fin)**

1996 LEGISLATIVE SESSION

Revision Date:	16-Jan-96	Dept Affected	Natural Resources
Title:	An Act relating to the management and disposal of state land and resources...	BRU:	Resource Development
		Component:	Land Development
Sponsor:	Representative Therriault		
Requestor:	Senate Resources	Component Serial No.	431

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY97	FY98	FY99	FY00	FY01	FY02
PERSONAL SERVICES	125.0	125.0	125.0	125.0	125.0	125.0
TRAVEL	5.0	5.0	5.0	5.0	5.0	5.0
CONTRACTUAL	20.0	20.0	20.0	20.0	20.0	20.0
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	150.0	150.0	150.0	150.0	150.0	150.0
CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
CHANGE IN REVENUES (1005)	213.8	289.0	383.0	486.0	552.0	610.0

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts	150.0	150.0	150.0	150.0	150.0	150.0
1006 GF/MHTIA						
Other						
TOTAL	150.0	150.0	150.0	150.0	150.0	150.0

Estimate of any current year (FY96) cost: $ none anticipated

POSITIONS

FULL-TIME	2	2	2	2	2	2
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary)

The operating expenditures are necessary to offset the elimination of the positions in the FY 97 proposed budget. The program was reduced based on the current law that says that shore fishery leases are non-mandatory and that only reasonable administrative costs to cover the expenses of the program can be charged. With passage of HB 191 fair market value for the leases may be charged when they come up for renewal. The two positions that administer the program need to be funded so that the additional revenue to the state can be realized.

The changes proposed in this bill will generate more revenues for the state based on increased revenues for aquatic farm and shore fishery leases; increased applications and service fees for land disposals; and a requirement that all land disposals be for at least fair-market value.

Prepared by	Ron Swanson	Phone	269-8503
Division	Land	Date	16-Jan-96
Approved by Commissioner		Date	
Agency	Natural Resources		

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE

leasing shall be made at public auction to the highest qualified bidder as determined by the commissioner. In the public notice of a lease to be offered at public auction, the commissioner shall specify a minimum acceptable bid and the lease compensation method. The lease compensation method shall be designed to maximize the return on the lease to the state and shall be a form of compensation set out in AS 38.05.073(m). An aggrieved bidder may appeal to the commissioner within five days for a review of the determination. The leasing shall be conducted by the commissioner and the successful bidder shall deposit at the auction the first year's rental or other lease compensation as specified by the commissioner, or that portion of it that the commissioner requires in accordance with the bid. The commissioner shall require, under AS 38.05.860, qualified bidders to deposit a sum equal to any survey or appraisal costs reasonably incurred by another qualified bidder acting in accordance with the regulations of the commissioner or incurred by the department under AS 38.04.045 and AS 38.05.840. If a bidder making a deposit of survey or appraisal costs is determined by the commissioner to be the highest qualified bidder under this subsection, the deposit shall be paid to the unsuccessful bidder who incurred those costs or to the department if the department incurred the costs. All costs for survey and appraisal shall be approved in advance in writing by the commissioner. The commissioner shall immediately issue a receipt containing a description of the land or interest leased, the price bid, and the terms of the lease to the successful qualified bidder. If the receipt is not accepted in writing by the bidder under this subsection, the commissioner may offer the land for lease again under this subsection. A lease, on a form approved by the attorney general, shall be signed by the successful bidder and by the commissioner within the period specified in the auction notice.

* **Sec. 24.** AS 38.05.082(b) is amended to read:

(b) The director may classify land as subject to leases for fisheries development. In an area or region of the state for which a land use plan has not been adopted under AS 38.04.065, the director may classify land for lease under this section after notice under AS 38.05.945. The director <u>may</u> [SHALL] publicly invite applications for lease of the selected areas. Each application shall be accompanied by an affidavit to the effect that the applicant presently intends to personally utilize the

leased area for fishing purposes throughout the term of the lease [THE FOLLOWING SEASON]. If two or more applications are received for the same shore area, the director may offer [SHALL AWARD] the lease at public auction under AS 38.05.075(a). If only one application is received and the appraisal value of the lease is $5,000 a year or less, the commissioner may issue a negotiated lease under AS 38.05.070(b) [TO THE MOST QUALIFIED APPLICANT. IN DETERMINING THE QUALIFICATIONS OF APPLICANTS, THE DIRECTOR SHALL CONSIDER THE LENGTH OF TIME DURING WHICH THE APPLICANT HAS BEEN ENGAGED IN SET NETTING, THE PROXIMITY OF THE PAST FISHING SITES OF THE APPLICANT TO THE LAND TO BE LEASED, THE PRESENT ABILITY OF THE APPLICANT TO UTILIZE THE LOCATION TO ITS MAXIMUM POTENTIAL, AND OTHER FACTORS RELEVANT TO THE EQUITABLE ASSIGNMENT OF THE DISPUTED AREA. IF THE DIRECTOR CANNOT DETERMINE A PREFERENCE BETWEEN CONFLICTING APPLICANTS FOR THE SAME LEASE SITE ON THE BASIS OF QUALIFICATIONS, THE DIRECTOR SHALL SELECT BETWEEN THE APPLICANTS BY LOT. AN AGGRIEVED APPLICANT MAY APPEAL TO THE COMMISSIONER WITHIN 30 DAYS FOR A REVIEW OF THE DIRECTOR'S DETERMINATION].

* **Sec. 25.** AS 38.05.082(c) is amended to read:

(c) A lease for set net fishing may be issued for any period not exceeding 10 years. If the commissioner determines that the land is not being utilized for the purpose for which the lease is issued, the lease may be declared void. [THE DIRECTOR SHALL ESTABLISH A REASONABLE RENTAL FOR THE LEASE, EQUAL TO THE ADMINISTRATIVE COSTS INVOLVED IN PROCESSING THE LEASEHOLD APPLICATIONS.]

* **Sec. 26.** AS 38.05.082(d) is amended to read:

(d) Subleasing and renewals of leases are governed by AS 38.05.095 and 38.05.102. Notwithstanding (b) of this section, a lease held under this section on the effective date of this bill section may be renewed under terms and conditions prescribed by the commissioner.

* **Sec. 27.** AS 38.05.083 is repealed and reenacted to read:

HB

195

FISCAL NOTE

o. 1

STATE OF ALASKA
1995 LEGISLATIVE SESSION

Bill Version: CS HB 195 (RES)
(H) Publish Date: 3/8/95

Revision Date: Original
Dept Affected: Natural Resources
Title: An Act repealing the laws authorizing milk marketing orders and the milk advisory board.
BRU: Agricultural Develoment
Component: Agricultural Develoment
Sponsor: Representative Vezey
Requestor:
Component Serial No. 455

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY96	FY97	FY98	FY99	FY00	FY01
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0
CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
CHANGE IN REVENUES	0.0	0.0	0.0	0.0	0.0	0.0

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY95) cost: $ None

POSITIONS

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

ANALYSIS: (Attach a separate page if necessary)

There is no fiscal impact associated with implementation of this legislation

Prepared by: John Cramer, Director
Phone: 745-7200
Division: Agriculture
Date: 28-Feb-95
Approved by Commissioner:
Date:
Agency: Natural Resources

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE
For further distribution information call the Governor's Legislative Office

COMMITTEE COPY

(HB195 XLS Rev 2/28/95)

ENATE COMMITTEE REPORT

DATE: 3/16/95 FURTHER:

DATE TURNED INTO OFFICE: 5-3-95

Resources Committee considered CS FOR HOUSE BILL NO. 195(RES)

"An Act repealing the laws authorizing milk marketing orders."

and recommends:

[ ] be replaced with _____ CS _____ (_____)

[ ] adopt previous _____ CS _____ (_____)

[ ] attached amendment(s)

[ ] adopt Letter of Intent by _____ Committee

[ ] further referral to the _____ Committee

Senate Bill:
[ ] same title
[ ] new title

House Bill:
[ ] same title
[ ] technical change
[ ] new: SCR* _____

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
Pearce	✓		✓		
			✓		
CHAIR:	✓				

NEW FISCAL NOTE(S):

Department	Date	Zero	Fiscal

PREVIOUS FISCAL NOTE(S):*

Department	Date	Zero	Fiscal
DNR	5/8	✓	

[ ] APPROPRIATION -- no fiscal note

*Include fiscal notes accompanying Governor's bill

Alaska State Legislature

House of Representatives

Official Business

State Capitol
Juneau, Alaska 99801-1182
(907) 465-3718

House Majority Leader

MEMORANDUM

April 25, 1995

TO: Sen Loren Leman, Chairman, Senate Resources Committee

FROM: Rep. Al Vezey

SUBJECT: Scheduling of a bill for hearing.

Please schedule HB-195, "An Act repealing the laws authorizing milk marketing orders and the milk advisory board."

Alaska State Legislature

While in Session:
State Capitol Building
Juneau, Alaska 99801-1182
907-465-3719

Interim:
119 N. Cushman
Suite 211
Fairbanks, Alaska 99701
907-456-5081

Representative Al Vezey

SPONSOR STATEMENT

HB-195 is an effort to delete a statute that serves no useful purpose. The milk marketing board was repealed by the Eighteenth Alaska State Legislature and the statutes for milk marketing have never been used. This bill will help reduce by one, the overabundance of useless statutes.

Legislative Research Agency

Alaska State Legislature

130 Seward Street, Suite 218
Juneau, Alaska 99801-2196

Phone: (907) 465-3991
Fax: (907) 463-3351

February 28, 1995

MEMORANDUM

TO: Representative Al Vezey

FROM: Gordon S. Harrison, Director

RE: **Milk Marketing Orders (AS 03.07.040-100)**
Research Request 95.142

You asked for background information on AS 03.07.040-100, the statutory provisions that authorize the director of the Division of Agriculture in the Alaska Department of Natural Resources to issue "milk marketing orders." There does not appear to be much background information to report. This law dates back to 1962, when it was adopted in response to milk marketing problems and conflicts at the time. Its purpose is to allow the state to allocate production among dairy farmers when local production is surplus to local needs and creameries will purchase only part of what the farmers can deliver. According to Ed Kerns, a long-time employee of the Division of Agriculture, marketing orders have never been adopted by the department. Until last year, there was also a milk advisory board to advise the director of the division about milk marketing matters and the necessity for marketing orders, but it was abolished by section 13, Chapter 43, SLA 1994.

Please call if you would like additional information.