

ALASKA LEGISLATURE COMMITTEE FILES, 2003-2004 8672

11324 SENATE RESOURCES



SENATOR SCOTT OGAN 23RD Alaska State Legislature

Senate District H Lazy Mountain * Butte * Chugiak * Peters Creek * Fairview Loop

Knik-Goose Bay * Big Lake * Houston * Willow * Talkeetna * Trapper Creek

State Capitol, Room 103, Juneau Alaska 99801 * (907) 465-3878 * 1 (800) 862-3878 * Fax (907) 465-3265

Senator_Scott_Ogan@legis.state.ak.us

Http://www.akrepublicans.org/ogon

FACSIMILE TRANSMITTAL SHEET

TO: <i>Jack Chernoweth</i>	FROM: <i>Linda Hay-S. Res.</i>
COMPANY: <i>Leg Legal</i>	DATE: <i>5-10-04</i>
FAX NUMBER:	TOTAL NO. OF PAGES INCLUDING COVER: <i>2</i>
PHONE NUMBER:	RE: <i>CS for HCR 39</i>

URGENT FOR REVIEW PLEASE COMMENT PLEASE REPLY PLEASE RECYCLE

NOTES/COMMENTS:

*adopted the new work draft
with the following additional
changes.*

*Call if there
are questions
Thank you!!*

Amendments to SCS for CS HCR 39 (RES)
Work Draft Version 23-LS1971\W

Line 1 – Requesting a study and report on the competitiveness of the state's
oil and gas tax and royalty structure.

Conceptual Amendment: all references to consultant should be changed to consultants
Along with all needed grammatical changes

This is a title change – do we get a SCR for this since it is a resolution. The Senate Secretary's office suggested that we might not need one. If needed, please also send that over with the sponsor being the Senate Resources committee.

Bill folder has been turned in to the Senate Secretary and it will be read across today when we go into session.

*adopted
as CS
5-10-04*

23-LS1971\W
Bannister/Chenoweth
5/9/04

SENATE CS FOR CS FOR HOUSE CONCURRENT RESOLUTION NO. 39(RES)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-THIRD LEGISLATURE - SECOND SESSION

BY THE SENATE RESOURCES COMMITTEE

**Offered:
Referred:**

**Sponsor(s): HOUSE RULES COMMITTEE BY REQUEST OF THE HOUSE SPECIAL COMMITTEE ON
ECONOMIC DEVELOPMENT, INTERNATIONAL TRADE, AND TOURISM**

A RESOLUTION

*competitiveness
of the
competitiveness of the*

1 **Requesting a study and report on the state's oil and gas tax and royalty structure.**

2 **BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

3 **WHEREAS** the oil and gas industry operates in a diverse, competitive, and global
4 market; and

5 **WHEREAS** the state receives more than 70 percent of its unrestricted general fund
6 revenue from taxes and royalties on the production of its oil and gas resources; and

7 **WHEREAS** the legislature has a constitutional obligation to develop the state's
8 resources for the maximum benefit of state residents; and

9 **WHEREAS** maximizing oil and gas production and the benefits from oil and gas
10 production is in the best interests of the state; and

11 **WHEREAS** the tax and royalty structures in place in the state's oil and gas sector
12 affect the competitive ability of the state to maintain and attract new capital investments; and

13 **WHEREAS** although a stable and competitive tax structure is important to maintain
14 and attract new capital investments, it is appropriate to reevaluate periodically the state's
15 system of oil and gas taxes as the scope and cost of oil and gas exploration and production
16 operations change over time;

possible

1 **BE IT RESOLVED** that the Alaska State Legislature requests the Legislative Budget
2 and Audit Committee to contract with ~~a~~ consultant^{who} ^{have} expertise in domestic and global
3 oil and gas fiscal structures to perform a comprehensive study of the state's oil and gas tax and
4 royalty structure and prepare a report on the results of the study; and be it

5 **FURTHER RESOLVED** that the Legislative Budget and Audit Committee shall
6 issue a request for proposals by June 15, 2004, to select the consultant^s to perform the study
7 and contract with the consultant^s by July 30, 2004, or as soon after that date as is practicable;
8 and be it

9 **FURTHER RESOLVED** that the study to be performed by the consultant^s must
10 identify alternative state revenue and industry incentive structures that, after considering the
11 probable range of world oil and gas prices, would maximize the state's oil and gas revenue
12 over the long term, promote development of known oil and gas resources, and encourage
13 additional exploration and development; and be it

14 **FURTHER RESOLVED** that the study to be performed by the consultant^s must
15 analyze the consequences of existing and alternative oil and gas tax structures on the state's
16 competitiveness in maintaining existing oil and gas industry investment and attracting new oil
17 and gas industry investment; and be it

18 **FURTHER RESOLVED** that the consultant^s shall document the results of the study
19 in a final report and provide the report to the Legislative Budget and Audit Committee not
20 later than November 15, 2004; and be it

21 **FURTHER RESOLVED** that the Legislative Budget and Audit Committee shall
22 submit the report provided by the consultant to the Twenty-Third Alaska State Legislature not
23 later than December 15, 2004, by submitting it to the Alaska Legislative Council.

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: 2
Bill Version: SCSCSHCR 39(RES)
() Publish Date: 5/10/2004

Revision Date/Time (Note if correction): _____ Dept. Affected: Legislature
Title Study and report on the competitiveness of BRU Legislative Budget and Audit Com
State's oil and gas tax and royalty structure Component: Committee Expenses
Sponsor House Resources by Request of EDT
Requestor House Rules Committee Component No. _____

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Personal Services	0.0	0.0	0.0	0.0	0.0	0.0
Travel	0.0	0.0	0.0	0.0	0.0	0.0
Contractual	0.0	0.0	0.0	0.0	0.0	0.0
Supplies	0.0	0.0	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0	0.0	0.0
Land & Structures	0.0	0.0	0.0	0.0	0.0	0.0
Grants & Claims	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0
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	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2004) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

FY 04

Any FY 04 costs related to a study and report on the competitiveness of the State's oil and gas tax and royalty structure will be absorbed within the committee's existing FY04 appropriations.

FY 05

The study and report on the competitiveness of the State's oil and gas tax and royalty structure can be funded within the expected FY 05 operating appropriation for the Legislative Budget and Audit Committee, Committee Expense component.

Prepared by: Pat Davidson Phone 465-3830
Division: Division of Legislative Audit Date/Time 5/10/04 5:23 PM
Approved by: Representative Samuels Date 5/10/2004
Agency: Chair, Legislative Budget and Audit Committee

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: CSHCR 39(RLS)
(H) Publish Date: 5/7/04

Revision Date/Time (Note if correction): _____ Dept. Affected: Legislature
Title Establishing the Alaska Royalty and BRU Legislative Council
Revenue Commission Component: Council and Subcommittees
Sponsor House Resources by Request of EDT
Requestor House Rules Committee Component No. 783

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Personal Services	75.0	0.0	0.0	0.0	0.0	0.0
Travel	0.0	0.0	0.0	0.0	0.0	0.0
Contractual	500.0	0.0	0.0	0.0	0.0	0.0
Supplies	0.0	0.0	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0	0.0	0.0
Land & Structures	0.0	0.0	0.0	0.0	0.0	0.0
Grants & Claims	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	575.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
----------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	575.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	575.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2004) cost: _____

Check this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

POSITIONS

Full-time						
Part-time	1	0	0	0	0	0
Temporary						

ANALYSIS: (Attach a separate page if necessary)

CSHCR 39 (RLS) establishes a seven member Alaska Royalty and Revenue Committee to review and analyze the State's current oil and gas royalty and tax structures. The Committee will craft policies for recommendation to the 24th Legislature that would maximize the long-term benefits of oil and gas resources to the State. The Committee will begin work on June 1, 2004, may meet during the interim, and will submit a report and proposed legislation to the Legislative Budget and Audit Committee who will present the report to the Twenty-Fourth Legislature. The Committee will terminate not later than the adjournment of the First Regular Session of the Twenty-Fourth Alaska State Legislature.

Prepared by: Karla Schofield, Deputy Director Phone 465-6626
Division Administrative Services Date/Time 5/6/04 3:38 PM
Approved by: Pamela Varni, Executive Director Date 5/6/2004
Agency Legislative Affairs Agency

ANALYSIS CONTINUATION

2004 Legislative Session

FY04

Any FY04 costs for the Alaska Royalty and Revenue Committee will be absorbed within existing budgets.

FY05

Personal Services

The Committee will be staffed by an 11 month Legislative Assistant Range 21

Personal Services \$ 75.0

Travel

Travel costs for members of the Committee will be absorbed within existing budgets.

Contractual

The Committee will retain consultants with expertise in global oil and gas fiscal structures to perform a comprehensive study and report on the State's oil and gas tax and royalty regime. The study shall identify alternate State revenue and industry incentive structures that maximize the State's oil and gas revenue, promote development of known oil and gas resources, and encourage additional exploration and development with consideration of the widest possible range of world oil prices. The study shall analyze the consequences of existing and alternate tax structures on Alaska's competitiveness in maintaining existing and attracting new industry investment.

The Committee shall submit the consultants report of findings to the Legislative Budget and Audit Committee who shall present the report to the 24th Alaska Legislature.

Costs for teleconferencing meetings and printing additional copies of the Committee report will be absorbed within existing budgets.

Contractual \$ 500.0

Supplies

Supplies for the Task Force will be absorbed within existing budgets.

Equipment

Equipment for the Legislative Assistant will be absorbed within existing budgets.

SESSION

State Capitol, Room 416
Juneau, Alaska 99801-1182
(907) 465-4930 Tel
(907) 465-3834 Fax



INTERIM

716 W. Fourth Ave.
Anchorage, Alaska 99501-2133
Tel (907) 269-0160
Fax (907) 269-0177

Alaska State Legislature

House Special Committee on Economic Development; International Trade & Tourism
REPRESENTATIVE CHERYLL BOREN HEINZE, CHAIR

Sponsor Statement for HCR 39

The State of Alaska is in the oil business. The strength of the oil and gas sector is critical to Alaska's economy, and the revenue the State receives from oil and gas development is crucial to the State's budget.

Alaska's major oil and gas taxes are the:

- The oil and gas property production (severance) tax (AS 43.55), which was last significantly revised in 1989.
- The oil and gas corporate income tax (AS 43.20.072), which was last significantly revised in 1981.
- The oil and gas exploration, production, and pipeline property tax (AS 43.56), which was last revised in 1973.

Revenue from oil and gas development contributed 84% of the State's unrestricted general fund revenue in FY 2003. Royalties from the production provided half of the unrestricted revenue the state received from oil and gas production in FY 2003.

Since the state has a vested interest in both the taxation and in the production of oil and gas, it would be imprudent of the State to consider any one revenue mechanism in isolation.

HCR 39 would establish the Alaska Royalty and Revenue Commission to examine the entirety of the state's oil and gas revenue system and the competitiveness of that system in a global context.

The commission would hire global experts to analyze the state's oil and gas revenue system for the commission.

HCR 39 will establish a forum for the complete and concrete analysis of Alaska's oil and gas royalty and revenue system.

Alaska State Legislature

Interim:
716 W. 4th Ave., #650
Anchorage, AK 99501-2133

Phone: (907) 269-0160
Fax: (907) 269-0177



Session:
Alaska State Capitol, Rm 1081
Juneau, AK 99801-1182

Phone: (907) 465-4930
Fax: (907) 465-3834
Toll Free: (800) 331-4930
Rep.Cheryll.Heinze@legis.state.ak.us

Representative Cheryll Heinze
District 24 - Anchorage

TO: Senator Ogan, Chairman Senate Resources
Committee

DATE: May 8th, 2004

I would request that you schedule HCR 39 for a hearing in the Senate
Resources Committee

Enclosed are:

1. Sponsor Statement
2. CSHCR 39 (RLS)
3. Fiscal Note from the Legislative Affairs Agency
4. Selected Pages from the Spring 2004 Revenue Sourcebook
5. Wood Mackenzie Study on Alaska's Competitiveness

Sincerely,

Representative Cheryll Heinze

B. Unrestricted General Purpose Revenue

Unrestricted General Purpose Revenue is the amount generally used for budget planning purposes and is designated in budget documents as general fund revenue. The table on the next two pages sets out actual FY 2003 Unrestricted General Purpose Revenue and our revised projections for FY 2004 and 2005.

We forecast Unrestricted General Purpose Revenue by first estimating General Fund and Unrestricted Revenue, which includes all unrestricted revenue items in the Alaska State Accounting System (AKSAS), as well as certain program receipts. After consulting with the Governor's Office of Management and Budget and the Legislature, we adjust our forecast of General Fund Unrestricted Revenue to derive a forecast of total Unrestricted General Purpose Revenue. Reductions include: (1) earmarking revenue for specific programs, (2) pass-through revenue for qualified regional aquaculture and dive fishery associations, and (3) revenue shared with local governments and organizations (e.g., fisheries taxes.) Additions include transfers from the unclaimed property trust.

Table 2-4. Unrestricted General Purpose Revenue
\$ Million

	Actual FY 2003	FY 2004	FY 2005
OIL REVENUE			
<u>Property Tax</u>	48.7	48.5	45.6
<u>Corporate Income Tax</u>	151.1	240.0	200.0
<u>Production Tax</u>			
Oil and Gas Production	589.8	628.2	499.9
Oil and Gas Hazardous Release	<u>9.2</u>	<u>9.2</u>	<u>9.3</u>
Subtotal Production Tax	599.0	637.4	509.2
<u>Royalties</u>			
Mineral Bonuses and Rents	9.6	10.4	16.1
Oil and Gas Royalties	825.7	1,010.1	880.6
Interest Paid	<u>5.0</u>	<u>2.1</u>	<u>2.1</u>
Subtotal Royalties	840.3	1,022.6	898.8
Subtotal Oil Revenue	1,639.1	1,948.5	1,653.6
OTHER REVENUE (EXCEPT FEDERAL & INVESTMENT)			
<u>Other Tax</u>			
<u>Sales and Use</u>			
Alcoholic Beverage	14.1	15.7	15.7
Cigarette	9.6	9.5	9.5
Other Tobacco Product	6.7	6.8	7.2
Insurance Premium	39.0	42.6	44.7
Electric and Telephone Cooperative	0.2	0.2	0.2
Motor Fuel Tax	37.2	39.0	39.0
Rental Vehicle Tax	0.0	1.0	6.0
Tire Fee	<u>0.0</u>	<u>0.8</u>	<u>2.6</u>
Subtotal	106.8	115.6	124.9
Corporate Income Tax	47.7	45.0	50.0
<u>Fish Tax</u>			
Fisheries Business	13.8	11.6	11.3
Fishery Resource Landing	<u>6.9</u>	<u>1.7</u>	<u>2.7</u>
Subtotal	20.7	13.3	14.0
<u>Other</u>			
Mining	0.4	0.7	3.0
Estate	.2	2.1	0.6
Charitable Gaming	<u>2.6</u>	<u>2.5</u>	<u>2.5</u>
Subtotal	4.2	5.3	6.1
Subtotal Other Tax	179.4	179.2	195.0

(continued on next page)

Table 2-4. Unrestricted General Purpose Revenue, cont.
\$ Million

	Actual FY 2003	FY 2004	FY 2005
OTHER REVENUE (EXCEPT FEDERAL & INVESTMENT)			
<u>Charges for Services</u>			
General Government	10.3	11.3	13.3
Natural Resources	1.7	1.7	1.7
Other	<u>1.9</u>	<u>1.9</u>	<u>1.9</u>
Subtotal Charges for Services	13.9	14.9	16.9
<u>Licenses and Permits</u>			
Motor Vehicle	30.3	42.9	45.3
Other	<u>3.3</u>	<u>3.3</u>	<u>3.3</u>
Subtotal Licenses and Permits	33.6	46.2	48.6
<u>Fines and Forfeitures</u>			
	7.0	13.0	13.0
<u>Rents and Royalties</u>			
Land Leasing, Rental and Sales	5.4	6.0	6.2
Coal Royalties	0.6	0.8	0.8
Cabin Rentals	<u>0.2</u>	<u>0.2</u>	<u>0.2</u>
Subtotal Rents and Royalties	6.2	7.0	7.2
<u>Other</u>			
Miscellaneous	9.4	10.0	10.0
Unclaimed Property	<u>0.0</u>	<u>11.5</u>	<u>4.0</u>
Subtotal Other	9.4	21.5	14.0
Subtotal Other Revenue (Except Federal & Investment)	249.5	281.8	294.7
INVESTMENT REVENUE			
<u>Investments</u>	28.2	11.0	10.5
<u>Interest Paid by Others</u>	<u>30.8</u>	<u>4.0</u>	<u>2.3</u>
Subtotal Investment Revenue	59.0	15.0	12.8
TOTAL UNRESTRICTED REVENUE	1,947.6	2,245.3	1,961.1

Alaska Benchmarking Study: Global Oil & Gas Risks & Rewards

Alaska Benchmarking Study 2002

Alaska's Global Ranking

*Alaska Oil & Gas Association
March 2004*

ALASKA BENCHMARKING STUDY

The Alaska Benchmarking Study: Global Oil & Gas Risks & Rewards covers 61 areas within 50 countries. It is a multi-client study completed by Wood Mackenzie in September 2002.

PURPOSE

- 1. To provide a global comparison of relative attractiveness for future E&P investment based upon**
 - Risked exploration values
 - Value of remaining production from existing developments

- 2. To evaluate the impact of Government Take in each area**
 - Based on actual data, not standardized model fields

ABOUT WOOD MACKENZIE

Wood Mackenzie is an international consulting firm with offices in Edinburgh, Scotland, London, Houston, Boston, Moscow, Sydney, Tokyo and Beijing.

The firm has been providing consultancy services and research products to the energy and life sciences industries for over 25 years. Energy sector clients include:

- Major multinationals such as BP, ChevronTexaco, ExxonMobil, Shell, TOTAL
- Independent exploration and production companies such as BHP Billiton, Burlington, Marathon, Norsk Hydro, UNOCAL
- Regional and national oil companies such as EGPC, Gazprom, NIOC, PDVS, Pemex, Petronas, Sonatrach
- Governments and regulators worldwide

Coverage: 61 areas within 50 countries

Americas

Alaska
Argentina
Bolivia
Brazil - shelf
Brazil - deep water
Canada - East Coast
Colombia
Ecuador
Peru
Trinidad & Tobago - offshore
USA GoM - deep water
Venezuela

Europe

Denmark
Ireland
Italy
Netherlands - onshore
Netherlands - offshore
Norway - shelf

UK - shelf

UK - Southern Gas Basin

West Africa

Angola - shelf
Angola - deep water
Cameroon
Congo (Brazzaville)
Cote d'Ivoire
Equatorial Guinea
Gabon - onshore
Gabon - offshore
Nigeria - onshore
Nigeria - shelf
Nigeria - deep water
Sudan

Middle East/Caspian

Azerbaijan
Iran
Kazakhstan
Oman
Qatar
Turkmenistan
Yemen

North Africa

Algeria
Egypt - onshore
Egypt - offshore
Libya
Tunisia

Indian

Sub-Continent
Bangladesh
India
Pakistan

Asia Pacific

Brunei

China - offshore
Indonesia - onshore
Indonesia - shelf

Malaysia

Malaysia-Thai JDA
Myanmar
Philippines
Thailand
Vietnam

Australasia

Australia - offshore
New Zealand
Papua New Guinea
Timor Gap

Total Government Take

Alaska ranks 36 out of 61

Total Government Take (federal and state) is calculated to be 64%. State share is approximately 47% and includes royalties, production tax, corporate income tax, property tax and net profit shares. The actual and projected ELF, based on field size, is used in these calculations.

Economic assumptions: Brent marker price=US\$19.50 bbl (2002) increasing 2.5% per annum.

Note: From December 1990 to February 2003, the median price of ANS West Coast spot was \$17.77 per/bbl. The State of Alaska Department of Revenue forecast to FY 2010 is \$22 per/bbl.

(Spring 2003 Revenue Sources Book, State of Alaska Department of Revenue).

Weighted Average Total Costs

Alaska ranks 60 out of 60

This ranking is the weighted average of all North Slope fields starting production since 1995. (Earlier studies have confirmed that the per/bbl costs for Prudhoe and Kuparuk are among the highest in the world.) Costs include operating, cost of capital, all transportation including pipeline and marine.

** Nigeria (onshore) excluded from this portion of the study.*

Average Post-Take Value

Alaska ranks 55 out of 61

Aggregating the Government Take, which is higher than average, with the weighted average total costs, which are the highest of the 60 worldwide oil and gas provinces studied, the average post-take value of remaining production on the North Slope ranks 55 out of 61.

THE
FOLLOWING
DOCUMENT(S)
ARE
POOR
ORIGINAL
COPIES

ALASKA'S GLOBAL RANKING

Alaska Benchmarking Study: Global Oil & Gas Risk & Rewards

	Total Government Take	Weighted Average Total Costs	Average Post-Take Value (US\$/boe)
1	Cameroon 10.86%	Qatar 1.38	Cameroon 7.83
2	Ireland 19.92%	Iran 1.61	Ireland 5.76
3	Canada (East Coast) 35.17%	Egypt (offshore) 1.73	UK (shelf) 5.50
4	New Zealand 37.51%	Malaysia-Thailand JDA 1.87	Philippines 5.40
5	UK (shelf) 40.77%	Bangladesh 2.31	USA (GoM deep water) 5.33
6	Netherlands (offshore) 41.92%	Oman 2.40	Papua New Guinea 5.21
7	USA (GoM deep water) 42.10%	Indonesia (offshore) 2.56	Netherlands (offshore) 4.48
8	Italy 42.62%	Australia (offshore) 2.59	Italy 4.43
9	China (offshore) 42.81%	Malaysia 2.73	Denmark 4.35
10	UK (S. Gas Basin) 43.54%	Pakistan 2.77	Congo (Brazzaville) 4.26
11	Pakistan 45.46%	Egypt (onshore) 3.41	UK (S. Gas Basin) 4.12
12	Australia (offshore) 45.51%	Myanmar 3.47	Canada (East Coast) 4.10
13	Philippines 46.12%	India 3.54	China (offshore) 4.04
14	Argentina 46.93%	Venezuela 3.79	New Zealand 3.49
15	Denmark 47.20%	Brunei 3.82	Brazil (shelf) 3.25
16	Brazil (shelf) 47.88%	Algeria 3.93	Yemen 3.21
17	Venezuela 49.56%	Timor Gap 4.01	Australia (offshore) 2.97
18	Congo (Brazzaville) 50.57%	Libya 4.07	Egypt (onshore) 2.87
19	Thailand 50.85%	Bolivia 4.70	Equatorial Guinea 2.75
20	Kazakhstan 51.88%	Nigeria (shelf) 4.72	India 2.74
21	Papua New Guinea 52.27%	Netherlands (onshore) 4.78	Venezuela 2.73
22	Myanmar 54.00%	Argentina 4.79	Myanmar 2.70
23	Cote d'Ivoire 55.34%	Nigeria (deep water) 5.25	Pakistan 2.85
24	Bolivia 55.71%	New Zealand 5.32	Angola (shelf) 2.56
25	Malaysia-Thailand JDA 56.21%	Trinidad & Tobago (offshore) 5.39	Gabon (onshore) 2.54
26	Colombia 57.12%	Philippines 5.46	Tunisia 2.52
27	Ecuador 57.75%	Yemen 5.52	Netherlands (onshore) 2.50
28	Equatorial Guinea 58.69%	Peru 5.67	Gabon (offshore) 2.44
29	Angola (deep water) 59.93%	Indonesia (onshore) 5.72	Thailand 2.36
30	Brazil (deep water) 60.19%	USA (GoM deep water) 5.84	Nigeria (deep water) 2.33
31	Bangladesh 61.18%	Thailand 5.85	Brazil (deep water) 2.27
32	Azerbaijan 61.54%	Brazil (shelf) 5.96	Egypt (offshore) 2.26
33	Netherlands (onshore) 61.67%	Kazakhstan 6.15	Argentina 2.24
34	Tunisia 63.07%	Angola (deep water) 6.22	Cote d'Ivoire 2.23
35	Timor Gap 63.94%	Tunisia 6.27	Ecuador 2.18
36	USA (Alaska) 64.24%	Netherlands (offshore) 6.28	Colombia 2.12
37	Nigeria (deep water) 64.62%	Sudan 6.41	Angola (deep water) 2.10
38	India 66.82%	Colombia 6.50	Vietnam 2.05
39	Turkmenistan 68.06%	Brazil (deep water) 6.67	Algeria 1.92
40	Vietnam 68.55%	Vietnam 6.73	Sudan 1.90
41	Trinidad & Tobago (offshore) 69.00%	Italy 6.74	Malaysia-Thailand JDA 1.87
42	Indonesia (offshore) 71.01%	Cameroon 6.79	Turkmenistan 1.77
43	Algeria 71.72%	Cote d'Ivoire 6.94	Indonesia (offshore) 1.58
44	Gabon (offshore) 71.81%	Equatorial Guinea 6.96	Kazakhstan 1.55
45	Egypt (offshore) 73.04%	Gabon (onshore) 7.03	Oman 1.54
46	Gabon (onshore) 73.38%	Azerbaijan 7.12	Brunei 1.52
47	Brunei 73.90%	Ireland 7.19	Libya 1.51
48	Angola (shelf) 74.11%	Ecuador 7.43	Azerbaijan 1.49
49	Egypt (onshore) 74.27%	Denmark 7.45	Indonesia (onshore) 1.41
50	Norway 74.74%	UK (S. Gas Basin) 7.51	Norway 1.39
51	Peru 75.04%	Turkmenistan 7.54	Bangladesh 1.37
52	Yemen 75.36%	Gabon (offshore) 7.93	Timor Gap 1.35
53	Sudan 76.96%	Congo (Brazzaville) 8.05	Nigeria (shelf) 1.06
54	Libya 78.73%	China (offshore) 8.21	Malaysia 0.99
55	Qatar 79.09%	Papua New Guinea 8.64	USA (Alaska) 0.90
56	Indonesia (onshore) 80.13%	Angola (shelf) 8.65	Nigeria (onshore) 0.85
57	Malaysia 81.24%	Norway 8.76	Qatar 0.76
58	Oman 83.19%	UK (shelf) 8.79	Trinidad & Tobago (offshore) 0.69
59	Nigeria (onshore) 87.21%	Canada (East Coast) 10.58	Peru 0.58
60	Nigeria (shelf) 87.44%	USA (Alaska) 12.52	Bolivia 0.56
61	Iran 83.26%	*Excludes Nigeria (onshore)	Iran 0.20

Source: Wood Mackenzie Study - September 2002
Alaska Oil & Gas Association - March 2004

HJR

32

SENATE COMMITTEE REPORT

DATE: 2/18/04

FURTHER:

DATE TURNED
IN TO OFFICE: 3-2-04

Resources Committee considered CS FOR HOUSE JOINT RESOLUTION NO. 32(FSH) am

HJR 32 LABELING OF SALMON FOOD PRODUCTS

Relating to the labeling of fish and fishery food products.

and recommends:

- be replaced with _____ CS _____ (_____)
- adopt previous _____ CS HJR 32 _____ (HJR 32)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to _____ Committee

Senate Bill:

- Same Title
- New Title

House Bill:

- Same Title
- Technical Title Change
- New Title w/ SCR # _____

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Zero	Indet.	FN#
F&G	3/2/04		✓		

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Zero	Indet.	FN#
DEC	1/23/04		✓		1

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	DO PASS	DO NOT PASS	NO REC	AMEND
<i>Carol Velonis</i>	✓			
<i>George Lincoln</i>	✓			
<i>Paul [unclear]</i>	✓			
<i>[unclear]</i>	✓			
<i>Sen [unclear]</i>	✓			
CHAIR: <i>Scott [unclear]</i>	✓			

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: HJR 32
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Fish and Game
 Title Labeling of Salmon Food Products RDU _____
 Component _____
 Sponsor Representative Kerttula
 Requester Senate Resources Component No. _____

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
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						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
-------------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2004) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

Passage of this legislation would have no fiscal impact.

Prepared by: Sarah Gilbertson, Legislative Liaison
 Division: Alaska Department of Fish & Game
 Approved by: Commissioner Kevin Duffy
 Agency: Alaska Department of Fish & Game

Phone 465-6137
 Date/Time 3/2/04 4:08 PM
 Date 3/2/2004

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: CSHJR 32(FSH)
 (H) Publish Date: 2/4/04

Revision Date/Time (Note if correction): _____ Dept. Affected: Environmental Conservation
 Title Labeling of salmon and salmon food products RDU Environmental Health
 Component Food Safety and Sanitation
 Sponsor Rep Kerttula
 Requester (H) Fisheries, Labor and Commerce Component No. 2343

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Personal Services	0.0	0.0	0.0	0.0	0.0	0.0
Travel	0.0	0.0	0.0	0.0	0.0	0.0
Contractual	0.0	0.0	0.0	0.0	0.0	0.0
Supplies	0.0	0.0	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0	0.0	0.0
Land & Structures	0.0	0.0	0.0	0.0	0.0	0.0
Grants & Claims	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0
-------------------------------	------------	------------	------------	------------	------------	------------

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1037 GF/Mental Health	0.0	0.0	0.0	0.0	0.0	0.0
Other (Specify Type--Do not abbreviate)	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2004) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

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)

This bill will have no known fiscal impact upon the department.

Prepared by: Kristin Ryan, Director
 Division: Environmental Health
 Approved by: Kurt Fredriksson, Deputy Commissioner
 Agency: Department of Environmental Conservation

Phone (907) 269-7644
 Date/Time 1/28/04 4:22 PM
 Date 1/28/2004



Representative Beth Kerttula

Alaska State Legislature, District 3
State Capitol • Juneau, Alaska 99801-1182 • (907) 465-4766 • Fax (907) 465-4748
E-mail: Representative_Beth_Kerttula@legis.state.ak.us • <http://www.kerttula.net>

Date: February 19, 2004

To: Senator Scott Ogan
Senate Resources

From: Representative Beth Kerttula *Beth*

Re: House Joint Resolution 32, Labeling of Salmon Food Products

I respectfully request that House Joint Resolution 32 be scheduled for a hearing in the Senate Resources Committee.

Attached you will find:

- Bill
- Previous Versions
- Sponsor statement
- Fiscal Note
- Copy of letters of support



Representative Beth Kerttula

Alaska State Legislature, District 3
State Capitol • Juneau, Alaska 99801-1182 • (907) 465-4766 • Fax (907) 465-4748
E-mail: Representative_Beth_Kerttula@legis.state.ak.us • <http://www.kerttula.net>

Sponsor Statement

HJR 32

"Relating to the labeling of fish and fishery food products"

As Alaskans, we know that wild fish is superior to farmed fish, both in taste and nutritional value. We also know that farmed fish poses serious health risks because of the manner in which they are raised. Other Americans have recently become more aware of this. However, it can be difficult to tell whether the fish you are buying in a grocery store is farm raised or wild caught. Clearly labeling fish would provide consumers with the information they need to make healthy choices when buying fish in the marketplace. House Joint Resolution 32 supports efforts to clearly label fish as wild or farmed and include a country of origin. Thank you for your consideration.



UNITED FISHERMEN OF ALASKA

January 30, 2004

211 Fourth Street, Suite 110
Juneau, Alaska 99801-1172
(907) 586-2820
(907) 463-2545 Fax
E-Mail: ufa@ufa-fish.org
www.ufa-fish.org

Representative Beth Kerttula
Alaska State Legislature
State Capitol (Mail stop 3100)
Juneau, AK 99801-1182

Dear Representative Kerttula,

United Fishermen of Alaska supports HJR 32 regarding the labeling of salmon as wild and farmed, and as to country of origin. UFA has long supported the country of origin labeling of seafood in all product forms, and we also recognize the importance of differentiating Alaska's salmon as "wild" in consideration of the recent study referred to in HJR 32. In illustration I offer my experience:

This summer (2003) I noticed that the Juneau Fred Meyer supermarket had intermixed cans of Bumble Bee from Alaska with very similar cans labeled "Product of Thailand" in fine print (1/16th inch tall). The label said "FOR INQUIRIES CONCERNING PRODUCT INCLUDE NUMBER SHOWN ON CAN END / VISIT US AT www.bumblebee.com" (see attached label photocopies). In response to my inquiry I found that this second can was Russian salmon, canned in Mexico. I have no idea how Thailand is involved and suspect in this regard it is mislabeled. As a consumer I have a high opinion of Alaska salmon based on our environmental and quality standards and management for sustainable fisheries. I have far less confidence in the related standards in today's Russia.

I am sorry to report that this supermarket now only has the "Product of Thailand" Bumble Bee 6 oz. cans on their shelf. As a consumer I need to clearly know where my salmon comes from, and whether it is of farmed or wild origin. In light of the recent study and current economic hardship facing Alaska's salmon fishermen, it is essential that consumers nationwide be made aware of the product they are buying through adequate labeling.

United Fishermen of Alaska represents 33 Alaska Commercial fishing organizations and hundreds of individual fishermen and fishing related businesses, altogether representing over 10,000 Alaska fishermen. We support HJR 32 and thank you for your attention to this matter.

Sincerely,

Mark D. Vinsel
Executive Director

MEMBER ORGANIZATIONS

Alaska Crab Coalition • Alaska Druggers Association • Alaska Longline Fishermen's Association • Alaska Trollers Association • Armstrong Kala • At-sea Processors Association
Bristol Bay Reserve • Chignik Regional Aquaculture Association • Chignik Seiners Association • Concerned Area "M" Fishermen • Cordova District Fishermen United
Crab Rationalization and Buyback Group • Douglas Island Pink and Chum • Groundfish Forum • Kenai Peninsula Fishermen's Association • Kodiak Regional Aquaculture Association
Kodiak Seiners Association • North Pacific Fisheries Association • Northern Pacific Scallop Cooperative • Northern Southeast Regional Aquaculture Association
Old Harbor Fishermen's Association • Petersburg Vessel Owners Association • Prince William Sound Aquaculture Corporation • Purse Seine Vessel Owners Association
Seafood Producers Cooperative • Southeast Alaska Regional Dive Fisheries Association • Southeast Alaska Seiners Association • Southern Southeast Regional Aquaculture Association
United Catcher Boats • United Salmon Association • United Southeast Alaska Gillnetters • Valdez Fisheries Development Association • Western Gull of Alaska Fishermen

THE
FOLLOWING
DOCUMENT(S)
ARE
POOR
ORIGINAL
COPIES



0 866783 7

Premium Quality



INGREDIENTS: PINK SALMON, WATER, SALT, SODIUM TRIPOLYPHOSPHATE.

Write for free recipes or visit us at www.bumblebee.com

DISTRIBUTED BY:
BUMBLE BEE SEAFOODS
SAN DIEGO, CA 92186
AN INTERNATIONAL HOME FOODS COMPANY
PRODUCT OF ALASKA, U.S.A.

NET WT 6 OZ (170g)

Nutrition Facts					
Amount/Serving		%DV*	Amount/Serving		%DV*
Serving Size 2 oz. drained (56g/about 1/4 cup) Servings about 2.5					
Total Fat 2g			Total Carb. 0g		0%
Sat. Fat 0g		3%	Dietary Fiber 0g		0%
Cholest. 40mg		0%	Sugar 0g		0%
Sodium 220mg		13%	Protein 14g		25%
* Percent Daily Values (DV) are based on a 2,000 calorie diet.					
Vitamin A 0% • Vitamin C 0% • Calcium 0% • Iron 2%					

Alaska

Salmon, showed shelf space, then later displaced (summer 2003 - present) by

Russian, canned in Mexico



0 866983 5

Premium Quality



CHUNK STYLE PINK SALMON IN WATER

NET WT 6 OZ (170g)

Premium Quality

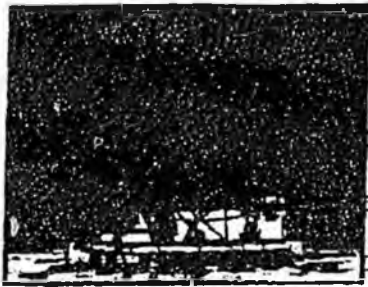


CHUNK STYLE PINK SALMON IN WATER

Nutrition Facts					
Amount/Serving		%DV*	Amount/Serving		%DV*
Serv. Size 2oz drained (56g - about 1/4 cup) Servings about 2.5					
Total Fat 1.0g		2%	Total Carb. 0g		0%
Sat Fat 0g		0%	Fiber 0g		0%
Cholest. 20mg		7%	Sugars 0g		
Sodium 150mg		6%	Protein 11g		
* Percent Daily Values (DV) are based on a 2,000 calorie diet.					
Vitamin A 0% • Vitamin C 0% • Calcium 0% • Iron 0%					

INGREDIENTS: PINK SALMON, WATER, SALT
CONTAINS: FEED
DISTRIBUTED BY:
ConAgra Foods
SAN DIEGO, CA 92114
A PRODUCT OF THAILAND
FOR IMPROVED CONSUMER PROTECTION PLEASE RECYCLE THE CAN TOP
VISIT US AT www.bumblebee.com

Fred Meyer supermarket - Juneau
Mark Vins
UFA



Alaska Trollers Association

130 Seward St., No. 211
Juneau, Alaska 99801
(907) 586-9400
(907) 586-4473 Fax

February 6, 2004

Representative Hugh Fate. Chair
House Resources
Alaska State Legislature
Juneau, AK 99801

RE: HJR 32

Dear Representative Fate and Committee Members:

The Alaska Trollers Association (ATA) supports HJR 32, which seeks to label seafood products for specific purposes.

ATA strongly supports the labeling of seafood products to distinguish between wild and farmed fish, to identify the country of origin, to inform consumers that chemical additives have been used, or the product has been genetically modified (GM) and/or GM products have been used in its production.

Over the last few years many issues have come to light resulting in questions for consumers regarding wholesomeness and the environmental and social consequences of farmed fish production. Many folks are beginning to make the distinction between farmed and wild.

We believe consumers deserve information about where their food comes from and how it's produced. Labeling laws are being developed around the country and here in Alaska to serve this purpose. From there it is the buyers choice what to purchase, we just believe they deserve that choice.

Thanks so much for your ongoing support of Alaska's seafood industry. Please let me know if I can assist the committee in any way.

Best Regards,

Dale Kelley
Executive Director

**United Southeast Alaska Gillnetters**

P.O. Box 23378, Ketchikan, AK 99901 Phone & Fax (907) 247-2471

Email: usag@gci.net

January 28, 2004

The Honorable Beth Kerttula
Alaska House of Representatives
State Capitol, Room 430
Juneau, AK 99801-1182

Send Via Fax To: 465-4748

Dear Representative Kerttula:

The United Southeast Alaska Gillnetters Association (USAG) represents about 150 small business owners who catch salmon by drift gillnetting in Southeast Alaska and market salmon throughout the United States. Many of our members participate in other fisheries such as crab, shrimp, longline, and dive fisheries.

USAG has consistently supported the federal Country of Origin Labeling legislation and we strongly support HJR 32 which asks for the implementation of this program. We believe the American consumer needs to know what they are being offered on the grocery store shelves and where it comes from. We also believe that when the consumer has this information, they will choose Alaska wild salmon as the highest quality product available instead of farmed salmon from other countries. This program is one of the best ways we can differentiate our Alaska wild salmon, and other home grown U.S. products in general, in our domestic market place as well as helping to protect our export markets. We believe the requirement to accurately label salmon products is a vital step in helping to restore our wild salmon industry.

Representative Kerttula, USAG appreciates your development and introduction of this resolution and supports you and your co-sponsors efforts to assure accurate labeling for the American consumer.

Yours truly,

Kenneth Duckett
Executive Director

cc: Representative Seaton
Chair, House Fisheries Committee Fax 465-3472



Cordova District Fishermen United

P.O. Box 939
Cordova, Alaska 99574
(907) 424-3447 FAX (907) 424-3430

JANUARY 27, 2004.

REPRESENTATIVE BETH KERTTULA
STATE CAPITOL RM 430
JUNEAU, AK 99801-1182

RE: HJR 32

DEAR REPRESENTATIVE KERTTULA: CO-SPONSORS.

CORDOVA DISTRICT FISHERMEN UNITED (C.D. F. U.),
REPRESENTING THE FISHING FLEET OF AREA E, IS WRITING IN SUPPORT OF
HJR 32, ALSO KNOWN AS THE C.O.O.L. RESOLUTION.

THIS RESOLUTION WILL PROVIDE CONSUMERS WITH INFORMATION TO
MAKE INFORMED CHOICES WHEN BUYING SALMON OR PRODUCTS
CONTAINING SALMON. IT IS THE FISHING INDUSTRY'S BELIEF THAT, GIVEN A
CHOICE, CONSUMERS WILL CHOOSE NATURALLY HEALTHY WILD SALMON
OVER FARMED PRODUCT. THIS WILL BENEFIT NOT ONLY THE ALASKA
FISHERMEN BUT ALSO THE CONSUMER WHO CAN BE CONFIDENT THAT THEY
ARE FEEDING THEMSELVES AND THEIR FAMILIES THE BEST AVAILABLE
PROTEIN ON THE MARKET.

C.D.F.U. THANKS YOU FOR YOUR TIME AND ATTENTION ON HJR 32.

WITH REGARDS,

PAGE HERRING
EXECUTIVE DIRECTOR
CORDOVA DISTRICT FISHERMEN UNITED

CC:

D. ILSTROM, GUTTENBERG, LYNN, CISSNA, CHENAULT, SEATON, KAPSNER, KOTT, HEINZE,
MCGUIRE, MEYER, CROFT, GRUENBERG, KOOKESH



February 2, 2004

Representative Beth Kerttula
State Capitol
Juneau, AK 99801

Re: Support for HJR 32

Dear Representative Kerttula:

I would like to add the support of the Prince William Sound Aquaculture Corporation (PWSAC) to HJR 32 that relates to the labeling of salmon and salmon food products as to their place of origin.

As the largest non-profit salmon ocean ranching organization in our state, PWSAC encourages any effort which will help consumers identify the superior product caught in our Alaskan waters. The recent study referenced to in your resolution only supports what we have suspected all along-farmed salmon is not good for the consumer and doesn't compare with the health benefits of our wild Alaska salmon.

Alaska has been very successful in achieving the goal of enhancing our wild salmon fisheries. Our wild stocks are healthy and abundant. It is our hope that as consumers become educated on the possible health risks associated with farmed salmon, sales of wild Alaskan salmon will increase in the domestic and foreign markets. The attempt by our congressional delegation to require labeling as to the place of origin on salmon products will greatly help in this effort.

Thank you for introducing HCR 32, and please contact me if you require any further assistance from PWSAC or myself.

Sincerely,



Dave Reggiani
General Manager

PRINCE WILLIAM SOUND AQUACULTURE CORPORATION
 Corporate Office • P. O. Box 1110, Cordova, AK 99574
 Office: 907/424-7511 • Fax: 907/424-7514
 Website: www.ctcak.net/~pwsac • Email: pwsac@ctcak.net



175 SOUTH FRANKLIN STREET, SUITE 418 JUNEAU, ALASKA 99801 907.586.4050 WWW.OCEANA.ORG

January 30, 2004

The Honorable Beth Kerttula
Alaska State Legislature
State Capitol, Room 430
Juneau, AK 99801-1182

Dear Representative Kerttula:

Thank you for introducing House Joint Resolution 32 (HJR32), a resolution relating to the labeling of salmon and salmon food products. Oceana, a global non-profit organization dedicated to protecting and restoring the health of the world's oceans, strongly supports this resolution.

We believe that consumers have a right to know the source of the seafood they are considering purchasing. In particular, and in light of the recent article in *Science* showing that farmed salmon carry a heavier toxic burden than wild caught fish, and other recent findings on contaminants in fish, we strongly back the provisions of the resolution that support mandatory labeling of salmon food products as wild or farmed and with the place of origin.

Alaska's salmon fisheries are crucial to our economy and to a sustainable existence. Labeling wild Alaska salmon is a win-win situation all around. It is good for the health of American consumers in that it allows them to make informed choices about their seafood selections. It is good for Alaska and will help us maintain a strong market for the vibrant fisheries that are so important to our livelihoods and economy. Additionally, it is good for the environment. It is well documented that salmon farms are a source of pollution and allow for foreign invasive Atlantic salmon to escape into Pacific waters. There is no substitute for healthy wild Alaska salmon.

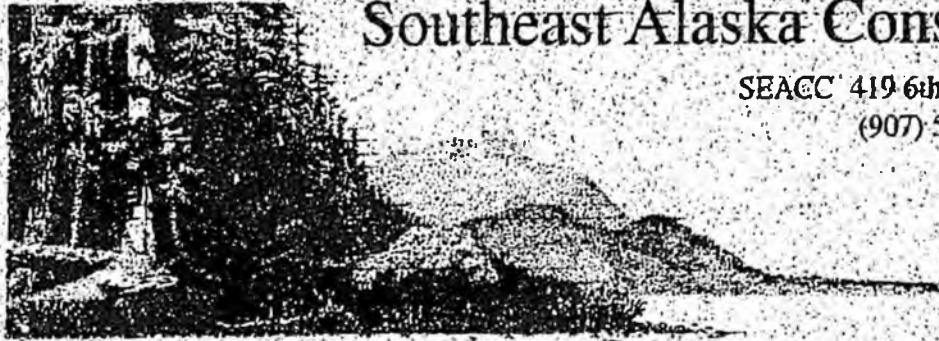
Oceana fully supports HJR 32. This resolution supports the long-term viability of our critically important salmon fisheries. Thank you for supporting Alaska's fishermen and environment.

Sincerely,

Jim Ayers
Director, Pacific Region



CHLORINE BLEACH FREE



Southeast Alaska Conservation Council

SEACC 419 6th Street, Suite 200, Juneau, AK 99801
(907) 586-6942 phone • (907) 463-3312 fax
www.seacc.org • info@seacc.org

January 28, 2004

Representative Beth Kerttula
State Capitol, Room 430
Juneau, AK 99801-1182

Sent by fax to: 907-465-4748

Re: House Joint Resolution No. 32, Relating to the labeling of salmon and salmon-food products

Dear Representative Kerttula:

The Southeast Alaska Conservation Council (SEACC) wholeheartedly backs House Joint Resolution 32 as introduced on January 20, 2004, which supports efforts to require labeling salmon as wild or farmed and identifying its country of origin.

Founded in 1970, SEACC is a grassroots coalition of 18 volunteer, non-profit conservation groups made up of local citizens in 14 Southeast Alaska communities that stretch from Ketchikan to Yakutat. SEACC's individual members include commercial fishermen; Alaskan Natives, small timber operators, hunters and guides, and Alaskans from all walks of life. SEACC is dedicated to preserving the integrity of Southeast Alaska's unsurpassed natural environment while providing for balanced, sustainable uses of our region's resources.

Wild Alaska salmon has long been key to the health and vitality of Alaska's economy and its residents. Ninety percent of the wild salmon caught in the United States is harvested in Alaskan waters. Alaska's salmon fishing industry does not include fish farms, but is composed entirely of fishermen, processors, and business owners who depend on wild-caught salmon. By purchasing wild salmon, consumers support small, locally-owned businesses over large fish farming operations, many of which are located in Europe and South America.

Alaska's wild salmon fishery is one of just six fisheries worldwide—and the only one in the United States—to be certified "sustainable" by the international Marine Stewardship Council. Thanks to responsible management programs and efforts to maintain healthy salmon spawning and rearing streams, Alaska is recognized around the world as the leader in sustaining vigorous runs of wild salmon. Alaska fishermen and their organizations have long been defenders of fish habitat and advocates for sound fishery

ALASKA SOCIETY OF AMERICAN FOREST DWELLERS, Point Barrow • ALASKANS FOR JUNEAU • CHENACOP CONSERVATION COUNCIL, Tenakee
CUSTOMARY & TRADITIONAL GATHERING COUNCIL OF SAKA • FRIENDS OF BERNERS BAY, Juneau • FRIENDS OF GLACIER BAY, Gustavus • JUNEAU AUDUBON SOCIETY
JUNEAU GROUP SIERRA CLUB • LOWER CHATHAM CONSERVATION SOCIETY, Port Alexander • LYNN CANAL CONSERVATION, Haines • NARROWS CONSERVATION
COALITION, Petersburg • LISIANSKI INLET RESOURCE COUNCIL, Elician • PRINCE OF WALES CONSERVATION LEAGUE, Craig • SITKA CONSERVATION SOCIETY
TONGASS CONSERVATION SOCIETY, Ketchikan • TAKU CONSERVATION SOCIETY, Juneau • WRANGELL RESOURCE COUNCIL • YAKUTAT RESOURCE CONSERVATION COUNCIL

printed on recycled paper

management. Their commitment to protect the resource upon which they rely has helped to ensure magnificent landscape and wildlife values in the Tongass and Chugach National Forests. By contrast, fish farms abroad and in the Lower 48 have been associated with severe pollution and may put local fish populations at risk. By purchasing wild salmon, consumers join Alaskan fishermen in advocating for a healthy ecosystem.

Wild Alaska salmon has a variety of health benefits, whereas farmed fish food additives, the high levels of contaminants, including PCBs, found in farmed salmon, and the push for genetic modification cause concern for many who buy and eat seafood. By purchasing wild Alaska salmon, consumers make the healthy choice.

Consumers have the right to know what is in the salmon that they buy, where it comes from, and what economic, social, and environmental values it supports. Labeling salmon as wild or farmed and identifying its country of origin are necessary first steps in empowering Americans to make informed, healthy decisions about the seafood they eat.

Sincerely,



Russell Heath
Executive Director



Alaska Marine Conservation Council

P.O. Box 101145 Anchorage, Alaska 99510
Phone: (907) 277-5357 • Fax: (907) 277-5975
amcc@akmarine.org • www.akmarine.org

February 4, 2004

The Honorable Beth Kerttula
Alaska House of Representatives
State Capitol, Room 430
Juneau, Alaska 99801-1182

Dear Representative Kerttula,

Thank you for introducing House Joint Resolution 32 (HJR 32), relating to the labeling of fish and fishery products. The Alaska Marine Conservation Council wholeheartedly supports this legislation that supports the timely federal implementation of labeling fish products as wild or farmed and with the country of origin.

Alaska Marine Conservation Council (AMCC) is a community-based organization working to protect marine habitat and to support clean, community-based fishing opportunities. As such, we are committed to providing accurate and scientifically based information to individuals and communities on the impact of fish farming on wild stocks, on the health and environment of our marine ecosystem and on the economies of Alaska's coastal communities. Further, AMCC supports habitat conservation for wild fish and promotes the marketing and consumption of Alaska's wild fish as opposed to farmed fish.

We believe that accurate information and labeling is an essential part of the consumer's right to know what they are purchasing. A labeling program, such as HJR 32 supports, is one important step in maintaining a vibrant and critical fishing industry. Provided with information on the many health and environmental benefits of our wild fisheries, we believe the consumer will make the choice to purchase "wild" and to support the Alaska's fishermen and the economies of Alaska's coastal communities.

Again, our deepest appreciation for your continued support of Alaska's fishing communities and for your efforts to provide accurate information to the consumer.

Sincerely,

Dorothy Childers
Executive Director

HJR

34

SENATE COMMITTEE REPORT

DATE: 3/24/04

FURTHER:

DATE TURNED
IN TO OFFICE: 4-2-04

Resources Committee considered CS FOR HOUSE JOINT RESOLUTION NO. 34(FSH)

HJR 34 FED TRAINING AND ASSISTANCE FOR FISHERMEN

Requesting the United States Department of Agriculture and the United States Department of Labor to extend Trade Adjustment Assistance benefits to Alaska salmon fishermen; requesting the United States Congress and the United States Department of Agriculture to extend additional disaster and price support benefits to Alaska salmon fishermen; and requesting the United States Department of Commerce to establish a Trade Adjustment Assistance program specific to commercial fishermen.

and recommends:

- be replaced with _____ CS _____ (_____)
- adopt previous _____ CS _____ (_____)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to _____ Committee

Senate Bill:
 Same Title
 New Title

House Bill:
 Same Title
 Technical Title Change
 New Title w/ SCR # _____

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#
LAA	2/10/04			✓	1

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	Do PASS	Do NOT PASS	NO REC	AMEND
<i>Ralph Williams</i>	✓			
<i>R. S.</i>	✓			
<i>[Signature]</i>	✓		✓	
<i>[Signature]</i>	✓			
<i>[Signature]</i>	✓		✓	
<i>[Signature]</i>	✓			
CHAIR: <i>Scott Dean</i>	✓			

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: CSHJR 34(FSH)
(H) Publish Date: 2/12/04

Revision Date/Time (Note if correction): _____ Dept. Affected: Legislature
Title: "Requesting the United States Department of Agriculture and the United States Dept. of Labor..." BRU: Legislative Council
Sponsor: "Representative Ogg by request..." Component: Council and Subcommittees
Requestor: House Special Committee on Fisheries Component No.: 783

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Personal Services	0.0	0.0	0.0	0.0	0.0	0.0
Travel	0.0	0.0	0.0	0.0	0.0	0.0
Contractual	0.0	0.0	0.0	0.0	0.0	0.0
Supplies	0.0	0.0	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0	0.0	0.0
Land & Structures	0.0	0.0	0.0	0.0	0.0	0.0
Grants & Claims	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0
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	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2004) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

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)

This legislation has zero fiscal impact on the Legislative Affairs Agency.

Prepared by: Karla Schofield, Deputy Director Phone 465-6626
Division: Administrative Services Date/Time 2/10/04 2:58 PM
Approved by: Pamela Varni, Executive Director Date 2/10/2004
Agency: Legislative Affairs Agency



Committee Assignments:

Member:

House Special Committee on Fisheries
House Special Committee on Education
House Transportation Committee
House Judiciary Committee

Dan Ogg
Representative

Session:
Room 409
Capirol Building
Juneau, Alaska 99801
Phone: 907-465-2487
Toll Free: 800-865-2487
Fax: 907-465-4956
Email: rep.dan.ogg@legis.state.ak.us

Interim:
112 Mill Bay Road
Kodiak, Alaska 99615
Phone: 907-486-8872
Fax: 907-486-5264

MEMORANDUM

DATE: March 23, 2004
TO: Senator Scott Ogan, Chair
Senate Resources Committee
FROM: Representative Dan Ogg
RE: Request for Hearing – House Joint Resolution 34

I respectfully request the Senate Resources Committee schedule a hearing for HJR 34 at your earliest convenience.

This resolution requests that the United States Department of Agriculture and the United States Department of Labor make Trade Adjustment Assistance and additional disaster and price-support benefits more readily available to Alaska salmon fishermen.

Copies of the bill and sponsor statement are attached for your information.

Please contact staff member Melissa Dover at x3820 as required.

Thank you for your consideration.



Committee Assignments:

Member:

House Special Committee on Fisheries
House Special Committee on Education
House Transportation Committee
House Judiciary Committee

Dan Ogg
Representative

Session:
Room 409
Capitol Building
Juneau, Alaska 99801
Phone: 907-465-2487
Toll Free: 800-865-2487
Fax: 907-465-4956

Email: rep.dan.ogg@legis.state.ak.us

Interim:
112 Mill Bay Road
Kodiak, Alaska 99615
Phone: 907-486-8872
Fax: 907-486-5264

SPONSOR STATEMENT

House Joint Resolution 34

2/2/04

"A Resolution requesting the United States Department of Labor to extend Trade Adjustment Assistance benefits to Alaska salmon fishermen; requesting the United States Congress and the United States Department of Agriculture to extend additional disaster and price support benefits to Alaska salmon fishermen; and requesting the United States Department of Commerce to establish a Trade Adjustment Assistance program specific to commercial fishermen."

In recent years, Alaska salmon fishermen have seen dramatically reduced prices for their salmon catches due to imported salmon flooding the market. Many salmon fishermen could not fish at all in 2002 or 2003 because the processors who traditionally bought their catch made the decision not to buy salmon because of devastatingly low prices.

The United States Department of Agriculture (USDA) and the United States Department of Labor have Trade Adjustment Assistance (TAA) programs that were designed to help workers whose industries have been hurt by imports. As a result of efforts by Sen. Lisa Murkowski last year, Alaska salmon fishermen were made eligible for these TAA programs. However, the programs were designed primarily for agricultural workers and have proven difficult for fishermen to navigate.

It is undisputed that Alaska salmon fishermen have suffered price declines due to foreign imports. But salmon fishermen may not show a net fishing income decline from one year to the next because they received other income. For instance, in 2002 some fishermen received Exxon payments from the 1989 oil spill, thereby making many of them ineligible for TAA. This resolution urges the federal government to make adjustments to the existing program to accommodate the current petition and to ultimately create a separate program designed to better suit the unique qualities of the commercial fishing industry.

SPONSOR STATEMENT -- HJR 34

Page Two

In light of the continuing downturn in the salmon market, many fishermen are eager to learn new skills to make them viable in a competitive job market. As it stands now, however, retraining benefits from the U.S. Dept. of Labor are only available if the fishermen qualify for the USDA TAA price adjustment benefits.

In order to make the TAA programs a better fit for commercial fishermen the resolution makes four specific requests:

- 1) It asks that the USDA give price-adjustment benefits to Alaska salmon fishermen who fished five of six years from 1997 to 2002 and subsequent qualifying years if the fishermen can prove they lost income in any one of those five years due to imports or they lost their market due to imports. This would remove the requirement that fishermen show a net income loss from one year to the next, providing instead for a loss over a period of time.
- 2) It asks that the U.S. Dept. of Labor extend retraining benefits to Alaska salmon fishermen who fished in five of the six years from 1997 to 2002 even if the fishermen did not fish in the preceding year due to impacts from price fluctuations or loss of market.
- 3) It asks that the U.S. Congress and the USDA make Alaska salmon a covered commodity, which makes Alaska salmon fishermen eligible for other disaster and price support benefits.
- 4) It asks that the U.S. Secretary of Commerce pursue the creation of a TAA program specific to commercial fishermen.

Below are the CS changes to HJR 34. Rep. Ogg made the changes prior to the fisheries committee hearing on 2/9/04. Please contact Melissa Dover at x3820 if you have any questions.

CS changes to HJR 34:

1. p. 2, lines 17-19 deleted

Explanation: This was a simple drafting error. The coordinating resolved statement was removed previously, but the whereas statement was overlooked.

2. p. 2, line 24 – added “due to import-related price fluctuations,” after the word “years;” added “due to loss of market caused by import-related price fluctuations” after second reference to “years”

Explanation: This change makes the resolution specific to salmon fishermen suffering due to imports, which is the basis of Trade Adjustment Assistance. The previous wording would have left it open to fishermen who suffered income losses due to other factors, such as closures for conservation purposes.

3. p. 2, line 28 – deleted “either had reduced fishing earnings in 2001 or did not fish in 2002,” add – “did not fish the preceding year due to import-related price fluctuations or due to loss of market caused by import-related price fluctuations”

Explanation: This language was confusing and year specific. We changed it to make it applicable to coming years and added the “import-related” clauses referenced in #2.

4. p. 3, line 3 – delete “all,” replace with “each”

Explanation: This was a technical change so that each species can be looked at separately since each have different value.

5. p. 3, line 7-9 deleted

Explanation: Terminal markets are a highly complicated issue. In speaking with Sen. Lisa Murkowski’s office, we decided to take it out since we were asking for something that would be very difficult for them to accomplish

6. p. 3, lines 7-9 - added resolved statement

Explanation: This final resolved statement asks the Secretary of Commerce to consider developing a TAA program specific to commercial fishermen, since the current one was designed primarily for agricultural workers.



UNITED FISHERMEN OF ALASKA

February 17, 2004

211 Fourth Street, Suite 110
Juneau, Alaska 99801-1172
(907) 586-2820
(907) 463-2545 Fax
E-Mail: ufa@ufa-fish.org
www.ufa-fish.org

Representative Dan Ogg
Alaska State Legislature
State Capitol (Mail stop 3100)
Juneau, AK 99801-1182

Dear Representatives Ogg,

United Fishermen of Alaska supports HJR 34 regarding the USDA Trade Adjustment Assistance (TAA) program. The purpose of the TAA program is to provide price adjustment assistance, technical training, and retraining options to help fishermen and farmers impacted by increased foreign trade. All five of Alaska's salmon species qualified as significantly impacted by foreign import increases, but many Alaska fishermen have not qualified due to the details of the program's requirements. We support your work in the Joint Legislative Salmon Industry Task Force and now in bringing forth this resolution addressing the specifics of the program that have prevented many Alaska fishermen from qualifying for price adjustment or retraining benefits.

HJR 34 will help convey the broad support across the state for technical and interpretive changes in the TAA program that if enacted by the USDA and Farm Service Agency, will help provide to Alaska salmon fishermen the technical assistance, retraining benefits, and price adjustment assistance that we feel are intended in the program.

Senator Lisa Murkowski applied substantial effort to open the program to fishermen and UFA's petition qualified all five species of Alaska salmon for the program. We feel it important and timely to suggest improvements to this new program now that we have seen where it falls short in providing the help intended to producers.

United Fishermen of Alaska represents 33 Alaska Commercial fishing organizations and hundreds of individual fishermen and fishing related businesses, altogether representing over 10,000 Alaska fishermen. We support HJR34 and thank you for your attention to this matter.

Sincerely,

Mark D. Vinsel
Executive Director

MEMBER ORGANIZATIONS

Alaska Crab Coalition • Alaska Druggers Association • Alaska Longline Fishermen's Association • Alaska Trollers Association • Armstrong Keta • At-sea Processors Association
Bristol Bay Reserve • Chignik Regional Aquaculture Association • Chignik Seiners Association • Concerned Area "M" Fishermen • Cordova District Fishermen United
Crab Rationalization and Buyback Group • Douglas Island Pink and Chum • Groundfish Forum • Kenai Peninsula Fishermen's Association • Kodiak Regional Aquaculture Association
Kodiak Seiners Association • North Pacific Fisheries Association • Northern Pacific Scallop Cooperative • Northern Southeast Regional Aquaculture Association
Old Harbor Fishermen's Association • Petersburg Vessel Owners Association • Prince William Sound Aquaculture Corporation • Purse Seine Vessel Owners Association
Seafood Producers Cooperative • Southeast Alaska Regional Dive Fisheries Association • Southeast Alaska Seiners Association • Southern Southeast Regional Aquaculture Association
United Southeast Alaska Gillnetters • Valdez Fisheries Development Association • Western Gull of Alaska Fishermen

**Alaska Department of Labor and Workforce Development
Trade Adjustment Assistance (TAA)**

TAA Reform Act of 2002

- TAA programs are available to assist individuals who have become unemployed as a result of increased imports or shifts in production to other countries.
- The goal is to help laid-off workers return to suitable employment as quickly as possible.
- This is a federal program administered by the U.S. Department of Labor and through state employment security agencies.

Qualifying Requirements

The worker must have been laid off from a certified company during the approved certification dates.

Program Benefits

TAA includes a variety of benefits and reemployment services to help unemployed workers prepare for and obtain suitable employment. Workers are eligible for:

- **Reemployment services:** Reemployment services are available to TAA clients through local One-Stop Job Centers. Services include employment counseling, resume preparation, interviewing skills, etc.
- **Training:** Training opportunities include on-the-job, vocational or technical training and remedial education. TAA pays 100% tuition, books, fees and travel to training. TAA will also pay costs of rent, food and utilities at the training location if the worker is maintaining two separate households. Maximum length of training is 104 weeks or 130 weeks if remedial education is needed.
- **Job Search Allowance:** A job search allowance is payable to cover expenses incurred in seeking employment outside the normal commuting area. A worker may be paid 90 percent of necessary transportation and living expenses (up to a maximum of \$1,250) while searching for such employment.
- **Health Care Tax Credit:** The Trade Act of 2002 created a tax credit of 65% of the cost of a health plan premium for eligible individuals and qualified family members who are enrolled in qualified health plans. Tax credits may be advanced or claimed at the end of year. Eligible individuals include TAA participants receiving weekly TRA benefits, those who are eligible to receive TRA but are still receiving their Unemployment Insurance (UI), and ATAA participants. For information: <http://www.irs.gov>, keyword: HCTC.
- **Relocation Allowance:** When a worker is successful in obtaining employment outside his normal commuting area, the TAA program offers relocation assistance to help them relocate to the new area of employment. A relocation allowance pays 90 percent of the reasonable and necessary expenses of moving the worker and family, household goods and personal belongings to the new location. Additionally, the worker will receive a lump sum payment equal to three times his former average weekly wage (up to a maximum of \$1,250) to help them get settled.
- **Trade Readjustment Allowances (TRA):** TRA is a weekly benefit that begins after Unemployment Insurance (UI) benefits exhaust. To qualify for TRA the worker must have worked at least 26 weeks in the 52-week period prior to his separation date. To be eligible for TRA, the worker must be enrolled in a training program approved no later than the last day of the 16th week after the worker's most recent TAA qualifying separation; or the last day of the 8th week after the U.S. Department of Labor issues the certification, or be on a waiver. The weekly TRA amount is the same as UI, and basic TRA usually lasts 26 weeks after UI is exhausted. Workers approved for training within 210 days of his layoff date or the company's certification date, whichever is later, may receive up to 52 additional weeks of TRA to complete a training program. In no event may an individual receive more than 130 weeks of allowances
- **Alternative Trade Adjustment Assistance (ATAA):** Alternative Trade Adjustment Assistance is available for a worker over the age of 50 who is laid off from a company that has been certified for ATAA. A worker may choose to receive payments of 50 percent of the difference between pre-layoff wage and his reemployment wage. He must be re-employed within 26 weeks of his layoff date in a full-time job that pays less than \$50,000 per year to be eligible. A participant can receive up to \$10,000 as a wage subsidy over a two-year period. Once the participant chooses ATAA, they are ineligible to receive training benefits or TRA weekly benefits.

To print: [Click here](#) or Select File and then Print from your browser's menu

This story was printed from the USDA, Farm Service Agency Newsroom,
located at <http://www.fsa.usda.gov/pas/news/default.htm>.

PROGRAM ANNOUNCEMENT
United States Department of Agriculture
Foreign Agricultural Service

PR 0248-03

USDA GRANTS ASSISTANCE TO ALASKA SALMON FISHERMEN
UNDER TRADE ADJUSTMENT ASSISTANCE PROGRAM

WASHINGTON, Oct. 22, 2003 -- The U.S. Department of Agriculture's Foreign Agricultural Service announced today that salmon fishermen in Alaska may now apply for benefits under the Trade Adjustment Assistance (TAA) for Farmers program.

Under TAA for Farmers, USDA provides technical assistance and cash benefits to producers if an increase in imports of a like commodity has contributed importantly to a decline in price and a loss of income.

After receiving a petition from the United Fishermen of Alaska, USDA investigated market conditions for Pacific salmon. FAS determined that increased imports of frozen salmon fillets contributed importantly to a decline in the landed prices for whole salmon in Alaska by an average of 34.6 percent during marketing year 2002 (January-December), when compared with the previous 5-year average.

USDA will provide technical assistance at no cost to producers through the University of Alaska's Sea Grant Program. USDA's Farm Service Agency (FSA) will issue payments to eligible fishermen. Based on the weighted average of prices received for five species of Pacific salmon, fishermen may receive 3 cents per pound for the salmon they landed in Alaska during 2002.

USDA is mailing application materials to all fishermen who held licenses to fish for salmon in Alaska in 2002. Fishermen may also obtain the TAA application from <http://forms.sc.egov.usda.gov/eforms/mainervlet>, or from their local Farm Service Agency service center. Applications (FSA-229) must be submitted to the Farm Service Agency by January 20, 2004. Salmon fishermen may call 1-866-872-3320 for more information about program services in Alaska.

After producers submit completed applications, technical assistance and training will begin as soon as possible. Financial payments will not be disbursed until after applications are certified.

For general information about the program, contact Jean-Louis Pajot, coordinator, Trade Adjustment Assistance for Farmers, FAS, USDA, at (202) 720-2916, or by e-mail at trade.adjustment@fas.usda.gov

#

[FSA Homepage](#) | [News Room](#) | [About FSA](#) | [Services](#) | [Local USDA Offices](#) | [Online Forms](#) | [Help](#)

[Return to the FAS Home Page](#)

Trade Adjustment Assistance for Farmers

Fact Sheet
August 2003

...TAA provides technical assistance and cash benefits to eligible producers if an increase in imports has contributed to a decline in price, resulting in a drop in net farm income.

What is trade adjustment assistance?

The Trade Act of 1974, as amended by the Trade Act of 2002, established the Trade Adjustment Assistance (TAA) for Farmers program for fiscal years 2003 – 2007.

Under the program, the U.S. Department of Agriculture (USDA) provides technical assistance and cash benefits to eligible farmers and fishermen if increased imports have contributed importantly to a price decline of at least 20 percent. Technical assistance under the program can provide access to a wide variety of resources from USDA's Cooperative State Research, Education, and Extension Service (CSREES), in partnership with a county Extension service, to assist producers in exploring alternative crops and marketing techniques. The program's goal is to help producers respond proactively to import competition through training, cash benefits, and employment services.

Establishing eligibility for trade adjustment assistance.

Producers must first file a petition with USDA's Foreign Agricultural Service (FAS) to establish eligibility for assistance. Petitions may be filed by a group of three or more producers or an authorized representative. The TAA petition form may be found on the Internet at <http://www.fas.usda.gov/taa/fas0930.pdf>. A copy may also be obtained from a USDA Farm Service Agency county office, or requested by phone at (202) 720-2916 or by writing to USDA, Foreign Agricultural Service, Trade Adjustment Assistance, STOP 1021, 1400 Independence Avenue, SW, Washington, DC 20250-1021, or e-mail at trade.adjustment@fas.usda.gov.

FAS will certify producers' eligibility for adjustment assistance if they can demonstrate that their prices are less than or equal to 80 percent of the national average price during the previous 5 marketing years and that increases in imports of like or competitive products "contributed importantly" to the decline in prices.

Am I eligible for Trade Adjustment Assistance?

You are eligible for TAA benefits once a petition has been certified and if:

- You are an owner, operator, landlord, tenant, or sharecropper who shares in the risk of producing a crop and who is entitled to share in the crop available for marketing from the farm, or qualified fishermen.
- You are a producer of a raw agricultural commodity, including livestock, fish,

and aquaculture products.

You are ineligible if:

- You are a processor of commodities. This excludes: cleaning, grading, coating, sorting, trimming, mixing, conditioning, drying, dehulling, shelling, chilling, cooling, blanching, irradiating, or fumigating.
- Your farm is located outside of the producing area covered by the petition.

APPLYING FOR trade adjustment assistance.

Only producers covered by a certification of eligibility may apply for adjustment assistance. An eligible producer must apply for adjustment assistance within 90 days after the certification date. FSA county offices can help producers prepare and submit their applications.

Eligibility for Technical Assistance.

After submitting an application, producers are immediately eligible to request trade adjustment technical assistance from the Extension service at no cost. The Extension office will provide information regarding the feasibility and desirability of substituting one or more alternative commodities and technical assistance that will improve the competitiveness of the production and marketing of the adversely affected commodity.

Qualifying for Trade Adjustment Assistance Payments.

To qualify for a TAA cash payment, producers must complete Form FSA-229, meet with the county Extension service, and submit all supporting documentation by September 30. If an applicant has already received \$10,000 in TAA benefits or \$65,000 in counter-cyclical payments for the year, reported an increase in net farm or fishing income in the most recent tax year, or has an annual adjusted gross income greater than \$2.5 million, he or she is disqualified from receiving an additional TAA cash payment.

The amount of cash payment will be equal to the quantity produced in the most recent marketing year multiplied by one-half the difference between the average price in the most recent marketing year and 80 percent of the average price for the 5 preceding marketing years.

Where can I obtain further assistance?

Your first stop should be your local FSA county office. You can also contact the Trade Adjustment Assistance Office, Foreign Agricultural Service, at (202) 720-2916 or write to USDA, Foreign Agricultural Service, Trade Adjustment Assistance, STOP 1021, 1400 Independence Avenue, SW, Washington, DC 20250-1021, or e-mail at trade.adjustment@fas.usda.gov.

U.S. DEPARTMENT OF AGRICULTURE TRADE ADJUSTMENT ASSISTANCE FOR FARMERS

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, sex, religion, age, disability, political beliefs, sexual orientation, and marital or family status. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD).

To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 14th and Independence Avenue, SW, Washington DC 20250-9410 or call (202) 720-5964 (voice and TDD). USDA is an equal opportunity provider and employer.

HJR

35

THE
FOLLOWING
DOCUMENT(S)
ARE
POOR
ORIGINAL
COPIES

SENATE COMMITTEE REPORT

DATE: 3/31/04

FURTHER:

DATE TURNED
IN TO OFFICE: 4-19-04

Resources Committee considered CS FOR HOUSE JOINT RESOLUTION NO. 35(L&C)

HJR 35 MAD COW DISEASE/COUNTRY OF ORIGIN LABELS

Relating to bovine spongiform encephalopathy, commonly known as mad cow disease, and country-of-origin labeling for meat products.

and recommends:

- be replaced with _____ CS _____ (_____)
- adopt previous _____ CS _____ (_____)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to _____ Committee

Senate Bill:
 Same Title
 New Title

House Bill:
 Same Title
 Technical Title Change
 New Title w/ SCR # _____

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#
HLC	7/2/04			✓	1

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	DO PASS	DO NOT PASS	NO REC	AMEND
<i>[Signature]</i>	✓			
<i>[Signature]</i>	✓			✓
<i>[Signature]</i>	✓			
<i>[Signature]</i>	✓			
<i>[Signature]</i>	✓			
CHAIR: <i>[Signature]</i>	✓			

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: CSHJR 35(L&C)
(H) Publish Date: 2/18/2004

Revision Date/Time (Note if correction): _____ Dept. Affected: _____
Title Mad Cow Disease/Country of Origin Lables BRU _____
Sponsor Rep. Kertula Component _____
Requester House Labor & Commerce Component No. _____

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
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						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
-------------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type-Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2004) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill has no fiscal impact.

Prepared by: Rep. Tom Anderson
Division: House Labor & Commerce Committee
Approved by: Rep. Tom Anderson
Agency: House Labor & Commerce Committee

Phone 465-4954
Date/Time 2/18/04 9:19 AM
Date 2/18/2004

**CS FOR HOUSE JOINT RESOLUTION NO. 35(L&C)
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-THIRD LEGISLATURE - SECOND SESSION**

BY THE HOUSE LABOR AND COMMERCE COMMITTEE

Offered: 2/18/04

Referred: Resources

Sponsor(s): REPRESENTATIVES KERTTULA, McGuire, Morgan, Gara, Crawford, Cissna, Kapsner, Croft, Guttenberg, Wolf, Ogg, Berkowitz, Gruenberg, Meyer, Samuels, Lynn

A RESOLUTION

1 **Relating to bovine spongiform encephalopathy, commonly known as mad cow disease,**
2 **and country-of-origin labeling for meat products.**

3 **BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 **WHEREAS** the first cow in the United States infected with bovine spongiform
5 encephalopathy, commonly known as mad cow disease, was identified in December, 2003;
6 and

7 **WHEREAS** bovine spongiform encephalopathy is a neurological disease in cattle
8 caused by an aberrant protein called a prion, most commonly found in specified risk materials
9 such as the skull, brain, trigeminal ganglia, eyes, vertebral column, spinal cord, and dorsal
10 root ganglia; and

11 **WHEREAS** humans can develop variant Creutzfeldt-Jakob disease from eating
12 contaminated beef products; and

13 **WHEREAS** cattle most commonly contract bovine spongiform encephalopathy from
14 feed contaminated by infectious prions; and

15 **WHEREAS**, in 1997, the United States Food and Drug Administration prohibited the
16 use of most mammalian protein in the manufacture of animal feed intended for cattle; and

1 **WHEREAS** the United States Department of Agriculture has taken steps to control
2 bovine spongiform encephalopathy; and

3 **WHEREAS**, among those steps, the United States Department of Agriculture has
4 banned all nonambulatory disabled cattle from the food chain, prohibited the use of specified
5 risk materials in human food consumption, and prohibited slaughter practices that may cause
6 the dislocation of brain material and its inclusion with other tissue; and

7 **WHEREAS** the cow infected with bovine spongiform encephalopathy was imported
8 from outside the United States; and

9 **WHEREAS** country-of-origin labeling for meat products has been postponed for two
10 years by the United States Congress; and

11 **WHEREAS** Americans deserve to know what is in their food and where it comes
12 from; and

13 **WHEREAS** Americans deserve to have a safe food supply;

14 **BE IT RESOLVED** that the Alaska State Legislature supports efforts by the United
15 States Department of Agriculture to control and eradicate bovine spongiform encephalopathy
16 in United States cattle; and be it

17 **FURTHER RESOLVED** that the Alaska State Legislature supports any efforts by
18 the Alaska congressional delegation to implement country-of-origin labeling for meat
19 products sooner than the current implementation date.

20 **COPIES** of this resolution shall be sent to the Honorable Ann Veneman, United
21 States Secretary of Agriculture; and to the Honorable Ted Stevens and the Honorable Lisa
22 Murkowski, U.S. Senators, and the Honorable Don Young, U.S. Representative, members of
23 the Alaska delegation in Congress.

HOUSE JOINT RESOLUTION NO. 35
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-THIRD LEGISLATURE - SECOND SESSION

BY REPRESENTATIVES KERTTULA, McGuire, Morgan, Gara, Crawford, Cissna, Kapsner, Croft

Introduced: 2/5/04

Referred: Labor and Commerce, Resources

A RESOLUTION

1 **Relating to mad cow disease and country-of-origin labeling for meat products.**

2 **BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

3 **WHEREAS** the first cow in the United States infected with bovine spongiform
4 encephalopathy, commonly known as mad cow disease, was identified in December, 2003;
5 and

6 **WHEREAS** bovine spongiform encephalopathy is a neurological disease in cattle
7 caused by an aberrant protein called a prion, most commonly found in specified risk materials
8 such as the skull, brain, trigeminal ganglia, eyes, vertebral column, spinal cord, and dorsal
9 root ganglia; and

10 **WHEREAS** humans can develop variant Creutzfeldt-Jakob disease from eating
11 contaminated beef products; and

12 **WHEREAS** cattle most commonly contract bovine spongiform encephalopathy from
13 feed contaminated by infectious prions; and

14 **WHEREAS**, in 1997, the United States Food and Drug Administration prohibited the
15 use of most mammalian protein in the manufacture of animal feed intended for cattle; and

16 **WHEREAS** the United States Department of Agriculture has taken steps to identify

1 and destroy cattle that are from the same herd as the infected cow and other animals that may
2 have been exposed to that cow; and

3 **WHEREAS**, among those steps, the United States Department of Agriculture has
4 banned all nonambulatory disabled cattle from the food chain, prohibited the use of specified
5 risk materials in human food consumption, and prohibited slaughter practices that may cause
6 the dislocation of brain material and its inclusion with other tissue; and

7 **WHEREAS** the cow infected with bovine spongiform encephalopathy was imported
8 from outside the United States; and

9 **WHEREAS** country-of-origin labeling for meat products has been postponed for two
10 years by the United States Congress; and

11 **WHEREAS** Americans deserve to know what is in their food and where it comes
12 from; and

13 **WHEREAS** Americans deserve to have a safe food supply;

14 **BE IT RESOLVED** that the Alaska State Legislature supports efforts by the United
15 States Department of Agriculture to control and eradicate bovine spongiform encephalopathy
16 in United States cattle; and be it

17 **FURTHER RESOLVED** that the Alaska State Legislature supports any efforts by
18 the Alaska congressional delegation to implement country-of-origin labeling for meat
19 products sooner than the current implementation date.

20 **COPIES** of this resolution shall be sent to the Honorable Ann Veneman, United
21 States Secretary of Agriculture; and to the Honorable Ted Stevens and the Honorable Lisa
22 Murkowski, U.S. Senators, and the Honorable Don Young, U.S. Representative, members of
23 the Alaska delegation in Congress.



Representative Beth Kerttula

Alaska State Legislature District 3

House Joint Resolution 35

Sponsor Statement

"Relating to mad cow disease and country-of-origin labeling for meat products."

National attention has recently been drawn to bovine spongiform encephalopathy, "mad cow disease," because the prions that cause the disease were found in a cow from a farm in Washington state. It was later discovered that cow had been brought to Washington from Canada and had probably contracted the disease from its feed. After the discovery, the U.S. Department of Agriculture took swift steps to contain and prevent the disease. House Joint Resolution 35 supports the USDA's efforts.

Country of origin labeling (COOL) of beef and beef products would help consumers to make intelligent decisions in purchasing meat. Currently, country of origin labeling for beef has been delayed until September 30, 2006 from its original implementation date of September 30, 2004. Because of the recent mad cow scare, COOL should be implemented sooner. House Joint Resolution 35 supports any efforts by the Alaska congressional delegation to ensure more timely country of origin labeling of beef.

Bovine Spongiform Encephalopathy (BSE) Q & A's

Q: What is the current situation regarding the bovine spongiform encephalopathy (BSE) detection?

A: On the morning of December 25, 2003, the BSE World Reference Laboratory in Weybridge, England, confirmed USDA's December 23 preliminary diagnosis of BSE in a single non-ambulatory dairy cow that had been slaughtered on December 9 at Vern's Moses Lake Meats in Washington State. USDA and Canada worked together to confirm the identification of this cow through DNA testing.

On December 30, 2003, Agriculture Secretary Ann Veneman announced additional safeguards to bolster the U.S. protection systems against BSE and further protect public health. The policies will further strengthen protections against BSE by removing certain animals and specified risk material and tissues from the human food chain; requiring additional process controls for establishments using advanced meat recovery (AMR); holding meat from cattle that have been targeted for BSE surveillance testing until the test has confirmed negative; and prohibiting the air injection stunning of cattle.

The Secretary also announced that USDA will begin immediate implementation of a verifiable system of national animal identification. The development of such a system has been underway for more than a year-and-a-half to achieve uniformity, consistency and efficiency across this national system.

Q: What are the results of USDA's investigation so far?

A: On January 6, 2003, USDA announced that DNA evidence verified, with a high degree of certainty, that the BSE positive cow found in the state of Washington did in fact originate from a dairy farm in Alberta, Canada.

The USDA's Animal and Plant Health Inspection Service (APHIS) and Canadian officials have determined that the index animal was approximately 6-1/2 years old at the time of slaughter. The age of the animal is significant because she would have been born before feed bans were implemented in North America in August 1997. The feed bans prohibit the inclusion of mammalian protein in feed intended for other ruminants to eat. This practice has been identified time and time again as the primary means by which BSE is spread.

The index cow had three calves while in the United States. The first was stillborn. The second, a yearling heifer, is among 129 animals from the index farm being depopulated. The third, a bull calf, was among the group of calves depopulated January 6. The herd the affected animal came from is under a State quarantine in Washington State. Any cattle that die on the farm will be tested for BSE.

Through its traceback investigation, the USDA's Animal and Plant Health Inspection Service (APHIS) has determined the following additional information:

- The Canadian health certificate, dated August 28, 2001, lists 82 ear tag numbers from cattle that were part of herd dispersal in Alberta, Canada. USDA has confirmed that 81 of those 82 animals crossed into the United States in September, 2001. It is believed that one of the 82 remained in Canada. To learn the latest number and locations of animal traced, please check the daily BSE update at <http://www.aphis.usda.gov/lpa/issues/bse/bse.html>

- USDA depopulated the bull calf operation that included the calf born to the cow infected with BSE on January 6. The depopulated herd contained approximately 450 head of cattle. The depopulation effort took place at a slaughter facility that currently is not in use. Animal care veterinarians were on hand at both the farm where the calves were loaded and at the slaughter facility to ensure that the animals were treated in a humane manner. The animals were euthanized according to American Veterinary Medical Association animal euthanasia guidelines. No products from any of the slaughtered animals will enter the human food chain, nor will products be rendered.

Bovine Spongiform Encephalopathy (BSE)

Q: What is BSE?

A: BSE is a degenerative neurological disease caused by an aberrant protein called a prion. It is in the family of diseases—all caused by prions—referred to as transmissible spongiform encephalopathies, or TSEs. TSEs include

scrapie in sheep and goats, chronic wasting disease (CWD) in deer and elk, and Creutzfeldt-Jakob disease, or CJD, in humans. It's important to note that TSEs are not communicable diseases—they do not spread easily like viruses.

Q: How is BSE spread in cattle?

A: There is no scientific evidence that shows BSE can be spread by contact between unrelated adult cattle or from cattle to other species. There is some evidence suggesting maternal transmission may occur at extremely low levels. Cattle can become infected with BSE by eating feed contaminated with the infectious BSE agent. This is why in 1997 the U.S. Food and Drug Administration prohibited the use of most mammalian protein in the manufacture of animal feed intended for cows and other ruminants. For more information on the feed ban, please visit the U.S. Food and Drug Administration's website at www.fda.gov.

Q: What steps is USDA taking in response to the detection?

A: USDA's Food Safety Inspection Service (FSIS) has taken the following actions:

- USDA has banned all non-ambulatory disabled (downer) cattle from the human food chain effective immediately.
- FSIS inspectors will no longer mark cattle targeted for testing under the BSE surveillance program as "inspected and passed" until confirmation is received that the animals have, in fact, tested negative for BSE. This new policy is in the form of an interpretive rule that was published January 8, 2004 in the Federal Register. It is important to note that FSIS inspection program personnel have always — and will continue to — perform ante- and post-mortem inspection of cattle that are slaughtered in the United States. As part of the ante-mortem inspection, FSIS personnel look for signs of disease, including signs of central nervous system impairment. Animals showing signs of systemic disease, including those exhibiting signs of neurological impairment, are condemned and do not enter the food chain. Meat from all condemned animals has never been permitted for use as human food.
- Effective January 8, 2004, USDA enhanced its regulations by declaring as specified risk materials skull, brain, trigeminal ganglia, eyes, vertebral column, spinal cord and dorsal root ganglia of cattle over 30 months of age and the distal ileum of the small intestine of cattle of all ages, thus prohibiting their use in the human food supply. Tonsils from all cattle were already considered inedible and therefore do not enter the food supply. These enhancements are consistent with the actions taken by Canada after the discovery of BSE in May 2003.
- In March 2003, FSIS began a routine regulatory sampling program for beef produced from AMR systems to ensure that spinal cord tissue is not present in beef. In a new interim rule announced December 31, 2003, meat processing establishments have to ensure process control through verification testing to ensure that neither spinal cord nor dorsal root ganglia is present in the product. (For a more detailed description of AMR see below).
- In order to ensure that portions of the brain are not dislocated into tissues of the carcass as a consequence of humanely stunning cattle during the slaughter process, FSIS has issued a regulation to ban the practice of air-injection stunning.
- USDA will prohibit use of mechanically separated meat in human food. Consumers with other food safety questions can call the toll-free USDA Meat and Poultry Hotline at 1-888-MPHotline (674-6854). The hotline is available in English and Spanish and can be reached from 10 a.m. to 4 p.m. (Eastern Time), Monday through Friday. Recorded food safety messages are available 24 hours a day.

Q: What is Advanced Meat Recovery?

A: AMR is an industrial technology that removes muscle tissue from the bone of beef carcasses under high pressure without incorporating bone material when operated properly. AMR products can be labeled as "meat." FSIS has previously had regulations in place that prohibit spinal cord from being included in products labeled as "meat." An FSIS regulation published January 8, 2004, expands that prohibition to include dorsal root ganglia, and clusters of nerve cells connected to the spinal cord along the vertebrae column, in addition to spinal cord tissue. Like the spinal cord, the dorsal root ganglia may also contain BSE infectivity if the animal is infected. In addition, because the vertebral column and skull in cattle 30 months and older will be considered inedible, it cannot be used for AMR.

Testing and Surveillance

Q: Given the Secretary's announcement to prohibit downer cattle from slaughter establishments, what does that mean in terms of USDA's BSE surveillance program?

A: USDA has tested 20,000 animals annually for each of the last 2 years, and approximately 75 percent of these were downers at slaughter. USDA is working with industry to reposition its efforts to collect samples on-farm, at rendering facilities, and at facilities where meat products are harvested for non-edible purposes. USDA is committed—and the industry shares this commitment—to ensuring that a robust surveillance program for BSE

continues in this country. USDA will be working very closely with the rendering and animal disposal industry and other government agencies in the days and weeks to come to ensure that USDA continues to have access to the population of animals considered to be at highest risk for BSE.

Q: Will USDA be issuing licenses for rapid diagnostic tests for BSE?

A: USDA's Center for Veterinary Biologics, in Ames, Iowa will accept license and permit applications for rapid test kits. Accepting license and permit applications at this time will allow CVB to respond to submissions, test master seeds and serials and inspect facilities should a decision to license need to be made to further protect animal agriculture.

BSE and its effect on U.S. trade

Q: What does the detection of BSE in the United States mean for the country's beef exports?

A: In accordance with international trade agreements, USDA has notified the international animal health governing body, the Office of International Epizootic's (OIE), of the positive BSE detection.

USDA officials will be working to provide U.S. trading partners and international animal health officials with information regarding the steps being taken in response to the detection.

For a current list of countries that have placed BSE restrictions on the United States visit the following website:

http://www.aphis.usda.gov/lpa/issues/bse/bse_trade_ban_status.html

BSE and the U.S. Food Supply

Q: What are the risks to the U.S. food supply as a result of this detection?

A: USDA remains confident in the safety of the U.S. food supply. The risk to human health from BSE is extremely low. As is standard practice for downer animals identified prior to slaughter, the animal's brain, spinal cord, and other related products were removed and sent to a rendering facility. These so-called "specified risk materials" present the greatest risk of carrying the BSE agent and have not entered U.S. food supply channels. The scientific community believes that there is no evidence to demonstrate that muscle cuts or whole muscle meats that come from animals infected with BSE are at risk of harboring the causative agent of the disease.

Q: Is there a meat recall associated with the detection?

A: Yes. On December 23, 2003, FSIS issued a Class II recall of approximately 10,410 pounds of raw beef that may have been exposed to tissues containing the infectious agent that causes BSE. FSIS' designation of the recall as Class II was due to the extremely low likelihood that the beef contained the infectious agent that causes BSE. According to scientific evidence, the tissues of highest infectivity are the brain, spinal cord, and distal ileum portion of the small intestine. All were removed from the rest of the carcass at slaughter. Therefore, the meat produced were cuts that would not be expected to be infected or have an adverse public health impact. The recall is being conducted out of an abundance of caution.

- FSIS has conducted an investigation and determined the points of distribution for the entire recalled product.
- All of the primary, secondary and tertiary establishments that may have received product subject to this recall have been contacted by FSIS compliance officers. All have acknowledged being contacted about the recall by their suppliers. All have confirmed securing whatever product they had upon notification of the recall and making their customers aware of the recall as well.
- FSIS will now focus its efforts toward verifying the return and destruction of the recalled products.
- Recall effectiveness checks have determined that product was sent to six states. Those states are Washington, Oregon, California, Nevada, Idaho and Montana. Alaska, Hawaii and Guam did not receive any of the products subject to recall.

Q: What is the significance of a "Class II" designated recall?

A: FSIS' designation of this recall as Class II is due to the extremely low likelihood that the beef being recalled contains the infectious agent that causes BSE.

According to scientific evidence, the tissues of highest infectivity are the brain, spinal cord, and distal ileum, which were removed from the rest of the animal's carcass at slaughter. Therefore, the meat produced would not be expected to be infected or have an adverse public health impact, but are being recalled out of an abundance of caution.

Q: Will the recalled beef be tested to determine if it contains any central nervous system tissue and if it is positive, will it be tested for BSE?

A: No. There is no BSE test for muscle tissue. Tests can only be conducted on brain tissue.

Q: Is there a phone number consumers can call with questions about meat products?

A: Consumers with other food safety questions can phone the toll-free USDA Meat and Poultry Hotline at 1-888-MPHotline. The hotline is available in English and Spanish and can be reached from 10 a.m. to 4 p.m. (Eastern Standard Time), Monday through Friday. Recorded food safety messages are available 24 hours a day.



Representative Beth Kerttula

Alaska State Legislature District 3

Date: March 31, 2004
To: Senator Scott Ogan
Senate Resources Committee
From: Representative Beth Kerttula *Beth*
Re: House Joint Resolution 35, Mad Cow Disease

I respectfully request that House Joint Resolution 35 be scheduled for a hearing in the Senate Resources Committee.

Attached you will find:

- Bill
- Fiscal Note
- Sponsor statement
- USDA Q&A

HJR

36

SENATE COMMITTEE REPORT

DATE: 5/1/04

FURTHER:

DATE TURNED
IN TO OFFICE: 5-3-04

Resources Committee considered HOUSE JOINT RESOLUTION NO. 36

HJR 36 MITIGATING GLACIER BAY FISHING CLOSURES

Requesting the National Park Service to mitigate the adverse economic effects of commercial fishing closures and restrictions in Glacier Bay National Park and Preserve.

and recommends:

- be replaced with S CS HJR 36 (R&S)
- adopt previous _____ CS _____ (_____)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to _____ Committee

Senate Bill:	
<input type="checkbox"/>	Same Title
<input type="checkbox"/>	New Title
House Bill:	
<input checked="" type="checkbox"/>	Same Title
<input type="checkbox"/>	Technical Title Change
<input type="checkbox"/>	New Title w/ SCR # _____

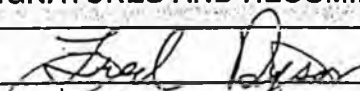
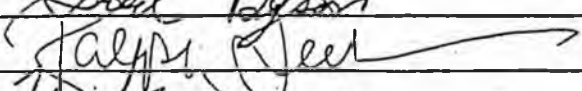
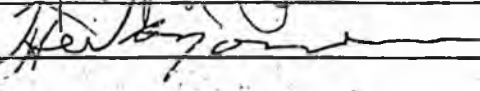
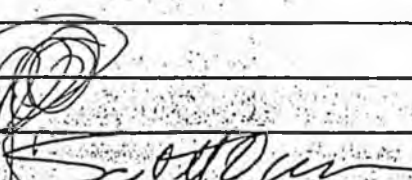
NEW FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#
Logou.	2/10/04			✓	1

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	Do PASS	Do NOT PASS	No REC	AMEND
	✓			
	✓			
	✓			
CHAIR: 	✓			



SENATOR SCOTT OGAN

23RD Alaska State Legislature

Senate District H Lazy Mountain * Butte * Chugiak * Peters Creek * Fairview Loop
Knik-Goose Bay * Big Lake * Houston * Willow * Talkeetna * Trapper Creek

State Capitol, Room 103, Juneau Alaska 99801 * (907) 465-3878 * 1 (800) 862-3878 * Fax (907) 465-3265

Senator_Scott_Ogan@legis.state.ak.us

Http://www.akRepublicans.org/ogon

FACSIMILE TRANSMITTAL SHEET

TO: Leg Legal FROM: Linda Hay - Sen Pres.
 COMPANY: DATE: 5-3-04
 FAX NUMBER: TOTAL NO. OF PAGES INCLUDING COVER: 1
 PHONE NUMBER: RE: CS for HJR 36

URGENT FOR REVIEW PLEASE COMMENT PLEASE REPLY PLEASE RECYCLE

NOTES/COMMENTS:

one simple change @ the request
of the sponsor -

page 2 - line 24 _____

after Marcia Blaszak,
delete "Acting"

she was made permanent after this was
introduced. Please send over the final _____

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: HJR 36
(H) Publish Date: 2/26/04

Revision Date/Time (Note if correction): _____ Dept. Affected: Legislature
Title "Requesting the National Park Service BRU Legislative Council
to mitigate the adverse economic effects of commercial..." Component: Council and Subcommittees
Sponsor "Representative Ogg by request..." Session Expenses
Requestor House Special Committee on Fisheries Component No. 783

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Personal Services	0.0	0.0	0.0	0.0	0.0	0.0
Travel	0.0	0.0	0.0	0.0	0.0	0.0
Contractual	0.0	0.0	0.0	0.0	0.0	0.0
Supplies	0.0	0.0	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0	0.0	0.0
Land & Structures	0.0	0.0	0.0	0.0	0.0	0.0
Grants & Claims	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0
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 G- Match						
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2004) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

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)

This legislation has zero fiscal impact on the Legislative Affairs Agency.

Prepared by: Karla Schofield, Deputy Director Phone 465-6626
Division: Administrative Services Date/Time 2/10/04 2:58 PM
Approved by: Pamela Varni, Executive Director Date 2/10/2004
Agency: Legislative Affairs Agency

ALASKA STATE LEGISLATURE

REPRESENTATIVE BRUCE WEYHRAUCH
HOUSE DISTRICT 4



ALASKA
STATE CAPITOL
JUNEAU, ALASKA
99801-1182

(907) 465-3744
FAX (907) 465-2273

Sponsor Statement

HJR 36

This Resolution asks the National Park Service to take simple steps to mitigate the adverse consequences that fishing closures in Glacier Bay have had on the folks who once participated.

Beginning in 1999, the commercial fisheries in Glacier Bay have been either restricted or closed in Glacier Bay by the National Park Service. Commercial fishermen, their crewmembers and those who supported commercial fishing operations were among those paid compensation because of the closures. However, the payments, many of those who claimed or received compensation will continue to be economically affected in the long term by the closures, which will eventually forever prohibit commercial fishing in Glacier Bay.

In the meantime, the National Park Service will continue to procure goods and services to manage and administer the Glacier Bay National Park and Preserve. For example, the Park Service will continue to lease or purchase boats for various reasons including research, tours, maintenance or law enforcement. This resolution requests that the Park Service obtain these goods, materials or vessels that they need, use, purchase, or lease from those who have been negatively affected by commercial fishery closures and restrictions first, before any other person.

ALASKA STATE LEGISLATURE

Representative Bruce Weyhrauch

HOUSE DISTRICT 4



ALASKA
STATE CAPITOL
JUNEAU, ALASKA
99801-1182

(907) 465-3744
FAX (907) 465-2273

MEMORANDUM

DATE: May 1, 2004
TO: Senator Scott Ogan
FROM: Rep. Bruce Weyhrauch *BW*
SUBJECT: HJR 36 ~ Regarding Glacier Bay National Park

Attached are materials in support of HJR 36, which just passed out of the State Affairs committee yesterday. There were no changes to the Resolution. At this time I respectfully request a hearing before your committee on this Resolution.

If you have any questions or need further information, I invite you to contact myself, or my aide, Linda Sylvester.

Thank you for your kind attention to this matter.

HJR

41

SENATE COMMITTEE REPORT

DATE: 5/1/04

FURTHER:

DATE TURNED
IN TO OFFICE: 5-3-04

Resources Committee considered CS FOR HOUSE JOINT RESOLUTION NO. 41(RES)

HJR 41 LAND RECREATIONAL VISITOR PROTECTION ACT

Relating to support for the Federal Land Recreational Visitor Protection Act.

and recommends:

- be replaced with _____ CS _____ (_____)
- adopt previous _____ CS _____ (_____)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to _____ Committee

Senate Bill:
 Same Title
 New Title

House Bill:
 Same Title
 Technical Title Change
 New Title w/ SCR # _____

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#
H. Res	3/31/04			✓	1

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	Do PASS	Do NOT PASS	No REC	AMEND
<i>Frank Dixon</i>	✓			
<i>Herb ...</i>	✓			
<i>John ...</i>	✓			
CHAIR: <i>Scott ...</i>	✓			

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: CSHJR 41(RES)
 (H) Publish Date: 4/1/04

Revision Date/Time (Note if correction): _____ Dept. Affected: _____
 Title Relating to Support for the Federal BRU _____
Land Recreational Visitor Protection Act Component _____
 Sponsor Rep. Kertula _____
 Requester _____ Component No. _____

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
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						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
-------------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2004) cost: 0.0
 Mark this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

Prepared by: Rachel Essen Phone 465-3783
 Division House Resources Date/Time 3/31/04 3:00 PM
 Approved by: Representative Nancy Dahlstrom, Co-Chairman Date 3/31/2004
 Agency House Resources Committee



Representative Beth Kerttula

Alaska State Legislature District 3

Date: April 27, 2004

To: Senator Scott Ogan, Chairman
Senate Resources Committee

From: Representative Beth Kerttula *Beth*

Re: HJR 41 Land Recreational Visitor Protection Act

House Joint Resolution 41 was scheduled to be heard in the Senate State Affairs Committee last week, but the meeting was cancelled due to the Senate Floor Session. We are rescheduled to Thursday, April 29, 2004. I am very hopeful that it will be moved to the Senate Resources Committee, which is its last committee of referral.

With the time left in the session quickly coming to a close, I wanted to be sure that you had the information on this resolution and respectfully request that you schedule it for a hearing at your earliest convenience. The bill received all "Do Pass" recommendations from the House Resources Committee and passed the House unanimously. I do sincerely appreciate your consideration of this request. Please don't hesitate to contact me or my staff, Juli Lucky, if you have any questions.

I have included the following for your review:

- Resolution
- Sponsor statement
- Copy of S. 931, the Federal Land Recreational Visitor Protection Act of 2003
- Support letters and background information

Thanks, again.



Representative Beth Kerttula

Alaska State Legislature District 3

Sponsor Statement House Joint Resolution 41 Land Recreational Visitor Protection Act

Winter recreation is an important part of most Alaskan's lives. Unfortunately, Alaska has the highest avalanche death rate in the nation, but there is virtually no avalanche forecasting. Unlike other states with a significant number of deaths from avalanches, Alaska has no federally funded program for forecasting and education. The Legislature has recognized the importance of avalanche awareness and safety by designating November as Avalanche Awareness Month. However more can and should be done to reduce the threat of avalanches to Alaskans and visitors to our great state.

In April 2003, U.S. Senator Ted Stevens introduced the Federal Land Recreational Visitor Protection Act of 2003 (S 931), which is sitting in the Senate Committee on Energy and Natural Resources awaiting its first hearing. S 931 would direct the Secretary of the Interior to work with the Secretary of Agriculture to establish an avalanche protection program that provides early identification of potential avalanches that could endanger the safety of visitors to public lands and to reduce the risks of avalanches to visitors, recreational users, neighboring communities, private operations, and transportation corridors. It also would authorize federal grants to be used for preventing, forecasting, detecting and mitigating avalanches, including the use of artillery or explosives for avalanche control; maintaining essential transportation and communications that could be affected by avalanches; and assisting public or private research on avalanche control methods.

Alaska would get a large percentage of the grant money available, which could be used by avalanche safety groups, private industry, communities, and transportation entities as well as government programs.

House Joint Resolution 41 affirms our support for this important federal legislation. I would appreciate your support.

108TH CONGRESS
1ST SESSION

S. 931

To direct the Secretary of the Interior to undertake a program to reduce the risks from and mitigate the effects of avalanches on visitors to units of the National Park System and on other recreational users of public land.

IN THE SENATE OF THE UNITED STATES

APRIL 29, 2003

Mr. STEVENS (for himself, Mr. CAMPBELL, Mr. DOMENICI, Mr. FLATCH, Mr. INOUE, and Ms. MURKOWSKI) introduced the following bill; which was read twice and referred to the Committee on Energy and Natural Resources

A BILL

To direct the Secretary of the Interior to undertake a program to reduce the risks from and mitigate the effects of avalanches on visitors to units of the National Park System and on other recreational users of public land.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the "Federal Land Rec-
5 reational Visitor Protection Act of 2003".

6 **SEC. 2. DEFINITIONS.**

7 In this Act:

1 (1) PROGRAM.—The term “program” means
2 the avalanche protection program established under
3 section 3(a).

4 (2) SECRETARY.—The term “Secretary” means
5 the Secretary of the Interior.

6 **SEC. 3. AVALANCHE PROTECTION PROGRAM.**

7 (a) ESTABLISHMENT.—The Secretary shall establish
8 a coordinated avalanche protection program—

9 (1) to provide early identification of the poten-
10 tial for avalanches that could endanger the safety of
11 visitors to units of the National Park System and
12 recreational users of public land, including skiers,
13 backpackers, snowboarders, and campers; and

14 (2) to reduce the risks and mitigate the effects
15 of avalanches on visitors, recreational users, neigh-
16 boring communities, and transportation corridors.

17 (b) COORDINATION.—

18 (1) IN GENERAL.—In developing and imple-
19 menting the program, the Secretary shall consult
20 with the Secretary of Agriculture, and coordinate the
21 program, to ensure adequate levels of protection for
22 recreational users of public land and forests under
23 the jurisdiction of the Secretary of Agriculture, in-
24 cluding National Recreation Areas, wilderness and
25 backcountry areas, components of the National Wild