

CITY OF DILLINGHAM, ALASKA

ORDINANCE NO. 2017-08

AN ORDINANCE OF THE DILLINGHAM CITY COUNCIL AMENDING CHAPTERS 4.20 SALES TAX, SECTION 4.20.050 EXEMPTIONS, AND CHAPTER 4.16 BUSINESS LICENSE TO REMOVE EXEMPTION FOR NOT REQUIRING A BUSINESS LICENSE IF SALES ARE LESS THAN TEN THOUSAND DOLLARS IN A CALENDAR

BE IT ENACTED BY THE DILLINGHAM CITY COUNCIL:

Section 1. Classification. This is a code ordinance.

Section 2. Amendment to Chapter 4.20 Sales Tax. Dillingham Municipal Code Section 4.20.050 Exemptions is hereby repealed and replaced with a new Section 4.20.050 to read as follows:

4.20.050 Exemptions.

The tax levied by this chapter shall not apply to the following:

- A. Air Travel. Sale of air transportation services;
- B. Banking. Fees for banking services charged by banks and credit unions;
- C. Casual and Isolated Sales. Casual or isolated sales not made in the regular course of business of the seller.

For purposes of administering this regulation, the term “casual” means occurring, encountered, acting or performed without regularity or at random. The term “occasional” and the term “isolated” mean occurring alone or once, an incident not likely to recur, sporadic;
- D. Child Care Services. Child care, pre-elementary, and baby-sitting services;
- E. City Sales. Landfill and boat harbor fees, and wharfage and handling services when sold by the city;
- F. Dues and Fees. Dues, fees, or tuition paid to clubs, labor unions and fraternal or religious organizations;
- G. Electricity, Internet and Telephone. Sales of electricity, internet, and telephone if the customer’s physical location of service is not within the city; Charges for long distance telephone conversations;
- H. Federal and State Prohibitions. (1) Sales the city is prohibited from taxing under the Constitution and laws of the United States or the Constitution and the laws of the state of Alaska are exempt; (2) Sales to an employee of the state, its political subdivisions, or the

federal government are only exempt when the governmental employee provides proof that the sale is for government business by paying for the sale with a government voucher, purchase order, check or warrant, or providing verifiable documentation to the seller to allow the seller to readily determine that the sale is for government business; (3) Sales to the extent paid for with food coupons, food stamps or other types of certificates issued under the Food Stamp Act;

I. Fish. Sales of fish subject to tax under Chapter 4.21;

J. Funeral. Sales of cemetery plots, caskets, burial items, and funeral services sold by a funeral home;

K. Government and Tribal Entities. Sales to the United States government, the state and its political subdivisions, a federally recognized Indian tribe, the city or any department thereof; provided however, that the exemption shall not be applicable to the sales of materials and supplies to contractors for the construction or manufacture of property for government agencies or tribal entities on a contract bid award, in which the contractor shall be deemed the buyer or consumer or user subject to payment of the tax;

L. Health and Medical. (1) Professional services provided a person licensed or certified by the State of Alaska as a doctor of medicine, surgery, osteopathy, or veterinary medicine, a chiropractor, a dentist, a naturopath, an optometrist, an audiologist, a hospital, an occupational therapist, a physical therapist, a massage therapist or nurse, psychologist or psychological associate, a clinical social worker, an alcohol and drug counselor, or a marital and family therapist when the services provided require such license or certificate; (2) assisted living services provided in accordance with an assisted living plan and in an assisted living home licensed as such by the state; (3) fees for supplies, equipment and services provided by a hospital, medical, or dental clinic for patient treatment including laboratory and x-ray services; sales of prescription drugs;

M. Insurance. Sales of insurance policies, guaranty and fidelity bonds;

N. Newspapers. Carrier sales made directly to consumers or users of newspapers;

O. Non-Licensed Business. Sales of goods and services made by persons not required to obtain a business license under Chapter 4.16;

P. Nonprofit Organizations. Sales, services, and rentals to organizations that have obtained a 501(c)(3) or 501(c)(4) exemption certificate from the Internal Revenue Service, and which are made in the normal conduct of activity, but not to individual members or employees thereof for their own personal consumption, use or accommodation; the exemption does not apply where such organizations are engaged in business for profit or savings, or competing with other persons engaged in similar business;

Q. Professional Services. Professional services provided to a customer or client whose principal residence or place of business is not within the city of Dillingham if the services are provided or performed primarily or entirely outside the city;

R. Public Food. (1) Sales of food in school and college cafeterias and lunchrooms that are operated primarily for teachers or students and are not operated for profit; (2) sales in

dining rooms or cafeterias of food furnished by nonprofit organizations under programs wholly or partially supported by government funds;

S. Resale. Sales of goods to a wholesaler, retailer, or other purchaser if such purchaser resells the same goods, in the same or altered form, and the resold goods will not be exempt from the tax levied under this chapter. To obtain the exemption provided for in this subsection, the purchaser shall display or provide to the seller at the time of the sale a copy of the purchaser's resale certificate. If the purchaser buys goods for resale and for personal or other use at the same time, only the goods that are sold for resale are exempt. Supplies, services, tools, repair services, equipment or other goods or services purchased to support a business but not for resale are not exempt;

T. Tax Cap. The selling price amount of any sale (other than the rental or lease of real or personal property or any provision of services) in excess of five thousand dollars. For purposes of this exemption the following rules apply:

1. For purposes of computing the sales price of multiple items purchased at the same time, which are delivered to the consumer on one date, shall be combined. If the consumer is purchasing a number of items for a construction, improvement, or renovation package the sales price of the multiple items purchased at the same time as a package shall be combined even though delivery or payment for some of the items may be made at different times. A "package" is defined as an arrangement where the buyer or seller have obtained all required permits (i.e., city land use permit or other building permit), and there is a written agreement with seller identifying the total price being paid.

2. Each payment for a single item paid for on an installment basis shall be considered a separate sale with the exception that installment payments for snow machines, ATVs, boats, boat motors, and vehicles that are seller-financed by a business operating within the city or by a financial institution are subject to the sales tax cap on the total amount of the sale.

3. For purposes of computing the amount of any sale or transaction, items purchased on account or on credit on different days shall not be combined and treated as a single sale or transaction.

Section 3. Amendment to Section 4.16.020. Section 4.16.020 of the Dillingham Municipal Code is hereby amended as follows with new text displayed in **bold** and underlined font and deleted text displayed in strike out font.

4.16.020 Definitions.

"Business" means:

A. A person (as defined in Section 4.20.020, partnership, corporation or company of any sort providing goods or services within the city **for a profit** ~~which received gross revenues in excess of ten thousand dollars the preceding calendar year or is expected to receive gross revenues in excess of ten thousand dollars in the current calendar year.~~

Section 4. Amendment to Section 4.16.030. Section 4.16.030 of the Dillingham Municipal Code is hereby amended as follows:

4.16.030 Application for license.

...(subsections D-E omitted)

Section 5. Amendment to Section 4.16.040. Section 4.16.040 of the Dillingham Municipal Code is hereby amended as follows with new text displayed in **bold** and underlined font 4.16.040(C) is inserted to read as follows:

4.16.040 Fee.

Each applicant shall be accompanied by the fee or a request for a waiver.

C. Regularly operated nonprofit events will be required to file an application to be exempted from paying a license fee.

Section 6. Effective Date. This ordinance is effective upon January 1, 2018.

PASSED and ADOPTED by a duly constituted quorum of the Dillingham City Council on _____.

Alice Ruby, Mayor
[SEAL]

ATTEST:

City Clerk

CITY OF DILLINGHAM, ALASKA

ORDINANCE NO. 2017-09

AN ORDINANCE OF THE DILLINGHAM CITY COUNCIL AMENDING CHAPTER 2.12.050 TO MODIFY POSTING TIME OF ENACTED ORDINANCES

WHEREAS, the City has become aware of the need to clarify the posting period following ordinance enactment;

NOW THEREFORE BE IT ENACTED BY THE DILLINGHAM CITY COUNCIL:

Section 1. Classification. This is a code ordinance.

Section 2. Amendment of Section 2.12.050. Section 2.12.050 of the Dillingham Municipal Code is hereby amended as follows with new language underlined and **emboldened**.

2.12.050 Presentation and hearing of ordinances.

A proposed ordinance may be presented for consideration only by a member or committee of the council, the mayor or the city manager at any regular or special meeting of the council. Ordinances may be introduced by reading the title only and shall be read in full only when requested by a majority of the council or unless otherwise provided by law. Upon presentation, a proposed ordinance shall be rejected, deferred, reworded, or accepted as introduced by a majority vote of the council. After acceptance the council shall publish the proposed ordinance and a notice setting out the time and place for a public hearing on the proposed ordinance. The public hearing of a proposed ordinance shall follow publication by at least five days; it may be held at a regular or special council meeting. At the public hearing, copies of the proposed ordinance must be made available to the public or must be read in full. All interested persons shall have an opportunity to be heard.

After the hearing, the council shall consider the proposed ordinance and may adopt it without amendment. The council shall print and make available copies of adopted ordinances.

As used in this section, the term “publish” means that the proposed ordinance and notice of hearing shall be posted in three public places, to be determined by the city clerk, for at least five days, as well as published in full or by summary once in a paper of general circulation distributed in the city. Within three **business** days following enactment, the ordinance shall be posted in full in three public places within the city

Section 3. Effective Date. This ordinance is effective upon passage.

PASSED and ADOPTED by a duly constituted quorum of the Dillingham City Council on _____.

Alice Ruby, Mayor
[SEAL]

ATTEST:

Lori Goodell, City Clerk

CITY OF DILLINGHAM, ALASKA

ORDINANCE NO. 2017-10

AN ORDINANCE OF THE DILLINGHAM CITY COUNCIL AMENDING DILLINGHAM MUNICIPAL CODE TITLE 4 – REVENUE AND FINANCE BY THE ADDITION OF A NEW CHAPTER 4.24 IMPOSING AN EXCISE TAX ON CIGARETTES AND TOBACCO PRODUCTS

WHEREAS, Alaska has some of the nation’s highest rates of smoking and tobacco use; and

WHEREAS, an excise tax on tobacco products benefits public health through decreased tobacco use; and

WHEREAS, an excise tax on tobacco products will generate additional revenues for the city;

NOW, THEREFORE, BE IT ENACTED BY THE DILLINGHAM CITY COUNCIL:

Section 1. Classification. This is a code ordinance.

Section 2. Amendment to Title 4. That Dillingham Municipal Code Title 4 – Revenue and Finance is hereby amended by the addition of a new Chapter 4.24 – Excise Tax on Cigarettes and Tobacco Products to read as follows:

Chapter 4.24

EXCISE TAX ON CIGARETTES AND TOBACCO PRODUCTS

Sections:

- 4.24.010** Definitions.
- 4.24.020** Tax on cigarettes.
- 4.24.030** Tax on other tobacco products.
- 4.24.040** Intent and purpose of chapter and taxpayer.
- 4.24.050** Exemptions.
- 4.24.060** Registration required to acquire cigarettes and other tobacco products exempt of tax for resale outside the city; eligibility of applicant.
- 4.24.063** Expiration and renewal of registration.
- 4.24.065** Suspension or revocation of registration.
- 4.24.070** License required for dealers in cigarettes or tobacco products; issuance.
- 4.24.080** License fee.
- 4.24.090** Expiration and renewal of licenses.
- 4.24.100** Transfer of license.
- 4.24.110** Refund of tax or license fee.
- 4.24.120** Display of license; surrender of license; suspension or revocation of license.

<u>4.24.125</u>	Tax returns.
<u>4.24.130</u>	Involuntary returns.
<u>4.24.135</u>	Amended tax returns.
<u>4.24.140</u>	Application of payments.
<u>4.24.145</u>	Prohibited acts and penalties.
<u>4.24.150</u>	Civil fraud.
<u>4.24.155</u>	Tax lien.
<u>4.24.160</u>	Interest on unpaid tax.
<u>4.24.165</u>	Taxpayer, licensee, cardholder, or other person remedies.
<u>4.24.170</u>	Reports by manufacturers.
<u>4.24.175</u>	Inspection and maintenance of documents and records.
<u>4.24.180</u>	Administrative regulations.
<u>4.24.185</u>	Confidentiality of records.

4.24.010 - Definitions.

The following words, terms and phrases, when used in this chapter, shall have the meaning ascribed to them in this section, except where the context clearly indicates a different meaning:

“Brought into or acquired” includes all manners, ways, and modes of bringing into or obtaining cigarettes or tobacco products in the city.

“Buyer” means a person who brings into or acquires in the city cigarettes or other tobacco products for his own consumption from any source other than a manufacturer, distributor, direct-buying retailer or retailer.

“Cigarette” means a roll for smoking of any size or shape, made wholly or partly of tobacco, whether the tobacco is flavored, adulterated, or mixed with another ingredient, if the wrapper or cover of the roll is made of paper or a material other than tobacco.

“Direct-buying retailer” means a person who is engaged in the sale of the cigarettes or other tobacco products at retail in the city, and who brings or causes them to be brought into the city.

“Distributor” means a person who brings cigarettes or other tobacco products or causes them to be brought into the city, and who sells or distributes them to others for resale.

“Inventory count” means the effective date and details of a count by description, including the trade name and brand, purchase price and total quantity on-hand of all cigarettes and other tobacco products. Detail must be subtotaled and distinguished between cigarettes and other tobacco products which are taxable and cigarettes and other tobacco products which were acquired exempt of the city excise tax under this chapter.

“Manufacturer” means a person who makes, fashions, or produces cigarettes, or other tobacco products for sale to distributors, direct-buying retailers, or other persons within the city.

“Other tobacco products” means:

- (a). A cigar;
- (b). A cheroot;
- (c). A stogie;
- (d). A perique;
- (e). Snuff and snuff flour;
- (f). Smoking tobacco, including granulated, plug-cut, crimp-cut, ready-rubbed, and any form of tobacco suitable for smoking in a pipe or cigarette;
- (g). Chewing tobacco, including cavendish, twist, plug, scrap, and tobacco suitable for chewing;
- (h). An article or product made wholly or in part of tobacco or a tobacco substitute or otherwise containing nicotine that is expected or intended for human consumption, but not including a tobacco substitute prescribed by a licensed physician or a product that has been approved by the United States Food and Drug Administration for sale as a tobacco use cessation or harm reduction product or for other medical purposes and which is being marketed and sold solely for that approved purpose;
- (i). Any noncombustible device that provides a vapor of liquid nicotine to the user or relies on vaporization of any liquid or solid nicotine, including devices manufactured as e-cigarettes, e-cigars, e-pipes or under any other product name.

“Person” includes an individual, company, partnership, joint venture, joint agreement, association (mutual or otherwise), corporation, estate, trust, business trust, receiver or trustee, syndicate, or political subdivision of this state, or combination acting as a unit including individuals who are employees or officers of any of the such entities who are under a duty to perform an act concerning which a violation of this chapter could occur. It is the intent of this chapter that such persons be personally liable for unremitted taxes.

“Place of business” means a place where cigarettes or other tobacco products are sold, or where they are brought or kept for the purpose of sale or consumption, including a vessel, vehicle, airplane, or train.

“Purchase” means the acquisition of ownership or possession of cigarettes or other tobacco products from any source.

“Retail” means a sale to a customer or to any person for any purpose other than for resale.

“Retailer” means a person in the city who is engaged in the business of selling cigarettes or other tobacco products at retail.

“Sale” includes a sale, barter, exchange, and every other manner of transferring the ownership of personal property.

“Tax” means the cigarette and other tobacco products excise tax assessed pursuant to this chapter.

“Tax return” means the monthly report to be submitted to the department as required by this chapter.

“Vending machine operator” means a person who brings or causes cigarettes or tobacco products to be brought into the city and who owns or operates a vending machine that dispenses cigarettes, whether the vending machine is installed on the person’s own premises or installed elsewhere.

“Wholesale price” means the established price for which a manufacturer sells a tobacco product to a distributor or other person, after deduction of a discount or other reduction received by the distributor for quantity or cash.

4.24.020 Tax on cigarettes.

A. The municipality hereby levies an excise tax of **100** mils on each cigarette brought into the city after December 31, 2017. Cigarettes upon which the tax is imposed are not again subject to the tax when acquired by another person.

4.24.030 Tax on other tobacco products.

A. An excise tax of **45** percent of the wholesale price is levied on tobacco products, other than cigarettes, brought into the city. The tax is levied effective January 1, 2018. Tobacco products upon which this tax is imposed are not again subject to this tax when acquired by another person.

4.24.040 Intent and purpose of chapter and taxpayer.

A. It is the intent and purpose of this chapter to collect the tax from the person who:

1. first acquires the cigarettes or other tobacco products within the city;
2. brings or causes cigarettes or other tobacco products to be brought into the city;
3. makes, manufactures, or fabricates cigarettes or other tobacco products in the city; or
3. ships or transports cigarettes or other tobacco products into the city.

B. Notwithstanding anything to the contrary contained in this chapter, the taxpayer shall be those persons described in this section and no others.

4.24.050 Exemptions.

A. Supremacy Clause

The tax imposed under this chapter does not apply to cigarettes and other tobacco products if the United States Constitution or other federal laws prohibit the levying of this tax on such products by the city.

B. Resale Outside the City

Provided all persons otherwise subject to this chapter comply with its requirements, cigarettes and other tobacco products:

1. brought into or acquired in the city;
2. transported outside of the city; and

3. which are for resale outside the city by a merchant with an Alaska State business license carrying an Alaska State tobacco endorsement thereon.

4.24.060 Registration required to acquire cigarettes and other tobacco products exempt of tax for resale outside the municipality; eligibility of applicant.

A. No person may acquire cigarettes or other tobacco products in the city exempt of the tax unless that person has registered with the department in accordance with this chapter. No licensee shall claim any deduction under this chapter unless cigarettes or other tobacco products for which any deduction is claimed have been sold or transferred to a person registered with the department in accordance with this chapter prior to such sale or transfer.

1. Any person whose principal place of business is located outside the City and who acquires cigarettes or other tobacco products in the City for resale outside the City at his or her principal place of business may apply for registration with the department to acquire cigarettes or other tobacco products in the City exempt of the tax provided such person has a valid State of Alaska business license with a tobacco endorsement and relevant line of business code or equivalent thereon.
2. A business having more than one location outside the City shall apply with the department to register each separate location that will or does receive tax-exempt cigarettes and other tobacco products directly from a distributor in the City.

B. Application for registration to acquire cigarettes or other tobacco products in the City exempt of the tax shall be on a form provided by the department, and shall include the following information and such other information as the department may require:

1. The applicant's name and mailing address;
2. A copy of the applicant's current State of Alaska business license, including a tobacco endorsement and the line of business (LOB) code or equivalent;

3. The business name and location(s) where cigarettes and other tobacco products will be sold;
 4. The applicant's signature, firmly binding the applicant, to an agreement that, in the event the department revokes the applicant's registration in accordance with Section 4.24.065, the applicant will become ineligible to register under this section for a period of five years, beginning with the date of revocation;
 5. The applicant's signature confirming that the applicant fully understands the relevant compliance requirements of this chapter;
 6. Each signature shall be by a person or agent having such authority to sign and bind the applicant and shall be under penalty of prosecution for unsworn falsification.
- C. All persons registered under this section shall maintain compliance with all relevant State of Alaska laws and administrative requirements related to the registered business, including but not necessarily limited to: business license, tobacco endorsement, and any related required periodic reporting.
- D. All persons applying for registration under this section shall be current with all financial obligations due to the City.
- E. A registration under this section is valid from the date the department approves registration until December 31 that year.
- F. The department may refuse to register an applicant if there is reasonable cause to believe that
1. The applicant has structured its business organization to avoid ineligible status;
 2. The applicant has structured its business to avoid payment of amounts due under this chapter; or
 3. The applicant is responsible for any act or omission by any person which withholds, misstates or provides false or misleading information required by the department.
- G. A person whose registration is revoked becomes ineligible to register under this section for a period of two years, beginning with the date of revocation.
- H. A natural person whose acts result in revocation of registration becomes ineligible to register under this section.
- I. The department shall maintain and publish a current listing of businesses registered under this section for use by a licensee to confirm if a merchant customer is eligible to purchase cigarettes and/or other tobacco products exempt of the tax imposed by this chapter.

4.24.063 - Expiration and renewal of registration.

- A. Registration under section 4.24.060 expires on December 31. A person, upon application to the department, may, on or before December 31, renew registration for one calendar year from the expiration date.
1. If there is a change in ownership of the registered business, registration shall automatically expire.

2. If the person who signed the application ceases to have the authority to bind the registered business, then registration shall automatically expire.
3. If the name of the registered business is changed or the registered business is moved to another location, the registration shall automatically expire. Upon application to the department, registration may be renewed without fee for the new name and/or new location of the business for the balance of the 12-month term of registration.

4.24.065 - Suspension or revocation of registration.

- A. The department may suspend or revoke a person's registration under section 4.24.060 for any violation of this chapter by the officers, directors, owners, members, or employees of the applicant business.
- B. If a person who is ineligible to register under section 4.24.060 becomes an owner, partner, member, officer, director, or manager of a registered business, registration of that business shall be automatically revoked.

4.24.070 License required for dealers in cigarettes or tobacco products; issuance.

- A. No person may sell, purchase, possess, or acquire cigarettes or tobacco products in the city as a manufacturer, distributor, direct-buying retailer, vending machine operator, or buyer without a license issued under this chapter.
- B. The department, upon application and payment of the fee, shall issue a license to the applicant. A copy of the applicant's active State of Alaska business license with a tobacco endorsement is required and must accompany the application. The application must include the following information:
 1. the applicant's name and address;
 2. the name under which the cigarette or tobacco products business will be conducted;
 3. the applicant's cigarette or tobacco products business categories as a manufacturer, distributor, direct-buying retailer, vending machine operator, or buyer;
 4. in the case of vending machine operator, the number of vending machines which will be operated; and
 5. other information required on the department's application form.
- C. The department may refuse to issue a license if there is reasonable cause to believe that the applicant has willfully withheld information requested to determine the applicant's eligibility to receive a license, or if there is reasonable cause to believe that information submitted in the application is false or misleading and is not made in good faith.

- D. A license required by this chapter is in addition to any other license required by law.
- E. A license issued under this chapter shall include:
 - 1. the name and address of the licensee and name of licensed business;
 - 2. the type of business to be conducted;
 - 3. the address at which the business is conducted; and
 - 4. the year for which the license is issued.

4.24.080 License fee.

A. For each license issued under this chapter, and for each renewal, the fee is \$50 per calendar year. This license shall be in addition to the regular business license required under Dillingham Municipal Code (DMC).

4.24.090 Expiration and renewal of licenses.

A. A license issued under this chapter expires on December 31 of each respective year. A licensee, on application to the department accompanied by the renewal fee, may, before the expiration of the license, renew the license for one year from the expiration date of the license. If the licensee moves the business to another location within the city, the licensee shall, upon application to the department, be reissued a license for the new location for the balance of the unexpired term. A person whose license is lost, stolen, or defaced shall immediately file an application with the department for reissuance of the license for the balance of the unexpired term.

4.24.100 Transfer of license.

A. A license issued under this chapter is not assignable or transferable. However, in the case of death, bankruptcy, receivership on incompetency of the licensee, or if the business of the licensee is transferred to another person by operation of law, the department may in its discretion extend the license for a limited time to the executor, administrator, trustee, or receiver, or the transferee of the licensee.

4.24.110 Refund of tax or license fee.

A. The department shall not refund the license fee paid pursuant to this chapter upon the surrender or revocation of a license after the beginning of the license year. Upon application, the department may refund a license fee that is paid or collected in error.

B. If a remittance by a licensee exceeds the amount due, and the department, on audit of the account in question, is satisfied that this is the case, the department shall, upon written request of the licensee, refund the excess to the licensee without interest.

C. Any claim for refund filed more than one year after the due date of the tax is forever barred.

4.24.120 Display of license; surrender of license; suspension or revocation of license.

A. A license issued under this chapter must be prominently displayed at the licensee's place of business.

B. A licensee shall surrender a license within ten days after:

1. a revocation of a license;
2. a cessation of business;
3. change of ownership of; or
4. a change of a place of business.

C. The department may suspend or revoke a license issued under this chapter:

1. for violation of this chapter or a regulation of the city adopted pursuant to this chapter; or
2. if a licensee ceases to act in the capacity for which the license was issued.
3. If the licensee fails to submit their taxes due in a timely manner as required by Code.

D. No person whose license is suspended or revoked shall sell cigarettes or tobacco products or permit cigarettes or tobacco products to be sold during the period of the suspension or revocation on the premises occupied or controlled by that person. No disciplinary proceeding or action is barred or abated by the expiration, transfer, surrender, renewal, or extension of a license issued under this chapter.

4.24.125 Tax returns.

A. On or before the last day of each calendar month a licensee shall submit to the department a tax return, upon forms provided by the department, for each license, and submit payment for the taxes due.

1. The return shall be signed under penalty of perjury by the licensee or his agent and must include:
 - (a) the name and address of the licensee;
 - (b) the name and address of the person filing the return, if different from the licensee;
 - (c) the number of the license issued under this chapter;
 - (d) the name under which the cigarette or tobacco business is being conducted;

- (e) the number of cigarettes manufactured, brought into or acquired in the city during the preceding month from any source whatsoever;
- (f) the wholesale price of all tobacco products brought into or acquired in the city during the preceding month from any source whatsoever;
- (g) the names of persons from whom cigarettes and other tobacco products were brought into or acquired in the city during the preceding month from any source whatsoever;
- (h) the number of cigarettes brought into or acquired in the city from each person named in subparagraph g of this section;
- (i) deductions claimed for the number of cigarettes and the wholesale price of other tobacco products for which exemptions are claimed under this chapter;
- (j) deductions claimed for the number of cigarettes and the wholesale price of other tobacco products, specified in the return in response to subparagraphs e and f of this section, for which the tax has been paid previously by another person;
- (k) the amount of tax due on the nonexempt cigarettes manufactured, brought into or acquired in the city during the preceding month; and the amount of tax due based on the wholesale price of nonexempt other tobacco products manufactured, brought into or acquired in the city during the preceding month; and
- (l) other information and supporting documentation which may be required by the department with the return.

B. Each licensee shall report the cigarette and other tobacco product sales for which an exemption is claimed as a deduction on its monthly tax return to the department and shall provide a copy of an invoice or other document satisfactory to the department supporting each sale of exempt product.

C. A tax return must be filed even if there were no cigarettes or tobacco products manufactured, brought into or acquired in the city during the preceding month.

D. The taxes imposed under this chapter and the return required by this section must be received by the department or postmarked on or before the last day of each calendar month following the month covered by the return.

4.24.130 Involuntary returns.

A. If a licensee fails to file a return as required by this chapter, or when the department finds that a return is not supported by the records to be maintained pursuant to this chapter, the department may prepare and file a return on behalf of the licensee. Involuntary returns filed under this section may be premised upon any information that is available to the department, including, among other things, comparative data for similar businesses. A licensee for whom an involuntary return is filed under this section shall be subject to liability for the tax stated in the return, as well as subject to the penalties and interest provided for in this chapter. A return prepared by the department is, prima facie, good and sufficient for all legal purposes. However, nothing prevents the licensee from presenting evidence on an appeal to rebut the presumed sufficiency of a return prepared by the department, nor does

the presumption of sufficiency alter the parties' respective burdens of proof once the licensee has presented evidence to rebut that presumption.

4.24.135 Amended tax returns.

A. Any tax return filed hereunder may be amended by the licensee within one year after the due date of the tax return being amended. No amendment by the licensee shall be allowed after this one-year period.

B. Any tax return prepared and filed by the department on behalf of the licensee may be amended by the licensee within one year of the date filed by the department. No amendment by the licensee shall be allowed after this one-year period.

4.24.140 Application of payments.

A. Any payment submitted to the department for any taxes, penalties, interest, or cost due under any provision of this chapter or any return or any finding or determination by the department under this chapter shall be credited to the monthly tax period for which remitted, first to the payment of costs and then to penalties, interest, and taxes in that order.

4.24.145 Prohibited acts and penalties.

No person may:

1. import cigarettes or other tobacco products into the city;
2. sell, transfer or acquire cigarettes or other tobacco products in the city; or
3. participate in the importation into the city or in the sale, transfer, or acquisition within the city of cigarettes or other tobacco products in violation of or without complying with the provisions of this chapter.

B. If a person fails to pay the full amount of the tax due and/or file a tax return or report required under this chapter by the due date, a penalty of 10% of the taxes due shall be assessed.

1. The penalty shall be computed on the unpaid balance of the tax liability as determined by the department.
2. The penalties provided for in this section shall be in addition to all other penalties and interest provided for under this chapter.

C. If a properly filed amended return reduces the total tax liability or the tax required to be paid, or the department reduces the tax liability, the related penalty will be reduced accordingly.

D. All penalties and remedies enumerated in this chapter are cumulative.

4.24.155 Tax lien.

A. If any person who is liable to pay a tax or license fee under this chapter neglects or refuses to pay the tax or licensee fee after demand, the amount, including interest, additional amounts, or assessable penalty together with costs, is a lien in favor of the city upon all property and rights to property, real or personal, belonging to that person.

B. The lien imposed by this section arises upon delinquency and continues until the amount is paid or a judgment against the person arising out of the liability is satisfied.

C. A lien arising out of a tax due under this chapter, including the penalties and interest on the tax, is, subject to A.S. [29.45.300](#), a lien prior, paramount, and superior to all other liens, mortgages, hypothecation, conveyances, and assignments, upon all real and personal property of the person liable for the tax and upon all the real and personal property used with the permission of the owner to carry on the business which is subject to the tax.

D. The lien on personal and real property may be enforced as provided in A.S. [29.45.300](#) – [29.45.480](#) for enforcement of real and person property tax liens.

4.24.160 Interest on unpaid tax.

A. In addition to any penalties imposed by this chapter, interest at the rate of 6 percent per annum shall be charged on the unpaid balance of delinquent taxes.

4.24.165 Administrative Hearings - Taxpayer, licensee, cardholder or other person remedies.

A. Any person aggrieved by any action of the department in issuing, suspending, revoking, or refusing to issue any license or registration for exemption under this chapter or in fixing the amount of taxes, penalties, interest, or costs under this chapter should provide written protest notice to the department. The city will rule on each protest within 30 days of receipt of the notice by the city.

4.24.170 Reports by distributors.

A. No later than the end of each calendar month, a distributor shall submit a report to the city stating:

1. a list of the tobacco products, the quantity and their wholesale price and the number of cigarettes which were brought into the city from the distributor during the preceding month;
2. the name and addresses of those persons bringing cigarettes and tobacco products into the city from the distributor during the preceding month; and
3. a list of the quantity of tobacco products, the wholesale price, and the number of cigarettes brought from the distributor into the city by each person named in paragraph 2 of this section.

4.24.175 Inspection and maintenance of documents and records.

A. Every person subject to this chapter shall keep a complete and accurate record of all cigarettes and other tobacco products manufactured, purchased, sold, brought into, transported outside of, or acquired in the city by such person.

1. Except in the case of a manufacturer, the records shall include a statement containing the name and address of the person from whom cigarettes or other tobacco products were purchased or acquired, the date of delivery, the quantity of cigarettes and other tobacco products, the trade name and brand, and the price paid for other tobacco products purchased.

2. Each invoice or other documentation of the sale of cigarettes or other tobacco products within the city shall state whether the tax imposed under this chapter has been paid.

3. Persons subject to this chapter shall keep such other documents and records as the department prescribes.

4. All documents and records required by this section shall be preserved by persons subject to this chapter for three years. All records and documents required by this chapter to be kept or retained are subject to inspection within the city upon demand by the department.

B. A licensee transferring or selling cigarettes or other tobacco products to a Section 4.24.060 registrant must keep a record of cigarettes and other tobacco products transferred or sold to such person.

C. The finance director may, during business hours, enter the business premises of a licensee where cigarettes or other tobacco products are kept or stored, so far as it may be necessary for the purpose of examining such products and the related business records.

4.24.180 Administrative regulations.

A. The finance director, or designee, may adopt regulations providing for the application and interpretation of this chapter and providing methods and forms for reporting and collecting the tax imposed by this chapter.

4.24.185 Confidentiality of records.

A. All tax returns, documents, records, and/or reports filed with the city pursuant to the provisions of this chapter and all data obtained from such tax returns, documents, records, and/or reports are confidential and may not be released for inspection by any person except the finance department; provided, however, that such data may be released upon court order.

B. It is the duty of the finance director to safely keep tax returns, documents, records, and/or reports and all data taken thereof secure from public and private inspection except as provided by this chapter.

C. This section does not prohibit the city from compiling and publishing statistical evidence concerning the data submitted; provided, that no identification of particular tax returns, documents, records, and/or reports is made. Nothing in this section shall be deemed to prohibit the finance director from examining the tax returns, documents, records, and/or reports; provided, that no information obtained from specific or identifiable tax returns shall be made available to persons other than those authorized to review them under subsection A of this section.

Section 3. Amendment to Section 1.20.040. That Dillingham Municipal Code Section 1.20.040 - Minor offense fine schedule is amended to by the addition of new language to read as follows:

Code Section	Offense	Penalty/Fine
4.24.	Failure to register as distributor	\$300 first offense \$500 second offense
4.24.	Failure to file excise tax return	\$300 first offense \$500 second offense
4.24.	Falsifying excise tax records	\$300 first offense \$500 second offense
4.24.	Failure to allow inspection of records	\$300 first offense \$500 second offense

Section 4. Effective Date. This ordinance is effective upon passage.

PASSED and ADOPTED by a duly constituted quorum of the Dillingham City Council on _____.

Alice Ruby, Mayor

ATTEST:

[SEAL]

Lori Goodell, City Clerk



CITY OF DILLINGHAM
Registration to Acquire Tax Exempt
Cigarettes & Tobacco Products
Registration Period : Jan 1, 2018 - Dec 31, 2018

Important Notice: This form is applicable only to those merchants whose principal place of business is located outside the City and who acquire cigarettes and other tobacco tax products in the City from distributors for resale outside the City at their principal place of business.

SECTION I. APPLICANT NAME & BUSINESS LICENSE INFORMATION

1. Business Name as shown on the Alaska Business License:

2. Alaska Business License #

3. Federal EIN

4. Doing business as (DBA)

5. Business Mailing Address

6. Business Phone #

7. Business Fax #

8. Business Email

SECTION II. PRIMARY CONTACT INFORMATION

9. Name

10. Title

11. Phone #

12. Fax #

13. Email

5. Mailing Address (if different from address in Section I)



CITY OF DILLINGHAM
 Registration to Acquire Tax Exempt
Cigarettes & Tobacco Products
 Registration Period : Jan 1, 2018 - Dec 31, 2018

**SECTION III. SUPPLIERS FROM WHOM EXEMPT CIGARETTES
 AND OTHER TOBACCO PRODUCTS WILL BE ACQUIRED**

	DILLINGHAM BUSINESS NAME	CUSTOMER #
1		
2		

**SECTION IV. RETAIL LOCATIONS WHERE CIGARETTES
 AND OTHER TOBACCO PRODUCTS WILL BE RESOLD**

	STREET ADDRESS, CITY, & ZIP CODE	AK BUSINESS LICENSE #
1		
2		

SECTION V. BINDING AGREEMENTS

Initial each of the binding agreements below after printing out the form.

Applicant fully understands the applicable requirements of DMC Chapter 4.24 (DMC 4.24.060).

In the event the applicant's registration is revoked by the department, applicant will become ineligible to register under DMC Chapter 4.24 for a period of 5 years beginning with the date of revocation DMC 4.24.060

SECTION VI. AFFIRMATION & SIGNATURE

AFFIRMATION

I certify under penalty of unsworn falsification that the statements made and information contained on this form are true and correct, to the best of my knowledge, information and belief. If signing for a commercial entity, I have full authority to do so.

Name (Print)

Title

Signature

Date

Send to:
 City of Dillingham
 PO Box 889,
 Dillingham, Alaska 99576



Cigarette and Tobacco Products Tax Return

Name of Tobacco Licensee:	Return for the Month of:	Year:	License Number:
Address:		Phone Number of Preparer:	Email of Preparer:

- 1 . Total carried forward from Supporting Schedules:
 - a. Number of cigarettes manufactured, imported or acquired during the month (1) (a) _____
 - b. Less deductions for sales to Registrants (see instructions) (1) (b) _____
 - c. Less other deductions (see instructions) (1) (c) _____
- 2 . Total number of taxable cigarettes (line 1a less lines 1b and 1c) (2) _____
- 3 . Tax @ 100 mills per cigarette (Multiply line 2 by 0.10) (3) _____
- 4 . Totals carried forward from Supporting Schedules:
 - a. Wholesale price of OTP manufactured, imported or acquired during the month (4) (a) _____
 - b. Less deductions for sales to Registrants (see instructions) (4) (b) _____
 - c. Less other deductions (see instructions) (4) (c) _____
- 5 . Total wholesale price of taxable OTP (line 4a less lines 4b and 4c) (5) _____
- 6 . Tax @ 45% (Multiply line 5 by 0.45) (6) _____
- 7 . Total cigarette and OTP tax due (Add lines 3 and 6) (7) _____
- 8 . Penalty (10% of tax due) (8) _____
- 9 . Interest (6% per annum from date of delinquency) (9) _____
- 10 . Adjustments from previous month (10) _____
- 11 . Total Due (add lines 7 through 10) (11) _____

I declare, subject to the penalties prescribed in the City of Dillingham ordinances, that this report (including any accompany log) has been examined by me, and to the best of my knowledge and belief is a true, correct and complete report.

Date _____ Signature _____

Office Use Only

Agent Initials _____ Postmark Date _____ Enter Date _____ Check # _____

Visa Cash



Cigarette and Tobacco Products Tax Return

SUPPORTING SCHEDULE

INSTRUCTIONS: Prepare a separate schedule for each type of transaction. Attach a copy of each listed invoice or other record satisfactory to the department to the appropriate schedule. Attach the schedule to the City of Dillingham Cigarette and Tobacco Products Tax Return.

Name of Tobacco Licensee	License Number	Month	Year
--------------------------	----------------	-------	------

Check One:

- Cigarettes and other tobacco products manufactured, imported or acquired.
- Deductions for sales to Registrants.
- Other Deductions

Business Name of Supplier or Purchaser	Customer, Member or Registrant Number	Invoice Number	Invoice Date	Number of Cigarettes	OTP Wholesale Price
Total Number of Cigarettes					
Total Wholesale Price of OTP					



CITY OF DILLINGHAM
Cigarettes & Tobacco Products
2018 License Application

City of Dillingham
PO Box 889
Dillingham, AK 99576
(907) 842-5211

1. Business Name as shown on the Alaska Business License:

2. Alaska Business License #

3. Federal EIN

4. Doing business as (DBA)

5. Business Mailing Address

6. Business Phone #

7. Business Fax #

8. Business Email

9. Primary Contact Name

10. Primary Contact Title

11. Primary Contact Phone #

12. Primary Contact Fax #

13. Primary Contact Email

14. Type of Authorized Business Activity

- A. Buyer
- B. Retailer
- C. Distributor
- D. Manufacturer
- E. Vending Machine Operator

<input type="checkbox"/>



CITY OF DILLINGHAM
Cigarettes & Tobacco Products
2018 License Application

City of Dillingham
PO Box 889
Dillingham, AK 99576
(907) 842-5211

15. Physical location where cigarettes & other tobacco products will be sold:

1	
2	
3	

16. Suppliers where applicant will acquire cigarettes & other tobacco products .

Retailers, direct-buying retailers, buyers, and vending machines must complete this section.

Supplier Name	Supplier's Complete Address

17. A copy of your State of Alaska Cigarette and Tobacco Products License issued under AS 43.50.010-.390, in addition to the \$50 license fee must accompany this application.

AFFIRMATION

I certify under penalty of unsworn falsification that the statements made and information contained on this form are true and correct, to the best of my knowledge, information and belief. If signing for a commercial entity, I have full authority to do so.

Name (Print)

Title

Signature

Date

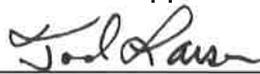
City of Dillingham Action Memorandum Agenda of: December 7, 2017

Action Memorandum No. 2017-18

Subject:

Authorize administrative leave for Christmas and New Year's Holiday

City Manager: Recommend Approval

Signature: 

Fiscal Note: Yes No

Funds Available: Yes No

Other Attachments:

- None

Summary Statement:

In lieu of a Christmas gift or bonus as a way of expressing their appreciation to the City's staff, the City Council has approved administrative leave over the Christmas and New Year's Holiday. Administrative leave is for straight time only. Those positions that are essential have the opportunity to utilize this day at another time. For 2017, the City administration has proposed administrative leave for Tuesday, December 26, and Tuesday, January 2, 2018. We would truly appreciate the Council's consideration for this proposal.

Action Memorandum No. 2017-18

Summary Statement continued:

PASSED and APPROVED by a duly constituted quorum of the Dillingham City Council on _____.

Mayor

ATTEST:

[SEAL]

City Clerk

Route to	Department Head	Date
X	Finance Director	
X	City Clerk	

Action Memorandum No. 2017-19

Subject:

Authorize City Manager to enter into a new Contract with Premera Health with an increased deductible; and authorize change in the HRA to reimburse employee expenses from \$1,000 to \$3,000

City Manager: Recommend Approval

Signature: *Jordan* 11/29/17

Fiscal Note: Yes No

Funds Available: Yes No

Other Attachments:

Summary Statement:

For 2018 the Finance Committee reviewed health/dental insurance options provided by the City insurance broker. City received insurance quotes from Premera, Moda, and Aetna. Premera (the City's current health/dental insurance provider) offered the most competitive rates.

Renewing the City's existing insurance plan with Premera would cost the City an additional \$106K (estimated) in 2018. The City's current health insurance plan has a \$2,000 deductible. In addition, the City has an HRA plan that would reimburse employees/dependents for annual medical expenses incurred from \$750 to \$2,000.

Finance Committee decided to change the health insurance plan to one with a higher deductible (\$3,000). The selected plan would increase City expense in 2018 by an additional \$17K (estimated). Finance Committee decided to renew the City's current dental insurance plan. This plan would increase City expense in 2018 by an additional \$5K (estimated). In addition, the Finance Committee has requested that the HRA Plan be changed to now cover medical expenses incurred from \$1,000 to \$3,000.

Action Memorandum No. 2017-19

Summary Statement continued:

PASSED and APPROVED by a duly constituted quorum of the Dillingham City Council
on _____.

Mayor

ATTEST: [SEAL]

City Clerk

Route to	Department Head	Date
X	Finance Director	
X	City Clerk	

Alaska Sea Grant

2016–2017 Annual Report



YEAR IN REVIEW

Welcome to our 2016–2017 annual report! In the pages ahead, we share highlights of Alaska Sea Grant’s work this past year and invite you to share your feedback.

During the year, we’ve furthered our mission to sustain Alaska’s healthy coasts, ecosystems and economies, through research education and outreach. We continue to support future leaders in science and marine policy through our traineeship and fellowship programs and K-12 learning initiatives.

Five Alaska Sea Grant State Fellows began professional assignments in federal and state agencies, including one who is working in the Office of the Lieutenant Governor helping to craft Alaska’s new climate initiative. We also have two Alaskans working in Washington, DC, as Sea Grant Knauss Marine Policy Fellows, in the office of U.S. Senator Lisa Murkowski and at the NOAA Office of Legislative and Intergovernmental Affairs.

Our marine literacy program was highly successful this year, particularly in the state’s largest school district. Together with our marine education specialist, the Anchorage School District developed a fourth-grade STEM teaching kit that is now required curriculum for thousands of students in

Alaska’s population center. It focuses on helping students learn about the salmon life cycle and how watersheds work.

It was a busy year for research and workforce development efforts as well. You’ll read about some them in the following pages. Research funded by Alaska Sea Grant on humpback whales generated international headlines, including a story in the *New York Times*. The research documented for the first time that humpback whales feed on hatchery-raised salmon when the salmon are released into the ocean. Other research garnering lots of media attention includes our efforts to promote seaweed farming as a new industry in Alaska, and monitoring tools developed by Alaska Sea Grant–sponsored scientists being used to document coastal erosion in western Alaska, particularly in Alaska Native villages.

In faculty and staff news, Sunny Rice was promoted to lead the Marine Advisory Program from her office in Petersburg. Quentin Fong became a full professor, and our Nome-based agent, Gay Sheffield, was granted tenure. We also hired Paula Dobbyn as our new communications manager. Dobbyn has been focusing on growing Alaska Sea Grant’s name recognition through media outreach, social media, a new blog and a revamped *Fishlines* newsletter. Expect to see a new Alaska Sea Grant website in 2018.

Finally, we thank you—our many partners and supporters—who took the time to defend Alaska Sea Grant in the face of proposed elimination by the White House. In March 2017, the administration proposed cutting all funding to the National Sea Grant College Program. We immediately began hearing from fishing and maritime organizations, seafood processors, coastal leaders and residents, and many others concerned about Alaska Sea Grant’s future. Dozens wrote letters in support of continued Sea Grant funding. We wholeheartedly thank the stakeholders that we serve and members of the Alaska congressional delegation for firmly backing our program. At the time of this writing, both chambers of Congress have passed budgets that will maintain Sea Grant funding in FY18. We look forward to a future of continued partnerships and service to Alaska’s communities to enhance the wise use and conservation of Alaska’s coastal resources.



Tracking whales and other marine mammals

Gay Sheffield is a champion for coastal residents of northwest Alaska who use marine mammals for food and cultural purposes. In her role as Marine Advisory agent in Nome, Sheffield routinely responds to conservation, food security and human health concerns about maritime ecological and industrial changes in the Bering Strait region. Sheffield coauthored two scientific papers this year—on bowhead whale scars and on algal toxins in mammals.

In partnership with Alaska Native coastal communities, Sheffield collected information on scars from bowhead whales recently harvested for subsistence to track frequency of line entanglements, ship strikes, and killer whale attacks, and to monitor overall whale health.

As part of Sheffield's work, algal toxins were investigated for the first time in several marine mammal species throughout Alaska. Collaborators detected the presence of algal toxins as far north as the Beaufort Sea. Sheffield helped coordinate and collect tissue from harvested, dead and stranded marine mammals for analysis, which led to the new information.

Beginning in 2011, when sick seals appeared in large numbers in the Bering Strait region, Sheffield served on a seal Unusual Mortality Event team. She provided samples from stranded seals, led education efforts and contributed to the decision to close the UME although the cause was never confirmed. She gave dozens of presentations to local and national audiences to help inform, alert and coordinate with coastal maritime subsistence food gatherers.





HEALTHY COASTAL ECOSYSTEMS

Voracious sea otters devastate shellfish

A project led by Ginny Eckert, our associate director of research, Stephen Langdon and Sonia Ibarra found that a booming sea otter population has caused a big drop in subsistence shellfish harvest in Southeast Alaska. Interviews with harvesters revealed economic hardships and a lack of access to shellfish—which sea otters eat voraciously—compared to the past.

“The issue is complex,” explained Eckert, University of Alaska Fairbanks fisheries professor. “Sea otters play a key ecological role, and yet they can have a devastating effect on shellfish resources that are important subsistence foods.”

PhD student Sonia Ibarra and Stephen Langdon, University of Alaska Anchorage anthropologist, interviewed residents and spent weeks at a time in rural communities harvesting clams with locals. Over the course of the project, Ibarra has mentored undergraduates and in 2017 was honored with the Meritorious Service award from the Alaska Chapter of the American Fisheries Society. The award recognizes her long commitment to mentoring, particularly of Alaska Native and rural Alaskan students, and her activities to increase diversity in the sciences. Ibarra is funded by a National Science Foundation fellowship.





Untangling whales



Marine Advisory agents Sunny Rice and Melissa Good helped coordinate training in Petersburg and Unalaska. "A good group of experienced people is needed to actually attempt any disentangling," Rice said.



RESILIENT COMMUNITIES AND ECONOMIES



Studying erosion with local students in Goodnews Bay

For two summers, Goodnews Bay students engaged in hands-on, professional science to benefit their community. They used ground-penetrating radar, peat corers and GPS to calculate the effects of climate change in their western Alaska village. They assisted researchers on a project to assess Goodnews Bay's ability to adapt to flooding, erosion and other hazards associated with a warming planet.

The researchers are Chris Maio, University of Alaska Fairbanks geoscientist, and PhD graduate student Richard Buzard. Buzard used decades-old military and NASA aerial surveys and modern geographic information system software to measure how the shoreline has changed over time. Maio focused on sediment cores, among other things.

Having local students and residents trained to measure coastal erosion will help the community down the road, said Maio. "They'll be able to do it all on their own prior to and after major storm events," he said. Maio and Buzard concluded that Goodnews Bay is fairly resilient to the effects of climate change.

Maio and Buzard are working on another Alaska Sea Grant-funded project in 10 villages in the Bristol Bay region. They have trained residents to use time-lapse video and survey stakes to measure coastal, river and lake erosion. The data they collect will help communities document and adapt to shoreline changes.

Adapt Alaska website launched

A changing climate poses unique challenges to coastal residents in Alaska and worldwide. To raise awareness and discuss law-based solutions, Alaska Sea Grant cosponsored the Symposium on Climate Displacement, Migration, and Relocation in Honolulu, attended by nearly 100 people.

Erin Shew, Alaska Sea Grant Knauss Fellow at the White House Council on Environmental Quality, was a key organizer. The symposium highlighted how climate change is influencing displacement of Pacific peoples because of sea level rise, including Alaska and the Marshall Islands.

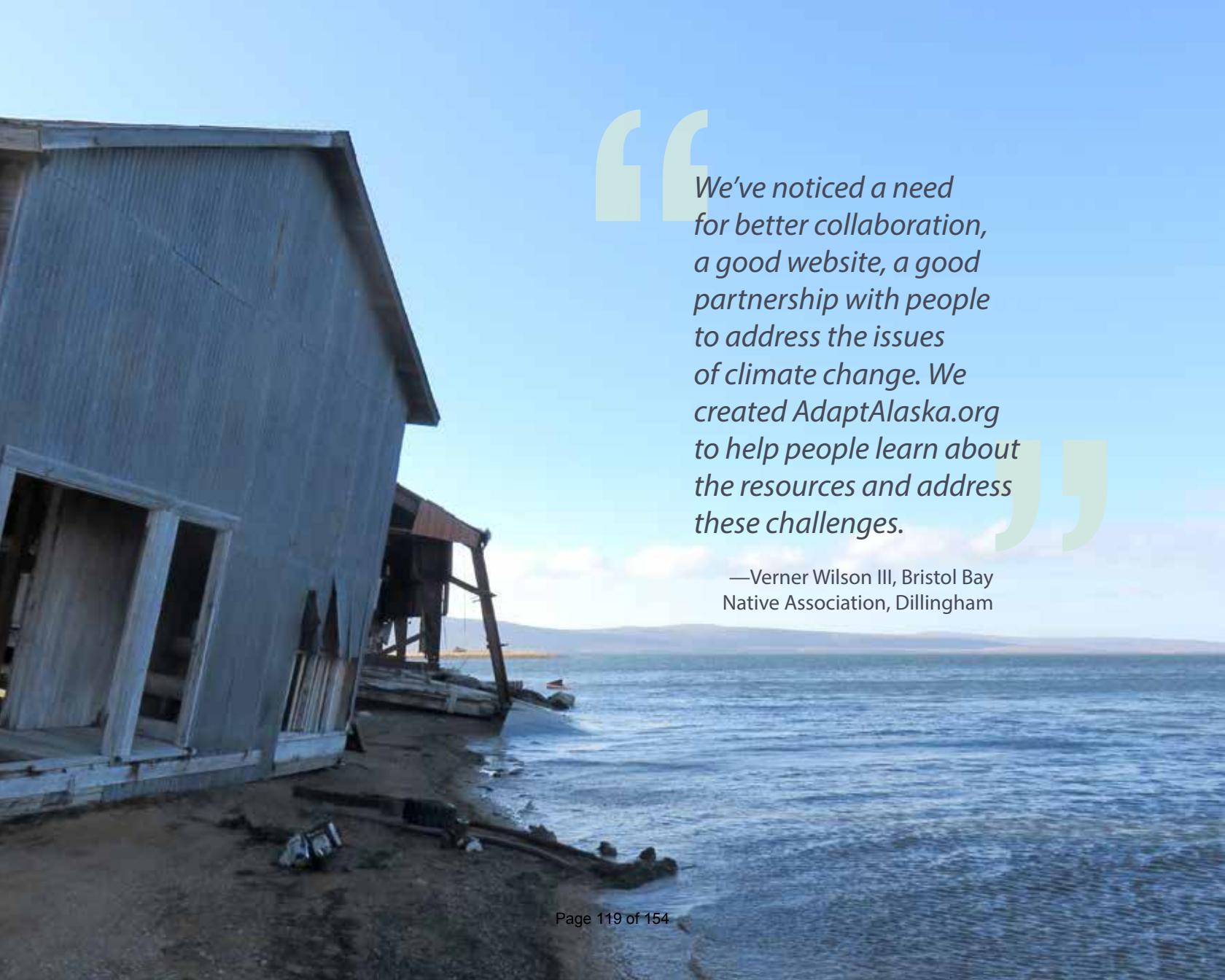
In Alaska coastal communities, coastal resilience specialist Davin Holen cohosted many workshops on adapting to climate change effects such as warming, absence of sea ice, erosion and flooding. Hundreds of participants provided ideas and suggested materials.

“This is exciting as it will be a unique framework and tool for tribes as they decide how to move forward in building more resilient communities,” said Holen of the workshop outcomes.

A key result is the Adapt Alaska website, designed to help Alaskans monitor changes, mitigate impacts, and adapt to a changing ocean and terrestrial environment from Southeast Alaska to the Arctic. The new website is a place to share stories, adaptation solutions, and links to Alaska data.

Ocean acidification, one result of climate change, is of concern to Alaskans because of their heavy reliance on fisheries. Holen and several Marine Advisory agents, with 15 partners, established the Alaska Ocean Acidification Network this year. The network enhances monitoring and engages scientists, fishing and aquaculture industries, policy makers and coastal residents.





“

We've noticed a need for better collaboration, a good website, a good partnership with people to address the issues of climate change. We created AdaptAlaska.org to help people learn about the resources and address these challenges.

”

—Verner Wilson III, Bristol Bay
Native Association, Dillingham

Battling toxins, inspiring students

Paralytic shellfish poisoning (PSP) and harmful algal blooms are a serious health risk in Alaska, and Alaska Sea Grant is deeply involved in keeping residents safe.

Some of the highest PSP toxin concentrations have been identified in the Kodiak region, where subsistence shellfish harvest is culturally and economically important. There is a strong testing program for commercial shellfish in Alaska, but no testing for personal harvest, leaving residents vulnerable to illness.

Marine Advisory agent Julie Matweyou is balancing several projects to address PSP risk in the Kodiak region. She conducted a study on shellfish toxicity in Old Harbor, which demonstrated high toxins at a popular subsistence site. Residents are now monitoring seawater there. She is coordinating development of a new rapid electrochemical field test kit for shellfish screening in remote locations. Matweyou has educated more than 760 students since 2012.

One of those students, Joan Barnowsky, a 6th grader from Old Harbor, won two awards for her science fair project on PSP. She was inspired by Matweyou.

“I was interested in clams ‘cause she had a chart that shows the toxicity of the clams, and I saw that they were unsafe, so I decided to test clams myself and help the scientist,” Barnowsky said in an interview with KMXT, referring to Matweyou.





In May 2017, when a severe PSP illness broke out, Matweyou coordinated with the state to warn the Kodiak region. It's likely that the outreach helped prevent more illnesses this year.

Harmful algal blooms (HABs) also have serious toxins, such as amnesic and diarrhetic shellfish poisoning. Alaska Sea Grant's Ginny Eckert co-lead a workshop for researchers, resource managers, industry, and shellfish harvesters to form the Alaska Harmful Algal Bloom Network. The network provides a centralized place for information on strategy and public outreach about HABs in Alaska.



SUSTAINABLE FISHERIES AND AQUACULTURE



Testing seal oil for elder home residents

Seal oil, a nutritious and highly valued traditional food, is used as a dipping sauce in Native households in Alaska.

To provide state-certified traditional foods for elders living in senior facilities, the Kotzebue-based Maniilaq Association and the state formed the Alaska Seal Oil Task Force in 2015.

With about 27 members, including Alaska Sea Grant seafood specialists Brian Himelbloom and Chris Sannito, the team is exploring oil-rendering processes that avoid botulism, to meet state food safety requirements.

They brought in Eric Johnson, a world expert in food toxins at the University of Wisconsin, who tested the traditional process. After two years of lab work and meetings the team is getting ready to wrap up its work. They have one more set of experiments to do, said Sannito.

“The end result will likely mean that the same process that has been used for thousands of years can go on as usual, with a spoonful or two of food-grade acid added to the bucket in order to immediately lower the rendering pH to a safe level,” Sannito said. “We expect confirmation by late November 2017.”

“Chris and Brian have been invaluable in their work and suggestions, and it has been a pleasure working with them.”

—Valdeko Kreil, Maniilaq Association, Kotzebue

Seafood training

The Alaska seafood processing industry continues to seek professional development and technical training. In 2016 Alaska Sea Grant taught seafood processing classes that support industry-identified, high-demand occupations, leading to advancement of employees and reinforcement for this strong economic sector.

Building on years of teaching food safety and hazard-control courses (also known as HACCP), Chris Sannito, Quentin Fong, Brian Himelbloom and others provided many opportunities for processor training. Classes included seafood processing quality control, thermal processing, smoking seafood, and processing roe.

Last year more than 100 people from 27 communities in Alaska completed seafood processing courses. Funding support came from industry fees and agency partners.

Turning fish waste into dog treats

Part of Alaska Sea Grant's core mission is to support Alaska's seafood industry, the state's largest private employer. This year seafood quality specialist Chris Sannito trained new industry leaders and supported emerging businesses in product development.

One of Sannito's pet projects was turning pollock skins into dog treats. Sannito took 500 pounds of skins to a testing and manufacturing facility in Tampa, Florida, to produce a semisoft paste with little odor but high in protein. Dogs loved it in informal taste trials.

"We have yet to find a dog that would turn them down," Sannito said.

As a result of this research, Sannito and Quentin Fong, seafood marketing specialist, received the 2017 Invent Alaska award from the UAF Office of Intellectual Property and Commercialization. The next step is to find industry partners to develop a commercialized product.







Climate change and Alaska's fisheries

The effects of climate change on Alaskans, particularly fishermen, commercial or otherwise, is a major focus for Terry Johnson. This year he melded scientific research and observations by the public and industry into the 30-page publication *Climate Change and Alaska Fisheries*.

Johnson concluded that during the working lifetime of today's younger fishermen, effects of long-term climate change on the fish they target will be profound. Some species will be affected more than others but overall warming ocean temperatures will not be cataclysmic. In 30 years most existing fisheries will continue to be productive, Johnson found, with some changes. To survive and prosper fishermen and communities will need to develop adaptive strategies.

Johnson has presented his findings at more than 10 events. *Pacific Fishing Magazine*, with the largest industry circulation in Alaska, reprinted the publication, and Seafoodnews.com, a leading online industry news service, published a story on Johnson's presentations.



A one-stop-shopping resource for Bristol Bay

The Bristol Bay sockeye fishery is the world's most valuable wild salmon fishery, at \$1.5 billion. Our Dillingham-based Marine Advisory agent Gabe Dunham lives in the heart of this sockeye salmon capital of the world. From the docks to the classroom and in the field, Dunham educates hundreds of fishermen and others in everything from vessel safety to climate change to direct-marketing their catch.

At the Bristol Bay Fish Expo in Naknek this year, Dunham spoke about marine safety and business. "People wanted to talk about the upcoming fishing season, and fish forecasts," said Dunham.

Elsewhere in the state Dunham taught workshops on safety, fishing business, boat insurance, fish quality, and crew contracts. In six coastal Alaska communities, commercial, sport, subsistence, and pleasure boat users enrolled in Dunham's outboard engine maintenance workshop. The popular class has spread to Kodiak, Homer and Southeast Alaska where it is taught by other instructors.



NOAA Permit #14122

Groundbreaking research on humpback whale behavior

Alaska Sea Grant-funded researchers are the first to scientifically document that humpback whales eat juvenile salmon released from hatcheries.

Prompted by video taken by a hatchery owner, PhD student Ellen Chenoweth observed the whale feeding behavior from 2010 to 2015. The whales were hanging out in shallow water around a hatchery release site in Southeast Alaska and gobbling up young salmon, rather than their usual favorite food item, krill.

“It is part of a seasonal feeding strategy and, in some cases, they return year after year,” Chenoweth told *New Scientist* magazine. The research showed that humpback predation is significantly affecting the survival of hatchery-released salmon.

Chenoweth’s paper in the journal *Royal Society Open Science* received widespread media attention in the *New York Times*, *Science News*, *Food & Wine*, and the *Daily Mail*.

Do fishing locations change based on climate shifts?

Ocean changes can have dramatic implications for coastal communities and economies. How far north are fishermen willing to follow shifting fish populations? Are fishing trips longer during warmer years, causing fishermen to spend less time in port communities? Fishery managers, communities and industry players need answers to these questions and others so they can prepare for the environmental changes happening in our state.

Researchers Franz Mueter and Jordan Watson used data from 30,000 fishing vessel trips over seven years, considering items including ship locations, fishing landings and observer data to figure out how fishing trips varied. They found that larger pollock vessels may be more resilient to shifting pollock distributions because they can travel farther to follow the fish. However, during low abundance years large vessels were not immune to the lower catches per day experienced by smaller vessels.

This is the first study to use the satellite-signal vessel monitoring system, mandated on pollock vessels, to identify specific fisheries by gear, region, and target species in US fisheries. Their innovative approach has now been adapted for vessels in the Gulf of Mexico in various gear groups, indicating its broad utility.





ENVIRONMENTAL LITERACY AND WORKFORCE DEVELOPMENT





Partnering with school districts

Thousands of Alaska's K-12 students statewide are learning more about seas and watersheds after increased investment and innovation solutions by Alaska Sea Grant and partners. Marilyn Sigman, marine education specialist, worked with the Anchorage School District on a three-year \$10,000 grant to the district—Alaska's largest—to improve marine literacy instruction.

With her assistance, the district developed a fourth-grade science-technology-engineering-mathematics (STEM) teaching kit with emphasis on the salmon life cycle. The classroom teaching kit was implemented in January 2017 as the required fourth-grade curriculum in 150 classrooms, reaching 3,750 students annually.

Sigman extended the grant program statewide to help districts upgrade their science curriculum to meet new national standards. Three-year \$10,000 grants also paid for field trips and equipment and supplies.

Beginning in 2014, Alaska Sea Grant committed \$113,000 to 10 of Alaska's 56 school districts in 19 communities. Professional development was provided to 171 K-8 teachers who reach 3,500 students. More than 1,000 students participated in field trips in spring 2016. Sigman helped school districts engage dozens of community partners allied with education, stewardship and celebration of the local environment.

National Ocean Sciences Bowl

In September 2017 Unalaska high school students enjoyed working with “charismatic megafauna” after being invited by Alaska Sea Grant to help necropsy a dead northern fur seal.

The students, who are members of the 2018 Unalaska National Ocean Sciences Bowl team, assisted Melissa Good as she trimmed tissue from the seal carcass for a national marine mammal stranding data bank.

“Involving students in these strandings gives them a sense of place and belonging to the ecosystem and their community, and fosters stewardship for conserving the natural environment,” said Good, Marine Advisory agent.

The student team will spend the next five months studying marine science to prepare for the Alaska competition in February, when they will participate in a quiz bowl and present a research project. As team coach, Good plans to do a lot of hands-on outdoor projects with the students this year.





Good coached the team “Lucky Pollucky” last year, which placed 9th out of 18 teams. Marine Advisory agent Sunny Rice coached the “Higher Porpoise” team in Petersburg, who came in 8th, and Julie Matweyou assisted with many training activities for Kodiak’s “Team Squidoodly.”

NOSB encourages students to lean toward the sciences and gives them opportunities to experience hands-on science in the field, labs and classrooms. Each team will have different experiences prior to coming together, but they are all wholly engaged in ocean sciences by the start of the competition, said Good.

Exploring undersea forests

“Underwater Forests of the Aleutians” is a traveling exhibit displayed in Unalaska and St. Paul Island, and destined for more Alaska venues. It has 10 freestanding displays, hands-on natural artifacts and an iPad with videos on kelp research. The “instant museum” is the result of a National Science Foundation–supported collaboration with Melissa Good, UAF College of Fisheries and Ocean Sciences professor Brenda Konar and US and international partners.

“The Aleutian Islands harbor this beautiful, dynamic and productive system that many people currently rely on but seldom can picture,” Good said. “This exhibit brings people into the kelp forests and tells a story about our past and present.”



ADVISORY COMMITTEE

James Balsiger Alaska Region Administrator
NOAA National Marine Fisheries Service

Kaja Brix (alt.) Arctic Program Director
NOAA Fisheries Alaska Region

Peggy Cowan
Juneau

Pete Esquiro
Sitka

Diana Evans Deputy Director
North Pacific Fishery Management Council

Jeff Kauffman Vice President
Central Bering Sea Fishermen's Assoc.

Lea Klingert President
Commercial Fishing and Agriculture Bank

Molly McCammon Executive Director
Alaska Ocean Observing System

Vera Metcalf Director
Eskimo Walrus Commission at Kawerak, Inc.

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Ralph Samuels Vice President of
Government & Community Relations
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Fred Schlutt Director
UAF Cooperative Extension Service

Chris Siddon Marine Fisheries Scientist
Alaska Department of Fish and Game

Greg Siekaniec Regional Director
USFWS Alaska

Jeff Stephan Manager
United Fishermen's Marketing Association

Five state fellows begin 2017 positions

We have five new Alaska Sea Grant State Fellows—Genevieve Johnson, Chelsea Clawson, Danielle Meeker, Kim Ovitz, and Sara Cleaver. All have completed or will soon earn master's degrees. Johnson and Clawson are graduate students at the University of Alaska Fairbanks College of Fisheries and Ocean Sciences. Meeker is from Scripps Institution of Oceanography, Ovitz from the University of Maine, and Cleaver from Duke University.

The fellowship program, now in its third year, offers graduate students early career opportunities in marine and coastal policy. The program matches fellows with hosts in state or federal agencies in Alaska for a 12-month paid fellowship. Alaska Sea Grant shares costs with agency hosts.

Genevieve Johnson is at the NOAA Alaska Fisheries Science Center in Juneau, working on arctic ecosystem monitoring and a salmon genetics project. The US Geological Survey in Anchorage selected Chelsea Clawson to address hazard mitigation with an emphasis on coastal flood mapping.

Danielle Meeker is working at the Office of the Lieutenant Governor in Juneau, on climate change and fisheries. Sara Cleaver is a fishery analyst for the North Pacific Fishery Management Council in Anchorage. The National Marine Fisheries Service Alaska Regional Office in Anchorage recruited Ovitz to assess management needs for Cook Inlet beluga whales.



Genevieve Johnson



Page 138 of 154
Chelsea Clawson



Danielle Meeker

"I'm really looking forward to this opportunity! This will be my first time in Alaska and working on marine mammal/protected resources conservation. I'm really honored to have been selected as a Sea Grant fellow," said Ovitz.

2016 fellows: Jane Sullivan, who worked for NOAA Sustainable Fisheries in Juneau, was recently hired as a biometrician at the Alaska Department of Fish and Game. Jen Marsh spent a year working for NOAA Fisheries Habitat Conservation, and Sara Apsens was with the National Park Service.

Alaska student awarded marine policy fellowship in DC

Maggie Chan, graduate student at the University of Alaska Fairbanks, will head to Washington, DC, next

year as a Knauss Marine Policy Fellow. She is in a select group of 61 fellows nominated by Sea Grant programs nationwide who will start fellowships in February 2018.

Chan is a PhD candidate in the UAF College of Fisheries and Ocean Sciences, studying the effects of regulations on subsistence and sport halibut fishing. If given the option, Chan would work in the legislative branch. "A legislative fellowship would help me synthesize our national perspective toward marine resources, and I hope to take that perspective to the international fisheries management stage," she said.

Alaska Sea Grant is sponsoring two Knauss Fellows in 2017. Charlotte Regula-Whitefield works in the DC office of Sen. Lisa Murkowski, and Kelly Cates is at the NOAA Office of Legislative and Intergovernmental Affairs.



Kim Ovitz



Page 139 of 154
Sara Cleaver



Maggie Chan

Graduate students working on Alaska Sea Grant–funded research projects

Amanda Blackburn MS OCEANOGRAPHY
Application of Seafloor Geology to Benthic Habitat Research

Richard Buzard MS GEOLOGY
Developing Long-Term Records of Sea Level Fluctuations and Barrier Beach Evolution to Enhance Understanding of Ongoing and Future Coastal Change

Ellen Chenoweth PHD FISHERIES
Recovering Humpback Whales and the Future of Alaska's Hatcheries, Fisheries and Coastal Communities

Jesse Coleman PHD FISHERIES
Graying of the Fleet in Alaska's Fisheries: Defining the Problem and Assessing Alternatives

Douglas Duncan MS FISHERIES
Navigating the Predator Gauntlet: Impacts of Nearshore Marine Fishes on Hatchery and Wild Juvenile Salmon in Southeast Alaska

Thomas Farrugia PHD FISHERIES
Economic Viability of a Directed Skate Fishery in the Gulf of Alaska

Sonia Ibarra PHD FISHERIES
Sustainability of Coastal Communities and Sea Otters: Harvest and Future Management of Sea Otters

Jillian Jablonski MS INTERDISCIPLINARY
Incorporating Environmental Change in Planning for Healthy Coastal Ecosystems and Economies

Wendel Raymond PHD FISHERIES
Sustainability of Coastal Communities and Sea Otters: Harvest and Future Management of Sea Otters

Marta Ree MS FISHERIES
Exploring Linkages Between Marine and Freshwater Ecosystems to Predict Sockeye Salmon Responses to Climate Change and to Inform Enhancement Options on Kodiak Island, Alaska

Danielle Ringer MA INTERDISCIPLINARY (GRADUATED)
Graying of the Fleet in Alaska's Fisheries: Defining the Problem and Assessing Alternatives

Alicia Schuler MS FISHERIES
Assessing the Costs and Benefits of Whale Watching in Juneau, Alaska

Sarah Traiger PHD MARINE BIOLOGY
Habitat Degradation Due to Melting Glaciers: Effects of Glacial Discharge on Kelp Bed Community Recruitment and Succession in Kachemak Bay

Jordan Watson PHD FISHERIES
Capturing Spatial Behaviors of Observed and Unobserved Fishing Over Time Using Vessel Monitoring System Data

Benjamin Williams PHD FISHERIES
Parallel and Divergent Fishery Management Structures in State and Federal Waters

ALASKA SEA GRANT BY THE NUMBERS



1,376

K-12 students educated in marine science

506

K-12 educators trained



175

Businesses sustained or created



338

Fishermen/processors trained



207

Jobs sustained or created



11

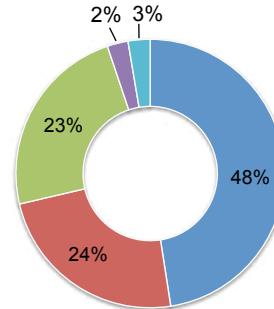
Graduate students worked on Alaska Sea Grant-funded research



18,000

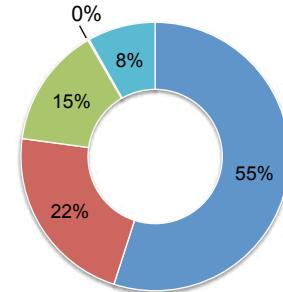
Publications distributed

Operating Revenue



- ASG Core Funds (federal and match)
- University of Alaska Funds
- Grants
- Donations (cash and in-kind)
- Program Income

Expenditures



- MAP and Communications
- Research and Student Fellowships
- Education and State Fellowships
- Program Development
- Program Administration

Operating Revenue, Year 3 Omnibus (partial FY17)

ASG Core Funds (federal and match)	\$2,860,003
University of Alaska funds	\$1,431,396
Grants	\$1,412,973
Donations (cash and in-kind)	\$151,056
Program Income	\$159,215

Expenditures

MAP and Communications	\$3,332,910
Research and Student Fellowships	\$1,343,954
Education and State Fellowships	\$880,067
Program Development	\$10,733
Program Administration	\$495,221



UA is an AA/EO employer and educational institution and prohibits illegal discrimination against any individual: www.alaska.edu/nondiscrimination.

Program Administration

Paula Cullenberg, Director
 Tara Borland, Program Manager
 Beverly Bradley, Marine Advisory Program Coordinator
 Jared Jeffery, Fiscal Coordinator
 Astrid Rose, Program Assistant
 Terri Schimmack, Administrative Assistant

Research

Ginny Eckert, Associate Director for Research
 Michele Frandsen, Research Coordinator

Education and Communications

Paula Dobbyn, Communications Manager
 Sue Keller, Publications Manager/Symposium Coordinator
 Dawn Montano, Publications Specialist
 Dave Partee, Communications and Web/Database Developer
 Marilyn Sigman, Marine Education Specialist

Marine Advisory Program

Sunny Rice, Program Leader/Marine Advisory Agent, Petersburg
 Torie Baker, Associate Leader/Marine Advisory Agent, Cordova
 Gabe Dunham, Marine Advisory Agent, Dillingham
 Quentin Fong, Seafood Marketing Specialist, Kodiak
 Gary Freitag, Marine Advisory Agent, Ketchikan
 Melissa Good, Marine Advisory Agent, Unalaska
 Brian Himelbloom, Retired, Kodiak
 Davin Holen, Coastal Community Resilience Specialist, Anchorage
 Terry Johnson, Marine Recreation and Tourism Specialist, Anchorage
 Julie Matweyou, Marine Advisory Agent, Kodiak
 Chris Sannito, Seafood Technology Specialist, Kodiak
 Gay Sheffield, Marine Advisory Agent, Nome

Marine Advisory Program Affiliate and Emeritus Faculty

Jerry Dzugan, Affiliate	Bree Witteveen, Affiliate
Alexandra Oliveira, Affiliate	Chuck Crapo, Emeritus
Susan Sugai, Affiliate	Ray RaLonde, Emeritus
Patricia Tester, Affiliate	Kate Wynne, Emeritus

Photographers (pictured). Front cover Emily Whitney (L-R UAF associate professor Anne Beaudreau, UAS undergrad Zach Johanson, UAF MS student Douglas Duncan). P 5 Gay Sheffield (whalers St Lawrence I). P 7 Dawn Montano (sea otters). P 7 Kelly Bakos. P 8 Gabe Dunham (R Alice Julius). P 11 Lauren Frisch (Golovin). P 13 Julie Matweyou (intern Mandi Cox). P 14 Valdeko Kreil (L-R Chris Dankmeyer, Chris Sannito, Brian Himelbloom, Cyrus Harris). P 17 Chris Sannito. P 18 Terry Johnson. P 20 Clark Fair (R Gabe Dunham). P 21 Ellen Chenoweth. P 23 Jordan Watson. P 24 Paula Dobbyn. P 25 Brenda Konar. P 33 Audrey Taylor. Back cover Deborah Mercy.





November 15, 2017

Mr. Ted Spraker, Chair
Alaska Board of Game
Alaska Department of Fish and Game
P.O. Box 115526
Juneau, Alaska 99811-5526

Greetings Mr. Spraker:

On behalf of the City of Dillingham, I would like to take this opportunity to thank you and the Board for selecting Dillingham for the Alaska Board of Game meeting in February of 2018. We look forward to being the host community for the meeting. Our regional communities and residents are dependent upon our wildlife resources and it is important that we have the opportunity to participate in the regulatory process.

Please don't hesitate to let us know if the City of Dillingham can assist with any of your logistical arrangements. Looking forward to your arrival in February.

Sincerely,

A handwritten signature in black ink that reads "Alice A. Ruby". The signature is fluid and cursive, with the first name "Alice" being the most prominent.

Alice Ruby, Mayor
City of Dillingham
alice.ruby@dillinghamak.us

Summary of SWAMC Board Retreat/Meeting 11/12-13/17

Following is a summary of highlights.

- Location. We held the first day of the Retreat in the meeting room of the Hampton Inn. It was convenient but unremarkable. We held the second day of the Retreat at a facility recently established by Alaska Communications called the Business Technology Center. It is worth mentioning the ACS facility because it was great. The ACS Center is apparently available to all Alaska business and non-profit groups at no cost. Very adequate meeting room, easy parking, easy to locate and, of course, had great technology services for power point and online access.
- Review Mission/Vision/Current Program. Opened the retreat by reviewing SWAMC guiding documents. Significant discussion about assuring that the focus continues to be on advocacy and support of communities to avoid the risk of allowing the pursuit of funding to cause us to stray off course. Activities that SWAMC uses to accomplish its purpose of being an advocate are: facilitated planning, advocacy and support, programs, annual conference and education/marketing (in region and outside the region).

In recent years we have not been as active in our advocacy as in the past. The Board agreed that declining resources/revenues makes it even more important that SWAMC serve as a vehicle for our communities to work together to locate resources and also to influence policy. The current effort regarding the need for the state to adopt a fiscal plan was used as an example.

SWAMC has always followed the policy of avoiding areas/issues where there is not consensus within our membership communities. The Board feels strongly that this should be front and center. We can be a forum for discussion of sensitive issues or presenting information to communities about issues but there is not a need to take a position on divisive issues – there are plenty where we agree and our joint efforts can be effective.

- SWAMC Administration, Personnel and Financial. SWAMC has suffered the loss of revenue much like our member communities. Funding from the state in the form of ARDOR grants has ceased however our grant from EDA appears to be holding stable. Doug and staff have made significant strides in locating alternative funding. The Board discussed the need to keep our focus on the mission while searching for alternative funding. The other challenge is the variety of levels of accessibility by board members. Some have excellent internet access while others still rely on fax machines and telephone. Staff are often challenged to pull together meetings to authorize actions or to sign checks/documents. The officers and staff will work with our accountants (Foraker) to streamline authorizations so that the Board is comfortable that SWAMC is protected and staff have the support that they need.
- MAKE Program. The board discussed the MAKE program at length. There is major concern by the board because the initial understanding was that the program would complement SWAMC's mission and provide funding to supplement the organization's staff and overhead. As the end of year 2 of a 5 year commitment draws near, the board is concerned that instead SWAMC appears to be supplementing the MAKE program. Since we don't have resources to spare, it has been at the expense of other established SWAMC projects and obligations. Staff have been directed to prepare an analysis to be presented to the Board during the next face-to-face meeting in March. The analysis will include a full spectrum of options for consideration including what

modifications might be needed to “stay the course” but if determined necessary, initial identification of an exit plan (whether in the short term or at the end of the 5 year grant).

- Fisheries Committee. The board directed that the fisheries advisory committee (that once was a very active group within SWAMC) will be re-established. For the short term, it will include only board members because it was felt that we can define the structure and purpose for the committee before turning it loose. I am not knowledgeable about fisheries issues so made a strong argument that we will need to recruit others from our region and the board agreed. Initial discussion of issues that might be appropriate for discussion by the Committee are on the attached list. The Board agreed that there is also a need to add some items like appointments to boards and ADFG budget issues.

- Quintillion. Kristina Woolston of the Quintillion group made a presentation on their continuing project. Interesting and new information was a brief discussion about their consideration of some additions to their Phase 2. Those would be some short segments that would be beneficial to western Alaska. They are considering short lines that would connect their subsea cable to an existing cable that runs along the Gulf side of the Aleutian Chain. She described the short connections as being important to overall service because it would create redundancy in the system which is always a preferred situation. One short junction would connect to Kodiak Island, one would connect through a site on the Aleutian Chain (possibly Dutch Harbor) and one would connect somewhere in Bristol Bay. She didn't have a hand-out that demonstrated the short segments that she displayed in a powerpoint slide so I drew them on a map that she handed out during the meeting. (see attached)

- SWAMC Energy Project. Laura Vaught made a presentation on the continuing project. The new webpage is up and running <http://www.southwestakenergy.org/> and a very competent technical assistance panel has been developed that includes Dr. Brian Hirsch of Deerstone Consulting, Connie Fredenberg of Utility Management Assistance, Jim Fowler of Energy Audits of Alaska, John Lyons of TDX Power, Peter Crimp of Crimp Energy Consulting and Douglas Vaught of V3 Energy, LLC. One of the accomplishments of the project has been the development of a fairly comprehensive list of energy projects within Southwest Alaska. Projects are in various stages – some completed, some in progress and some have not been vetted or assessed for feasibility yet. The list was generated by working with the energy coordinators in each region (BBNA hosts the energy coordinator in Bristol Bay). <http://www.southwestakenergy.org/project-list/>

- 2018 Conference. A lengthy list of topics was generated for the 2018 Conference (Feb 28 – March 4, 2018). The effort will continue to be to identify the mutual challenges being confronted by communities in southwest Alaska and to try to provide presentations about resources to address them. Topics listed so far include:
 - Public safety (state contract jails, VPSO program, Trooper presence in the region)
 - Court system
 - Access to the district attorney
 - Need to identify financial resources for communities where infrastructure is failing
 - Re-introduce communities to the SWAMC Comprehensive Economic Development Strategy and the benefit

- of being involved in the development process
 - Airports and the FAA's role in controlling any charges for municipal services/taxes
 - Presentations by elected officials (Trump administration, Congressional delegation, Legislative delegation)
 - Fisheries issues (which is the backbone of the mutual issues within our region)
 - Avenues for municipal and tribal governments to work together to fill gaps recently created by the decline in state funding. ID resources that can be tapped
 - Growing homeless population (Kodiak) and strategies for addressing
 - Growing air transportation issues in the region (status of Pen Air, Grant Air)
 - Essential air service (current status and state's failure to advise communities about need to recertify)
 - Growing air cargo issues (no longer cargo flights to Unalaska)
 - State fiscal plan
 - Education funding (especially for maintaining schools at the local level)
 - Declining sales tax revenues in almost all communities (perceived to be due to growth in online ordering like Amazon) and how to regain that revenue
 - US Coast Guard activity in the region (presence and influence on local development)
 - Port Moller cannery update
 - Energy project update
 - Aleut Broadband project update
 - Substance abuse and resources for local governments to address
 - Celebration of 30 year anniversary with possible invitations to the founders.
- SWAMC Strategic Planning. SWAMC was approached by a group working with the Aleutians East Borough. They will provide services for AEB and offered to do the same for SWAMC. The Board determined that while it was always needed, we can't afford the services at this time and but will look at the possibility in March.
 - Executive Director Evaluation and Contract. The Board took the opportunity of being in a face-to-face meeting to complete the Executive Director's annual evaluation and contract renewal. The evaluation was completed and then 2 board members were appointed to present the same to Doug after the meetings (I was one of the appointees along with Rebecca Skinner). We will present the results to the Board in December. Doug has done a good job and look forward to working with him further in the future.

I. MANAGEMENT**A. Federal Issues****1. Legislation Before Congress:**

- 1.1. Magnuson-Stevens Act Reauthorization – Pending per Senator Sullivan
- 1.2. H.R. 200 – Strengthening Fishing Communities and Increasing Flexibility in Fisheries Management Act (introduced January 2, 2017)
- 1.3. H.R. 2079 - Young Fishermen's Development Act – (introduced April 6, 2017)/S. 1323 (introduced June 8, 2017)
- 1.4. H.R. 214/S. 1322 -- American Fisheries Advisory Committee Act – (H.R. 214 introduced January 3, 2017)/S. 1322 (introduced June 8, 2017)

Links for more information:

http://www.nmfs.noaa.gov/sfa/laws_policies/msa/index.html

<https://www.congress.gov/search?q={%22congress%22:%22115%22,%22source%22:%22legislation%22,%22search%22:%22magnuson-stevens%20fisheries%20%22}&searchResultViewType=expanded>

2. North Pacific Fisheries Management Council (NPFMC)

- 2.1. Observer Program/Electronic Monitoring
- 2.2. Bycatch Controls
- 2.3. Protected Species
- 2.4. Catch Share Allocations
- 2.5. Research Initiatives
- 2.6. Coordination with IPHC on halibut management

3. International Pacific Halibut Commission (IPHC)

- 3.1 Stock assessment
- 3.2 Minimum size limits
- 3.3 "Abundance-based management"

4. Federal support for Research, Management, and Enforcement

- 4.1 Inflation adjusted funding for National Marine Fisheries Service (NMFS) and other National Oceanic and Atmospheric Administration (National Weather Service, etc.) programs
- 4.2 Inflation adjusted funding for the U.S. Coast Guard
- 4.3 Inflation adjusted funding for Sea Grant funding

B. State of Alaska Issues**1. Legislation Pending before 30th Alaska Legislature, 2nd Session:**

- 1.1 HB 88 – Board of Fisheries Membership (Stutes)
- 1.2 HB 128/SB 89 – Shellfish Enhancement Projects/Hatcheries (Ortiz)(Stevens)
- 1.3 HB 14 – Legislative Approval of Bristol Bay Sulfide Mine (Josephson)
- 1.4 HB 29/SB 71 – Commercial Fishing Loans – (Ortiz)(Stevens)
- 1.5 HB 76/SB 95 – Mariculture Revolving Loan Fund (Ortiz)(Stevens)
- 1.6 HB 188 – Commercial Fisheries Entry Permits

1.7 HB 199 – Fish/Wildlife Habitat Protection/Permits

1.8 HCR 8/SCR 7 – Kodiak Seafood and Marine Science Center (H. Fisheries) (Stevens)

Link:

[http://www.akleg.gov/basis/Bill/Subject/30?subject=FISH%20%26%20GAME%20\(FISH\)](http://www.akleg.gov/basis/Bill/Subject/30?subject=FISH%20%26%20GAME%20(FISH))

2. Transboundary Water Quality – Transboundary Working Group with British Columbia, Canada (per Representative Stutes)

Link: [https://ltgov.alaska.gov/newsroom/2016/12/20/alaska-and-british-columbia-officials-
implement-statement-of-cooperation-addressing-mining-and-water-quality-concerns/](https://ltgov.alaska.gov/newsroom/2016/12/20/alaska-and-british-columbia-officials-implement-statement-of-cooperation-addressing-mining-and-water-quality-concerns/)

3. Maintain/Increase Funding for Alaska Department of Fish and Game
4. Maintain funding for University of Alaska Fisheries Related Programs

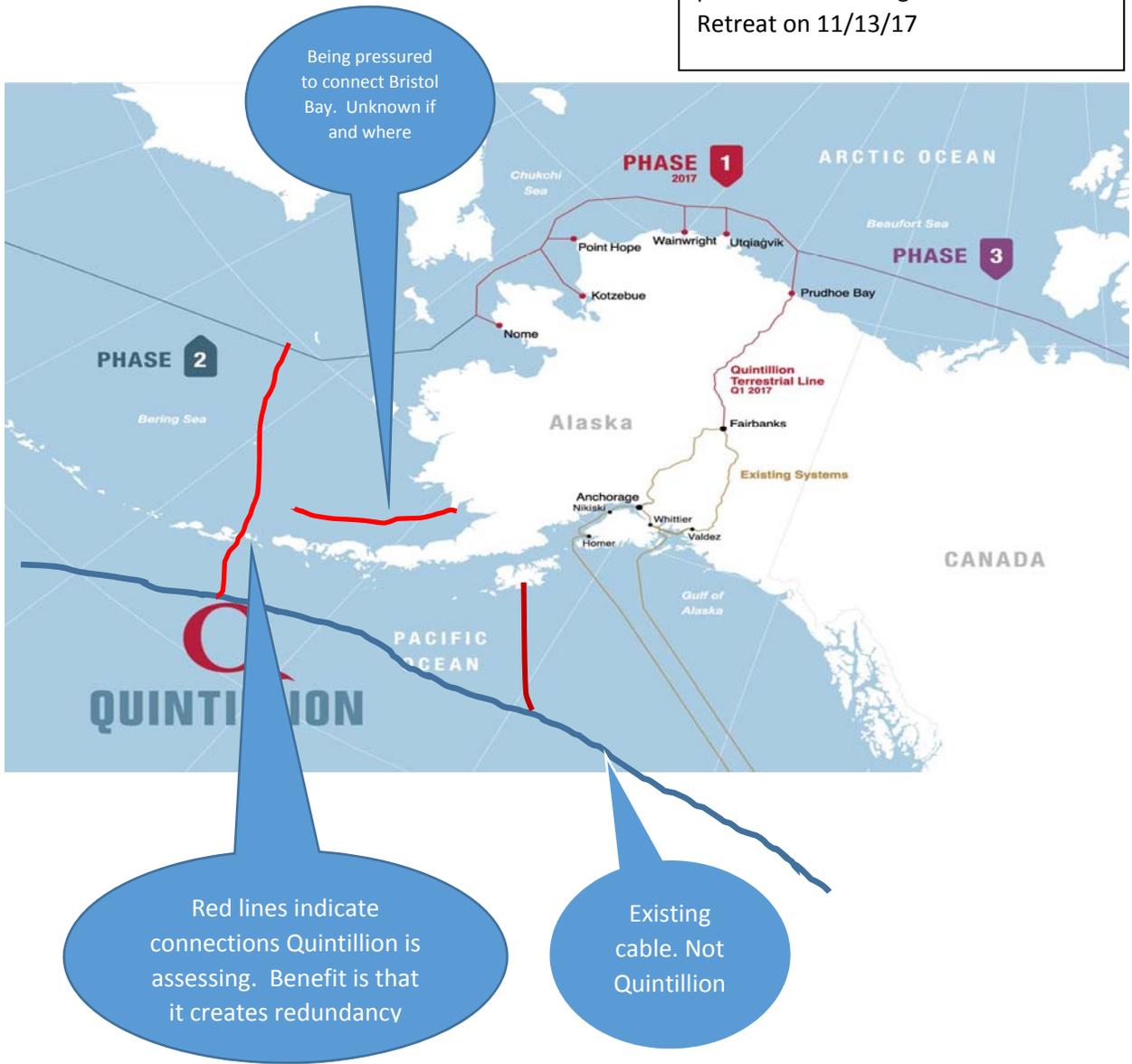
II. HABITAT

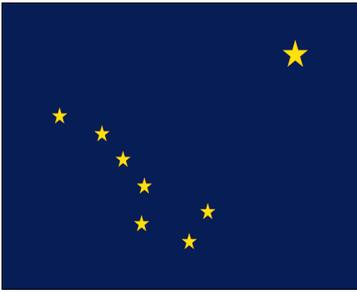
- A. Climate Change
1. Ocean Acidification
 2. Marine Mammals
 3. Ocean Warming
 4. Weather Changes
- B. Pebble Mine
- C. Habitat Protection and Restoration
- D. Hatchery Development

III. ECONOMIC BENEFIT ENHANCEMENT FOR SWAMC REGION

- A. Support Community Development Quota (CDQ) programs
- B. Support and advocate for increase in value added businesses in seafood sector
- C. Support mariculture development
- D. Support efforts to retain limited entry fishing permits in the SWAMC region
- E. Support workforce development in the seafood industry

AR – added lines based on presentation during SWAMC Board Retreat on 11/13/17





House Speaker Bryce Edgmon's *Legislative Update*



Volume XI, No. 21

November 8th, 2017



Revisions to Criminal Justice Reform Pass House; SB 54 Now Awaits Senate Concurrence

Following two weeks of debate, public testimony, and consideration of amendments in the Judiciary Committee, the Finance Committee, and on the House Floor, SB 54 passed the House in the wee hours of Tuesday morning.

The bill is now back with the Senate, which will be coming together this week to evaluate the House changes and decide whether to accept them. If they do not vote for “concurrence” with the changes, a conference committee of three members of the House and three from the Senate will be appointed to work out compromises. I’ll do my best to keep you all up to speed on what transpires.



Speaker Edgmon conferring with, center, Rep. Andy Josephson (D-Anchorage) and, right, House Majority Leader Chris Tuck (D-Anchorage) during last Friday’s floor session.

More than 45 amendments to the bill were debated on the House Floor on Saturday, Sunday, and Monday. Ten of them were adopted.

SB 54 was introduced earlier this year by Sen. John Coghill (R-Fairbanks) to address sentencing guidelines in the criminal justice reform effort that was initiated with passage of SB 91 in 2016. With the spike in crime in recent years—due in large part to Alaska’s drug abuse epidemic—the public is now calling for stronger punishments for certain criminal activity.

As passed by the House, SB 54 now

- Increases jail time for Class C felonies and Class A & B misdemeanor theft
- Increases sentencing and monitoring of sex offenders
- Lowers the threshold of what constitutes felony theft from \$1000 to \$750
- Strengthens punishments for violations of conditions of release from prison.

As a whole, the bill is a strong, serious response to the concerns for community safety that many Alaskans brought to the Legislature.

(Continued on page 2)

(Continued from page 1)

My determination to improve safety and security in our communities does not end with SB 54. The whole criminal justice reform effort that began with SB 91 is focused on lowering crime and enhancing public safety. We will be evaluating all these crime-reduction efforts in the coming months and years to measure their effectiveness and monitor for any unintended consequences.

With SB 54 now in the Senate's hands, the House Finance Committee has turned to our state's revenue crisis and Governor Walker's bill, HB 4001, that would establish a broad-based wage tax to close the fiscal gap.

We in the House are hoping that the remainder of the special session will result in an agreement with the Senate to protect PFDs and the Permanent Fund, bring investments and jobs back to Alaska, and lead to long-term stability and prosperity for the state.

Keep in Contact

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Juneau, AK

99801

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Speaker Edgmon's
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