



April 21, 2021

House Finance

Re: Opposition to HB79(FSH) Amendment 2- Wool

Chair Merrick and members of House Finance,

Representative Wool proposed Amendment 2 for HB79 that would place a non-resident differential fee for guide and business registration that is twice that of residents. Though the department of law cautioned that this might infringe on the federal Privileges and Immunities clause, Rep. Wool suggested that non-resident hunting guides and non-resident commercial fisherman pay differential fees, and sportfishing guide and business registration would fall into a similar category.

We challenge that rationale and ask that Amendment 2 placing a differential fee on non-resident guides and business owners be withdrawn.

In *Carlson vs. State of Alaska*, the Alaska Supreme Court concluded that a differential for commercial fishing licenses was constitutional because it captured costs borne by residents for managing fisheries resources that were not borne by non-residents, so it sought to equalize the contributions from both groups. It also tied justification for a differential to granting non-resident fisherman a direct access privilege to a State resource.

The object of HB79's guide registration is to pay for the State's charter logbook program which primarily exists to allow the State to respond to federal and international management obligations. The logbook program isn't an access privilege to a State resource. It was originally implemented to look at the number of halibut the charter fleet was harvesting prior to folding charter operations into federal management. Before that, total sport harvest for both residents and non-residents was estimated using the Statewide Harvest Survey, and continues to be used today.

The logbook program has been subsidized by Fish & Game general funds only because the original fees from the program didn't meet the cost of administering it as anticipated. The aim of HB79 is to cover the full costs of the program by collecting money from guides and operators, and a differential fee for non-residents can't be justified per the Privileges and Immunities clause. There are no peripheral contributions from residents that would need to be equalized by adjusting up the non-resident guide and business registration fees.

In addition, charter anglers- not guides or charter businesses -are granted harvest of State fishery resources. The State allows the activity because of the economic inputs to the State and communities from tourism dollars spent here by non-residents charting fishing boats, renting lodging, and on other expenses. Non-resident differentiated fishing license fees also contribute a substantial amount to ADF&G's department of sportfish budget.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Forrest Braden". The signature is fluid and cursive, with a large initial "F" and "B".

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Cc: Members of House Finance