# **Calvin Zuelow**

bob peters < Saturday, March 15, 2025 5:31 AM From:

Sent:

To: **House Resources** 

Subject: HB33

i'm opposing HB33

thxs

Sent from my iPhone

# **Calvin Zuelow**

From: Susan A <

**Sent:** Monday, March 17, 2025 2:21 PM

To: House Resources

**Subject:** Public Testimony: Opposition to HB 33

Public Testimony: Opposition to HB 33 – An Act relating to participation in matters before the Board of Fisheries and the Board of Game by the members of the respective boards

To the Honorable Members of the Alaska State Legislature,

I am writing to express my strong opposition to HB 33, which proposes amendments to the provisions concerning conflicts of interest for members of the Board of Fisheries and the Board of Game. This bill, while seemingly minor, opens the door to significant concerns regarding fairness, transparency, and the integrity of decision-making in matters that affect Alaska's natural resources. Specifically, the proposed changes allow board members to continue participating in deliberations and discussions even after disclosing personal or financial interests. I firmly believe this weakens accountability and could lead to biased decision-making that benefits a select few at the expense of the people of Alaska, especially Indigenous and marginalized communities.

#### 1. Loopholes

The provision in HB 33 allowing board members to continue participating in decision-making after disclosing personal or financial interests creates a significant loophole. Conflicted individuals should be disqualified from involvement in these discussions entirely, rather than merely excluded from voting. This loophole could be exploited by well-connected stakeholders to influence the outcomes in their favor, while still remaining involved in the deliberations that shape policies affecting public resources.

Suggested Solution: HB 33 should be amended to enforce complete disqualification for any member with a disclosed conflict of interest, preventing any undue influence on the decision-making process.

### 2. Overlaps

This bill creates confusion by introducing overlaps with existing ethics regulations. AS 39.52 (Alaska Executive Branch Ethics Act) already addresses conflicts of interest and prohibits public officers from participating in matters where they have a personal or financial stake. HB 33 weakens these protections by allowing Board members with conflicts of interest to remain involved in deliberations.

Suggested Solution: Eliminate the provision in HB 33 that allows conflicted members to remain involved in deliberations and strictly adhere to existing conflict-of-interest laws.

#### 3. Constitutionality

Allowing members of the Board of Fisheries or Board of Game to participate in discussions after disclosing conflicts of interest raises concerns about the constitutionality of the process. It undermines the principle of impartial decision-making, which is essential for upholding public trust in government

institutions. If decisions are made by individuals with personal or financial interests in the outcomes, it compromises the fairness of the process.

Suggested Solution: Amend the bill to ensure that any potential conflict of interest disqualifies the member from all aspects of the matter, including discussions, to ensure impartiality and fairness.

# 4. Alignment with Project 2025

Although HB 33 does not explicitly align with Project 2025, its provisions could inadvertently contribute to an environment where the influence of the wealthy and well-connected stakeholders is enhanced. Allowing individuals with conflicts of interest to participate in Board matters further exacerbates concerns about the erosion of governance integrity, creating a situation where corporate interests can manipulate the process for their own gain.

Suggested Solution: Strengthen the ethics rules to ensure transparency and accountability by excluding all conflicted members from any involvement in decisions, aligning with principles of good governance.

# 5. Legally Robust

HB 33 weakens the legal framework for addressing conflicts of interest in state governance. By permitting members with personal financial stakes to influence deliberations, the bill erodes the strength of existing legal mechanisms designed to protect the public's interest.

Suggested Solution: Instead of creating provisions that allow conflicted members to continue participation, the bill should be amended to close the loophole and ensure stronger legal safeguards against conflicts of interest.

#### 6. Corporate Accountability

HB 33 does not sufficiently address the issue of corporate accountability. By permitting board members with financial interests in fisheries and game resources to remain active participants in decision-making, the bill opens the door for corporate stakeholders to influence the Board's decisions in their favor, often at the expense of local communities and the environment.

Suggested Solution: HB 33 should enforce complete disqualification for any member with conflicts of interest, ensuring that board decisions are made based on public interest rather than private financial gain.

#### 7. Windfall Profits

Allowing conflicted members to remain involved in decision-making processes could result in windfall profits for individuals or corporations with vested interests in fisheries or game industries. This runs counter to the public interest and could lead to decisions that benefit a few at the expense of the majority of Alaskans.

Suggested Solution: Amend the bill to mandate full disqualification of conflicted members to prevent decisions that disproportionately benefit a select group of stakeholders.

# 8. Executive Compensation

While HB 33 does not specifically address executive compensation, allowing conflicted board members to participate in decision-making could influence compensation structures in industries like fisheries and game. This could lead to executive pay being linked to favorable board decisions that do not reflect the best interests of the public or workers.

Suggested Solution: Tighten the regulations around conflicts of interest to ensure that board decisions are not influenced by personal financial interests that could affect compensation structures.

# 9. Digital Assets

While HB 33 does not directly address digital assets, conflicts of interest related to digital assets, such as ownership stakes in technology companies involved in fisheries or game industries, could be influenced by the bill's provisions. This could allow corporations or wealthy stakeholders to manipulate decisions involving digital assets in these sectors.

Suggested Solution: Ensure complete transparency by prohibiting conflicted members from participating in decisions involving any form of asset—digital or otherwise.

# 10. Offshore Tax Avoidance

The bill's allowance for conflicted members to remain involved in deliberations could indirectly facilitate offshore tax avoidance by favoring corporate interests that have operations abroad. This would undermine public trust and Alaska's ability to protect its resources and economic interests.

Suggested Solution: Strengthen ethical rules around conflicts of interest to ensure that members with personal or corporate financial ties are excluded from decisions that could impact offshore operations or tax strategies.

#### 10. Offshore Tax Avoidance

The bill's allowance for conflicted members to remain involved in deliberations could indirectly facilitate offshore tax avoidance by favoring corporate interests with international operations. This undermines public trust and Alaska's ability to protect its resources and economic interests. While HB 33 does not explicitly address offshore tax avoidance, the potential for conflicts of interest could create an environment where decisions are made that benefit corporations with offshore holdings, thereby reducing tax revenue that should be reinvested into Alaska's economy.

Suggested Solution: It is essential to strengthen accountability mechanisms within this bill to ensure that decisions made by conflicted members are subject to rigorous review and scrutiny. A more robust enforcement framework should be established to ensure that any decision benefiting corporate entities involved in offshore tax avoidance is thoroughly vetted for compliance with both state and federal tax laws. Additionally, provisions should be added that prevent the further erosion of Alaska's tax base by requiring transparency regarding the financial interests of board members, and that penalize any decisions that are found to promote tax avoidance schemes. This would help ensure that all actions taken by the boards are aligned with the best interests of the people of Alaska, rather than corporate profit.

This revision incorporates further suggestions to ensure accountability and addresses offshore tax avoidance with more clarity and stronger enforcement measures.

# 11. Environmental Accountability

Allowing members with conflicts of interest to remain involved in decisions regarding fisheries and game management undermines environmental accountability. If board members have financial stakes in industries that benefit from these resources, they may overlook environmental protections to prioritize financial gain.

Suggested Solution: Mandate full disqualification for any board member with conflicts of interest to ensure decisions prioritize the long-term health of Alaska's environment and its resources.

#### 12. Worker Protections

HB 33 does not address worker protections but creates a situation where corporate interests can influence decisions in favor of industries that may not prioritize worker rights. This could result in weaker protections for workers in the fisheries and game sectors.

Suggested Solution: Strengthen provisions in the bill to prevent conflicts of interest and ensure that board decisions reflect the need for strong worker protections across all industries.

# 13. Energy and Environmental Justice Fund

HB 33 fails to acknowledge the importance of environmental justice or support for vulnerable communities, particularly Indigenous groups, who rely on fish and game resources for subsistence. Allowing conflicted members to participate in these matters could harm the interests of these communities.

Suggested Solution: Include provisions that protect Indigenous and marginalized communities from potential harm caused by biased decisions influenced by financial conflicts of interest.

### 14. Strict Penalties for Non-Compliance

HB 33 does not propose strict penalties for non-compliance with the conflict-of-interest provisions. Without clear enforcement measures, there is no real deterrent for members who might exploit conflicts of interest for personal gain.

Suggested Solution: Introduce stricter penalties for non-compliance to ensure that all members of the Board of Fisheries and the Board of Game adhere to high ethical standards and avoid conflicts of interest.

# 15. Constitutional Analysis, Treaties, and Tribal Rights, Including How It Affects Marginalized Communities

The bill's failure to address the rights of Indigenous communities or tribal sovereignty is a significant oversight. Allowing individuals with conflicts of interest to participate in decisions that affect Indigenous people's access to fish and game resources undermines their rights and disproportionately impacts marginalized communities.

Suggested Solution: Ensure that the rights of Indigenous communities and tribal sovereignty are respected by disqualifying any board member with a conflict of interest from participating in matters affecting these communities.

# 16. Legal Precedent and Case Law

Legal precedents in cases involving conflicts of interest in governance demonstrate the importance of transparency and impartiality. Allowing conflicted board members to continue participating in decision-making could invite legal challenges and undermine the legitimacy of the Board's decisions.

Suggested Solution: Amend HB 33 to ensure that it is consistent with legal precedents and case law that prioritize transparency, fairness, and the public's interest in decisions affecting natural resources.

In conclusion, HB 33 represents a step backward in ensuring transparency, fairness, and accountability in Alaska's decision-making bodies. It is crucial that we close the loopholes in this bill by ensuring that any board member with a conflict of interest is fully disqualified from participation in matters involving their financial or personal stake. I urge you to amend this bill accordingly, to protect the integrity of our governance, uphold the rights of our Indigenous communities, and ensure that Alaska's natural resources are managed for the benefit of all Alaskans, not just a select few.

As we move forward into a new digital age we must also move forward to reflect a deeper understanding that encompasses many different aspects to each piece of legislation. We have to expand our discussion in a new way.

At the very least fix the overlaps and tighten the ethical, digital, and windfall issues.

Thank you for your consideration.
Susan Allmeroth
Two Rivers
Myself