

ALASKA STATE LEGISLATURE
HOUSE SPECIAL COMMITTEE ON FISHERIES

February 12, 2001
6:03 p.m.

MEMBERS PRESENT

Representative Peggy Wilson, Co-Chair
Representative Drew Scalzi
Representative Fred Dyson
Representative John Coghill

MEMBERS ABSENT

Representative Gary Stevens, Co-Chair
Representative Mary Kapsner
Representative Beth Kerttula

COMMITTEE CALENDAR

HOUSE JOINT RESOLUTION NO. 10

Relating to the management of the Bering Sea/Aleutian Islands and Gulf of Alaska groundfish fisheries and the protection and restoration of the Steller sea lion.

- MOVED CSHJR 10(FSH) OUT OF COMMITTEE

HOUSE BILL NO. 63

"An Act relating to electronic application for and issuance of licenses, permits, and tags issued by the Department of Fish and Game; relating to violations regarding a license, permit, or tag applied for or issued electronically; and providing for an effective date."

- MOVED HB 63 OUT OF COMMITTEE

PREVIOUS ACTION

BILL: HJR 10

SHORT TITLE:GROUND FISH FISHERIES AND STELLER SEA LION

SPONSOR(S): RESOURCES

Jrn-Date	Jrn-Page		Action
01/31/01	0210	(H)	READ THE FIRST TIME - REFERRALS
01/31/01	0210	(H)	FSH, RES

02/12/01 (H) FSH AT 5:00 PM CAPITOL 124

BILL: HB 63

SHORT TITLE: ELECTRONIC FISH & GAME LICENSURE

Jrn-Date	Jrn-Page	Action	
01/16/01	0096	(H)	READ THE FIRST TIME - REFERRALS
01/16/01	0096	(H)	FSH, RES, FIN
01/16/01	0096	(H)	FN 1: ZERO(DFG)
01/16/01	0096	(H)	GOVERNOR'S TRANSMITTAL LETTER
02/12/01		(H)	FSH AT 5:00 PM CAPITOL 124

WITNESS REGISTER

STEPHANIE MADSEN

Pacific Seafood Processors

213 Third Street

Juneau, Alaska 99801

POSITION STATEMENT: Testified on behalf of Pacific Seafood Processors in support of HJR 10.

KEVIN BROOKS, Director

Division of Administrative Services

Alaska Department of Fish & Game

PO Box 25526

Juneau, Alaska

99811-5526

POSITION STATEMENT: Presented sponsor statement for HB 63 and answered questions from committee members.

CAPTAIN HOWARD STARBARD, Commander

B Detachment

Division of Fish & Wildlife Protection

Department of Public Safety

453 South Valley Way

Palmer, Alaska 99645-6494

POSITION STATEMENT: Testified on behalf of the Department of Public Safety in support of HB 63.

ACTION NARRATIVE

TAPE 01-8, SIDE A

Number 0001

CO-CHAIR PEGGY WILSON reconvened the House Special Committee on Fisheries meeting at 6:03 p.m. Members present at the call to

order were Representatives Wilson, Scalzi, Dyson and Coghill. [The minutes for the Update on the recent Board of Fisheries meeting are found in the 5:07 p.m. cover sheet for the same date.]

HJR 10-GROUNDFISH FISHERIES AND STELLER SEA LION

CO-CHAIR WILSON announced that the first order of business would be HOUSE JOINT RESOLUTION NO. 10, "Relating to the management of the Bering Sea/Aleutian Islands and Gulf of Alaska groundfish fisheries and the protection and restoration of the Steller sea lion."

Number 0084

REPRESENTATIVE SCALZI, sponsor of HJR 10, made a motion to adopt the proposed committee substitute (CS) for HJR 10, version 22-LS0339\0, Utermohle, 2/12/01, as a work draft.

REPRESENTATIVE SCALZI reviewed the "very minimal" changes encompassed [in Version 0]. On page 2, line 2, of Version 0, "National Marine Fisheries Service" language has been replaced by the following language: "United States District Court order". On page 2, line 12, the language "Restrictions in the salmon and herring fisheries" was added to this section, which read:

WHEREAS the November 30, 2000, biological opinion for the Bering Sea/Aleutian Islands and Gulf of Alaska groundfish fisheries that was prepared by the National Marine Fisheries Service had the effect of closing the majority of the groundfish fishery and suggested similar restrictions in the salmon and herring fisheries; and

REPRESENTATIVE SCALZI explained that this language was added due to concerns from "industry folks" that salmon and herring were mentioned in the biological opinion, which raises a "red flag." He expressed the need to be conscious that the National Marine Fisheries Service and the North Pacific Fishery Management Council may find that evidence is needed to restrict those two fisheries. Certainly, "we" want to make everyone aware of the seriousness of this issue.

REPRESENTATIVE SCALZI directed the committee's attention to page 3, lines 8-15, of Version 0, which was rewritten to strengthen the language to direct agencies to develop sound management programs, and to develop measures for minimal impacts on

industry. This is the intent of this resolution. House Joint Resolution 10 is not an "attack resolution"; it is not out to "slam" the National Marine Fisheries Service, the biological opinion, or the departments involved with coming up with the reasoning for why the measures were taking place.

REPRESENTATIVE SCALZI explained that HJR 10 addresses two items:

Essentially, we want to say that we are in favor of the restoration of the sea lions but at the same time we want to use scientific management, good biological evidence, and any of these measures that the National Marine Fisheries Service and North Pacific Fisheries Management Council deem necessary.

REPRESENTATIVE SCALZI mentioned that some of the evidence is present in the sponsor statement. He then said Dr. Trites's presentation to the House Special Committee on Fisheries a few weeks ago "overwhelmingly showed that evidence that is now curtailing the fishery certainly is lacking a good scientific data."

Number 0379

STEPHANIE MADSEN, Pacific Seafood Processors, stated that Pacific Seafood Processors supports HJR 10 and thanks the sponsor and committee members for supporting the resolution. She showed the committee a cartoon from a recent issue of the Alaska Journal of Commerce. The cartoon talks about Steller sea lion management applied to endangered bears. On the cartoon, there is a sign that says, "Due to declining bear populations, no berry picking." From a fishing perspective, that is how "we" [Pacific Seafood Processors] feel, that "we" are "being broad-brushed." Although there are not many theories that have been reviewed and analyzed, there is one theory "out there" that points the finger at "us." To conclude, "we appreciate the support and looking at the additional information and really the desire to base it on valid scientific information."

Number 0496

REPRESENTATIVE DYSON made a motion to move CSHJR 10, version 22-LS0339\0, Utermohle, 2/12/01, from committee with individual recommendations and the attached zero fiscal note. There being no objection, CSHJR 10(FSH) moved from the House Special Committee on Fisheries.

HB 63-ELECTRONIC FISH & GAME LICENSURE

CO-CHAIR WILSON announced the next order of business was HOUSE BILL NO. 63, "An Act relating to electronic application for and issuance of licenses, permits, and tags issued by the Department of Fish and Game; relating to violations regarding a license, permit, or tag applied for or issued electronically; and providing for an effective date."

CO-CHAIR WILSON stated that Governor Tony Knowles requested House Bill 63.

Number 0551

KEVIN BROOKS, Director, Division of Administration Services, Alaska Department of Fish & Game (ADF&G), said that HB 63 deals with electronic licensing for fish and game. This same bill passed the House last year as HB 164. However, it ran out of time on the Senate side.

MR. BROOKS said he wanted to inform the committee of what ADF&G is doing about licensing and what the department would hope to accomplish with HB 63.

MR. BROOKS remarked that there has been an ongoing effort by ADF&G to try to enhance customer service in the licensing program. The Internet application process began at the end of 1999. This was an attempt to reach out to customers, to make it easier and more convenient for them to obtain a license for fishing and hunting in this state. "We" found success with the program on the Internet. There has been positive public support and response in the first year of the Internet program [end of 1999 to end of calendar year of 2000]. Through the "Internet store," 8,000 licenses were sold and \$700,000 was generated in revenue [in the first year].

MR. BROOKS explained that whenever something is done with the licensing program, the department focuses on three things: being cognizant of the public, enforcement efforts around the state, and the revenue stream.

Number 0725

MR. BROOKS stated that fish and game licensing generates about \$22-23 million dollars a year. This revenue goes into a dedicated fish and game fund for management of resources so nothing is done to "upset that revenue stream."

MR. BROOKS reiterated that whatever "we" [ADF&G] do is consistent with customer service, enforcement, and revenue.

MR. BROOKS remarked that even though ADF&G has added this Internet license process, there are also 1500 vendors around the state that sell licenses. He declared that selling licenses to the public would never exclusively be through the Internet. "We" [ADF&G] will always work cooperatively with the vendors. Statistics show that ADF&G generates \$23 million in sales each year. The department also pays out about \$2 million a year in vendor compensation. This is typically 5 percent of the purchase price plus one dollar per item. This is in statute as additional vendor compensation. "We" forgo commission on anything that is sold as a state. For this reason, it [revenue] remains in the fish and game fund for future appropriation by the legislature for fish and game resource management.

Number 0817

MR. BROOKS said that currently the Internet application process provides the opportunity for someone to go online and apply for a license. However, with the evolution of technology, "we think in the not-too-distant future we could get to a paperless type of a system."

MR. BROOKS named the biggest concern [in the Internet application process] as enforcement and how this would be dealt with in a paperless system. Consequently, "we" have been working closely with the Department of Public Safety and the Division of Fish & Wildlife Protection. He mentioned that Captain Howard Starbard, Division of Fish & Wildlife Protection, Department of Public Safety, is probably online and can testify on this bill.

MR. BROOKS stated that one of the items contemplated by the bill is "we have to have a best interests finding" for the state. "We" also have to concur with [the Department of] Public Safety to ensure that anything that is done does not compromise efforts in the field to enforce fish and game laws. This is foremost in "our" thoughts as "we" proceed with the process.

MR. BROOKS remarked that Alaska is one of a half-dozen states that has "jumped out in front," entering into the Internet world with a licensing program. Alaska Department of Fish & Game is always checking on other states, primarily western ones, to see what the best industry practices are. A few states have

implemented a "smart number" system, a concept that has been looked into [for Alaska]. This system might consist of a number that would include a randomly generated portion and a part that would be coded which would identify a person's gender, age, weight, or some other identifying feature.

MR. BROOKS explained that another thing that was contemplated with HB 63 was if someone chose to buy a license over the Internet, he or she would have to agree to carry a picture ID. This was an enforcement consideration. However, "we" admittedly don't have a system that could be implemented tomorrow. It would take about two years to put [an ID program] into place. The statutes need to be amended to accommodate these changes.

MR. BROOKS said that consequently "we've built into this bill the safeguards that we think are necessary to make sure we are not going to compromise anything from [the] enforcement side of things."

MR. BROOKS remarked that the other issue he wants to point out is that this [online license purchasing] is only one way someone could buy a license. Someone could choose to go to the Internet, Fred Meyer's, or any other store that currently sells licenses. House Bill 63 is offering a "suite of opportunities" for someone to come in and choose how he or she buys a license.

Number 1042

MR. BROOKS said that "we" found great success with the Internet application process. Looking at the statistics, "we" found that many nonresidents are purchasing licenses. If someone is coming up [to Alaska] for a hunting trip, he or she has to do lot of pre-planning. The person is thinking about, "where am I going to hunt, what am I going to hunt, and what licenses do I need." Therefore, he or she is on the Internet, calling ADF&G, and making inquiries to ADF&G. Thus, "we" have gotten a lot of sales this way.

MR. BROOKS stated that ADF&G has yet to meet the demand from the resident fishing and hunting public, for example, "where someone gets up on a Saturday morning and says I want to go fishing or hunting right now and there's not a store open or something like that." This might be "an opportunity for us to provide a temporary number and the paper would catch up with them in a week or two." Currently, if there is a sale over the Internet, the license is mailed within 24 hours, and the person receives it anywhere from a few days to ten days.

CO-CHAIR WILSON asked how one pays for a license online.

Number 1131

MR. BROOKS replied that the only way one can purchase a license over the Internet is by credit card.

MR. BROOKS said that "we" have looked at the demographics and have been able to reach the person that is planning ahead [for a hunting or fishing trip]. He encouraged the committee, when they think about purchasing a license in February, to plan ahead and buy one over the Internet. However, he asked, "How can we reach that person in June who wants to go out and go fishing right now?" One possibility is a kiosk that will "spit out" a receipt. There are a variety of things that "we" need to look at. But he said, "I think this bill will help us move along in that direction."

Number 1166

REPRESENTATIVE COGHILL commented that this is one of the things that is going to be necessary. However, he said, "When I go to a vendor and I sit down to fill out a license application, through the course of normal discussion we begin to discuss catch limits, catch release areas, and that sort of thing, which is going to come up missing in this." He asked if Mr. Brooks was "keying" the application process to any of the regulations. There is probably going to be a menu that someone could pick from, but it seems that it "would be wise to walk them through some of the more basic issues."

Number 1218

MR. BROOKS answered that currently on the licensing site, there are links to the wildlife site (to look at hunting seasons) and the sport fishing site. But it requires one to take the initiative and go looking for it. In the future, it might be possible to "code" the process; if one is purchasing a license, he or she would have to look at certain information. It would be easier to do this on the game site than the fishing site, because different parts of the state have different fishing requirements. However, he said, "If you are a nonresident buying a moose or a bear tag, there are prompts that say you need to be thinking about a guide or you need to be doing (indisc.) or we can make those links."

REPRESENTATIVE COGHILL said in his area there are "so many areas that are catch and release that are probably the most easily accessible areas for fishing, and the more difficult areas are where you can go catch them [fish]." He asked if people are sent an information booklet regarding that, along with their finalized application.

MR. BROOKS answered that he would have to check with his staff to see exactly what goes into the packet that goes out to those who purchase a license.

REPRESENTATIVE COGHILL remarked that one of his fears as a legislator is to be fishing somewhere where it is illegal.

Number 1353

MR. BROOKS commented that one of things the department has done, especially on the sport fish side, is attempt to go to a more regional approach through the regulations. This is because these regulations can become unwieldy, "at different days, different hours or different catch limits." By going regionally, if someone is going to only be in one part of the state, he or she only has to look at that region. People have responded well to the "wealth of information" on the web site. The first question on an inquiry is usually "can you tell me if the season is open or how is the fishing?" He said that he asks these people if they checked the web site for information on a particular river. There are weekly updates on the web site [on fishing areas] with information such as whether the fish are in and how they are.

REPRESENTATIVE COGHILL asked if ADF&G has seen increases in license buying when checking with other states regarding Internet licensing, and if "we" [Alaska] is similar in demographics compared to other states.

MR. BROOKS replied that some of this is so new that they do not have the demographic data yet to compare. There is some belief that someone who is purchasing on the Internet will buy more. For example, someone might buy a combination license instead of just a fishing license. But "we" don't have the "hard" data to make those kind of comparisons. The department does look at the total sales, number of licenses sold, and total revenue that is generated. There has been a "full growth in that." Over time, "we" will be able to see how many licenses are being sold over the Internet and what the relevance is to that.

REPRESENTATIVE COGHILL asked if there was a social security number block on the web site.

MR. BROOKS replied, "You don't need me to answer that."

Number 1479

REPRESENTATIVE DYSON asked if anybody is against this bill.

MR. BROOKS said he does not know of anyone that is against HB 63. However, they have heard that there are a few vendors who object to the state selling licenses over the Internet. But this number is very small, considering there are 1500 vendors in the state. There is a dynamic here, 20 percent of vendors sell 80 percent of the licenses. Large stores are "carrying a lot."

MR. BROOKS revealed that the department has "heard" that the licenses are like a leader. People spend a lot more money outfitting their fishing or hunting trip than purchasing the license. The commission that is given to vendors [for selling licenses] is not that high. The total commission is \$2 million a year which is divided amongst the vendors. "No single vendor is getting rich off that commission," he said. Also, [the Department of] Public Safety and Enforcement [Division of Fish and Wildlife Protection], is concerned that the department does not compromise anything that is going to be done in the field. Captain Starbard might want to discuss this point. "We" have built into this bill that anything "we" do is going to have their [vendors] concurrence, or it will not happen. "We" have a very open dialogue with them [vendors] and are working well with them.

REPRESENTATIVE DYSON asked if there was "any danger that someone will get a hunting or fishing license in another name so they could go out and do 'quasi illegal things' and if they get busted, then 'John' will get blamed for it."

Number 1571

MR. BROOKS replied that "we" have had those discussions internally. By making the system easier, "would it make an honest person, who's otherwise honest, a criminal?" "We" [the department] arrived at the conclusion that this would not occur. He said, "If you walked into the store today, you could fill out a bogus name on there [the application] and call yourself John Coghill," because as it stands today, a person is not required to carry picture ID. Therefore, if "you were out in the field

somewhere you might get away as John Coghill." However, under this system one would have to carry a picture ID and you probably could not get away with a false name, so "maybe there's an enforcement enhancement."

Number 1590

CAPTAIN HOWARD STARBARD, Commander, B Detachment, Division of Fish & Wildlife Protection, Department of Public Safety, testified:

[I have] no comments in reference to the bill other to say our issues have been addressed and we're working with [the Department of] Fish and Game and believe that the concurrence factor in the enforceability of whatever system comes up is (indisc.) job.

Number 1680

REPRESENTATIVE DYSON made a motion to move HB 63 from the committee with individual recommendations and the attached zero fiscal note. There being no objection, HB 63 moved from the House Special Committee on Fisheries.

ADJOURNMENT

There being no further business before the committee, the House Special Committee on Fisheries meeting was adjourned at 6:25 p.m.