

HOUSE FINANCE COMMITTEE  
February 03, 2004  
1:36 PM

TAPE HFC 04 - 17, Side A

CALL TO ORDER

Co-Chair Williams called the House Finance Committee meeting to order at 1:36 PM.

MEMBERS PRESENT

Representative John Harris, Co-Chair  
Representative Bill Williams, Co-Chair  
Representative Mike Chenault  
Representative Eric Croft  
Representative Hugh Fate  
Representative Richard Foster  
Representative Mike Hawker  
Representative Reggie Joule  
Representative Carl Moses  
Representative Bill Stoltze

MEMBERS ABSENT

Representative Kevin Meyer, Vice-Chair

ALSO PRESENT

Senator Fred Dyson; David Teal, Legislative Fiscal Analyst, Legislative Finance.

PRESENT VIA TELECONFERENCE

Dennis Fentie, Premier, Yukon Territories, Canada

SUMMARY

CSSB 56(FIN)

An Act relating to sport fishing license fees and anadromous king salmon tag fees for residents of Yukon, Canada; and providing for an effective date.

HCS CSSB 56(FIN) was REPORTED out of Committee with a "do pass" recommendation and with a new fiscal note by the Department of Fish and Game.

HB 413

An Act making an appropriation to reverse the deposit of money available for appropriation in the general fund at the end of fiscal year 2003 into the constitutional budget reserve fund; making an appropriation under art. IX, sec. 17(c),

Constitution of the State of Alaska, from the constitutional budget reserve fund; and providing for an effective date.

HB 413 was heard and HELD in Committee for further consideration.

#SB56

CS FOR SENATE BILL 56(FIN)

An Act relating to sport fishing license fees and anadromous king salmon tag fees for residents of Yukon, Canada; and providing for an effective date.

SENATOR FRED DYSON spoke in support of CSSB 56(FIN). He explained that the Yukon Territory has amended regulations to allow Alaskans to obtain resident fishing licenses in Canada. Similarly, this bill would allow Canadians to fish Alaskan waters with resident license rates. He commented that Governor Murkowski and Premier Fentie have recently established a broad memorandum of understanding and cooperation between Alaska and the Yukon Territory.

PREMIER DENNIS FENTIE, YUKON TERRITORY, CANADA expressed support for SB 56, stating that the goodwill intent of this legislation speaks to the ongoing cooperation between the Yukon Territory and Alaska. He explained that many Canadians enjoy fishing but have no saltwater access. The communities of Haines and Skagway have welcomed Canadians to enjoy coastal fishing and other activities, which support their local economies. In September 2003, the Yukon amended its fishing regulations to allow for license fee reciprocity for Alaskans to fish the freshwater lakes and rivers of the Yukon at resident rates, contingent on similar provisions being enacted for Yukoners to fish in Alaskan waters.

Representative Fate asked if there would be a curtailment of Alaskan residents' ability to fish in the areas of the Yukon that are controlled by guides. Mr. Fentie affirmed, and explained that fishing would not be allowed in areas where fishing lodges are located. The Yukon has stocked lakes with char that previously had no fish, and in certain cases, these would be off limits to fishing by Alaskans. The information would be readily available when a license is purchased.

Co-Chair Harris clarified that CSSB 56(FIN) is the version before the committee.

Co-Chair Harris MOVED to ADOPT Amendment 1, which reads:

Page 2, line 1:

Delete "immediately under AS 01.10.070(c)"

Insert "January 1, 2005."

There being NO OBJECTION, Amendment 1 was ADOPTED.

Co-Chair Williams explained that the amendment changes the effective date to January 1, 2005 because the licenses for 2004 have already been printed.

Representative Foster MOVED to report HCS CSSB 56(FIN) out of Committee with the accompanying fiscal note and individual recommendations. There being NO OBJECTION, it was so ordered.

HCS CSSB 56(FIN) was REPORTED out of Committee with a "do pass" recommendation and with a new fiscal note by the Department of Fish and Game.

#

#HB413

HOUSE BILL NO. 413

Representative Croft explained that the Legislature owes a debt to the Constitutional Budget Reserve (CBR) [under section 17(d), which requires leftover general fund balances to be swept into the CBR at the end of the fiscal year. These funds are generally restored by a  $\frac{3}{4}$  vote under section 17(c) of the CBR provisions]. He explained that HB 413 would simply reverse the sweep, and noted that it's usual in the CBR negotiations that the legislature restore the small funds. Representative Croft discussed the "CBR Sweep Summary-DRAFT" (copy on file.) He observed that the \$88 million restoration affects the State Forestation Fund, the Oil and Hazardous Substance Release Accounts, the Tobacco Education/Cessation Fund, the Alcohol/Drug Abuse Treatment/Prevention Fund, and the Railbelt Energy Fund. He explained that because the CBR negotiations failed to reach agreement last year, these sub-accounts were swept. He observed that although the sweep hasn't had a direct impact on government yet, it's becoming more critical that these funds be restored. Representative Croft offered HB 413 as a goodwill gesture. He stated that the bill expresses a willingness to put monies back into the general fund sub-accounts in the hope of resolving the larger issue of the basic withdrawal of the CBR.

Co-Chair Harris presented conceptual Amendment 1:

Amend section 1 by adding a new subsection to read:

(b) The sum of \$125,000 is appropriated from the budget reserve fund (art. IX, sec. 17, Constitution of the State of Alaska) to the Department of Revenue, treasury division, for the fiscal year ending June 30, 2004, for investment management fees for the budget

reserve fund (art. IX, sec. 17, Constitution of the State of Alaska).

Amend existing subsection (b) to read:

(c)(b) The appropriations in (a)and (b) of this section are [IS] made under art. IX, sec. 17(c), Constitution of the State of Alaska.

MR. DAVID TEAL, LEGISLATIVE FISCAL ANALYST, LEGISLATIVE FINANCE confirmed that the \$125 thousand in CBR management fees to Department of Revenue, treasury division, was correct.

Representative Croft did not object to the amendment, which is the standard amount paid for management of the CBR.

There being NO OBJECTION, the conceptual amendment was ADOPTED.

HB 413 was heard and HELD in Committee for further consideration.

#

#### ADJOURNMENT

The meeting was adjourned at 1:54 P.M.