

**ALASKA STATE LEGISLATURE
HOUSE RESOURCES STANDING COMMITTEE**

March 17, 2003

1:04 p.m.

MEMBERS PRESENT

Representative Mike Chenault, Co-Chair
Representative Hugh Fate, Co-Chair
Representative Beverly Masek, Vice Chair
Representative Carl Gatto
Representative Bob Lynn
Representative Kelly Wolf
Representative David Guttenberg
Representative Beth Kerttula

MEMBERS ABSENT

Representative Cheryll Heinze

COMMITTEE CALENDAR

HOUSE BILL NO. 139

"An Act approving an interim classification by the commissioner of natural resources closing certain land within the Glacier Creek and Winner Creek drainages to new mineral entry; and providing for an effective date."

- MOVED CSHB 139(RES) OUT OF COMMITTEE

HOUSE BILL NO. 163

"An Act relating to an annual wildlife conservation pass and the fee for that pass; relating to nonresident and nonresident alien big game tag fees; and providing for an effective date."

- HEARD AND HELD

PREVIOUS ACTION

BILL: HB 139

SHORT TITLE:CLOSING CERTAIN LAND TO MINERAL ENTRY

SPONSOR(S): REPRESENTATIVE(S)HAWKER

Jrn-Date	Jrn-Page		Action
02/28/03	0339	(H)	READ THE FIRST TIME - REFERRALS
02/28/03	0339	(H)	RES

02/28/03 0339 (H) REFERRED TO RESOURCES
03/17/03 (H) RES AT 1:00 PM CAPITOL 124

BILL: HB 163

SHORT TITLE:NONRES.GAME TAG FEES/WILDLIFE TOUR PASS

SPONSOR(S): RLS BY REQUEST OF THE GOVERNOR

Jrn-Date	Jrn-Page		Action
03/05/03	0433	(H)	READ THE FIRST TIME - REFERRALS
03/05/03	0433	(H)	RES, FIN
03/05/03	0433	(H)	FN1: (DFG)
03/05/03	0433	(H)	FN2: (DFG)
03/05/03	0434	(H)	GOVERNOR'S TRANSMITTAL LETTER
03/14/03		(H)	RES AT 1:00 PM CAPITOL 124
03/14/03		(H)	Heard & Held
03/14/03		(H)	MINUTE(RES)
03/17/03		(H)	RES AT 1:00 PM CAPITOL 124

WITNESS REGISTER

REPRESENTATIVE MIKE HAWKER

Alaska State Legislature

Juneau, Alaska

POSITION STATEMENT: Spoke as the sponsor of HB 139.

SARA WRIGHT, Staff

to Representative Mike Hawker

Alaska State Legislature

Juneau, Alaska

POSITION STATEMENT: Answered questions relating to HB 139.

BOB LOEFFLER, Director

Division of Mining, Land and Water

Department of Natural Resources (DNR)

Anchorage, Alaska

POSITION STATEMENT: Testified in support of HB 139; answered questions relating to the original closure.

GEORGE CANNELOS, Director

Heritage Land Bank

Anchorage, Alaska

POSITION STATEMENT: Testified in support of HB 139; suggested it would provided a real opportunity to partner with the state and private sector to really test the feasibility of developing a second major alpine ski resort in the Girdwood area.

BRUCE BUSTAMANTE, President and Chief Executive Officer (CEO)
Anchorage Convention and Visitors Bureau
Anchorage, Alaska

POSITION STATEMENT: Testified in support of HB 139, noting that it allowed for further study of the Glacier-Winner Creek area with the possibility of further development; testified on HB 163 and expressed opposition to targeting any one sector for taxation within the tourism industry for general fund purposes only.

BARBARA KELLY
Alaska Discovery Wilderness Adventures
Juneau, Alaska

POSITION STATEMENT: Expressed concerns relating HB 163.

JULIE HURSEY, Owner
Alaska Passages Adventure Cruise
Petersburg, Alaska

POSITION STATEMENT: Testified in opposition to HB 163; expressed concerns that the bill would harm small tourism businesses and said she considered it to be a head tax on tourists, rather than a wildlife conservation effort.

KENT BREKKE, Owner
Alaska Angling
Petersburg, Alaska

POSITION STATEMENT: Testified in opposition to HB 163.

ALAN LeMASTER, President
Gakona Junction Village, Inc.
Gakona, Alaska

POSITION STATEMENT: Testified in opposition to HB 163; suggested that targeted taxes are unacceptable, unfair, and unwarranted.

DEB AJANGO, Executive Director
Alaska Wilderness Recreation & Tourism Association (AWRTA)
Anchorage, Alaska

POSITION STATEMENT: Expressed concerns relating to HB 163; noted that AWRTA was not opposed to the concept of a wildlife viewing pass.

GORDY WILLIAMS, Legislative Liaison
Office of the Commissioner
Alaska Department of Fish and Game
Juneau, Alaska

POSITION STATEMENT: Testified on HB 163.

ROBERT NAUHEIM, Assistant Attorney General
Natural Resources Section
Civil Division (Anchorage)
Department of Law
Anchorage, Alaska

POSITION STATEMENT: Answered questions pertaining to HB 163.

ACTION NARRATIVE

TAPE 03-18, SIDE A

Number 0001

CO-CHAIR HUGH FATE called the House Resources Standing Committee meeting to order at 1:04 p.m. Representatives Fate, Masek, Gatto, Wolf, and Guttenberg were present at the call to order. Representatives Chenault, Lynn, and Kerttula arrived as the meeting was in progress. Representative Heinze was excused.

HB 139-CLOSING CERTAIN LAND TO MINERAL ENTRY

CO-CHAIR FATE announced that the first order of business would be HOUSE BILL NO. 139, "An Act approving an interim classification by the commissioner of natural resources closing certain land within the Glacier Creek and Winner Creek drainages to new mineral entry; and providing for an effective date."

Number 0133

REPRESENTATIVE MIKE HAWKER, Alaska State Legislature, speaking as the sponsor of HB 139, characterized HB 139 as a pro-economic development bill that requires the closure of a mining area. He noted that [HB 139] has the support of the Alaska Miners Association and that it affirms the extension of an existing closure for mineral entry in Girdwood near the Alyeska Ski Resort. Approximately 10 year ago, he said, this area was closed to new commercial mining entry and the existing commercial claims were purchased outright. The mineral entry holders supported this closure in order to facilitate the expansion of the ski resort. During the last 10 years of the existing closure, he said, the hotel development has largely concluded. The target for the next 10 years is to continue that development past the ski facilities and around to the back of the mountain, which requires the reissuance of a mineral closing order, to extend the closure for 10 more years, he explained. The governor has reissued the mineral closing order and due to AS 38.05.300(c) the legislature is required to affirm the

closure orders within 90 days, he said, and the 90-day window will end on April 20th.

REPRESENTATIVE HAWKER directed attention to the committee packet and the letters of support, which are from associations ranging from the Alaska Miners Association to the Municipality of Anchorage and the Heritage Land Bank. Furthermore, he said, there has been verbal support of this legislation from the Girdwood Board of Supervisors. Representative Hawker informed the committee that this area was heavily mined in the later part of the 19th century and largely played out to commercial mining in the mid-20th century. Today, its prospects are for recreational mining. He noted that the committee packet should include a letter from the Division of Mining, Department of Natural Resources (DNR), that discusses the history of this area and its limited commercial prospect. Representative Hawker concluded by urging the committee to forward this legislation in order to allow it to reach the governor in the timeframe necessary.

Number 0516

REPRESENTATIVE MASEK moved to adopt the proposed committee substitute (CS), labeled 23-LS0644\I, Kurtz, 3/11/03, as the working document. There being no objection, Version I was before the committee.

Number 0675

REPRESENTATIVE WOLF asked whether anybody has received input from Chugach National Forest regarding support for this.

REPRESENTATIVE HAWKER explained that there are letters of support from DNR and the Heritage Land Bank and that of 5,740 acres, approximately 1,000 acres belongs to the Municipality of Anchorage, which supports [HB 139]. He offered his belief that the land in question is state, not federal, property, and that 10 years ago, the land was acquired via a Bureau of Land Management transfer to the Municipality [of Anchorage] for transfer to the State of Alaska. He said the Chugach National Forest had been taken out of this issue about 10 years ago.

REPRESENTATIVE WOLF, noting that the Chugach National Forest is neighboring the property, asked if neighbors had been asked for comment.

REPRESENTATIVE HAWKER deferred the question to his staff.

Number 0695

SARA WRIGHT, Staff to Representative Mike Hawker, Alaska State Legislature, testified. She explained that the Toohey family owned quite a bit of neighboring land, and that Cam Toohey had been sent a copy of the legislation and had not been heard back from.

REPRESENTATIVE HAWKER said the other major adjacent land lessor, the Alyeska Ski Resort development area, is "very much, as part of the 'Girdwood 20/20' organization, in favor of this." He talked about a letter from Chris Von Imhof, vice president and chief executive officer (CEO), Alyeska Ski Resort, supporting this development.

Number 0790

REPRESENTATIVE GUTTENBERG asked Representative Hawker about the difference between the bill and the proposed CS.

REPRESENTATIVE HAWKER said he thought the change was suggested by the Alaska Miners Association. He offered his opinion that it makes it a better bill. He remarked:

In the first draft - this is a moratorium at the moment - again, it continues a moratorium against new mineral entry; should tenures come up without having any commencement of alternate development, this land will revert and become available for commercial mineral entry again. In the prior bill, that reversion required an affirmative action on part of the administration. ... The CS version makes that reversion automatic unless -- it puts the burden on the administration to notify or give notice that there has been the commencement of development. It was ... a reversing of the notification process and, frankly, I believe it makes it a better bill.

REPRESENTATIVE GUTTENBERG remarked, "That's in a conditional effect."

REPRESENTATIVE HAWKER, in response, said yes; that is exactly how that reads.

The committee took an at-ease from 1:13 p.m. to 1:14 p.m.

Number 0952

BOB LOEFFLER, Director, Division of Mining, Land and Water, Department of Natural Resources (DNR), testified, noting DNR's support for the bill. He explained that the closure occurred about 10 years ago with the agreement of all of the parties. He said since that time the legislature had passed AS 38.005.300, which requires closures of this nature to be acted upon by the legislature. Mr. Loeffler said this is an area with low mineral value but with a significant potential for the Municipality of Anchorage. He offered his belief that a 10-year closure to allow marketing and financing to determine whether [it will develop into] a significant tourist location is in the best interest of the state and takes very little from the mineral industry.

Number 1034

REPRESENTATIVE WOLF asked if DNR had contacted any neighboring [property owners] or the Chugach National Forest to ask for their comments on this closure.

MR. LOEFFLER said he expected it was done as part of a "Turnagain Arm plan" about 10 years ago; the department involved "absolutely everybody who could possibly be involved" at that time, and the U.S. Forest Service was on the team. He said the [department] hadn't redone it because [HB 139] is an extension of the previous closure.

REPRESENTATIVE WOLF expressed appreciation and he indicated it was his intention to ensure that [the Forest Service] had been involved initially.

REPRESENTATIVE GUTTENBERG asked Mr. Loeffler if there were any requirements to ask again if there are any comments.

MR. LOEFFLER said a public notice was posted as part of this mineral closure. He remarked, "So, the interim closure, actually, we already did the public notice and received very few significant comments."

REPRESENTATIVE GUTTENBERG asked for clarification on whether Mr. Loeffler was speaking about the original [closure] or this extension.

MR. LOEFFLER said it was also done the last year for the extension.

Number 1169

GEORGE CANNELOS, Director, Heritage Land Bank, testified, noting that he was [testifying] on behalf of the Municipality [of Anchorage]. He thanked Representative Hawker for sponsoring HB 139 and he expressed strong support for the proposed CS; he suggested the [proposed CS] is a better bill. He said it will provide [the Municipality of Anchorage] a real opportunity to partner with the state and private sector to really test the feasibility of developing Glacier [and] Winner Creek as a major alpine ski resort area and the second such area in Girdwood. He talked about the intention later this year, through the Heritage Land Bank, to issue a [request for proposals (RFP)] to update the development concepts and economics behind the project. He expressed hope that by the end of the year, formally solicited interests from a prime developer can be sought. He explained that a project of this magnitude would take several phases, and he offered his belief that 10 years is a reasonable amount of time to see if this is going to go or not. He reiterated support for HB 139.

Number 1262

BRUCE BUSTAMANTE, President and Chief Executive Officer (CEO), Anchorage Convention and Visitors Bureau, testified. He expressed support for the bill and talked about HB 139 allowing for the further study of the Glacier-Winner Creek area with the possibility of further development. He said the feeling is that the Alyeska Ski Resort has added tremendously to its portfolio of offerings to the tourism industry and that it adds greatly to the quality of life in Southcentral Alaska. He talked about seeing expansion of that particular area to improve Anchorage's position as a world-class ski destination and he said it really "puts us on the map" in attracting more competitions and such. He expressed support of the city's position to move ahead with further study and development.

Number 1353

REPRESENTATIVE GATTO noted that he was going to vote for the bill and commended Representative Hawker for writing it so clearly.

REPRESENTATIVE HAWKER gave credit to legislative legal counsel for good "lawyerly work" in helping to assemble the bill. He said anybody with any question about the "ins and outs

appearance" [or] a concern about understanding the technical nature of the legislation should refer to the sectional analysis, which he noted is particularly well written. He said the credit goes to his staff and legislative legal counsel for doing a good job.

Number 1461

REPRESENTATIVE MASEK turned attention to page 1, lines 10-12, which read:

The legislature finds that the Glacier Creek and Winner Creek drainages hold significant potential for the development of a new four season resort in Girdwood.

REPRESENTATIVE MASEK asked what the rationale was for this statement to be [included] in the bill.

REPRESENTATIVE HAWKER remarked:

As we've heard testimony today from ... Mr. Bustamante ... with the [Anchorage] Convention and Visitors Bureau, particularly the support this bill has received up from ... Mr. Chris Von Imhof, Vice President and CEO of ... Alyeska [Ski] Resort, and writing in its capacity as the Girdwood 20/20 organization, recognizing this is a ... continued implementation of a long-term economic development plan in the Girdwood valley, we further have the documentation support in the packets here from both the ... Municipality of Anchorage at both the executive level and specifically with the Heritage Land Bank personnel; ... Mr. Cannelos is the head of Heritage Land Bank, whose (indisc.). The majority of the property Heritage Land Bank currently holds and operates is in the Girdwood valley, and it's a major mission that they're undertaking, is economic development for the entire Southcentral Alaska, specifically, the Municipality of Anchorage.

I truly believe the support of this bill - the reason we're doing it is for the furthering of the economic potential of a four-seasons resort development, which is for the point in the legislation [that] indicates the legislature finds that these drainages do hold specific potential for the development of a new four-

seasons resort based on the extremely competent testimony and well-based research done in preparing this legislation and having all of the support we've accumulated behind it.

Number 1609

REPRESENTATIVE GATTO remarked:

If the commissioner certifies that they have followed the rules and have begun development, it reminds me a little bit of stranded gas. Once they've passed the test of beginning development, is there ... any limit to saying, "Hey, you've got to ... finish something in some amount of time," or is it just reserved for their development at that point?

REPRESENTATIVE HAWKER offered his belief that there is sufficient latitude in the language of the bill, particularly under Section 1 [page 1, lines 13-14, and page 2, line 1]. He said Anchorage has utilized these land-use and land-development master plans extensively and he believed it would be a very good basis for determining if the development is legitimate or not. He mentioned having sufficient interests on both sides of the issue in the future to make certain that that development is viable.

Number 1709

REPRESENTATIVE MASEK moved to report CSHB 139 [Version 23-LS0644\I, Kurtz, 3/11/03] out of committee with individual recommendations and the accompanying fiscal notes, and she asked for unanimous consent. There being no objection, CSHB 139(RES) was reported from the House Resources Standing Committee. The committee took an at-ease from 1:27 p.m. to 1:30 p.m.

[Co-Chair Fate turned the gavel over to Vice Chair Masek.]

HB 163-NONRES.GAME TAG FEES/WILDLIFE TOUR PASS

VICE CHAIR MASEK announced that the next order of business would be HOUSE BILL NO. 163, "An Act relating to an annual wildlife conservation pass and the fee for that pass; relating to nonresident and nonresident alien big game tag fees; and providing for an effective date."

VICE CHAIR MASEK noted that the committee had taken public testimony on 3/14/03 and would continue to take public testimony for HB 163.

Number 1789

BARBARA KELLY, Alaska Discovery Wilderness Adventures, testified, noting that Alaska Discovery (AKD) is based in Juneau and offers guided sea kayaking, river rafting, and canoeing trips throughout the state. She said philosophically, AKD does not have a problem with asking its guests who go on its trips to pay an annual fee as proposed in HB 163. She said that is only in the case that the funds are put into a separate account in the general fund, however, and this year's budget proposal includes an amendment that appropriates a substantial amount of those funds for the purpose of wildlife viewing, education, and management programs. She suggested that strong intent language that clearly directs future legislatures to appropriate a significant portion of these funds for the purpose of wildlife programs should also be included in the bill. Ms. Kelly said it is felt that those programs would be a benefit to AKD's guests and that AKD would also support some of those funds' going toward a tourism-marketing program that would draw more independent visitors to the state.

MS. KELLY expressed concern about the burden this will place on AKD as an operator, in ensuring that all of its guests have the wildlife pass in their possession. The most expeditious way to do this would be to act as a vendor, she said, but this would require extra time and work on AKD's part to collect and keep track of the fee. Ms. Kelly expressed concerns about how AKD would handle the fee for guests who only doing a kayaking day trip in Glacier Bay National Park [and Preserve] because many of these trips are booked at the last minute by guests who are staying at [bed-and-breakfast establishments] in Gustavus. She said AKD would not be able to sell a pass in advance to these people.

MS. KELLY suggested this would require extra time and hassle for AKD's guides to check with each guest to ensure that they have the pass and to sell them one if they don't. She said AKD would urge that an exemption be allowed for places such as Pack Creek that already have a substantial fee in place. Ms. Kelly explained that AKD also has a concern about the timing of this bill, which was also expressed by some of the other people who previously testified. She recommended [HB 163] not take effect prior to September of 2003, because if it goes into effect in

the middle of the season, it is felt that [the pass requirement] would create a undue burden on AKD as an operator.

Number 1979

REPRESENTATIVE GUTTENBERG asked Ms. Kelly where guests initially arrive for tours.

MS. KELLY said guests show up for a pre-trip meeting before the trip goes out into the field, and the guides are dealing with the guests at that point. She said guides don't collect or handle money at the pre-trip meetings and it wouldn't be a workable situation for AKD to have guides sell passes. Ms. Kelly said that's why AKD would act as a vendor and explain the pass to guests and tell them that they could purchase the pass through AKD during the initial sign up. If a guest were purchasing the pass through somebody else because of multiple activities, she said, AKD would inform the guest that he/she didn't need to get the pass through it, but would need to have it. She said AKD would want guests to have the pass before attending the pre-trip meeting.

Number 2061

REPRESENTATIVE GUTTENBERG, noting that AKD had already set its tour prices for the year, asked Ms. Kelly what percentage of season trips had already been sold.

MS. KELLY, in response, said a little over 50 percent. She noted that AKD's prices had already been circulated and published.

Number 2080

REPRESENTATIVE GATTO asked Ms. Kelly how she would verify that the pass did, in fact, belong to the person presenting it.

MS. KELLY relayed her understanding that the pass would have the person's name on it. She said she hadn't thought about asking the person for identification to prove the pass belonged to him or her and that she would assume that if the guest was going on a trip and presented a pass, the pass was his or hers.

REPRESENTATIVE GATTO asked if guests fly in directly to AKD or whether there are prior stops before their arrival.

MS. KELLY responded that most of AKD's trips are multi-day trips, so a lot of times people are just doing a trip with AKD and not anything else, but not necessarily; guests could be doing multiple activities with other operators.

REPRESENTATIVE GATTO asked if all of AKD's trips are multi-day.

MS. KELLY said the majority of trips are multi-day; AKD offers a couple of day trips such as to Pack Creek and Glacier Bay National Park and Preserve. She noted AKD also offers three-day trips.

Number 2145

VICE CHAIR MASEK asked Ms. Kelly if she kept lists of the names of the guests.

MS. KELLY responded that AKD has a database where it keeps track of all of its guests that sign up for the trips; at the pre-trip meeting the guide has a list of all of the names of people who are on that particular trip.

Number 2172

REPRESENTATIVE GATTO noted that Pack Creek already requires a fee.

MS. KELLY said yes, a significant fee of \$50 per person for the in-season.

REPRESENTATIVE GATTO asked how that fee is collected.

Number 2183

MS. KELLY said AKD includes the fee in the price of the tours; the fee is not collected separately. She said AKD pays the fee to the Forest Service at a later time.

REPRESENTATIVE GATTO asked what is given in return for the Pack Creek fee.

MS. KELLY said AKD has permits to bring from 5 to 10 guests to Pack Creek on certain days, from early July through mid-to-late August.

REPRESENTATIVE GATTO asked what is given in return for the \$50 fee.

MS. KELLY noted that there are no facilities of any kind at Pack Creek and the fee gives AKD permission to go there with its guests and do a guided walking tour and sit for quite a while and watch for bears and other wildlife in the area. She noted that there is a viewing tower located in Pack Creek.

REPRESENTATIVE GATTO asked if the tower is provided as part of the fee at Pack Creek.

MS. KELLY said yes; [the tower] is the one structure that's there.

Number 2301

BRUCE BUSTAMANTE, President and Chief Executive Officer (CEO), Anchorage Convention and Visitors Bureau, testified. Mr. Bustamante said the organization he represents is opposed to targeting any one sector for taxation within the [tourism] industry, for general fund purposes only. He offered his view that the [wildlife viewing pass] fee falls into that category, and that it doesn't really bring any added value for the fee collected to [Alaska's] visitors. Mr. Bustamante expressed concern about [the state's] image in a very competitive marketplace in which [Alaska's tourism industry] is up against very aggressive, well-funded state marketing organizations. He noted that Alaska's tourism industry is competing against Canada as well. For the purpose of growing the state's economy, through growing the visitor industry, [HB 163] is viewed as really creating an obstacle for the state's tourism industry, he explained.

MR. BUSTAMANTE suggested that this is not a good message to convey and that the industry is trying to bring more visitors to the state; he said the timing for the visitor industry has not been good for the last couple of years based on world events. Mr. Bustamante said for those reasons, the [Anchorage Convention and Visitors Bureau] is opposed to that particular portion of HB 163 as it relates to the wildlife viewing pass.

VICE CHAIR MASEK indicated that several other states are implementing similar programs. She said the State of Washington is currently proposing a wildlife stewardship decal of \$25 to encourage donations to fund wildlife viewing activities. She suggested the wildlife viewing fee isn't really a new concept, although it is for Alaska. She expressed her view that she didn't see it as targeting a certain [group] of people.

Number 2466

JULIE HURSEY, Owner, Alaska Passages Adventure Cruises, testified, noting her and her husband's business entails running [sightseeing] trips out of Petersburg. Ms. Hursey expressed concerns at hearing the [governor's State of the] Budget address about the wildlife viewing pass. The additional cost of \$15 per person added on to one of the trips that she offers could be a problem, she said. For a family of six, that's going to mean an additional cost of \$90. She explained that Petersburg recently adopted a local sales tax and the sales tax for one of her charters is going to be \$152 per trip. Ms. Hursey said she had already sent out many of the invoices and that her [business] would have to absorb that cost of the [wildlife viewing pass]. She said the [industry] has been trying to recover from the terrible "slump" in tourism that has occurred since September 11, 2001, and that last season the amount of business was down considerably because many Americans decided to stay closer to home.

Number 2510

MS. HURSEY suggested that with the economy the way it is, people are being more careful with their money and that creating a new tax could make people think twice about going on one of her charters. She noted that [tourists] can go to Canada, where the cost of trips is cheaper, and she offered her belief that Alaska needs to try to stimulate the tourism economy. She remarked, "While it may seem attractive to stick outsiders with a tax like this, it can affect businesses like mine that are run by Alaskans." Ms. Hursey talked about the terrible downturn of the salmon industry in recent years and the changes in the Southeast Alaska economy that have led some people to turn to tourism. She noted that her local tourist industry is pretty small-scale and is in the very early stages of development. She said a head tax like this is going to make [her and her husband's business] less competitive, and that maybe the big cruise lines from outside [Alaska] could absorb this kind of expense and lower their prices to accommodate the tax, but [smaller businesses] can't do that and don't have that big margin.

Number 2549

MS. HURSEY said she wondered if cruise ship passengers are also going to be targeted by this tax, but she had heard that it was mostly going to be the local outfitters. She offered her belief

that it was disingenuous for this tax to be presented as a way to fund wildlife conservation, because at this time, the revenue is earmarked for the general fund or put in a special account, which may or may not be appropriated by the legislature for wildlife management and education. Ms. Hursey offered her understanding that it is not constitutional to dedicate funds. She said she was in agreement with Barbara Kelly that [HB 163] needs strong intent language if it is to go forward.

Number 2570

MS. HURSEY suggested that the state has done away with much of the funding for wildlife management that is not directly tied to hunting or fishing, and she said she couldn't imagine that this "trend" was going to change suddenly. She offered her understanding that from what was said by the Alaska Department of Fish and Game (ADF&G) personnel [in the previous meeting], the CARA [Conservation and Reinvestment Act] funds were to be used for viewing, education, and conservation of species, not to hunt, fish, or trap. She asked if that meant the matching money raised by the wildlife viewing pass will go towards whale watching education, and she said if the money goes toward the predator control of wolves, as is being done in McGrath, her clients would "hit the roof." There's already talk of a tourism boycott over that situation, she said; [the tourism industry] was affected by the last tourism boycott over "heavy-handed" wolf management and Alaska does not need that kind of bad publicity.

MS. HURSEY asked who would be responsible for administering the collection of the wildlife viewing pass fee and checking to verify the [tourists] have the pass. She suggested that verifying the passes would cost a lot of money, and she asked what would happen in the case of other types of charters, such as research or glacier viewing, when wildlife is not the target. Ms. Hursey told the committee that she thinks of [HB 163] as a "head tax" and not a way to conserve wildlife. She reiterated that the money is earmarked for the general fund, and she urged members to vote against [HB 163] because of her belief that it would hurt small businesses like hers. She thanked the committee for the opportunity to testify.

Number 2629

REPRESENTATIVE GATTO asked Ms. Hursey if she was aware of the age limits that apply to the pass.

MS. HURSEY said yes; however, not everyone has kids under 16 years of age. For example, she said, she anticipated the charter of a family with three kids over the age of 16, who would all have to pay for the pass.

Number 2658

REPRESENTATIVE KERTTULA asked Ms. Hursey how many groups [her and her husband's business serves] every summer.

MS. HURSEY replied that it was between 10 and 12, and that 8 [groups] are already booked for [this year].

REPRESENTATIVE KERTTULA asked how many people are normally on those trips.

MS. HURSEY replied that 6 people is the limit.

REPRESENTATIVE KERTTULA offered her understanding that Ms. Hursey's business was a very small operation.

MS. HURSEY answered in the affirmative.

REPRESENTATIVE KERTTULA asked Ms. Hursey about the local sales tax she had mentioned previously.

MS. HURSEY explained that a 6 percent sales tax was applied to charter boats located in Petersburg.

Number 2698

KENT BREKKE, Owner, Alaska Angling, testified, noting that he also a small charter boat operator and does weeklong trips. He said he had just returned from promoting his business down south and was surprised to learn about HB 163. Mr. Brekke noted that he had not had time to do the research and submit a "nice write-up" like Ms. Hursey had, but that he did have questions. He suggested that it is obviously mandatory for people to purchase the pass, because when people go out on a charter, they are going to be viewing wildlife even if it is not the [intended] activity. He asked, if some members of a [charter] group were purchasing a fishing license and others did not, whether those that did not purchase the license would be required to buy the wildlife viewing pass even if they were pretty much just reading their books and sitting on the boat.

Number 2736

MR. BREKKE noted that he has some clients that fly directly out to his boat and he indicated [obtaining wildlife viewing passes would be problematic for those clients]. He said he questioned some of the [revenue generated from the wildlife viewing pass] being used for predator control. He remarked, "If people are paying to view a wolf and then knowing that that money is also being used to kill a wolf, I think that's definitely setting some question." Mr. Brekke said he thought the timing of the bill was definitely an issue and that he had already priced his trips for this coming year and received deposits and some full payments for those trips. He remarked, "I definitely think there are a lot of questions, and I think there's a lot of us that are opposed to this tax."

Number 2790

ALAN LeMASTER, President, Gakona Junction Village, Inc., testified, noting that he was a small-business operator in the Copper Valley. He thanked the committee for the opportunity to testify on HB 163, and he said for years, small businesses in the visitor industry have tried to explain that targeted taxes on individual segments of the industry are unacceptable, are unfair to separate sectors of fellow business, and really are unwarranted. There are better, more comprehensive, more equitable ways to accomplish these goals, he suggested. A user fee targeted at those visitors that wish to simply look at wildlife is hard to understand, he said. He suggested that many questions have arisen from the debate [over the bill] in the last few days. He asked, "Who is required to pay such a fee; what conditions does the fee kick in; who will be responsible for the collection of fees; how much of the dollars collected will be earmarked for marketing of the state's visitor to the world so people will come and view our wildlife"

MR. LeMASTER suggested that neither the governor nor the legislature can dedicate funds collected from any special tax or fee system, so there's no guarantees that the funds will be used for the purposes intended, which is the reason "targeted taxes give us pause." He suggested that the legislature had alternative choices to implement [for revenue-generating purposes], such as converting the permanent fund to an endowment, establishing a broad-based seasonal sales tax, or taxing the permanent fund dividend.

MR. LeMASTER encouraged the committee to pay close attention to assessing a seasonal sales tax on retail commodities and

services statewide. A seasonal sales tax equitably addresses several issues, he said. It would spread the burden of payment to all of the buyers of business and services in commodities according to their level of use. A broad-based seasonal sales tax could collect far more dollars than fragmented users fees, he suggested. He said retail outlets, for compensation, could be responsible for collecting and paying the tax to the state, thus eliminating special collection programs like the "mess" created with the sales and collection of fees for fishing licenses and salmon stamps. The visitor industry marketing program should share in the bounty to use a portion of those funds to build visitation numbers for the future through a good comprehensive marketing program, he suggested.

Number 2896

MR. LeMASTER said a portion of the seasonal sales tax collected by businesses in the visitor industry could be earmarked by an addendum to the millennial agreement for marketing the state to potential visitors. He suggested that about half of the seasonal sales taxes collected by the [tourism] industry be reinvested in the state's marketing program currently being administered by the Alaska Travel Industry Association (ATIA). Mr. LeMaster suggested that since 9/11 [September 11, 2001] businesses in the [tourism] industry are struggling and, in far too many cases, failing. He asked, "With little assistance from the legislature to date, isn't it now time to step up to the plate and do your share to ensure that the largest industry in the state, after oil, survives and grows?" Mr. LeMaster said he prays that the committee would consider the options to HB 163 and opt out of a target-tax plan in favor of a broad-based program that spreads the burden across the board, and benefits all of the players in the game and residents of the state alike.

Number 2948

VICE CHAIR MASEK noted that Mr. LeMaster's point on the sales tax is not a resource issue, and that the committee is addressing the resource aspect [of the bill] regarding wildlife.

REPRESENTATIVE GATTO highlighted Mr. LeMaster's comment that since 9/11, the [tourism] industry had been suffering. He talked about the suggestion that because of 9/11, more people aren't going on vacations that are overseas, and he noted that a previous testifier had mentioned that [her business] was nearly two-thirds booked for the season. He said it seems to him that it isn't a loss of business that seems to be the effect, and yet

that is what he'd been hearing. Representative Gatto asked, "Is there some way to say that ... we have taken a hit because of events of the world and therefore we should be excused, but we're not; do you know?"

MR. LeMASTER said one of his businesses distributes brochures across Alaska and Canada for about 100 pretty-well-based tourism companies.

TAPE 03-18, SIDE B

Number 3016

MR. LeMASTER suggested [that many businesses] are engaged in getting ready for the season and that most people would agree that businesses had experienced approximately a 20 percent reduction in sales last year as a result of 9/11. Mr. LeMaster offered his belief that this year, it does not appear at this time that [businesses] would see an appreciative increase in sales over last year. He remarked:

I think, when you talk to somebody that says they're three-quarters booked for the season, two or three things are at play here that you have to be aware of, and one is that those people who are directly connected with the cruise ship industry seem to, ... in some cases, be having a little better year than they may have had last year. But when you get away from that particular direct connection to the cruise ships, I think for the most part, most of us are beginning to see that this year is going to be significantly down from two years ago, and may be down from last year.

Number 2958

REPRESENTATIVE LYNN commented:

No one knows what the future holds; everybody knows we are on, probably, the brink of hostilities with Iraq. No one can predict whether there [will] be another 9/11-equivalent terrorist event here or even something half or a fourth of what that was. These are unknowns. I fear that this anticipation that this might happen ... from terrorist attacks ... and sundry, plus all this including 9/11 itself, is going to be a big hit on the tourist industry coming up, and that some of the people who already booked these

wonderful tours may pull out if things start going downhill as far as hostilities are concerned, and any future terrorist activity. ... That's just an observation.

REPRESENTATIVE LYNN asked Mr. LeMaster if he cared to comment.

Number 2914

MR. LeMASTER remarked:

I did have a conversation with one of my clients just two days ago, and he made a very interesting observation about his business. He said early on, last fall, business seemed to take hold and he thought he had ... real good feelings about what was going to happen this year because it took off And then when we got into this situation regarding the war, and as it got more serious, all of the sudden the phones quit ringing again. And I hadn't really given that much thought, but you know, after I did think about it, I went back and looked at my bookings a little bit, and that happened to me too.

I just assumed that because I was traveling and I wasn't paying that close attention to some of my bookings early on in the season - I do most of my bookings a little bit later in the year due to the marketing that I do - I just assumed maybe that was part of the impact. But it's true that we're seeing a very slow movement on bookings at this time and we're praying that that will turn around when, and if the war happens and the war is quick -- but like you say, there's no guarantees, but any impact on a specific area of our industry, in these times, when things have been as bad as they have for the last year and a half, is going to be crucial.

Keep in mind that many of our businesses in the visitor industry, too many of them - not a great number, but too many of them - have actually failed over the last year. And ... some of these businesses have been around for a while. And this is a struggle; we have a struggle. We're not saying we don't want to pay the taxes or don't want to pay our share; we're just saying we want to have a broad-based payment

schedule that will affect everybody equally and not just pick on one section or another.

And it seems like not only this bill, but there are several items on this plate that do exactly that, they're picking on ... wildlife viewing, they're picking on education for \$100 here ... [or] there, and by the time you get all done with it, we've collected something around one hundred million dollars. Why not have a single tax that will tax everybody in the state equitably and raise the same kind of funds, and do it at a time of the year when the visitors will pay part of the bill. That's my point.

Number 2802

VICE CHAIR MASEK pointed out that this [bill] would not affect residents of Alaska. She offered her belief that [residents of Alaska] have been "picking up the tab" time and time again, and that as a lifelong resident of the state, she felt that people that visit Alaska should pay "their fair way too."

REPRESENTATIVE KERTTULA thanked Mr. LeMaster for his analysis and for his concern about taxation. She talked about voluntary [wildlife contribution] programs in other states and she asked Mr. LeMasters if he thought tourists might be interested in buying a special tag to support wildlife conservation.

MR. LeMASTERS remarked:

As was mentioned a moment ago, anything is possible. We can't predict the future, but that seems a little farfetched to me if I am sitting here thinking of my ... king salmon fishing clients and they're going to come in here and they're going to be asked to voluntarily [donate] money so that they can go and watch wildlife.

One of our problems in this state is whereas wildlife abounds in Alaska, the worst person you can ask about wildlife viewing is the highway traveler. He doesn't see much wildlife; he's consistently asking me where's the wildlife ... and, of course, I keep telling him, well, you've got to get up a three o'clock in the morning and get them before the motor homes do. ... So, I don't know that they would be very inclined, since they haven't seen too much to begin with, my

clients, ... to voluntarily step up to the plate and start paying a fee on a voluntary basis.

Number 2679

DEB AJANGO, Executive Director, Alaska Wilderness Recreation & Tourism Association (AWRTA), testified, noting that AWRTA has approximately 200 business members and is a trade organization that supports wilderness-dependent businesses. Ms. Ajango said this bill would certainly affect most, if not all, of AWRTA's members, and that AWRTA is not against the concept of this type of pass. She suggested [the bill] needs a little work to be successful, and she noted that AWRTA was in agreement with those who provided previous testimony. She said she thought the key to this would be to include some strong intent language and that she didn't think people who come to Alaska, who have values that embrace the wilderness and wildlife, would have a problem paying \$10 or \$15 for this type of a pass if they thought that money was going back into wildlife conservation.

MS. AJANGO said if the money goes straight into the general fund, however, and there's any [indication] that [the money] could go towards predator control or something [similar], then she didn't think it would be successful. Businesses will have a lot of very angry customers, she suggested. Ms. Ajango said it would be unreasonable to try to implement [the wildlife viewing pass] this year; it's very fast-tracked, and she suggested that businesses would have to pay [the wildlife viewing fee] for people who had already signed up for [trips], or there would be very upset customers who have signed up and are now having an additional fee added [to the cost of the trip]. She remarked, "So, it's a lose-lose proposition." Ms. Ajango suggested that this bill would stand a chance of being a successful source of revenue to be used towards wildlife conservation if the time is taken to do it right; if it is explained to people what this [wildlife viewing pass] is for; and if there was a way to funnel this [money] into ADF&G's [Division of Wildlife Conservation].

Number 2541

VICE CHAIR MASEK, upon determining that no one else wished to testify, closed public testimony.

VICE CHAIR MASEK offered her belief that based on the testimony that was heard, there are a couple of areas that are troubling to the industry that this bill would affect. She noted testimony voicing opposition to targeting tourists and the

desire [to include] strong intent language regarding the way money is going to be handled once it's collected and put into the general fund. She also highlighted concerns regarding the timing of the legislation, and she indicated there would be some amendments offered.

Number 2450

GORDY WILLIAMS, Legislative Liaison, Office of the Commissioner, Alaska Department of Fish and Game, testified. Mr. Williams said in regard to concerns about a targeted tax, it is the expressed intent of the governor that this bill apply to nonresidents and exempt Alaskans to the extent allowed by law. He said as far as trying to get most of the nonresidents that would take advantage of what's defined in the bill as a "commercial service provider of an opportunity to view wildlife," the [department] believes the bill addresses a pretty broad range in the definition of what those providers are. Mr. Williams remarked, "Certainly, have heard some other discussion about additions or subtractions to the list of providers."

MR. WILLIAMS highlighted the March 14, 2003, committee hearing on [HB 163], during which Representative Wolf had expressed interest in [applying the pass] to people who drive to the state in their own vehicles and are viewing wildlife. Mr. Williams said it is difficult to find a mechanism to collect [fees] from people [who drive to the state], and as Mr. Robert Nauheim, Assistant Attorney General, had testified to during the meeting, commercial providers are the method or the collection entities for this fund, and it's hard to capture those people who will be driving here. However, he explained, it is felt that a large number of those people, while they're here, are either going to be purchasing a hunting or fishing license, which then exempts them from this fee and does make a contribution. He offered his belief that a large number of those people who are coming up independently will probably end up participating an activity requiring the [wildlife viewing pass] one way or another. He said it was the purview of the legislature to consider intent language.

VICE CHAIR MASEK called attention to previous legislation that she had sponsored regarding snow machine registration; she talked about the success of the bill, and she explained that a lot of fees had been collected from the registration portion and had been going to DNR [the Department of Natural Resources], which in turn has been awarding the funding in grants to help with access [and] trail maintenance. She remarked, "So far, the

money's been going through the program." Vice Chair Masek said she wondered if this bill could be put together so [the revenue generated from the wildlife viewing pass] could be put back out to the public in the form of grants. She suggested looking at access and she indicated that Alaskans have very limited access to the resources. Vice Chair Masek said she would like to see more access opened up, especially in fishing, because fishing is such an important [resource] for the state during the summertime for the sport enthusiasts that come to Alaska to fish.

Number 2271

MR. WILLIAMS said in regard to funds coming in, it would be up to the legislature to appropriate those funds, but there's certainly roads, waysides, and things like that which do contribute to opportunities to view wildlife. He indicated ADF&G envisions a portion of those funds' being used to match federal CARRA funding, or other funding that might be available for grants for rural communities or others who want to get into the wildlife [viewing] business, and that might involve some forms of access. Mr. Williams said he thought there may be a grant program along the lines that Vice Chair Masek had talked about.

Number 2220

VICE CHAIR MASEK brought attention to concerns about the timing of HB 163; she said if it is implemented to take effect immediately, vendors will have trouble collecting the [wildlife viewing pass] fee.

MR. WILLIAMS mentioned that as ADF&G had testified to at the last hearing, it would do its best to get this into place. If the bill was to take effect July 1, ADF&G would do its best to meet that deadline by getting those [wildlife viewing passes] printed up and out to vendors. He noted that ADF&G currently has 1,600 vendors, but he anticipated that there would be a significant new number of vendors - people who run the tours - that would want to participate in being able to sell [the wildlife viewing passes] for a convenience. He explained that [vendors] are able to retain a portion of the sales, plus \$1 per transaction, so there is a little bit of compensation that comes to people who sell the [wildlife viewing passes]. Mr. Williams reiterated that ADF&G would do its best to meet the effective date of the bill.

Number 2153

REPRESENTATIVE KERTTULA asked what the plan is for the money that's "over and above what would be used to leverage the CARA funding." She said the testimony indicates [the amount] may be as much as \$5 million more than what would be needed for the CARA leverage.

MR. WILLIAMS, in response, said it was an appropriation into the general fund and it's up to the administration or the legislature to make suggestions; the legislature holds the ultimate appropriation powers for those funds.

REPRESENTATIVE KERTTULA turned attention to AS 16.05.420, which read:

Sec. 16.05.420. License, tag, and permit violations.

(a) A false statement of a material fact in an application for a license, tag, or permit issued under AS 16.05.330 - 16.05.430 voids the license, tag, or permit for which the application is made.

(b) A person may not make a false statement, or omit a material fact, in an application for a license, tag, or permit issued under AS 16.05.330 - 16.05.430. A person who without any culpable mental state makes a false statement as to the person's identity or residency in an application for a license, tag, or permit issued under AS 16.05.330 - 16.05.430 is guilty of a violation and upon conviction is punishable by a fine of not more than \$300. A person who knowingly violates this subsection is guilty of a class A misdemeanor.

(c) A person to whom a license or tag has been issued under this chapter may not alter, change, loan, or transfer the license or tag. A person may not use a license or tag that has been issued under this chapter to another person.

Number 2115

REPRESENTATIVE KERTTULA said it seemed onerous to her that there is either a \$300 fine or a class A misdemeanor for this kind of a permit. She asked if there had been any policy discussion about that in the department.

MR. WILLIAMS noted that the issue had been discussed, and he said [AS 16.05.420] talks about making a false statement of fact on the license, and in this case, it added the wildlife

conservation pass to that. Mr. Williams indicated ADF&G did not anticipate requiring the amount of discrete data that is required with a hunting and fishing license. He remarked, "I don't know how much this would actually apply to the fee the way we have it now." Mr. Williams suggested Mr. Robert Nauheim, Assistant Attorney General, could speak about penalties for "not holding one of these, which is not addressed directly in the bill, but ... since it's ... issued under Title 16, it's covered under the penalties section."

Number 2023

ROBERT NAUHEIM, Assistant Attorney General, Natural Resources Section, Civil Division (Anchorage), Department of Law, testified. Mr. Nauheim explained that the intent in drafting the bill was to integrate the conservation pass in a way that's analogous to hunting and fishing licenses, to sort of "fold it" in to the way hunting and fishing licenses are treated, including the penalty provision, so there's really no distinction there. Currently, he said, the offense of hunting or fishing without the required license is in the nature of a civil penalty under [Alaska Rules of Court] Administrative Rule 43.2 and carries a \$200 fine. Mr. Nauheim said if these passes were going to be treated in a way that is analogous to hunting and fishing licenses, that kind of penalty structure would also be appropriate. He said that's the best answer he could provide for why it's structured the way it is at the present time.

[Vice Chair Masek turned the gavel over to Co-Chair Fate.]

REPRESENTATIVE GUTTENBERG asked if [Fish and Wildlife Protection Troopers] are responsible for enforcing Title 16, and whether they would also be responsible for enforcing the wildlife viewing pass requirement.

MR. WILLIAMS said he believed that was correct; that enforcement was primarily under the Department of Public Safety.

REPRESENTATIVE GUTTENBERG, noting the expense of sending a Fish and Wildlife Protection Trooper to a remote location, asked why [Title 16] is under ADF&G and not under the Department of Revenue.

MR. WILLIAMS said he thought the intent was to add this to the list of licenses and permits similar to hunting and fishing licenses; it's another user group of wildlife, so the decision

was made to incorporate that into the mix of licenses and permits.

REPRESENTATIVE GUTTENBERG asked Mr. Williams what he thought the timeline was for writing regulations for the [wildlife viewing pass]. He said the variables built into this bill for having to come up with regulations seem "pretty wide and sweeping" to cover all situations. He asked Mr. Williams if he thought regulations could be completed and in place by this season.

MR. WILLIAMS said he had not spoken with "our regulations people" and that he didn't know what the complexities would be to get the program underway. He indicated that he couldn't speak to the timing.

REPRESENTATIVE GUTTENBERG asked about the increases in tag fees for big game. He asked, "What we're facing now would be ... a silly decision; if an appropriate time, why are we justifying raising the fees to begin with?"

Number 1783

MR. WILLIAMS said he thought this was a recognition of the fact that fees are in kind of a mid-range for those tags for nonresidents; a lot of the Western states are charging significantly more money for similar species. So, he said, recognizing the quality of the experience in Alaska, [ADF&G] felt this level of increase was justified.

REPRESENTATIVE GUTTENBERG said the state was facing a multimillion liability case.

MR. NAUHEIM, in response to a question from Representative Guttenberg, said the timing issue is really not a legal question and that his understanding is that the fee increase on the game tags was initiated by the governor's office and ADF&G. He mentioned Carlson v. State, CFEC, to the extent it's seen as poor timing, given the Carlson case. There are really some important distinctions to be made from the case of imposing nonresident tag fees and the Carlson case, which was a license fee in the commercial fishing industry, he explained. Mr. Nauheim said [the state] has very good law from the U.S. Supreme Court analyzing a Montana statute that allowed for a game tag of 25 times as large as the resident fee, and the U.S. Supreme Court, in a landmark decision, held that that was constitutional under the privileges and immunities analysis.

Number 1641

MR. NAUHEIM continued, saying the court didn't consider the commerce clause, but since that time and even well before, it has been the "conventional legal wisdom" that it's okay to charge nonresident hunters a higher fee because the activity that is being engaged in isn't so important that it threatens constitutional interests. Mr. Nauheim said in terms of the Carlson case, he wasn't sure that the timing was bad in any way because he thought the Carlson case really doesn't address the question of higher tag fees for nonresidents. He said he thought it was important to recognize that even without these increases, the tag fees are already quite a bit higher for nonresidents. He offered his understanding that the intent was to increase these fees a little bit, in keeping with what is a fairly moderate position among the other states.

Number 1564

REPRESENTATIVE KERTTULA agreed that there was a different position with respect to hunting in terms of resident and nonresident. She said she hadn't heard any information about what the necessity is for raising the fee, such as an increase in costs to the department or some increased patrolling - anything to justify [the increase]. Representative Kerttula, noting that the [increase had been targeted towards] nonresidents, asked why it had not been applied to both residents and nonresidents.

MR. NAUHEIM said he really didn't have an answer for that, and that he thought that was a policy call from ADF&G and the governor's office.

Number 1476

MR. WILLIAMS said he wasn't aware of a one-to-one tie into increased costs. He explained that [the department] periodically reviews fees and that in the course of that, he thought the governor's office and the department discussed whether big-game tag fees were in line [with other states' fees], and that it was decided that those particular tags could use a small [fee increase] to be more in line with what other states were charging. Mr. Williams offered his understanding that some other state's [fees] were over \$1,000 for a sheep, although it may not be exactly the same species. He said [the fees] were in the mid-range and the policy call was made that these [fees] could bear some additional [increases]. Mr.

Williams noted that this money goes into ADF&G's fund and that there are things that the Division of Wildlife Conservation could do with additional revenues.

Number 1423

REPRESENTATIVE WOLF asked if the state still charged a fee for state park use.

MR. WILLIAMS said he believed so, but that was overseen by the Department of Natural Resources (DNR) and he wasn't exactly sure of its fee structure.

REPRESENTATIVE WOLF asked if [charging a fee for state park use] would [present] an opportunity to have the wildlife viewing pass fee collected from [recreational vehicle] users. He noted that a tremendous amount of [recreational vehicles visit] the Kenai Peninsula and that to target one particular [user group] seems very limited. He suggested reviewing the issue.

Number 1327

CO-CHAIR FATE suggested that recreational vehicles users consume a lot of fuel and pay fuel taxes.

Number 1315

REPRESENTATIVE GATTO offered his belief that it was not atypical for states to discriminate against [nonresidents]. He called attention to out-of-state tuition; he said it is [practiced] commonly and is acceptable, even though occupying a seat in a classroom costs the same amount of money. Representative Gatto remarked, "Now, I recognize the states very often subsidize the universities, but it even seems to be true in private universities." He suggested that charging more for [wildlife viewing] is essentially the same thing; the state has a certain ownership that it tries to reserve for [residents] and then charges extra for [nonresidents].

Number 1262

REPRESENTATIVE LYNN, suggesting that exports from Alaska needed to be increased, said the top "export" should be taxes and exporting taxes to nonresidents wherever possible.

The committee took an at-ease from 2:28 p.m. to 2:31 p.m.

CO-CHAIR FATE, noting the four pages of [proposed] amendments that were before the committee, said the [amendments] would be given to [Legislative Legal and Research Services] and to the administration to consolidate into a proposed committee substitute (CS) for the purpose of saving time.

CO-CHAIR FATE indicated HB 163 would be held for further review.

ADJOURNMENT

There being no further business before the committee, the House Resources Standing Committee meeting was adjourned at 2:35 p.m.