

**ALASKA STATE LEGISLATURE
HOUSE RESOURCES STANDING COMMITTEE**

April 7, 2003

1:15 p.m.

MEMBERS PRESENT

Representative Hugh Fate, Chair
Representative Beverly Masek, Vice Chair
Representative Carl Gatto
Representative Bob Lynn
Representative Carl Morgan
Representative Kelly Wolf
Representative David Guttenberg
Representative Beth Kerttula

MEMBERS ABSENT

Representative Cheryll Heinze

COMMITTEE CALENDAR

CONFIRMATION HEARING

Commissioner, Alaska Department of Fish & Game

Kevin Duffy - Juneau

- CONFIRMATION(S) ADVANCED

PREVIOUS ACTION

No previous action to record

WITNESS REGISTER

KEVIN DUFFY, Commissioner
Alaska Department of Fish & Game
Juneau, Alaska

POSITION STATEMENT: Testified as appointed commissioner of the Alaska Department of Fish & Game.

DON JOHNSON
Soldotna, Alaska

POSITION STATEMENT: Testified on the appointment of Kevin Duffy as the commissioner of the Alaska Department of Fish & Game; he asked if Commissioner Duffy's intention was to hire a deputy

commissioner for the commercial fisheries as had been indicated to the sport fishing industry.

PAUL SHADURA, President and Executive Director
Kenai Peninsula Fishermen's Association
Kenai, Alaska

POSITION STATEMENT: Testified in support of the appointment of Kevin Duffy as the commissioner of the Alaska Department of Fish & Game

ACTION NARRATIVE

TAPE 03-25, SIDE A

Number 0001

Representatives Fate, Gatto, Lynn, Wolf, and Kerttula were present at the call to order. Representatives Masek, Morgan, and Guttenberg arrived as the meeting was in progress. Representative Heinze was excused.

CHAIR HUGH FATE called the House Resources Standing Committee meeting to order at 1:15 p.m.

CONFIRMATION HEARING

Commissioner, Alaska Department of Fish & Game

CHAIR FATE announced that the committee would consider the confirmation of the appointment of Kevin Duffy as commissioner of the Alaska Department of Fish & Game.

Number 0108

KEVIN DUFFY, Commissioner, Alaska Department of Fish & Game (ADF&G), explained that he had met several members of the committee both in his previous roles and in his current role, and that he'd recently engaged in some very "spirited" chats with committee members. He pledged to work with those members on issues in ADF&G such as improving the department's science or collaborative efforts to ensure that ADF&G has a scientifically based, sound system in which the department works in a collaborative fashion with the Board of Game and the Board of Fisheries to provide the best information for those bodies to make allocation decisions. Commissioner Duffy said he thought it is the role of ADF&G to implement those decisions based on the regulatory structure that is generated based on those decisions by the boards. He said there is no doubt that being

the commissioner of ADF&G is a challenging task that covers a whole range of issues, but he does look forward to the responsibility and the challenges associated with being the commissioner.

COMMISSIONER DUFFY told members that he'd been with [ADF&G] for over 21 years beginning in 1981, and he'd worked his way up through the commercial fish "side of the equation." He said he'd been introduced to international fisheries issues and North Pacific [Fishery Management] Council (NPFMC) issues in which [ADF&G] managed groundfish fisheries in the Gulf of Alaska and the Bering Sea, and he'd done that for almost the last three years. He noted that there is often controversy over fish and game management issues but it comes with the territory of being commissioner. Commissioner Duffy said this is because Alaska residents feel very strongly about these issues and feel very connected to the resources and the way resources are managed. He said it is fair for members of the public to express those opinions about how resources are managed and used.

Number 0370

COMMISSIONER DUFFY said he is committed as commissioner to good science and good public policy based on that science and the management of Alaska's fish and game resources through a system that does recognize the diversity in Alaska.

Number 0417

CHAIR FATE asked Commissioner Duffy to address issues that he thought may be problematic in the future.

COMMISSIONER DUFFY said he would start by addressing issues on fisheries and then move to game issues. He brought attention to the salmon issue by saying that the state is struggling with low ex-vessel prices and increased competition from farmed salmon. He said the ex-vessel price for salmon and the low ex-vessel price is ubiquitous across all regions of the state. He said he thought potential solutions to help bolster the commercial salmon industry should be addressed on a regional basis. For example, he said a co-op structure had been set up in Chignik for management or for management allocations and it seems to work fairly well in that region, but he did not conclude that that co-op system works in other regions of the state. He said the closure of Ward's Cove facilities and processing plants had a big impact on Southeast Alaska's salmon fisheries. Commissioner Duffy said he believed [ADF&G] had been able to

identify sufficient processing capacity to help [the region's] commercial fishermen. He suggested that people need to focus on a long-term vision for the salmon industry in Alaska.

COMMISSIONER DUFFY said Alan Austerman [Fisheries Policy Advisor, Office of the Governor] had indicated that is a major focus of his over the next few years. He said he'd pledged his support for that effort from his position and that of the agency for fisheries issues. Commissioner Duffy said he planned to hire two deputy commissioners but it is dependant on [ADF&G's] budget. He noted that one of those deputy commissioners would focus on fisheries issues and would be tasked with working with the governor's office to focus on developing a long-term vision for the salmon industry.

Number 0708

COMMISSIONER DUFFY said he thought there is a different solution for Southeast and one of the things that should be considered is a buy-back program to reduce the number of participants in the [salmon] fleet in Southeast Alaska. He said he thought that was a concept that would be looked at seriously in Bristol Bay. He explained that the Bristol Bay Economic Development Corporation (BBEDC) had just come out with a study that focused on the future of the salmon industry, although had not talked with Robin Samuelsen from that group he suspected that the concept of a permit reduction program or buy-back program may be part of the solution in Bristol Bay.

COMMISSIONER DUFFY said he thought maintaining and increasing market share wherever possible should be done collectively by harvesters and processors in the salmon industry, the Board of Fisheries, and ADF&G. He said he thought Alaska's salmon production should be focused in domestic markets and the European market because there seems to be some opportunity there. Commissioner Duffy suggested that the processing industry is going through some restructuring and is probably going to consolidate some under the current price structures it is facing. He said there is a whole range of issues in the commercial salmon fisheries, and as commissioner he would like to really focus on being a part of developing a long-term strategy.

COMMISSIONER DUFFY noted that the state currently has \$35 million in disaster aid funding provided by the federal government for [regions] across the state that have experienced problems in the salmon industry. He said the administration is

looking at things it might be able to do to help out the industry. For example, he said fresh salmon fillets in boxes ready for air shipment are sometimes "bumped" because of other cargo priorities. The result is that the shipment sits on the runway in 60-degree weather, which is not good for the salmon's quality or Alaska's marketing efforts. He said the administration is considering building cold storage facilities in airports, but so far has not made a commitment. He suggested that the department needs to work with the legislature to find solutions for some of these problems.

Number 0911

COMMISSIONER DUFFY said a very important part of the commissioner's job is to ensure that ADF&G and the divisions that deal with various fisheries allocations provide the best scientific information possible to the Board of Fisheries. He said some concerns had been pointed out to him with regard to different regions of the state and the type or way or quality of work that [the department] provides. He pledged to do all things possible to ensure that there is internal coordination between the Division of Sport Fish and the Division of Commercial Fisheries and that there is internal peer-reviewed information. He ensured the committee that he would work specifically with the directors of the Division of Sport Fish and the Division of Commercial Fisheries to be sure the department is providing the Board of Fisheries process with the best quality of scientifically defensible biological information as possible. He said it is in [ADF&G's] role to provide that information and it is the Board of Fisheries role to make allocation decisions.

Number 1010

COMMISSIONER DUFFY noted that allocation decisions among user groups are controversial. He said it is also [ADF&G's] role to manage those resources under a regulatory structure consistent with allocation decisions from the [Board of Fisheries]. He noted that he would be working to ensure that sound information is provided.

Number 1062

REPRESENTATIVE WOLF expressed concern about issues during the previous administration regarding mutual trust between the department, the public, and staff members. He said he had concerns about maintaining the highest standard of scientific

[information] and professionalism within the department. He suggested that these concerns had arisen many times. Representative Wolf offered his belief that some individuals still working with ADF&G had convoluted the integrity of the department, manipulated data numbers, had not provided accurate information to the Board of Fisheries, or had worked with private organizations to direct allocation issues to manipulate the [Board of Fisheries]. He asked Commissioner Duffy what he would do to remove those individuals and ensure that those activities cease.

Number 1206

REPRESENTATIVE KERTTULA objected to Representative Wolf's line of questioning. She said unless Representative Wolf could provide [some corroborating] evidence [to support his allegations] she didn't think [it was appropriate] to impugn people's character and ask for [those individuals] to be fired [from the department]. She suggested that the commissioner should have a chance to review all of the [relevant] information.

Number 1242

CHAIR FATE agreed with Representative Kerttula and asked Representative Wolf to rephrase his question.

Number 1296

REPRESENTATIVE GATTO offered Commissioner Duffy his impression of what it would be like to be the commissioner of ADF&G. He noted that a large portion of the public is involved in fish and game issues, and he suggested that it is really important for Commissioner Duffy to recognize that "reality is not nearly so important as the impression of reality." Representative Gatto said while a lot of people might think that ADF&G is doing a wonderful job, he thought that many people have some serious concerns about fish and game. He remarked, "Certainly, now that we're in the flux they have even more concerns. Representative Gatto suggested that Commissioner Duffy had a big problem to deal with in how to make people feel better about fish and game. He said some of the problems have to do with using Executive Orders to accomplish things and some of the problems have to do with Commissioner Duffy's qualifications. Representative Gatto asked Commissioner Duffy if it is true that he didn't have a background in biology.

COMMISSIONER DUFFY answered in the affirmative.

REPRESENTATIVE GATTO said Commissioner Duffy's background is instead in administration and that the [public's perception] may be [affected negatively] by that information. He noted that he wasn't criticizing Commissioner Duffy and that he thought the commissioner had probably done a marvelous job in his career choices or he would not have been [nominated for the position of commissioner]. He said those impressions of the public are present and are something that Commissioner Duffy would be [contending] with in addition to his regular workload. Representative Gatto suggested that the committee meetings and Commissioner Duffy, in particular, is being watched by a large number of people. He told Commissioner Duffy that he is in "that ruling position" where people look at him and start out with some criticism.

REPRESENTATIVE GATTO said it is his hope that Commissioner Duffy would be able to overcome some of that criticism because [he didn't think it really mattered] that Commissioner Duffy's [background is in administration] because he would be doing a lot of [administrative work]. He said it would be expected that Commissioner Duffy have some "red-hot" biologists that he would give some reign to. He drew a comparison to the war in Iraq, and he suggested that President [George] Bush is not running that war [himself] and it is going very well. Representative Gatto said in a similar way the [commissioner] of ADF&G should be relying on [the department's] biologists to "essentially run the operations the best they can." He indicated that it is expected that the department's biologists would be answering to Commissioner Duffy and [the information that the biologists provide] would be right.

Number 1539

COMMISSIONER DUFFY, in response, said as commissioner it is better for him to approach problems, call them opportunities, and focus on a solution to solve what some people consider to be problems. He said he likes to look at [problems] as challenges and focus on them one at a time to try and find a resolution. He expressed hope that this method would collectively make a difference in improving the situation. He said it is true that he doesn't have a degree in biology, but he does have a B.A. [Bachelor of Arts degree] in political science and a Master's Degree in public administration with a focus on natural resource management. He said he has 21 years of experience in ADF&G in a

number of roles and he has a pretty good understanding of how ADF&G works.

COMMISSIONER DUFFY said the way ADF&G works under his authority and under previous commissioners is that management decision making authority on fisheries and wildlife is delegated down to the area level, which are the biologists and managers that have the most expertise on opening and closing [hunting and fishing] seasons. He said he reinforces the structure in which decisions are made at the area level. He said his role of commissioner is not going to put him in a position in which he is going to be managing fisheries. However, he said he will be tracking decisions that are made and coordinating through the division directors to what is happening in different regions of the state during a fishing season. He said he didn't see it as his role to engage in management decision-making at the area level because he doesn't have the expertise and he doesn't know all of the details at any particular point in time.

Number 1668

COMMISSIONER DUFFY said it is his job to reinforce the department's people out in the field and to give them political support; to ensure those people that the people leading the agency are very supportive of those efforts; and reinforce that they are the people that make the decisions. He said he didn't see it as his role to make a bunch of management decisions on how fisheries or wildlife resources are managed. Commissioner Duffy conveyed his belief that his role is to work with the division directors and the scientific experts in each division to ensure that management is effective at the area level. He said the job of the [commissioner] is very challenging and he welcomed the discourse of residents of the state that are very interested in fish and game issues. Commissioner Duffy noted that he is accountable to the legislature, and he said he would have an open door policy and the only person that could preempt his attendance at a meeting with the legislature is the governor. He clarified that he is a part of the administration and that [the administration] wanted to work with him as commissioner on all fish and game management issues.

COMMISSIONER DUFFY, in response to Representative Gatto's comment about the problems with ADF&G, said he would like to know what all of those complex issues are.

REPRESENTATIVE GATTO talked about the commissioner's role in selecting the deputy commissioners, and he said even though the

commissioner may not get involved in commercial fish or sport fish [issues] the deputy [commissioner] that is selected is going to send a very powerful message. He talked about the balance in selecting the deputy [commissioners], and he said the person [the commissioner] selects is "absolute dynamite" as far as the community is concerned. Representative Gatto emphasized that people are really watching [the commissioner], and he told Commissioner Duffy that he is essentially in the middle of the "fish bowl," which has to do not with his decisions on how to manage [fisheries] but on whom he picks. He said Commissioner Duffy's success will be determined, to a great degree, on those selections.

Number 1860

REPRESENTATIVE MASEK said she represents an area that mainly consists of sport fishing, and due to the activities on the Kenai Peninsula it seems like the Susitna River and the Little Susitna River are going to have a pretty big impact on the area's sport fishing industry. She said the [increase] in the number of sport fishing licenses that are purchased indicated that the [amount of sport fishing activity] is going up. Representative Masek noted that she does a lot of traveling around the Parks Highway where there is a lot of sport fishing taking place, and she said there is practically "combat fishing" in those areas. She turned attention to Commissioner Duffy's resume, and she said she noticed that he didn't appear to have much involvement in sport fisheries. She noted that Commissioner Duffy's resume did reflect a lot of activity in the North Pacific [Anadromous] Fish Commission (NPFMC) and fisheries in the Bering Sea and the Aleutian Islands. She asked Commissioner Duffy for his opinion on the sport fishing industry and on legislation that had been created to address emergency closures. She noted that the state had experienced an increase in population and an increase in the sport fishing industry, and that both residents and nonresidents take part in the [sport] fisheries.

Number 1983

COMMISSIONER DUFFY said he thought the economic importance and the increased economic importance from the recreational fishing industry in Alaska is a known factor and one that he follows. He explained that he does often work with the Division of Sport Fish, and he tracks recreational interests across the state. He said he has had direct experience representing recreational fishermen [for the State of Alaska on negotiation and

implementation] of the Pacific Salmon Treaty. Commissioner Duffy explained that [Alaska] has a coast wide chinook salmon agreement and Southeast Alaska is part of a "complex set" of chinook [salmon] stocks that migrate up from as far south as Oregon and Washington State into Southeast waters. He said [fishermen] capture a great deal of those fish in the Columbia River and on the Oregon Coast. Commissioner Duffy explained that the chinook salmon fishery in Southeast Alaska is currently based on Board of Fisheries regulations that divide [abundance] between the commercial and recreational fisheries [80 percent to the commercial fisheries and 20 percent to the recreational fisheries].

REPRESENTATIVE MASEK asked Commissioner Duffy if he could speak specifically to the drainage areas around the Susitna River and the Little Susitna River. She asked Commissioner Duffy if those areas were impacted by [the Board of Fisheries regulations] that he was explaining.

Number 2060

COMMISSIONER DUFFY said the areas Representative Masek inquired about were not impacted by the [regulations] that he was explaining. He said he was trying to provide the committee with examples in which he had represented the recreational fisheries in terms of negotiating international fishery agreements with Canada and the United States (U.S.). He offered his belief that he had, in some public forms, represented a recreational fishing interest. Commissioner Duffy said the recreational fishery is directly involved in council halibut issue and as a state representative on the council he didn't represent just commercial fishing interests; he represented the interests of recreational and commercial fishermen as well as subsistence users for the resource. Commissioner Duffy said he recognized the growing importance of those recreational fisheries issues to Alaska. He noted that he is not an expert on those issues, and he said he relies on his division directors in both the commercial fisheries division and the sport fish division to keep him informed on those issues. Commissioner Duffy said as commissioner he would track those issues and try to be as knowledgeable as possible about all sides of any particular fisheries.

REPRESENTATIVE MASEK said she thought there were going to be a lot of conflicts coming up. She noted she had been in that area since 1986, and she said in talking with her constituents in that area she's realized there is a shortage of access and that

combat fishing [is occurring]. She said she didn't know if the Division of Sport Fish had any plans to do anything to help with the issue the area is facing, and she didn't like to see combat fishing. Representative Masek emphasized the fact that sport fishing is a big deal because the area receives a lot of funding through sport fishing related activities such as the purchase of fuel and the utilization of the area's infrastructure. She asked Commissioner Duffy to speak to legislation that had been created to address emergency closures.

Number 2192

COMMISSIONER DUFFY explained that the Division of Sport Fish had recently developed a strategic plan to address future priorities and through its funding sources it provides a lot of recreational access through boat launches, ramps, and such to provide additional recreation opportunities.

COMMISSIONER DUFFY said there is so much demand by recreational fishermen for access to the resource that it creates the crowding conditions that Representative Masek had expressed concerns about. He said he didn't have any current plans on how he might deal with that issue as commissioner, but it is something that he would consult with his division director about to try to address some of those issues. Commissioner Duffy noted that he is familiar with some of the issues relating to the Kenai Peninsula and the Kenai River. He said the bill relating to emergency closures addresses the role of the commissioner following an allocation decision by the Board of Fisheries. He said in the event that the Board of Fisheries makes an allocation decision and certain things happen during the season relative to the abundance of those returning salmon stocks that might provide additional commercial fishing opportunities without upsetting the allocation plan to other affected users, [the bill specifies] the commissioner's role under those circumstances.

Number 2311

COMMISSIONER DUFFY indicated that in some "circles" it seemed as though his authority is being diminished some. Commissioner Duffy said he felt it was his job to manage the agency and to provide the best information to the board, and once the board makes an allocation decision, he felt it is the department's role, under his direction, to support those decisions. He said he thought there is a balance in place, and he wanted to be careful that he is not put in a role, under statute, in which he

would be spending a lot of his time second-guessing every decision that the Board of Fisheries makes depending on what happens during the season.

REPRESENTATIVE MASEK said she had done research on some court cases that deal with subsistence and "the clause that we are fighting now; that the resource has been put out for each Alaskan; [and] that we should enjoy the ... [resources of] the state." She asked Commissioner Duffy if he thought the state was right in implementing the limited fisheries entry permit at the time, and also whether he felt that the state should propose to buy-back the limited entry permits and do away with the limited entry fisheries.

Number 2399

COMMISSIONER DUFFY said the question is [difficult] and he thought the limited entry system was extremely effective for a number of years in what it was originally intended to do. He said he thought that because of the way it was structured it was time to look at some different approaches to how it is set up. Commissioner Duffy, in response to the question of whether he would support the idea of the state in buying back limited entry permits, explained that he would first support working with [Alaska's] delegation in Washington D.C. to provide some federal funds to support some sort of a permit reduction in different regions of the state. He said he thought the limited entry system until now has been a unqualified success in most circumstances. However, he said he thought there is a changing dynamic in the world of commercial salmon fisheries and looking at buy-back programs that aren't frustrated by the current statutes for the limited entry system might be a good thing to pursue. Commissioner Duffy indicated that initially he would be fiscally conservative because of the fiscal constraints of the general fund. He mentioned the efforts made by the administration to be fiscally conservative, such as in streamlining permitting.

REPRESENTATIVE MASEK talked about Canada's trouble with its fisheries, and she suggested that Canada's economy was largely dependant on its fisheries at the time of the salmon market crash, and that most of the workforce's income was based mainly on the industry's fisheries. She said the [salmon market] crash prompted the Canadian government to assemble a workforce that taught fishermen a different occupation to [lessen] their dependency on the fisheries [market]. Representative Masek said she thought Alaska is heading in the same direction [as Canada]

because of problems the state is having with marketing fish, and she suggested that the state's fisheries are not a viable industry anymore. She said disaster relief funding is provided each year to people that make their living from the fishing industry. She asked how much longer [the State] could afford to subsidize its fisheries and whether the Department of Labor could help to change the State's workforce and educate [fishermen] in other [trades], so there isn't the problem of them not being able to support their families and communities.

Number 2563

COMMISSIONER DUFFY said he is fairly familiar with policy changes in Canada because he had been the Alaska representative on the [Pacific Salmon Treaty]. He explained that it's true that the provincial and federal government in Canada made a policy change years ago to make the commercial fishing industry in British Columbia less of a priority than it had been historically. As a result, he said Canada implemented a province-wide fleet reduction program - a buy-back program for its commercial fisheries in the different gear groups. Commercial fishing fleets in Canada were reduced by over 50 percent in the past seven years. The fleet reduction program that the Canadian government initiated happened concurrently with some declining salmon stocks in Canada.

Number 2607

COMMISSIONER DUFFY said he didn't think it was fair to say there was a disaster situation on the abundance of salmon in Canada, although there were some specific declines in sockeye and chinook stocks in different areas of British Columbia. He explained that [the Canadian government] made a conscientious policy call to reduce the commercial fishing fleet to provide salmon returns to aboriginal fisheries in Canada and to focus more on the recreational fishery. Concurrent with that policy change, he said Canada has also been emphasizing finfish farming for salmon, which is closed cage finfish farming. He said [Alaska] had experienced the impacts of [Canada's finfish farming] and those impacts are potentially biological.

COMMISSIONER DUFFY said each year [Alaskan fishermen] capture more of those escapes from Atlantic salmon farms in British Columbia and Southeast Alaska and in other areas of the state. He noted there are concerns about that. Commissioner Duffy said Representative Masek was shedding doubt on the likely future of the commercial salmon industry in Alaska and he appreciated that

perspective and knew she was very familiar with it. He said there have been disaster declarations up in AYK [Arctic Yukon-Kuskokwim], and Bristol Bay has had a few problems. He said in some circumstances such as in AYK, historically, it has been an abundance problem and has created financial problems for all residents in that region who try to make a living off commercial fishing on those stocks. He said the other side of the problem is the marketing problem - the international competition issue from farmed fish - farm production from Canada, Chile, and Norway is strong competition.

COMMISSIONER DUFFY indicated the administration wanted to focus on everything it could in an effort to have Alaska's commercial salmon fishery be viable. He said there are different strategies for different regions of the state, and he agreed that in certain regions of the state [some commercial fisheries] may not be an effective commercial engine at some point. He expressed optimism regarding Alaska's [commercial salmon] fisheries, and he said he would like to do as much as he could to [help Alaska's commercial salmon fisheries]. He said as commissioner he would spend time trying to work on that long-range vision for the commercial salmon fisheries in Alaska.

Number 2744

REPRESENTATIVE GUTTENBERG said he appreciated all of Commissioner Duffy's efforts and accomplishments. He turned attention to the problem faced by fish hatcheries, and he asked Commissioner Duffy how much of that problem [is being addressed]. Representative Guttenberg said the hatchery located at Clear [Air Force Station] had closed and one of the hatcheries located at either Elmendorf Air Force Base or Fort Richardson Army Post is closing. He remarked, "The military has said they're losing the hot water off the power plants because they're outsourcing that; one of them on the short term, the other one on the long term." He said those hatchery facilities are 20 years old and the science had changed [since those facilities had been built].

REPRESENTATIVE GUTTENBERG said there is a move in Fairbanks to build a new hatchery using the power plant and federal money [had been provided] to do a study about it. He said Representative Masek made a good point that fisheries get more restriction and that creates more pressure such as the combat fishing occurring in Kenai. He indicated Alaska's growing population results in people wanting to fish locally and not have to travel far. He said one of a fish hatchery's

[responsibilities] is to stock lake trout, which gives people the ability to go to local lakes [for fishing] and [eliminates the need] for people to travel across the state or take a commercial fish charter.

Number 2836

REPRESENTATIVE GUTTENBERG suggested it was critical to keep some of the pressure off some of those other fisheries and provide alternative places for people to fish. He asked if the situation [regarding fish hatcheries had been brought to the commissioner's attention] and whether he is aware of the [fish hatchery] study occurring in Fairbanks. Representative Guttenberg suggested there is a crisis, and he said his understanding is that some fish and game personnel don't seem to recognize [the crisis] and others do. He asked Commissioner Duffy if he is familiar with the dialog pertaining to this situation.

COMMISSIONER DUFFY said he is somewhat familiar with the issue, but probably not to the same degree [as Representative Guttenberg]. He said one of his duties was to develop [the department's] federal budget request to support fish and wildlife management in the state. Commissioner Duffy explained that in last year's federal appropriations request [the department] asked for some funding for a feasibility study to look at the concept of a hatchery in Fairbanks and he is supportive of that effort. He explained that the fish stocking program is incredibly successful and does provide opportunities in new locations that sometimes relieves pressure elsewhere. He said he agreed with the concept and he is supportive of the sport fish-stocking program statewide. Commissioner Duffy noted that the program is very large in the Interior and in the Matanuska Valley.

COMMISSIONER DUFFY explained that he would support federal funding to enhance that effort if it is based on feasibility work that's going to be done in Fairbanks. He said if the conclusion is it is appropriate to build a facility which will help provide additional opportunity up in that area, he would be very supportive of that as commissioner.

REPRESENTATIVE WOLF apologized if he offended anybody with his previous question. He said the perception in the Cook Inlet region is that there are several people that still remain in the department that are not necessarily friendly to the use of fish and game for the maximum benefit for the residents of Alaska.

Representative Wolf asked Commissioner Duffy how he intended to reorganize the department to ensure that there is professionalism and to build trust within the department and in the public process.

TAPE 03-25, SIDE B

Number 2970

COMMISSIONER DUFFY spoke about the department's mission statement and he said he supported those guiding principles that focus on professionalism and those activities. Commissioner Duffy acknowledged concerns [that had been brought forth regarding certain people in the department or the way data had been presented to the Board of Fisheries in the past]. He said he would need to look at the details and know the facts surrounding the issue before he would be willing to take any specific action and he thought it is incumbent as a leader to know all sides of the issue. Commissioner Duffy said he expects professionalism from the people that work for and with him. He said his approach to management of fish and wildlife resources is a teamwork approach.

COMMISSIONER DUFFY pledged he would do everything he could to ensure that the department is providing timely, accurate, and scientifically valid information to the respective boards. He said if members of the public do not feel that the department is providing that kind of information to these boards, he wanted those people to contact him to work through those problems.

Number 2904

REPRESENTATIVE WOLF suggested the five-year ocean fish escapement goals on the Kenai River early run and King salmon run had dropped to 849 in the last seven years. He said it falls below the 1989 escapement run of 1134. He said a moratorium was placed on the guide numbers on the Kenai River late last year. He asked Commissioner Duffy how he thought the department should try to correct the fall of the five-year ocean fish. He asked whether there was the possibility of a restriction and if he supported an enhancement program.

COMMISSIONER DUFFY, in response, said he is not very well versed on the particular issue and he could not immediately provide a detailed response to the question. He offered to pursue a detailed response for Representative Wolf following the meeting.

REPRESENTATIVE WOLF said he would provide Commissioner Duffy with a copy of the report and discuss it further with him.

REPRESENTATIVE MASEK asked Commissioner Duffy's for his opinion on the make up of the Board of Fisheries and whether he thought it is balanced to represent the sport fish industry versus the commercial fishing industry.

The committee took an at-ease from 2:07 p.m. to 2:08 p.m.

Number 2778

REPRESENTATIVE MASEK said in reviewing the resumes of Board of Fisheries appointees she noticed that there may only be one [appointee] that could adequately represent the sport fish industry.

COMMISSIONER DUFFY, in response, said there are two new board appointments coming up that he thought were very important. He said from what he had seen of the new board [excluding those new appointments] he was excited about how each board member was not only representing his or her parochial interests but also trying to represent a broad spectrum of Alaskan interests. He said he had discussed with board members the need to represent a full spectrum of interests when sitting on a board that allocates the resources of the state. Commissioner Duffy said he thought the new board was very representative of the range of interests, and he hoped and believed that the new appointments coming soon would continue to support a broad range of interests. He said he is hopeful that the recreational fisheries will be adequately represented.

Number 2686

REPRESENTATIVE MASEK suggested that commercial fisheries are seen as an Alaskan way of life, and the income is focused just on "comp fish." She said to date the legislature had introduced over 200 bills that help out the commercial fisheries industry.

REPRESENTATIVE MASEK said she is an Alaska Native who has lived in the state since she was born, and that she grew up on the Yukon River. She said her dad's [fishing] permit isn't worth [much money] and he is having a lot of trouble because of what's happening with the fishing industry. She remarked, "I am afraid that with it starting off at that area ... it's going to continue to spread like a virus." Representative Masek explained that she would like to see this state focus a lot more

on the sport fishing industry because there are many people that come here [to fish]. She remarked, "If we can help ... to balance it out; to ... keep in touch with our comp fish area, but try to focus more on the sport fish." She said she thought the legislature supports "comp fish" but really needs to look at the sport fish industry.

Number 2612

REPRESENTATIVE GATTO talked about the appearance of farmed fish at the grocery store, and he suggested that it looks great and consumers may assume that [farmed fish] must be a better fish. He suggested that farmed fish appear to be uniform, clear, and undamaged, and he said it's difficult to get a commercial fish that's [appearance] is equal to that of a farmed fish. He indicated that farmed fish are easier to obtain, and he noted that the appearance of the fish is very important. Representative Gatto suggested that wild fish are very valuable and are under priced, and farmed fish are more expensive than wild fish even though wild fish are more valuable. He said he assumed it is done that way "because we're stuck," and he noted that the fish farmers are able to keep the costs down. Representative Gatto asked if there was a way to get the price of a very valuable commodity up.

COMMISSIONER DUFFY noted that he is not a marketing expert, and he suggested that a marketing professional could provide more detail and much more definitive answers. He said Alaska is attempting to maintain market share in most circumstances, but there are some opportunities in Europe and the domestic market to expand the State's efforts with new product forms. He remarked, "So, that's one way to try and increase the price; ... to look at new product forms and to try and create new markets, but there are a lot of barriers to doing those kind of activities." Commissioner Duffy mentioned new products are coming out on the market.

Number 2480

COMMISSIONER DUFFY indicated that new products are gaining some market share. He said there are other salmon product forms that are being looked at, and he suggested that the focus should be on new product form and niche markets. Commissioner Duffy talked about Alaska's success with Copper River salmon and early season sockeye, which he said is one of the biggest things going in Seattle. He suggested others are trying to build on those marketing efforts. Commissioner Duffy remarked, "I think it's

day by day, step by step; there is no silver bullet." He suggested it's a matter of concentration focus, finding niche markets, and positively exploiting those [markets] to the [greatest] extent possible to try to get more money for Alaska's salmon.

REPRESENTATIVE WOLF said a national survey showed U.S. residents spent \$537 million on fishing trips and equipment in Alaska in 2001. In 2002, he said Alaska residents purchased 187,031 fishing licenses and 287,834 nonresident sport-fishing licenses. Representative Wolf offered his understanding that ADF&G is doing a study to try and determine why residents are buying less licenses. He asked if it is due to overcrowding.

COMMISSIONER DUFFY exclaimed, "That's a million dollar question." He said yes; overcrowding could be a part of the issue.

Number 2368

REPRESENTATIVE KERTTULA asked Commissioner Duffy if he knew if the governor is going to have a resource cabinet.

COMMISSIONER DUFFY said a specific decision on a resource cabinet had not been made, but the new administration had [started to address] the volume at which fish and game management or resource issues are brought to the governor's office for consideration. He said the administration certainly considers it to be a priority focus and he would be encouraging some sort of a resource cabinet focus. Commissioner Duffy said within the cabinet there are commissioners from the Department of Commerce and Economic Development, ADF&G, and the Department of Labor and Workforce Development who are focusing on a rural development strategy, which is in the formative stages. He said there are three commissioners plus Alan Austerman from the governor's office who are focusing on some of these federal disaster monies that the state had received for salmon, but a fisheries cabinet or sub-cabinet and not been set up. He noted that similar things are being done, and he said he would be encouraging that kind of a specific focus on resource management issues.

REPRESENTATIVE KERTTULA said she tended to agree with Commissioner Duffy in terms of management of the department, and she thought he was [correct] in his [management methods]. She offered her observation that morale in [ADF&G] is about at the bottom right now, and she asked Commissioner Duffy about his

vision for the department and about what he is going to do to help the morale in the department.

COMMISSIONER DUFFY told Representative Kerttula that her observation about ADF&G having some morale problems is accurate. He mentioned that the department is currently going through some streamlining and reorganization issues. He said he didn't think that had helped the situation, especially for those people that are adversely impacted from an employment standpoint. Commissioner Duffy said he thought that there was still a sense of professionalism among colleagues within the department even with some of the difficult issues that the department faces. He said ADF&G employees are dedicated professionals who work many hours in the summer time, sometimes working 18 hours a day, and there is a sense of pride in what [ADF&G employees] do that it's not just a job; it's a profession and a career.

Number 2179

COMMISSIONER DUFFY said he wanted to support the pride in what ADF&G employees do, and he thought there are a number of ways to do that such as by ensuring that the department's experts are provided with opportunities to speak in public scientific forums, both nationally and internationally, to present cutting edge work that is being done. He said there are internal reward systems for outstanding performance that he would foster as a commissioner. He said additional training to help people move up the "career ladder" is important and he would support those type of activities. Commissioner Duffy said he thought it is also important to look at inner divisional activities, and he said he would like to consider cross training in some circumstances. For example, he said a biologist in the Division of Sport Fish might work on a commercial fish issue for a while or perhaps the other way around. He remarked, "I would like to say that I am going to be the champion of dramatic increased compensation to fish and game employees; that everyone around this table, including me, is cognizant of the fiscal constraints that we are all operating under."

Number 2111

COMMISSIONER DUFFY said that may change through time and there may be opportunities, but he is focusing on trying to push the professionalism and display the professionalism of the department's people. Commissioner Duffy said those are the types of things that he would be focusing on over a four-year period, but he was really thinking about this for the first six

months as commissioner and then he would think about adding on to that. He stated that he would like to try and accomplish a few things in a short time frame and then build on what successes he has.

Number 2078

CHAIR FATE offered his understanding that there was a recent ruling made by the subsistence board regarding the Yukon River that allows part of a subsistence catch to be sold. He asked Commissioner Duffy if the state is taking a position on that ruling.

COMMISSIONER DUFFY said yes; other parties have already filed an appeal to the federal subsistence board, although he didn't know the exact language. He noted that he had not had a discussion with his bosses in the governor's office, but it is the intention of the department to pursue a reconsideration of this action that was taken by the federal subsistence board about two months ago. Commissioner Duffy said the department [considered the ruling] to be too open and not well defined and it might also be inconsistent with ANILCA [Alaska National Interest Lands Conservation Act]. He said the department will be making an appeal of that decision.

CHAIR FATE offered his belief that there was a time when approximately eight [fish] buyers ranged between the City of Galena and what would be considered "the bridge" or just below Stevens Village today. He said these were all commercial buyers, and the fishermen on the Yukon were all making a decent amount of money. However, he said today there is only one buyer and that buyer can't [make a decent amount of money] off of Yukon fish.

CHAIR FATE explained that part of the reason was due to the regime shifts, but another part of it was that the commercial fishery at the mouth of the Yukon River went over its quota year after year by as much as 10 percent. The result was that the fishery's overage was almost as much as the rest of the entire Yukon River quota. Chair Fate asked Commissioner Duffy if he would use his influence on the brown water fisheries to bring back commercialization. He said markets are strong, local, and don't depend so much on international markets because those fish are sold locally, yet those markets have been destroyed.

Chair Fate said he hoped enhancement would be looked at once more, and he relayed his understanding that as long as the

genetic stock from those river systems are used in the hatchery and are made available to those hatcheries, then "the hatchery word isn't that bad of a word" in some of those areas, particularly on the upper Yukon River. He asked Commissioner Duffy if he was going to look into enhancing those river fisheries. He remarked, "After all, if you don't have a good river fishery, you certainly aren't going to have a blue water fishery; that's where they spawn." Chair Fate asked Commissioner Duffy if he is going to look into the subsistence issue that had been raised.

Number 1877

COMMISSIONER DUFFY said Alaska had received significant federal resources because of a disaster declaration and [ADF&G] is working with its constituents in the AYK region. He explained that [ADF&G] also has a collaborative research program which currently has \$10 million in funding to identify what the biological issues are associated with declining salmon stocks in the AYK region. He said he is excited about the collaborative work the department is doing in the that region. The department has significant funding to analyze what the problems are. He said he thought the problems [that Representative Fate had raised] regarding declining salmon runs are becoming even greater because of a declining abundance, allocations, and a particular downriver action that has a greater impacts upriver in a declining resource situation. He said he will find out through the Division of Commercial Fisheries what the current status is of the different commercial fisheries on the Yukon River.

COMMISSIONER DUFFY, in response to Representative Fate's question about enhancement of the Yukon River, said one of thing first things he worked on when he first started working for ADF&G was regional and comprehensive salmon plans and in trying to determine where the salmon enhancement or hatchery programs should be 20 years later. Commissioner Duffy was told that the decision not to put enhancement facilities on the Yukon River had been decided prior to his career in the department starting in 1981. He said his first action would be to talk with the area management biologists on the Yukon River about the particular circumstances, get their opinions initially, and have the biologists talk with the regional management structure about the possibility for enhancement on the Yukon.

COMMISSIONER DUFFY stated he would look into it but would not make any promises about what the outcome of that particular

issue might be. He said it is a complex issue on a main stem river system where a lot of research is already being done to try and find out what had caused previous problems. He remarked, "I'm not saying that the enhancement program, by definition, would cause problems; it's just an issue that was ... decided upon from a policy perspective a number of years ago; ... not [to] pursue it for the Yukon." He explained that the current dual management structure consists of the federal subsistence board which is advised by the regional advisory councils. He said there is an effort to develop some protocol between the federal managers and state managers to make the in-season management system as tolerable as possible given that there are two structures operating in the Yukon. He said the department is trying to do everything it can to try not to forfeit any management decision making authority on ADF&G, and the department is trying to work with the federal subsistence staff [not only] to gain input, "but really to keep us in the driver's seat."

Number 1611

COMMISSIONER DUFFY said inevitably a dual management system will lead to conflict and could lead to an in-season special action request through the federal subsistence board. So, he said the department is trying to make a difficult situation as comfortable as it possibly can and is cooperating as much as it can without giving up any management authority. With regard to the morale problem, this dual management structure has dramatically increased the workload for a number of management biologists and regional managers within the department's structure.

COMMISSIONER DUFFY explained that [biologists and regional managers] now attend regional advisory council meetings to provide information to the federal system, and they also attend federal subsistence board meetings. Nevertheless, he said as long [Alaska] is in this dual management system, the department will continue to try to provide the best biological and scientific information it can to the federal subsistence board and the regional advisory councils in the hope that they make intelligent decisions about the use and management of [Alaska's] resources. Commissioner Duffy said he thought this speaks to the professional nature of the people in ADF&G.

Number 1514

CHAIR FATE asked if there had been any discussion since he'd been with department that related to the abrogation of the rights of Alaskan's on navigable waters vis-à-vis those contracts or management agreements with the federal government. He remarked, "The state is managing something that they should be managing in some view; I don't think that navigable water issue has been put to rest; ... are they in fact aiding the feds in cementing in place their domain ... in navigable waters?"

COMMISSIONER DUFFY said he thought the answer to that question was no. He explained that he participated in the federal/state interagency workgroup for a period of time when he was a deputy director in the Division of Commercial Fisheries. He said [the workgroup] constantly ensured that any language it was crafting was reviewed by the attorney general's office with regard to working on memorandums of understanding (MOUs) - how things will work given a dual management system out in the field. He indicated the state was not acquiescing any state rights or state's authorities under that system. He said MOUs are not legally binding and are not contracts. Commissioner Duffy said the department had been really careful not to "move in the wrong direction" on this one. He said he is not an expert on navigable waters and needed to learn more about that issue. He noted that he does have good people in the department who focus on those issues and work with the attorney general's office. Commissioner Duffy stated that he did not have the expertise to elaborate on the navigable waters situation at this point in time.

CHAIR FATE offered his belief that there is only one sonar located at Pilot Point, and he said different groups on the Yukon River had requested at least three sonars. He said by the admission of the Division of Commercial Fisheries and the subsistence fisheries in Fairbanks and the Interior, the percentage of runs that go up the Tanana River or that continue up the Yukon River into the Porcupine River and into the spawning beds are not known. Representative Fate said there have been efforts to get an accurate count on where those fish really go and [the efforts result in] having the count coming in to a certain lower portion of the river where the sonar is located at Pilot Point.

Number 1327

REPRESENTATIVE FATE said it was his hope that ADF&G could provide better research on both the Kuskokwim and Yukon Rivers as well as some of the other major spawning rivers to get some

data that is meaningful and will help ADF&G begin to manage for abundance.

REPRESENTATIVE GUTTENBERG offered his understanding that the federal government pays biologists more than the state does. He asked Commissioner Duffy how many state biologists the state had lost to the federal government.

COMMISSIONER DUFFY said the state had lost around 30 to 50 biologists, which was significant. He said the state is faced with a situation in which a number of department biologists have been on 20-year retirement programs that are slowly coming to an end as those people retire, because there is no longer a 20-year retirement program in the department. He said there is also increasing opportunity through the federal system for biologists, and not only is the base compensation in a lot of circumstances higher, but [federal employees] also receive a 25 percent Cost of Living Allowance (COLA) in the federal system. He said there are very well trained, very professional wildlife and fisheries biologists reaching 20 years with the department with secondary opportunities out there in which the compensation is significantly higher. Commissioner Duffy explained that a lot of people have been availing themselves of that opportunity on an annual basis. He said the state had experienced a significant movement of biologists from the state system to the federal system.

REPRESENTATIVE GATTO asked Commissioner Duffy if his statement that he worked for the governor was correct.

COMMISSIONER DUFFY stated that the governor is his supervisor but he works for the State of Alaska representing all interests and representing the conservation of long-term enhancement protection of the fish and wildlife resources of Alaska.

Number 1128

REPRESENTATIVE GATTO said the public expects [government officials] to do the best job possible. He noted there had been a hint that the Division of Habitat and Restoration Services may be transferred. Representative Gatto stated that ADF&G is charged in statute to protect [Alaska's] resources [regardless of which department the Division of Habitat and Restoration services is located in]. He said it is so important to the community that the resource, habitat, and everything else around those things is well protected. Representative Gatto said [the public is counting on the commissioner of ADF&G and the

legislature] to ensure that happens. He reminded the committee that [government officials] work for the public, and he said if the public is happy, then those jobs are really being done well.

COMMISSIONER DUFFY said he takes the discharge of his duties as commissioner under Title 16 very seriously and he is committed to do everything possible to discharge his duties effectively.

CHAIR FATE said it was brought to his attention by a member of his staff that there "are other fish to fry." He brought attention to the halibut, crab, and shrimp industries and he asked Commissioner Duffy to comment on those industries.

Number 0952

COMMISSIONER DUFFY said he is actively engaged in crab management issues through NPFMC. The department had recently designed a rationalization program that includes a fleet reduction of crab vessels. The program is an IFQ [individual fishing quota] program for the individual vessel based on a catch history. There is a processor quota component based on a processor's previous participation in the fishery and there are also a number of community protection measures built into the rationalization program. He said some of the crab stocks in the Bering Sea aren't doing so well and the fisheries have been seriously curtailed to address those issues. He said the hope is for a rebound in some of those crab stocks, and that he thought the management program is sound on crab. Commissioner Duffy said with a rationalized fishery where the number of participants will be downsized and an IFQ system is implemented, there will no longer be a race for crab or fish. He said under an IFQ system one will be able to harvest crab within the biological perimeters of the animals and will not have to participate any longer in a race for fish.

COMMISSIONER DUFFY explained that harvesters will be able to harvest for market opportunity and timing with the [participating] processor. He said he thought that some of the resources relating to the crab industry are struggling a bit, but the department is designing a program that is going to be responsive. He said the program is not without its controversy, but there are not many fish and game issues in which decisions are made that do not have some controversy. Commissioner Duffy stated that he is in support of the program, and he suggested that moving to an IFQ program fishery for crab in the future is the way to go. He said the department is doing some basic stock assessments and research on shrimp stocks. There are some

shrimp fisheries in Southeast that have experienced some increase in the shrimp populations, such as in the Kodiak area. He said he is tracking some of those issues and that pollock is the "big driver" under NPFMC in the groundfish [industry].

COMMISSIONER DUFFY said pollock "row" early in the season in February through the trawl, longline, and pot fisheries, and is providing a lot of economic opportunity in Alaska. He explained that pacific cod is another fishery that is managed under [NPFMC] and is doing very well on abundance in the Bering Sea and Aleutian Islands. He said perhaps there are some issues associated with the biological status of Pacific cod stocks in the Gulf of Alaska, but nothing alarming; it's an issue that the [department is following]. Commissioner Duffy said the groundfish industry in Alaska is very solid.

Number 0685

DON JOHNSON testified, and he said those people involved in the confirmation and appointment process of Commissioner Duffy got a "semi-deal" that was struck by the commercial and sport fishing industries with regard to deputy commissioners. He said the [sport] and commercial fishing industry were in support of Commissioner Duffy with the understanding that there was going to be a deputy commissioner appointed for both the commercial and sport fishing industries. He said it is his understanding that since the appointment [of Commissioner Duffy], the commercial fisheries deputy [commissioner] was appointed but the sport fisheries deputy [commissioner] is no longer a viable idea. He remarked, "I guess I am feeling a little bit short changed out the deal." Mr. Johnson said he questioned whether the "semi-deal" that the industries had worked out in getting behind the appointments is actually going to be carried out and followed through to provide a sport fisheries deputy alongside the commercial fisheries deputy. He asked if a commercial fisheries deputy commissioner was going to be hired.

Number 0537

COMMISSIONER DUFFY said he didn't know about any deals that had been made. He noted that he hadn't hired anyone for any positions in the commissioner's office since he'd taken over as active commissioner. Commissioner Duffy said he is looking for someone who can represent varied interests, and he indicated he did not have the funding to hire deputy commissioners for each particular interest. He pledged that he is looking for the quality of candidates who can represent all interests. He said

he acknowledged and respected Mr. Johnson's point about people wanting representation and he would do everything he can to bring in people who represent a number of interests.

Number 0386

PAUL SHADURA, President and Executive Director, Kenai Peninsula Fishermen's Association (KPFA), testified. He said KPFA was in support of the earnest efforts by Governor [Frank] Murkowski and the administration to strengthen and add vigor to the commercial fishing industry. He relayed KPFA's belief that the concepts of sound biological management and the highest sustainable yield are hallmarks to bring profitability and integrity back into the state's most diversified industry. He noted that Commissioner Duffy was not [KPFA's] prime choice for the commissioner of ADF&G, but he said if the governor feels confident in [Commissioner Duffy's] abilities to manage the state's resources for the maximum benefit of its commercial fishing industry, then KPFA is in support of the appointment of Commissioner Duffy.

Mr. SHADURA relayed KPFA's belief that the main issues lie within the "building blocks" of the management team of ADF&G. He said the strong scientific commitment with the direction of a statewide salmon fisheries business plan is imperative, and he suggested [Alaska] is playing a "game of catch up" in the global salmon market and is in need of support staff - directors, deputy directors, and deputy commissioners - that can "run the marathon race and win." He said contentious individuals are not needed in this arena, and the integrity of the sport and commercial fisheries division must be of the highest order. Mr. Shadura suggested that professionalism and dedication should be rewarded, and he invited the commissioner to come to the Southcentral fishing community to see and hear the regions complex problems. He said with this mutual knowledge and an honest dedicated effort, long lasting management solutions can be found. Mr. Shadura said if new investments are brought into [Alaska's] distressed salmon fisheries, then stabilization and opportunities for all of the state's fishing communities in each region must be ensured.

Number 0125

COMMISSIONER DUFFY said wildlife management is a very important issue in Alaska, and a lot of people engage in the Board of Game process to affect allocation decisions and engage in contacting him, legislators, and the governor's office with particular perspectives on game management issues. He said he thought the

importance of these issues from a crossover perspective from fish to game is consistent and very significant to residents and nonresidents in Alaska. He conveyed his belief that it will be necessary to have some expertise on game management in the commissioner's office. Commissioner Duffy said one concept he'd been thinking about is not only to have two deputies but also to enhance the scientific presence of people with wildlife experience in the commissioner's office, such as with a science advisory or wildlife scientist type position to bolster that issue [tape ends midspeech].

TAPE 03-26, SIDE A

Number 0001

COMMISSIONER DUFFY told the committee that the public advises the game board through a proposal process and the game board makes decisions on allocations. The game board may at times make recommendations to the commissioner of ADF&G. He said he thought it was a sound system that doesn't need to be changed, rather it needs to be supported. He said it is important that the department within the Division of Wildlife Conservation have adequate funding to provide that scientific and biological expertise to the game board, so it can make the best decisions. He said the Division of Wildlife Conservation, unlike the commercial fish division, is primarily federally funded.

COMMISSIONER DUFFY said things get complicated and politically charged when talking about certain wildlife management decisions, and he understands that. He said in most circumstances he believes in a maximum sustained yield that provides as much opportunity as possible to both resident and nonresident consumptive users in Alaska. He explained that there are certain activities that the department is evaluating such as a predator control program in the McGrath area based on problems with moose populations. Commissioner Duffy stated that he was in support of predator control programs in certain circumstances, and he said the game board has made a recommendation to the department on a predator control program for moose and bears in [Game Management Unit (GMU)] 13 located in the Nelchina Basin. He remarked:

What we are doing in that area is over the next 11 months we're ... really going out and talking to all users of the resource I'm calling the process an informed consent process to try and bring some buy-in, if possible, into a particular approach for this program. The reason I am taking that approach is

because ... if we are going to engage in wildlife management programs that are controversial, then I think we need to at least ... bring ... members of the public up to speed on the particular issue, and why particular decisions are being made.

COMMISSIONER DUFFY stated that the public arena is really the Board of Game arena, and he was not taking away from that. He said if the [department] is going to [create] these type of programs, they need to be sustainable and long term. Commissioner Duffy said in some circumstances he thought that was a better approach than a decision and [introducing] an immediate program that is extremely controversial only to be potentially shut down by litigation or some other means.

Number 0300

COMMISSIONER DUFFY said when talking about game board recommendations or decisions on predator control programs, he is required to make a finding on those issues, and had recently done that in the McGrath area. Commissioner Duffy said it is no secret that he is consulting with the administration on decisions in those arenas. He said [the department] had agreed and written back to the game board on a particular perspective that is somewhat controversial, but nevertheless he is in support of predator control programs. Commissioner Duffy remarked, "I don't want to focus on this only, because I think when you talk about the wildlife management arena you have a range of tools that our managers and our scientists have, and that they advise the game board in their decisions on." He said the predator control program could be put on one end and on the other end, for example, could be the recent expansion of a buffer zone in Denali National Park and Preserve to protect wolves.

Number 0383

COMMISSIONER DUFFY said he is not an expert in this arena but he has a lot of experts that work with him. He said he is going to try to embellish that scientific expertise in the commissioner's office, but that doesn't mean that he is going to change the decision making process that he supports in the department. He said from a day-to-day wildlife management perspective he supports management at the area level similar to that of the commercial fisheries. Commissioner Duffy said he wanted to bolster that team and he is relying on the expertise of a number of researchers, managers, and biologists within the Division of

Wildlife Conservation. He said he is relying on their expertise from an area level up through the regional level advising the game board, and he looks forward to a cooperative, productive working relationship with the game board. He said he is under no illusions about how difficult these situations are. Commissioner Duffy pledged to work with the public body and the Board of Game on making public policy decisions in the best interests of the state. He said he will internally work with his staff on a daily basis to ensure that the advice being provided to the Board of Game is sound and biologically defensible.

CHAIR FATE asked Commissioner Duffy if he would be actively managing instead of passively managing.

COMMISSIONER DUFFY said he would be supporting an active management approach as commissioner of ADF&G.

CHAIR FATE noted that Commissioner Duffy had stated that he would rely very heavily on scientific evidence and on biologists, but he didn't mention some of the local people in the areas that are affected by some of the decisions he would be making. He asked where local people come into that "power ... in the decision making formula."

COMMISSIONER DUFFY apologized for not mentioning local participation, and he said it was an oversight on his part. He said there are multiple entry points but one of the first one is to ensure that local people can participate in the game board allocation process and the decision making process. Commissioner Duffy said he would be supporting programs that would create cooperative working relationships between the department and local residents. He said [the department is considering] enhancing local predator control efforts in the McGrath area to reduce the population of wolves in that region through facilitating their pursuit of wolves. He said he thought working with local residents is imperative in this process, and he wants their active involvement in Alaska.

Number 0688

CHAIR FATE suggested that there are scientists and game biologists who put a "twist" or a "spin" on their findings. He asked Commissioner Duffy what his philosophy on hiring his employees is and what kind of a spin he would allow to be placed on things. Chair Fate remarked, "So, if we rely so heavily on those people that place this spin, we're right back where we

started." He asked Commissioner Duffy how he proposed to handle that.

COMMISSIONER DUFFY said he planned on a program that does not put a spin on scientific and biological studies and he wants research done that is brought to the game board or other public forums based on its scientific merits. He stated that he did not support a program that [involves] twisting the numbers to come out with a certain philosophy, and he said he thought that would be irresponsible of the department to do that. Commissioner Duffy said he had spoken with a member about similar concerns but it was in not in regard to game management. He said he would not support that for game management issues internally, but he could not control what twist or spin other non-department members put on scientific information that they have. Commissioner Duffy said Board of Game members are very bright, have a lot of scientific expertise, and are going to recognize that kind of information when it comes out.

Number 0904

CHAIR FATE, upon determining no one else wished to testify, closed public testimony.

REPRESENTATIVE WOLF complimented Commissioner Duffy for "stepping right into that predator control."

[Though no motion was made, the appointment of Kevin Duffy as the commissioner of the Alaska Department of Fish and Game was advanced.]

ADJOURNMENT

There being no further business before the committee, the House Resources Standing Committee meeting was adjourned at 3:04 p.m.