

ALASKA STATE LEGISLATURE
HOUSE RESOURCES STANDING COMMITTEE

May 12, 2003

2:53 p.m.

MEMBERS PRESENT

Representative Hugh Fate, Chair
Representative Beverly Masek, Vice Chair
Representative Carl Gatto
Representative Cheryll Heinze
Representative Bob Lynn
Representative Kelly Wolf
Representative David Guttenberg

MEMBERS ABSENT

Representative Carl Morgan
Representative Sharon Cissna

COMMITTEE CALENDAR

HOUSE BILL NO. 277

"An Act relating to the powers of the Regulatory Commission of Alaska in regard to intrastate pipeline transportation services and pipeline facilities, to the rate of interest for funds to be paid by pipeline shippers or carriers at the end of a suspension of tariff filing, and to the prospective application of increased standards on regulated pipeline utilities; allowing the commission to accept rates set in conformity with a settlement agreement between the state and one or more pipeline carriers and to enforce the terms of a settlement agreement in regard to intrastate rates; and providing for an effective date."

- MOVED CSHB 277(RES) OUT OF COMMITTEE

HOUSE BILL NO. 196

"An Act relating to carbon sequestration; and providing for an effective date."

- HEARD AND HELD

SENATE BILL NO. 88

"An Act relating to standards for forest resources and practices; and providing for an effective date."

- MOVED HCS SB 88(RES) OUT OF COMMITTEE

HOUSE BILL NO. 246

"An Act relating to the limitation on upland acreage that a person may take or hold under oil and gas leases; and providing for an effective date."

- SCHEDULED BUT NOT HEARD

PREVIOUS ACTION

BILL: HB 277

SHORT TITLE: PIPELINE UTILITIES REGULATION

SPONSOR(S): REPRESENTATIVE(S) DAHLSTROM

Jrn-Date	Jrn-Page		Action
04/17/03	1026	(H)	READ THE FIRST TIME - REFERRALS
04/17/03	1026	(H)	O&G, L&C
04/22/03		(H)	O&G AT 3:15 PM CAPITOL 124
04/22/03		(H)	-- Meeting Canceled --
04/23/03	1081	(H)	COSPONSOR(S): KOHRING
04/24/03	1108	(H)	RES REFERRAL ADDED AFTER O&G
04/24/03		(H)	O&G AT 3:15 PM CAPITOL 124
04/24/03		(H)	Heard & Held
04/24/03		(H)	MINUTE(O&G)
04/29/03		(H)	O&G AT 3:15 PM CAPITOL 124
04/29/03		(H)	Scheduled But Not Heard
05/01/03		(H)	O&G AT 3:15 PM CAPITOL 124
05/01/03		(H)	Moved CSHB 277(O&G) Out of Committee
05/01/03		(H)	MINUTE(O&G)
05/02/03		(H)	L&C AT 3:15 PM CAPITOL 17
05/02/03		(H)	Scheduled But Not Heard <Meeting Postponed to 4:00 PM>
05/02/03		(H)	RES AT 1:00 PM CAPITOL 124
05/02/03		(H)	<Pending Referral> -- Meeting Canceled --
05/05/03	1316	(H)	O&G RPT CS(O&G) NT 1DP 6NR
05/05/03	1316	(H)	DP: KOHRING; NR: HOLM, ROKEBERG, FATE,
05/05/03	1316	(H)	KERTTULA, CRAWFORD, MCGUIRE
05/05/03	1317	(H)	FN(S): FORTHCOMING
05/06/03	1372	(H)	FN1: ZERO(REV) RECEIVED
05/06/03	1372	(H)	FN2: ZERO(DNR) RECEIVED
05/07/03		(H)	RES AT 8:00 AM CAPITOL 124

05/07/03	(H)	Bill Postponed 1:30 PM --
05/07/03	(H)	RES AT 1:30 PM CAPITOL 124
05/07/03	(H)	Heard & Held
05/07/03	(H)	MINUTE(RES)
05/09/03	(H)	L&C AT 3:15 PM CAPITOL 17
05/09/03	(H)	Scheduled But Not Heard
05/09/03	(H)	RES AT 8:00 AM CAPITOL 124
05/09/03	(H)	Heard & Held
05/09/03	(H)	MINUTE(RES)
05/12/03	(H)	RES AT 1:00 PM CAPITOL 124

BILL: HB 196

SHORT TITLE: CARBON SEQUESTRATION

SPONSOR(S): REPRESENTATIVE(S) BERKOWITZ

Jrn-Date	Jrn-Page		Action
03/14/03	0541	(H)	READ THE FIRST TIME - REFERRALS
03/14/03	0541	(H)	RES, FIN
04/23/03	1080	(H)	COSPONSOR(S): GARA
05/07/03	1438	(H)	COSPONSOR(S): GUTTENBERG
05/09/03		(H)	RES AT 8:00 AM CAPITOL 124
05/09/03		(H)	Scheduled But Not Heard
05/12/03		(H)	RES AT 1:00 PM CAPITOL 124

BILL: SB 88

SHORT TITLE: FOREST RESOURCES & PRACTICES STANDARDS

SPONSOR(S): SENATOR(S) SEEKINS

Jrn-Date	Jrn-Page		Action
02/28/03	0298	(S)	READ THE FIRST TIME - REFERRALS
02/28/03	0298	(S)	RES
04/25/03		(S)	RES AT 3:30 PM BUTROVICH 205 -- Bill Hearing Postponed --
04/28/03		(S)	RES AT 3:30 PM BUTROVICH 205
04/28/03		(S)	Moved Out of Committee
04/28/03		(S)	MINUTE(RES)
04/29/03	1025	(S)	RES RPT 6DP 1NR
04/29/03	1025	(S)	DP: OGAN, DYSON, ELTON, WAGONER,
04/29/03	1025	(S)	STEVENS B, SEEKINS; NR: LINCOLN
04/29/03	1025	(S)	FN1: ZERO(DNR)
05/03/03	1129	(S)	RULES TO CALENDAR 5/3/2003
05/03/03	1129	(S)	READ THE SECOND TIME
05/03/03	1129	(S)	ADVANCED TO THIRD READING 5/4

			CALENDAR
05/03/03	1135	(S)	COSPONSOR(S): WILKEN, TAYLOR, DYSON,
05/03/03	1135	(S)	WAGONER
05/04/03	1143	(S)	READ THE THIRD TIME SB 88
05/04/03	1143	(S)	PASSED Y14 N- E5 A1
05/04/03	1144	(S)	EFFECTIVE DATE(S) SAME AS PASSAGE
05/04/03	1144	(S)	COSPONSOR(S): ELTON, COWDERY, STEVENS B
05/04/03	1144	(S)	THERRIAULT
05/04/03	1144	(S)	ELTON NOTICE OF RECONSIDERATION
05/05/03	1162	(S)	RECONSIDERATION NOT TAKEN UP
05/05/03	1164	(S)	TRANSMITTED TO (H)
05/05/03	1164	(S)	VERSION: SB 88
05/06/03	1343	(H)	READ THE FIRST TIME - REFERRALS
05/06/03	1343	(H)	RES
05/09/03		(H)	RES AT 8:00 AM CAPITOL 124
05/09/03		(H)	Scheduled But Not Heard
05/12/03		(H)	RES AT 1:00 PM CAPITOL 124

WITNESS REGISTER

LISA WEISSLER, Staff
to Representative Ethan Berkowitz
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Testified on behalf of the sponsor of
HB 196, Representative Berkowitz.

JOHN "CHRIS" MAISCH, Regional Forester
Division of Forestry
Northern Region Office
Department of Natural Resources
Fairbanks, Alaska

POSITION STATEMENT: During discussion of HB 196, answered
questions.

SENATOR RALPH SEEKINS
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Spoke as the sponsor of SB 88.

BRIAN HOVE, Staff
to Senator Ralph Seekins

Alaska State Legislature

POSITION STATEMENT: Presented SB 88 on behalf of the sponsor.

DOUGLAS HANSON

Tanana Chiefs Conference

Fairbanks, Alaska

POSITION STATEMENT: Testified in support of SB 88.

THOMAS (CHRISTOPHER) STARK, Fisheries Seat

Board of Forestry;

Fisheries Biologist, University of Alaska Fairbanks;

Bering Sea Fisherman's Association;

Yukon River Fisheries Development Association

Fairbanks, Alaska

POSITION STATEMENT: Expressed his support for SB 88 because the fish will be alright with this type of riparian buffer.

ACTION NARRATIVE

TAPE 03-44, SIDE A

Number 0001

CHAIR HUGH FATE called the House Resources Standing Committee meeting to order at 2:53 p.m. Representatives Fate, Masek, Gatto, Heinze, Lynn, and Wolf were present at the call to order. Representative Guttenberg arrived as the meeting was in progress.

The committee took a brief at-ease at 2:54 p.m.

HB 277-PIPELINE UTILITIES REGULATION

CHAIR FATE announced that the first order of business would be HOUSE BILL NO. 277, "An Act relating to the powers of the Regulatory Commission of Alaska in regard to intrastate pipeline transportation services and pipeline facilities, to the rate of interest for funds to be paid by pipeline shippers or carriers at the end of a suspension of tariff filing, and to the prospective application of increased standards on regulated pipeline utilities; allowing the commission to accept rates set in conformity with a settlement agreement between the state and one or more pipeline carriers and to enforce the terms of a settlement agreement in regard to intrastate rates; and providing for an effective date."

Number 0326

REPRESENTATIVE MASEK moved that the committee adopt CSHB 277, Version CSHB 277(RES) bil.doc, 5/12/2003, as a work draft. There being no objection, the proposed CS dated 5/12/2003 was before the committee.

REPRESENTATIVE MASEK pointed out that the changes encompassed in the proposed CS are in the packet.

CHAIR FATE, in response to Representative Heinze, specified that the proposed CS is the result of questions, answers, and clarifications during a meeting this morning among himself, Representative Dahlstrom, and the Department of Law.

Number 0896

REPRESENTATIVE MASEK moved to report CSHB 277, Version CSHB 277(RES) bil.doc, 5/12/2003, out of committee [with individual recommendations and the accompanying fiscal notes].

REPRESENTATIVE WOLF objected for the purpose of discussion and requested an at-ease.

The committee took an at-ease from 3:02 p.m. to 3:04 p.m.

[Not on tape, but taken from the committee secretary's log notes, was Representative Wolf's withdrawal of his objection.]

Number 0668

CHAIR FATE remarked that this legislation, in the view of many, began as objectionable and problematic. However, after three committee substitutes the legislation has matured to the point of addressing the issues of ongoing litigation under [RCA] Order 151 and retroactivity. He noted that there has been good discussion and testimony with regard to capacity and access, which is an element of the pipeline, although the Stranded Gas Act will negotiate those issues. He related his belief that this legislation is important to the state and has been worked through thoroughly, and therefore he didn't fear its going forward. Chair Fate emphasized that there has been tremendous participation on this legislation in order to fashion legislation that would be helpful in the state's economic development.

Number 0996

REPRESENTATIVE GUTTENBERG objected to reporting the bill from committee.

A roll call vote was taken. Representatives Wolf, Masek, Heinze, Lynn, and Fate voted in favor of reporting the bill from committee. Representative Guttenberg voted against it. Therefore, CSHB 277(RES) was reported out of the House Resources Standing Committee by a vote of 5-1.

Number 1157

REPRESENTATIVE GUTTENBERG spoke to his objection. He acknowledged that this legislation is very important, but pointed out that there has been testimony from various people in the oil industry who have serious [concerns] with it. Representative Guttenberg highlighted that he hasn't had a chance to go through this new CS. He said, "We've seen what happens when we pass legislation on to other committees to do their work." For example, when HB 191 was reported out of this committee to the House Judiciary Standing Committee to hear the legal issues, it was waived from that committee. Representative Guttenberg related his belief that the House Resources Standing Committee should do its work.

CHAIR FATE said this legislation was discussed and dissected [at length] and the committee isn't avoiding its responsibility. [CSHB 277(RES) was reported from committee.]

The committee was recessed at 3:14 p.m. to a call of the chair.

CHAIR FATE reconvened the committee at 6:39 p.m. Representatives Lynn, Wolf, Masek, Gatto, Heinze, and Fate were present at the call back to order.

HB 196-CARBON SEQUESTRATION

Number 1255

CHAIR FATE announced that the next order of business would be HOUSE BILL NO. 196, "An Act relating to carbon sequestration; and providing for an effective date."

Number 1322

LISA WEISSLER, Staff to Representative Ethan Berkowitz, Alaska State Legislature, presented HB 196 on behalf Representative Berkowitz, sponsor. She explained that carbon sequestration is

the capture and long-term storage of carbon in forests, soils, and oceans. In order to understand why carbon sequestration is important, one must step into the international arena with regard to climate changes and international interest in limiting the amount of carbon entering the atmosphere. She informed the committee that the Kyoto Protocol, an international agreement establishing an emissions limit for carbon and other greenhouse gases, is being drafted. Although the U.S. isn't going to sign the Kyoto Protocol, it could impact U.S. companies and the U.S. in general. Under the Kyoto Protocol, countries and companies that produce carbon will have an emissions limit; if they exceed the emissions limit, there are ways to offset that overproduction of carbon and greenhouse gases.

MS. WEISSLER explained that one way to offset that overproduction is to trade with companies below the limit. The other is carbon sequestration, an active method used to sequester more carbon in the land, soil, forests, and ocean. In the case of carbon sequestration, capitalism is taking over and a carbon credit-trading market is being created. [This legislation] looks to Alaska benefiting from this emerging market because Alaska holds great potential for sequestration activities. For example, on the Kenai there are a lot of dead trees due to the spruce bark beetle infestation. Thus there is the possibility of eliminating the dead trees and reforesting the area. Such active management could potentially produce credits that Alaska would be able to place in the carbon credit-trading market for money. She acknowledged that some of the money could go towards reforestation, while some of it could be placed in the state's general fund.

MS. WEISSLER explained that the legislation isn't designed to put Alaska in the market right away because there are many questions to answer. It follows what Idaho and Nebraska have already implemented, requesting that their state departments of natural resources review the matter in order to determine how the state might participate and what is going on with this market, and establishing an advisory committee to help the department with the process. Therefore, this legislation merely places the state in a position to benefit from the [carbon credit-trading market]. However, this market can be limited because the number of credits could be limited due to the emissions limit. Therefore, those states and countries not ready to enter the market could be left behind. Ms. Weissler noted that the Alaska Reforestation Council has looked into this. She passed around a pamphlet entitled "Reforestation Needs and Opportunities for Carbon Sequestration in Alaska."

REPRESENTATIVE CISSNA provided the committee with an article entitled "Carbon Sequestration - Terrestrial Approaches."

Number 1628

REPRESENTATIVE HEINZE asked how these carbon credits are traded.

MS. WEISSLER answered that she believes its just like any other commodity. She recalled that when limits were established for sulfur dioxide, a market was created for it. Ms. Weissler specified that when quantifying how much is being sequestered, the unit of tons is used.

REPRESENTATIVE HEINZE asked if Ms. Weissler meant a ton of carbon molecules

MS. WEISSLER replied yes; it's actually the gas emitted into the atmosphere.

Number 1748

REPRESENTATIVE GUTTENBERG asked how the value of a forest is measured.

MS. WEISSLER said that's one of the questions yet to be answered.

REPRESENTATIVE GUTTENBERG pointed out that the last page of the document, entitled "Opportunities for Carbon Offset Programs in Alaska," specifies: "A carbon credit is one metric ton of carbon or CO2 equivalent that is captured from the atmosphere and stored in plants and organic matter."

Number 1851

JOHN "CHRIS" MAISCH, Regional Forester, Northern Region Office, Division of Forestry, Department of Natural Resources (DNR), confirmed that carbon would be traded per ton. Although a number of formulas could be used for wood, essentially it's the wood volume and the amount of carbon that is created through the photosynthetic process of the tree or plant. The carbon is locked up as the wood or the biomass of the plant. He noted that the actual certification process needs work.

CHAIR FATE asked if the fact that the U.S. isn't a signatory to the Kyoto Protocol would influence what happens in the U.S. relative to this.

MR. MAISCH replied yes. He explained that many of the companies that are part of the Kyoto Protocol do business worldwide; those countries that have signed and ratified the Kyoto Protocol have programs in which carbon needs to be reduced in the country. Therefore, a worldwide company such as BP could trade and sell carbon credits anywhere in the world and obtain credits for that in a country that has ratified the Kyoto Protocol.

Number 1938

CHAIR FATE pointed out that there are a lot of forest fires in Alaska, fires that cause large areas of the Interior to be covered with smoke to the extent that someone can't fly an airplane. Of course, the smoke is carbon. Chair Fate asked how this natural phenomenon would come into play with gaining credits in this sequestration program.

MR. MAISCH explained that since a forest fire would be a natural event, it wouldn't impact the actual program of sequestering of carbon. However, it might impact the state if the state quickly reforests and revegetates burned acreage. Currently, it's rare that the state does the aforementioned. He said that [if the state quickly reforests and revegetates burned acreage], the state would be speeding up the rate at which reforestation would naturally occur in a burned area; thus the state could potentially produce a saleable carbon credit for the time the state sped up the reforestation of the burned area. In further response, Mr. Maisch specified that the landowner would bear the cost of reforestation. However, the idea is that the price of the carbon credit would offset the reforestation cost.

CHAIR FATE interjected that would be the case if the quota wasn't already filled.

MR. MAISCH acknowledged that there is a quota, but pointed out that as more companies become interested in those credits, those credits will trade at a higher price. With the proposed quota, there is some merit in being the first in, rather than the last.

CHAIR FATE asked if Mr. Maisch feels [carbon sequestration] is worth review, as requested in HB 196.

MR. MAISCH replied yes, in order to evaluate whether it is a tool for land managers to leverage more reforestation activities or other activities to produce these saleable credits.

CHAIR FATE asked if this would be leverage to entice the U.S. to sign the Kyoto Protocol.

MR. MAISCH replied no. He said that the U.S. wouldn't have to ratify the Kyoto Protocol in order to participate in the carbon [credit-trading] market.

Number 2118

REPRESENTATIVE HEINZE asked if the carbon molecules would be traded, bartered, or sold.

MR. MAISCH answered that the carbon [credits] would be sold like any other commodity on the commodities market, such as lumber, corn, or oil. Currently, credits for sulfur dioxide, a pollutant emitted by electric utilities, are traded; an exchange sells credits to offset excess emissions of sulfur dioxides. The aforementioned program has been in the U.S. for a number years; the [sulfur dioxide credit] prices are set per ton, and the market bids it up or down based on the availability of the credits. Carbon credits would work in the same way.

REPRESENTATIVE HEINZE asked if [carbon credits] are being traded elsewhere in the world, and if so, at what price.

MR. MAISCH responded that the price varies based on a number of factors. The largest variable is whether the carbon credit is actually certified. There is a third-party certifier who certifies how much carbon a project is going to produce so that can be taken to the marketplace and a potential purchaser of that credit is assured the specified amount of carbon is being produced. Although there are projects worldwide, most of them aren't traded through an exchange because the exchange isn't running. Mr. Maisch informed the committee that several Native organizations in the Lower 48, such as the Nez Perce, have done carbon projects with utilities. He characterized most of the projects that have occurred thus far to be from a public relations standpoint, rather than an actual trade through the exchange.

REPRESENTATIVE HEINZE said she was trying to determine how the sponsor could forecast [that this market could provide] \$400 million in revenue if the exchange isn't running.

MR. MAISCH suggested that projection could be based on private projects elsewhere. He said he'd have to perform some research in order to verify that projection.

Number 2284

REPRESENTATIVE CISSNA asked if there are other ways in which carbon sequestration could benefit Alaska.

MR. MAISCH pointed out that Alaska's being involved in carbon sequestration could provide some public relations benefits. He returned to the paper by the Alaska Reforestation Council, written in 2000, and suggested that it might be worth reviewing in detail. Mr. Maisch pointed out that in terms of the global warming concept, many have embraced this carbon sequestration program to help reduce global warming.

CHAIR FATE, upon determining no one else wished to testify, closed public testimony. He announced that he had no objection to forwarding HB 196 to the next committee of referral.

Number 2368

REPRESENTATIVE MASEK directed attention to page 3, lines 2-4, which specifies that members of the advisory committee created by this legislation are entitled to per diem and travel.

The committee took an at-ease from 7:00 p.m. to 7:02 p.m.

CHAIR FATE informed the committee that each member should now have a copy of the fiscal note. He directed the committee's attention to the analysis included in the fiscal note.

Number 2419

REPRESENTATIVE LYNN asked how the size of the advisory committee was determined.

MS. WEISSLER explained that the size came about because the sponsor was looking for a list of folks able to assist in the development of the report. Furthermore, the advisory committee follows the models in Idaho and Nebraska.

REPRESENTATIVE LYNN remarked that if any voting is required of this advisory committee, then its membership should be an odd number.

MS. WEISSLER related that she didn't believe there would be any voting because the advisory committee is really to develop recommendations and assist the department.

Number 2482

REPRESENTATIVE MASEK asked why an advisory committee has to be created, when DNR can handle this with its existing staff. She offered her belief that most of the legislation passed this session has had no fiscal impact.

CHAIR FATE related his understanding from the sponsor that this legislation was merely a request to look into this; however, it seems to go further and seems to be partially responsible for some sort of implementation.

MS. WEISSLER clarified that the intent is for the advisory committee to advise the department. There is no intention to put anything into motion. With regard to the fiscal note, she said she suspects that the costs could be substantially reduced through use of the teleconference network and existing staff, which was the intention of the sponsor. She mentioned the possibility of grant opportunities that could be more likely if this legislation is in place.

Number 2606

CHAIR FATE announced that HB 196 would be held for further consideration. He related his view that this is a good idea, although more study seems to be required on the fiscal note as well as the specific duties of the board. [HB 196 was held over.]

SB 88-FOREST RESOURCES & PRACTICES STANDARDS

CHAIR FATE announced that the final order of business would be SENATE BILL NO. 88, "An Act relating to standards for forest resources and practices; and providing for an effective date."

Number 2656

SENATOR RALPH SEEKINS, Alaska State Legislature, sponsor of SB 88, began by informing the committee that this legislation has been around for some time and heard in many committees over the last few years; it is the work of many. He highlighted that this is one of the few pieces of legislation that doesn't have

anyone saying he/she doesn't want to do it. He recalled that last year this legislation moved through the House and went over to the Senate, where at the end it just didn't make it to the Senate floor.

Number 2799

BRIAN HOVE, Staff to Senator Ralph Seekins, Alaska State Legislature, paraphrased the sponsor statement, which reads as follows [original punctuation provided]:

This Bill revises the riparian management standards of the Forest Resources Practices Act (FRPA) for Region III by strengthening protection for fish habitat and water quality in a manner that continues to support both the timber and fishing industries.

The current standards for Region III were adopted as an interim measure in the 1990 revision of the Act. Under these standards, harvesting can occur up to the back of the anadromous waters on both public and private land under some conditions. With the proposed Bill, all anadromous and high-value resident fish waters are classified and riparian standards are established for each classification.

The requirements are tailored to the characteristics and fish habitat need of each stream type. A no-harvest buffer will be required on most anadromous and high-value resident fish waters. However, along glacial rivers where some of the most valuable timber occurs, the standards allow harvest of up to half the large white spruce in the landward half of the buffer. This allows landowners to capture some of the economic value within the riparian areas while keeping enough large trees to provide woody debris.

This bill is not a wholesale revision of the Act. It has substantive changes for riparian management standards applying to Region III only. Other technical revisions include changes to the statewide nomenclature for waterbody classes to prevent confusion between waterbody types in different regions. The bill also moves definitions of regional boundaries from the regulations to the Act and makes a minor change to the regional boundary on the Kenai Peninsula to better match the difference between

forest types. Most forestland in the affected area is in federal ownership, so there will be minimal impact on other landowners.

SB 88 helps ensure that FRPA continues to be certified for compliance with federal Clean Water Act and coastal zone management requirements. This means that the Act continues to provide "one-stop shopping" for the timber industry with respect to state and federal non-point source pollution and coastal management standards.

This bill is founded on the best science available including an extensive review of existing research and recommendations of an interdisciplinary Science & Technical Committee. The committee included experienced field staff from the state resource agencies and private sector as well as University of Alaska and federal scientists.

An Implementation Group that included representatives of the timber and fishing industries, Native corporations and environmental groups drafted language to implement the scientists' recommendations in a practical manner that works in the field. This bill is unanimously endorsed by the Board of Forestry and has support from a broad array of interest groups.

TAPE 03-44, SIDE B

Number 2904

SENATOR SEEKINS pointed out that the committee packet should include an amendment that is necessary to bring the legislation into compliance with the recent transfer of the Division of Habitat [per EO 107].

The committee took an at-ease from 7:14 p.m. to 7:15 p.m.

Number 2846

REPRESENTATIVE MASEK moved to adopt Amendment 1, which reads as follows [original punctuation provided]:

Page 1, line 5:

Delete "commissioner"

Insert "state forester"

Page 3, line 17:
Delete "department"
Insert "state forester"

Page 3, line 18:
Delete "Department of Fish and Game"
Insert "deputy commissioner"

Page 3, line 19:
Delete "commissioner"
Insert "state forester"

Page 4, line 8:
Delete "department"
Insert "state forester"

Page 4, lines 8-9:
Delete "Department of Fish and Game"
Insert "deputy commissioner"

Page 4, line 16:
Delete "department"
Insert "state forester"

Page 4, line 17:
Delete "Department of Fish and Game"
Insert "deputy commissioner"

Page 4, line 24:
Delete "department"
Insert "state forester"

Page 4, line 25:
Delete "Department of Fish and Game"
Insert "deputy commissioner"

Page 5, line 8:
Delete "commissioner"
Insert "state forester [COMMISSIONER]"

There being no objection, Amendment 1 was adopted.

Number 2809

DOUGLAS HANSON, Tanana Chiefs Conference (TCC), provided the following testimony:

Tanana Chiefs Conference supports this legislation. Mainly, it'll provide set guidelines for protection of important subsistence and commercial use fish habitat. The bill is the result of a long process involving the science and tech committee that utilizes the best available science to develop riparian buffer standards that apply to the Alaska Interior region situations.

The bill also is the product of the implementation group that had support from industry as well as the Native landowners. The standards that are proposed in the bill will be simple to enforce, easy to initiate and are understood by the general public, the rural village areas as well as the professional forester. Passage of the bill will avoid uncertainties in the application of previous sometimes-vague riparian standards.

Also, the bill pertains to the analysis of the Tanana Valley State Forest Management Plan and the amendments for the Unit 2 area. In that area, which is the Lower Tanana region, the issues of riparian protection were agreed on that would ... use these interim guidelines in the buffer standards. So with that, they're already part of the Tanana Valley State Board's plan update, using some of these interim guidelines. So, I think it's time to pass this legislation and move on with good forest management standards.

Number 2725

THOMAS (CHRISTOPHER) STARK, Fisheries Seat, Board of Forestry; Fisheries Biologist, University of Alaska Fairbanks; Bering Sea Fisherman's Association; Yukon River Fisheries Development Association; explained that he couldn't speak for the university. However, for the other entities for which he works, this legislation is a good thing that should get done. Mr. Stark said that the fish will be all right with this type of riparian buffer.

Number 2678

JOHN "CHRIS" MAISCH, Regional Forester, Division of Forestry, Northern Region Office, Department of Natural Resources, announced support for SB 88.

CHAIR FATE said he's learned from several people in the forest products industry that erosion along a stream often takes place where a heavy forest is undercut. When those trees fall, the root structure is so large that it takes large pieces of bank and the erosion process is increased. He asked if there has been any research that allows for those large-trunk trees connected to a stream to be cut within a certain distance of the stream in order to keep those trees from falling over so that the root structure becomes part of the materials inhibiting erosion.

MR. MAISCH said he wasn't familiar with any specific research of that on the Tanana River. However, this issue was discussed in the finance and technical committee, half of whom felt the Tanana River isn't controlled by vegetation from an erosion standpoint, while the other half felt there was no clear evidence to support the notion that cutting the tree would prevent erosion any faster than leaving the tree in place on the bank. However, Mr. Maisch indicated this legislation has an accompanying regulation that allows continued customary and traditional use for wood gathering and fish-related log floats. In fact, up to 30,000 board of feet of logs can be taken without invoking the Forest Resources and Practices Act ("Forest Practices Act"). Therefore, folks can continue to cut logs on the riverbanks in a fashion similar to what Chair Fate just mentioned.

REPRESENTATIVE HEINZE indicated this is good legislation. She recalled working as the assistant commissioner of DNR and remarked that the work behind the FRPA, riparian standards, and buffer zones took years. She informed the committee that this legislation was originally HB 131 and SB 98, which moved through the House Special Committee on Fisheries, the House and Senate Resources Standing Committees, and the Senate Finance Committee without opposition.

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

Number 2520

REPRESENTATIVE GATTO asked if this legislation would cover [Regions] I, II, and III.

SENATOR SEEKINS clarified that this legislation basically covers [Region] III, with some minor boundary changes below Seward

toward the Homer area. He noted that [Region] III can basically be described as north of the Alaska Range.

REPRESENTATIVE GATTO, upon reviewing the definitions, asked why this wouldn't simply be a state issue; he surmised that there must be some reason that prevents applying this legislation to other areas.

SENATOR SEEKINS pointed out that there are riparian standards for different areas. Region III is the last and probably the most current and best [of the riparian standards]. The standards attempt to meet the types of conditions existing in the region. He related his belief that the definitions [for the different riparian standards] would be fairly uniform. He said he would prefer [including the definitions for each region] - even if that meant redundancy - in order to have an accurate definition.

REPRESENTATIVE GATTO surmised that Southeast Alaska, with its fast-moving streams, waterfalls, and large-trunk trees, would require different regulations than would the Yukon Flats, with its meandering river. Representative Gatto related that he'd read the legislation to be all encompassing, although he now understood it not to be.

SENATOR SEEKINS said it's customized, as much as possible, to the terrain and type of growth in the region.

Number 2373

REPRESENTATIVE HEINZE moved to report SB 88, as amended, out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, HCS SB 88(RES) was reported from the House Resources Standing Committee.

The committee took an at-ease from 7:25 p.m. to 7:26 p.m.

ADJOURNMENT

There being no further business before the committee, the House Resources Standing Committee meeting was adjourned at 7:28 p.m.