

**ALASKA STATE LEGISLATURE  
HOUSE RESOURCES STANDING COMMITTEE**

February 20, 2004

1:10 p.m.

**MEMBERS PRESENT**

Representative Nancy Dahlstrom, Co-Chair  
Representative Beverly Masek, Co-Chair  
Representative Carl Gatto  
Representative Bob Lynn  
Representative Nick Stepovich  
Representative Kelly Wolf  
Representative Beth Kerttula  
Representative David Guttenberg

**MEMBERS ABSENT**

Representative Cheryll Heinze, Vice Chair

**OTHER LEGISLATORS PRESENT**

Representative Hugh Fate

**COMMITTEE CALENDAR**

HOUSE BILL NO. 442

"An Act relating to the Big Game Commercial Services Board and to the regulation of big game hunting services and transportation services; and providing for an effective date."

- HEARD AND HELD

HOUSE BILL NO. 345

"An Act relating to fees for state park developed campsites; and providing for an effective date."

- HEARD AND HELD

**PREVIOUS COMMITTEE ACTION**

BILL: HB 442

SHORT TITLE: BIG GAME GUIDE BOARD & SERVICES

SPONSOR(S): RULES BY REQUEST OF LEG BUDGET & AUDIT

02/09/04	(H)	READ THE FIRST TIME - REFERRALS
02/09/04	(H)	RES, FIN

02/20/04 (H) RES AT 1:00 PM CAPITOL 124

BILL: HB 345

SHORT TITLE: CAMPSITE FEES: DISABLED VETERANS/SENIORS

SPONSOR(S): REPRESENTATIVE(S) FATE

01/12/04 (H) PREFILE RELEASED (1/2/04)  
01/12/04 (H) READ THE FIRST TIME - REFERRALS  
01/12/04 (H) RES, FIN  
02/04/04 (H) RES AT 1:00 PM CAPITOL 124  
02/04/04 (H) Heard & Held  
02/04/04 (H) MINUTE(RES)  
02/20/04 (H) RES AT 1:00 PM CAPITOL 124

**WITNESS REGISTER**

REPRESENTATIVE RALPH SAMUELS

Alaska State Legislature

Juneau, Alaska

POSITION STATEMENT: Sponsor of HB 442, introduced the bill and answered questions from the committee.

RON SOMERVILLE, Vice Chair

Board of Game

Juneau, Alaska

POSITION STATEMENT: Testified in support of HB 442, and answered questions from the members.

MATT ROBUS, Director

Division of Wildlife Conservation

Department of Fish and Game

Juneau, Alaska

POSITION STATEMENT: Testified on HB 442, and answered questions from the members.

JOE KLUTSCH, Member

Alaska Professional Hunters Association

Juneau, Alaska

POSITION STATEMENT: Testified on HB 442 and answered questions from the members.

PAUL JOHNSON

Juneau, Alaska

POSITION STATEMENT: Testified on HB442 and answered questions from the members.

RICK URION, Director

Division of Occupational Licensing  
Department of Community and Economic Development  
Juneau, Alaska

POSITION STATEMENT: Testified in support of HB 442 and answered questions from the members.

ROBERT HARDY, registered big game guide  
Wasilla, Alaska

POSITION STATEMENT: Testified on HB 442 and answered questions from the members.

JIM POUND, Staff  
to Representative Hugh Fate  
Alaska State Legislature  
Juneau, Alaska

POSITION STATEMENT: Testified on behalf of Representative Fate, sponsor of HB 345.

#### **ACTION NARRATIVE**

#### **TAPE 04-06, SIDE A**

Number 0001

**CO-CHAIR BEVERLY MASEK** called the House Resources Standing Committee meeting to order at 1:10 p.m. Representatives Masek, Dahlstrom, Lynn, Stepovich, Wolf, Guttenberg, and Kerttula were present at the call to order. Representative Gatto arrived as the meeting was in progress.

#### HB 442-BIG GAME GUIDE BOARD & SERVICES

Number 0075

CO-CHAIR MASEK announced that the first order of business would be HOUSE BILL NO. 442, "An Act relating to the Big Game Commercial Services Board and to the regulation of big game hunting services and transportation services; and providing for an effective date."

Number 0125

REPRESENTATIVE RALPH SAMUELS, Alaska State Legislature, sponsor of HB 442, introduced the bill and answered questions from the committee. He told the members that he represents district 29 and is the chairman of the Legislative Budget and Audit Committee, which is the reason he brings HB 442 to the committee today. Representative Samuels explained that this bill is in

response to an audit that came out in [December of 2003] that looked at the problems that resulted from the Big Game Commercial Services Board's discontinuation. Guides had been licensed in Alaska since territorial days and regulated by a board from 1973 until 1995, when it was sunsetted. A number of issues and concerns have since gone unaddressed which are identified and explored within the audit [Audit Digest #08-30025-03] which was done by the legislative auditor.

Number 0196

REPRESENTATIVE SAMUELS told the members that the issues identified in audit are as follows:

1. The lack of ability of the Department of Community and Economic Development (DCED), Division of Occupational Licensing, to coordinate with other state and federal agencies.

REPRESENTATIVE SAMUELS commented that he does not believe this problem is anything but a lack of time necessary to address all the concerns of the new duties which DCED inherited in 1995. The state agencies that the department must deal with on the hunting industry are Alaska Department of Fish and Game (ADF&G), Department of Public Safety (DPS), Department of Natural Resources (DNR), Department of Environmental Conservation (DEC), Department of Community and Economic Development (DCED). On the federal level the department must work with the Bureau of Land Management (BLM), the U.S. Forest Service, U.S. Department of Fish and Wildlife Service, the National Park Service, the U.S. Coast Guard, the Federal Aviation Administration (FAA), and possibly even the Federal Communications Commission (FCC).

Number 0267

REPRESENTATIVE SAMUELS said that another issue that was identified was:

2. Lessening of ethical standards.

REPRESENTATIVE SAMUELS commented that there are no ethical standards set in statutes. The other issues identified were:

3. Lack of detailed operating standards.
4. Weaker focus on hunter safety.

REPRESENTATIVE SAMUELS told the members he believes some of the guides will testify that their clients are very savvy, worldwide hunters and some are not. To have the standards set for both the training of the guides and the assistant guides who are often alone with the hunters in the field, is important, he said.

Number 0317

REPRESENTATIVE SAMUELS continued to list items identified in the audit as follows:

5. Diminished disciplinary climate for unsafe, unethical, or even illegal conduct.

REPRESENTATIVE SAMUELS explained that there are no business ethics standards to determine how guides or transporters conduct business. It leaves little direction to the department on how to address consumer complaints. If a complaint comes in the department would have to contact one of the agencies or possibly the guide service. He reiterated that there are no standards for guiding companies. The consumer protection angle of this bill says that when the board is appointed, those on the board would understand the industry and know what the inherent standards should be, what the statutory standards should be, and address the concerns of the department. Under the current system there are no sanctions for consumer complaints or game violations. The fines for infractions have been significantly reduced, and qualification exams are required only for registered guides, not the assistant guides.

Number 0440

REPRESENTATIVE SAMUELS told the members that it has been suggested that these issues could be addressed by the department with a board; however, after meeting with numerous players involved, it seems if the department could solve the problems alone without the expertise in-house, it would have done so. It has been almost 10 years since [the board's sunset], and the audit has determined that the problems have continued to accumulate. He said that the reestablishment of a board would provide an accessible public forum to address problems that face the hunting industry, its interaction with hunters, and the various private and public land managers. The board could use its expertise and wisdom to oversee the big game industry and provide a proactive response as situations develop, Representative Samuels added.

Number 0488

REPRESENTATIVE SAMUELS commented that he believes new opportunities could be identified and realized by this process. He said he strongly feels that Alaska is a world class hunting destination. People save their entire lives to come here for a hunting experience that a lot of us simply take for granted. Representative Samuels stated that Alaska's reputation and resources should be protected, so that reputation is not lost.

REPRESENTATIVE SAMUELS summarized that HB 442 does three things. It moves the responsibilities from the department to the board. Most of the 23 pages in the bill involve changing the statute to move the responsibility from the department to the board, changes the term "guide" to "guide outfitter", and raises potential fines for various violations from \$1,000 to \$5,000, he explained.

Number 0620

REPRESENTATIVE LYNN asked when the board sunset took effect.

REPRESENTATIVE SAMUELS replied in 1995.

REPRESENTATIVE LYNN asked what was the rationale behind the failure to renew the board's existence.

REPRESENTATIVE SAMUELS directed Representative Lynn to the audit. He suggested that the legislative auditor could address the question in detail.

Number 0670

REPRESENTATIVE STEPOVICH surmised that the bill would provide for increased fines and reestablishment of the board. He asked if the board would implement the fines and be the point of final review of those fines.

REPRESENTATIVE SAMUELS responded that the board would implement an appeals process if they do issue a fine to a guide. This bill allows more latitude to the board, as a \$1,000 fine in some cases is not a deterrent, he explained. The board will not be establishing a specific fine for a specific violation. The board would, however, have more latitude to issue higher fines if warranted, he emphasized.

REPRESENTATIVE STEPOVICH asked who currently issues the fines.

Number 0760

REPRESENTATIVE SAMUELS replied that he believes it is the Division of Occupational Licensing.

REPRESENTATIVE STEPOVICH asked for clarification that part of the problem may have existed because there was no board in place to issue the fines. Representative Stepovich questioned the need for higher fines.

CO-CHAIR MASEK commented that Matt Robus from the Alaska Department of Fish and Game is available to answer questions and may be able to respond to that point.

Number 0831

REPRESENTATIVE GUTTENBERG referred to the change in definitions of guide to guide outfitter. He asked if guide outfitter is a new category or simply the combination of outfit and guide.

REPRESENTATIVE SAMUELS replied that the intent was to include both categories. He explained that sometimes guides are also outfitters, and sometimes outfitters are not guides, but are separate. The thought in making this change is to include both categories and a combination if they combine, he summarized.

REPRESENTATIVE GUTTENBERG restated that it is not another category. It is both groups combined.

REPRESENTATIVE SAMUELS clarified that there are guides, outfitters, and guide/outfitters.

REPRESENTATIVE GUTTENBERG commented that this is another separate category.

REPRESENTATIVE SAMUELS replied no. He explained that he did not want to see someone come forward and say that he/she was not a guide, but a guide/outfitter.

REPRESENTATIVE GUTTENBERG summarized that change was done as a means of clarification.

Number 1008

RON SOMERVILLE, Vice Chair, Board of Game, testified in support of HB 442, and answered questions from the members. He referred to a letter in the members' packet [dated March 18, 2003] in which the Board of Game requested that the members consider reestablishment of a Big Game Commercial Services Board.

MR. SOMERVILLE told the members that he checked with Mike Fleagle from McGrath, who is Chairman of the Board of Game, to clarify his personal assessment as to where he believes the board is going in asking that the Big Game Commercial Services Board be reconsidered. The primary interest of the Board of Game is fostered by a couple of points, he said. The guiding, outfitting, and air taxi industries in Alaska are legitimate industries for a variety of reasons. He commented that they provide a lot of services and have spread some of the economic benefits of Alaska's wildlife throughout the state. The Board of Game is concerned about maintaining and enhancing the industry as a legitimate use of wildlife, Mr. Somerville stated.

MR. SOMERVILLE told the members that one problem the board has run into relates to the guides/outfitters/transporters, and the unregulated massive deployment of big game hunters in some areas of the state. In some cases there are legitimate complaints by rural residents that an area is being inundated, and there is no mechanism to control this, he explained. For example, if there is a complaint of air taxi operators dropping a large number of hunters in the Kobuk River, the Board of Game can say that there is a problem and initiate a tiered system for subsistence, but it is difficult to get out of it, he commented. The other option is to say that the use of aircraft will not be allowed for the first six weeks of the season. Mr. Somerville pointed out that penalizes local residents or legitimate guide operators. The Board of Game does not have the authority to single out certain segments of the transportation industry and try to regulate it. He explained that it is difficult because the local residents will come to the board saying that they wish this problem to be fixed, but the board does not have the tools to do that.

MR. SOMERVILLE acknowledged that another part of the problem is that it is difficult to tell if the complaints are legitimate, even though they are perceived to be legitimate. He explained that no documentation exists so the board does not know if there are 50, 100, 150, or 250 hunters in an area at a particular time. If there were documentation then the board could come up with some kind of equation on hunter pressure. This bill doesn't address that part of the air transportation system, but

the board believes it should be part of this legislation, he commented.

Number 1290

MR. SOMERVILLE told the members that he has spent time talking with Rick Urion [Director, Division of Occupational Licensing, Department of Community and Economic Development], and the Anchorage Chamber of Commerce on this issue. He told the committee the idea that was suggested and that he agrees with is that some of this problem can be addressed by additional regulations and enforcement.

MR. SOMERVILLE commented that if the members reject this bill he suggests that the legislature look for some other way to give Mr. Urion and staff some way to have better control of the industries which are under the purview of the Division of Occupational Licensing.

MR. SOMERVILLE shared that he believes the benefits of a board are somewhat obvious if the legislation is crafted properly. One important point is that there would be focus from people who are interested in the industry which is being regulated. There would be the motivation to do something about the problems facing the industry; the expertise to do something about it; and the result would be the development of enforcement, standards, and ethics, he said. Mr. Somerville told the members that he believes Mr. Urion is capable of getting all of this down on paper, but the ability to implement it in the field would be a matter of debate.

MR. SOMERVILLE suggested that if this legislation is crafted in a certain way it could be an opportunity for the board to be used in a slightly different fashion. It could be used as a mechanism to enhance the people's use of the resource in the rural areas for economic purposes. In other words, he suggested that the Big Game Commercial Services Board be used to help craft courses for people in smaller communities so they can become class A assistant guides for instance. Mr. Somerville suggested that the legislation be modified so that course work could be used as a substitute for part of the requirements to become a class A assistant guide. It would be a tremendous benefit to an adult living in a small community who has 15 or 20 years of hunting experience and maintaining trophy animals to be able to take a course and qualify so that he could work under a guide. It would be a way to enhance the use of these resources for commercial purposes, Mr. Somerville said. He told the

committee that Mr. Fleagle pointed out to him that it would be necessary for there to be a change in attitude in some of these small communities to accept this. Providing this opportunity is a legitimate way to provide economic opportunities for people in Rural Alaska, he stated.

Number 1506

MR. SOMERVILLE asked that there be some accommodation in the bill that says if hunters or big game animals are transported that some reporting requirements must be implemented and given to the Board of Game. He told the members that this would help the Board of Game in addressing some of the complaints that are received. It would also help the enforcement staff because there would be documentation of when someone was in the field. In summary Mr. Somerville said that he believes this is a good start. He said he recognizes that some of this is an evolutionary process, but believes this is a move in the right direction.

Number 1521

REPRESENTATIVE GUTTENBERG referred to the handout on definitions [Sec. 08.54.790. DEFINITIONS.] in which both the guide and outfitters are considered a service. He asked for clarification that transporters are not considered a service.

MR. SOMERVILLE suggested that Representative Guttenberg look at transportation services in AS 08.55.010 where it exempts air taxi operators who take big game [hunters], incidental to their other activities. So if transporters are doing this service for this purpose then it would be covered, but if it is incidental to other activities then the service would not be covered, he explained.

REPRESENTATIVE GUTTENBERG asked if it would be the board's intention to include transporters.

MR. SOMERVILLE replied yes. The board believes it is important to include all air taxi operators or transporters that take hunters and big game to ensure that some kind of reporting requirement is met.

Number 1584

CO-CHAIR DAHLSTROM said that Section 23 of HB 442 would amend Alaska statute that pertains to the waiting period for reporting

violations. It raises the number of days from 20 days to 40 days. She asked Mr. Somerville to comment on that change.

MR. SOMERVILLE suggested that she check with the Department of Community and Economic Development on the rationale behind that change.

REPRESENTATIVE STEPOVICH suggested that the change in reporting time was likely implemented in an effort to protect the consumer.

MR. SOMERVILLE commented that one of the major purposes of the board is to provide protection to the consumer, the industry, and the state. He added that well-regulated wildlife populations that are used by transporters is a benefit to us all.

CO-CHAIR DAHLSTROM referred to page 2, line 4, where the makeup of the seven members of the board are outlined. She asked Mr. Somerville what his feelings are on the makeup of the seven member board.

MR. SOMERVILLE commented that his personal view is that this is a reasonable articulation of the number of people. He said that if the bill is expanded to address more of the air taxi industry issues then it might be important to adjust the membership accordingly.

Number 1763

REPRESENTATIVE KERTTULA referred to page 11, line[s 14 though] 17, where there is a change in the revocation standard, which reads:

(d) The board [DEPARTMENT] shall permanently revoke a transporter license or any class of guide license if the board [DEPARTMENT] finds after a hearing that the license was obtained through fraud, deceit, or intentional [INNOCENT] misrepresentation.

REPRESENTATIVE KERTTULA pointed out that the way the law reads now it says that the board can revoke a license if it is found after a hearing that the license was obtained through fraud, deceit, or "innocent" misrepresentation. The bill would change that word to "intentional." She commented that the statutes reads a lot more logically to her with the change in language.

Representative Kerttula asked Mr. Somerville if this was an error.

MR. SOMERVILLE suggested that she ask someone on staff about that point.

Number 1832

MATT ROBUS, Director, Division of Wildlife Conservation, Department of Fish and Game, testified on HB 442, and answered questions from the members. He explained that since the Board of Game and the division work so closely together much of what he says will sound familiar to member Somerville's presentation. Although the three departments most involved in the transporter and guiding industries have met, there has not yet been consensus with respect to HB 442.

MR. ROBUS told the members that he believes this is a very important issue. He said that over the years he has worked with the Board of Game in its attempt to regulate wildlife populations. He said he believes that there is at least one important component of resource wildlife management for which the Board of Game is not well equipped to handle. Mr. Robus pointed out that the authority the Board of Game has and that the department works with are focused on biological management. When there is a biological problem it can be dealt with effectively, he commented. When the board, with the department's input, adjusts seasons, bag limits, methods and means for hunting, it can and does provide for sustainable harvests of Alaska's wildlife populations. The Board of Game also allocates wildlife resources between users according to provisions in several state statutes, including the subsistence statute. These are based on the abundance of the wildlife population and the relationship to the demand from hunters.

Number 1945

MR. ROBUS explained that when it comes to the conflicts between different groups of hunters the Board of Game's tools are poorly adapted because it was not originally created to handle these issues. In many cases the conflicts are societal and not biological. A body to regulate societal problems would be much more successful in filling in the gap in management that presently exists, he summarized.

MR. ROBUS said for example, one of the common conflicts that occurs are between local and rural hunters, and non-local

hunters of all types that are brought into an area and which impedes each others interests in hunting. These are often related to how different groups are distributed in space and time in the field. He explained that it often occurs below the point where there is a biological issue that needs to be dealt with in some kind of restriction in hunting opportunities. In those situations the Department of Fish and Game and the Board of Game can do little to improve the situation, he stated. The board cannot eliminate hunter groups, like non-residents hunters, who always seem to get the blame for problems unless there is a real biological need to do so. Given the impacts to the guiding industry and the revenue to the state, the elimination of the hunter groups should not be considered a successful solution anyway, he said.

Number 2016

MR. ROBUS told the members that for these reasons he believes it is necessary for the state to effectively manage the activities of big game guiding, outfitting, and the transporter industry as a compliment to what the Board of Game is equipped to do. He pointed out that the only pathways the Board of Game and the Department of Fish and Game have in eliminating hunter conflicts are draconian. It would have to eliminate a group of hunters or a type of access, and that is not a very satisfactory solution, he commented. Mr. Robus went on to say that the lack of good regulatory handles on these industries has meant that the only allocation ability available has been on the part of the federal government on federal lands. The state has had to give up some degree of authority on the management of hunting on federal lands because the department lacks the authority to allocate between the different parts of these industries, he explained. Mr. Robus summarized that although there is not a consensus opinion yet, he is testified today to validate the need of such legislation.

Number 2120

REPRESENTATIVE KERTTULA asked Mr. Robus how bad the conflicts have become. She questioned whether the Board of Game will be forced to close areas to hunting.

MR. ROBUS replied that the board is already in the middle of those kinds of problems. The Upper Kobuk River is a good example where in the last couple of years the board got very close to enacting a controlled use area which would not allow transported hunters and non-resident hunters because of the

level of conflict with local users. Since then some of that problem shifted to other areas of the state, he commented. At the board meeting next week the same problem will be addressed in the Middle Kuskokwim, in units 19A and 19B, where there are a lot of local rural users with a tradition of using the area, and there are also both guided and unguided hunters who traditionally have come into the area. In recent years, with the moose populations not doing very well, the problem has escalated into a big allocation issue, and may result in hunter groups being excluded, Mr. Robus explained.

Number 2200

REPRESENTATIVE STEPOVICH asked Mr. Robus if the fines play an integral part in what the department is trying to achieve.

MR. ROBUS reiterated his statement that three departments have met to come to some consensus on this. Those departments are the Department of Public Safety, the Department of Community and Economic Development, and the Department of Fish and Game. Even though fish and game biologists are usually deputized to do some enforcement, the Department of Fish and Game is not the primary enforcement agency, he explained. Mr. Robus said that he would defer the answer to that question to the other two departments.

Number 2260

JOE KLUTSCH, Member, Alaska Professional Hunters Association, testified on HB 442 and answered questions from the members. He told the members that he has lived in Rural Alaska for 32 years as an assistant guide, owner of a small sportfishing guide business, and has been a registered guide since 1979. In 1973 the original Guide License and Control Board was established. Even as an assistant guide he told the members he attended everyone of those meetings through the 1970s and into the 1980s. It was quite a learning process that provided him with some historical perspective on this issue. In 1989 the Big Game Commercial Service Board was formed and he attended all of those meetings as well, he said.

Number 2305

MR. KLUTSCH told the members that there are a number of justifications that members of the association see in reestablishing a board. First of all it is a public forum that allows for interaction between all the effected parties. Not just guides and transporters, but the land managers as well.

That has been absent for the last seven or eight years and has caused a lot of problems. It has created a disconnect in the enforcement and establishment of regulations, he said. Mr. Klutsch explained that there is no substitute for this forum. There is nowhere else to hear other people's issues and concerns. There has been an effort to do this through phone calls and e-mails, but it does not work, he stated.

MR. KLUTSCH pointed out another problem related to the sunseting of the board. When this occurred Alaska abrogated many of its regulatory and management responsibilities to various federal agencies such as the U.S. National Park Service, the U.S. Fish and Wildlife Service, and the U.S. Forest Service, he explained. Mr. Klutsch clarified that without the board in place federal agencies began to take it upon themselves to begin to design permitting schemes and regulatory schemes independently to deal with situations that they were really not familiar with. Mr. Klutsch told the members that under the former board's process these individuals would attend, have their say, could hear what the other concerns were, and at the end of the process a regulation would be developed that reflected everyone's needs. He pointed out that when there is a board process there is an institutional knowledge or a continuous flow of historical background and knowledge. As the administration changes a new director and new people come on who do not have the background or collective memory to understand how the board has arrived at this point and where it needs to go, he explained. Mr. Klutsch said that a board is able to work through the various bureaucracies and respond in a more timely fashion. If it is done administratively the same process can take months or years and requires tremendous effort on the part of industry to influence the outcome of regulations.

Number 2478

MR. KLUTSCH commented that Representative Samuels did an excellent job in covering the issue of the different agencies that manage land. There are seven agencies in all, five state agencies and two federal agencies. He asked the members to remember that each of these agencies has different management responsibilities and management statements. Mr. Klutsch commented that it is extremely difficult for anyone to individually deal with each of these agencies which would result in regulations that reflect industries needs. There has been concern over the years that more regulations have been developed than are needed. The guiding industry does not want more regulations, but more effective, enforceable regulations, Mr.

Klutsch stated. There has been a real absence of that in past years, and it is the industry's hope that this bill will accomplish those goals. He said he believes a board will be able to accomplish these goals in a measured manner.

Number 2540

MR. KLUTSCH said in summary that he cannot overstate how important the members of the industry and association feel the establishment of this board is. This issue has been extensively discussed and there is widespread support for the reinstatement of a board. The industry wants the board to be fair and to work effectively to maintain a proper management system in the state of Alaska, he concluded. This legislation will defend wildlife management and provide stability in both the guiding and transporter industries.

Number 2579

REPRESENTATIVE LYNN asked if Mr. Klutsch knows why the board was eliminated.

MR. KLUTSCH responded that there were a combination of factors. He said he believes there was confusion on the part of some members of the public and several legislators as to the value and function of the board. It was perceived that the board was misdirected and was creating unnecessary regulations which served as impediments to the industry.

REPRESENTATIVE LYNN asked if Mr. Klutsch believes this new legislation would address some of those issues. How is this bill different than what was in place before.

MR. KLUTSCH said he thinks the organization and makeup of this board, which includes representation of guides, transporters, and members of public, and with the input from state and federal agencies could be far more responsive. He told the members that the audit report was very favorable in that the prior board was responsive and cost effective. He said he believes this board could be an improvement over the previous board because the results of an absence of the board is known.

CO-CHAIR MASEK invited Representatives Samuels and Fate to join the members at the committee table.

Number 2715

PAUL JOHNSON testified on HB442 and answered questions from the members. He told the members that he has been a guide for 30 years and a lodge owner in Southeast Alaska. He pointed out that this industry is not one that has come forward to the state to ask for loans, disaster relief, or advertising. The industry has done it themselves, but what it is asking for now is reasonable regulations so this \$110 million industry can stay viable. It is losing ground, he stated.

MR. JOHNSON commented that the Department of Community and Economic Development cannot address the problems facing the industry in-house. The industry is willing to pay for and do this themselves, he stated. For example, there are problems in one part of the state that do not exist in another part, and on-going issues with agencies that formerly were directed to the board where compromises were worked out, he explained. One point that needs to be addressed is the issue of rural needs. This bill provides for two private landholders to sit on the board, which he believes is important as there are over 44 million acres of privately owned land in Alaska. When the board got sunsetted it was working on including people in the economy in rural areas. There were testings in some rural areas and in-roads were being made. He said that it is an evolutionary process and believes it needs to go forward.

Number 2836

MR. JOHNSON said that he believes that it is essential to have this board's interaction with Board of Game members. He told the members that currently there is a huge disconnect going on between the state departments. Mr. Johnson believes problems with transporters cannot be resolved through statute and must be done through regulation because the issues are so complex. Mr. Johnson said he believes that these problems are best addressed through a board process where everyone gets a chance to have their say.

MR. JOHNSON responded to an earlier question as to the reason this board was sunsetted, by providing the committee with some historical background. He said that the board got a vote of 38 to 1 vote to extend the sunset [in the Alaska House of Representatives], and the bill was sent to the Alaska State Senate where it was held in committee. There was never a vote in the senate, if it had come to the floor for a vote, it would have passed, he stated.

REPRESENTATIVE LYNN commented that is the information he was looking for.

Number 2894

CO-CHAIR MASEK asked Mr. Johnson to comment on the question Representative Guttenberg mentioned concerning the definition of guides versus guide/outfitter.

MR. JOHNSON explained that in territorial days the U.S. Fish and Wildlife Service handled the guiding industry, then in 1972 the guide board was established. There were a number of issues that needed to be addressed so the legislature setup a task force. Henry Springer was the chair. The result was that several outfitters were grandfathered in as guide/outfitters. Mr. Johnson commented that he realizes this is a bit confusing. He explained that the task force put hats on different people. Part of the problem that occurred is that during the work of the task force a decision came down on the "common use clause" called the Owsichek decision [Owsichek v. State Guide Licensing and Control Board] which that raised the ire of one particular senator. Mr. Johnson went on to say that the hats were put on, a new board was created which expanded its purview beyond just a guide board, it became a commercial services board that included transporters. It also included a private landholder and the board of game. It had an excellent audit, and it was paying its own way, he said.

**TAPE 04-6, SIDE B**

Number 2976

CO-CHAIR DAHLSTROM asked if Mr. Johnson would be comfortable commenting on an earlier questions she asked and referred to page 12, line 14, where there is a change in reporting from 20 days to 40 days.

MR. JOHNSON responded that the reason for the change in days is that those who are in the field and have two 10-day hunts, back to back, find that the cut off days in reporting violations can create problems. For example, if a guide comes back and reports a violation on the 22nd day, there is an automatic fine, Mr. Johnson added. A 40-day time period allows that extra time that may be necessary when considering weather conditions and other things that could happen in the field, he explained. The change in time will not impact any investigation that may take place, he noted.

Number 2885

CO-CHAIR DAHLSTROM asked Mr. Johnson what the current process is in terms of reporting a violation.

MR. JOHNSON replied that he has never reported a violation so he cannot honestly speak from experience. He told the members that if there were a violation he would call the public safety officer in Hoonah on the phone to advise him, and the officer would come straight out.

REPRESENTATIVE STEPOVICH asked Mr. Johnson how high the new maximum fine would be under the new statute.

MR. JOHNSON said he believes it was raised to \$5,000.

REPRESENTATIVE STEPOVICH said he believes the maximum fine before was set at \$30,000.

MR. JOHNSON said he could not comment. He said that is one of the unfortunate aspects of not having a board because if there were one he would be better advised.

REPRESENTATIVE STEPOVICH clarified that the board will establish the fines at their discretion.

MR. JOHNSON said that is correct. He told the members that when there was a board, the Department of Public Safety representative would attend the board meetings, the board members would interact with the department, and regulations were established that worked in the field. All the work that went into that task force just fell through the cracks and that is sad, he said.

CO-CHAIR MASEK referred to an earlier question posed by Representative Kerttula about Section 19 where the language was changed from "innocent" to "intentional". She asked Mr. Johnson to comment on that point.

MR. JOHNSON replied that he likes the word intentional rather than innocent.

CO-CHAIR MASEK announced that Representative Gatto has joined the meeting at 2:04 p.m.

Number 2686

RICK URION, Director, Division of Occupational Licensing, Department of Community and Economic Development, testified in support of HB 442 and answered questions from the members. He thanked the guiding industry for bringing this bill forward as the system is broken and needs to be fixed. The division has been criticized because it is not vigorously enforcing the laws and not fining people thousands of dollars. He told the members that the division is absolutely hamstrung. In recent months there have been a number of complaints against guides. Some are probably justified and some not, but there is no way to tell because there is no contract and nothing in writing, he explained. It is simply a "he said versus he said" situation.

MR. URION explained that the laws are written in such a way that it cannot be interpreted. For example, two months ago there was a request from a guide who wanted the division to define in writing what "in the field" means. Mr. Urion commented that it sounds like a reasonable request; however, he is not able to do that. In this case there is a lake with a small community and a school at one end. This guide has a house that is located 3 miles from that community that is only accessible by boat or plane. He lives there year-round. Mr. Urion asked if the guide is in the field. The answer is no, he said. Three miles from that community is a cabin and another guide who uses that cabin only during the hunting season. Is he in the field? The answer is yes, he stated. Mr. Urion commented that with laws like that how can the division give any fines. The division cannot even define "in the field."

MR. URION summarized that the system is broken and needs the legislature's attention to fix it. The division has specific recommendations to make it better.

Number 2574

REPRESENTATIVE WOLF asked for clarification on the house versus the cabin.

MR. URION explained that he is talking about two different guides, one who lives in a house, and the other who stays in a cabin during hunting season. He commented that the guide's cabin is twice as big as the other guide's house. Size does not enter into it.

REPRESENTATIVE WOLF asked if the house is a permanent abode. He commented that should be the defining factor between the two.

MR. URION replied that this punishes the guy who goes out and lives in the bush.

REPRESENTATIVE WOLF responded that he does not want to see someone punished for living in the bush. Living in a permanent abode can mean that an individual can get a resident fishing license for instance. A permanent abode can be a recreational vehicle (RV) on blocks.

Number 2498

ROBERT HARDY, registered big game guide, testified on HB 442 and answered questions from the members. He shared that he has a seasonal home outside of Wasilla, and lives the rest of the year in the Talkeetna Mountains where he works as a registered big game guide and an eco-tourism operator. Mr. Hardy told the members that he is testifying in opposition to HB 442. He acknowledged that there are issues with the transporter/guide industry as it currently exists.

MR. HARDY explained that he has witnessed and suffered through the frustration of the Board of Game process. As both a member of the public and former member of the board he recognizes the issues related to allocation between the two industries and other Alaskan residents, both rural and non-rural. Mr. Hardy said that he does not believe this issue can be addressed in the bill as it is currently written. What occurred in the past with the Big Game Commercial Services Board was a disfunctionality that was brought about by a board that was largely composed of industry peers or the "good old boys club" that benefited itself, he stated.

Number 2374

MR. HARDY said that he does not believe this legislation is in the best interest of the resource for other Alaskans. Without creating something in statute that addresses the protection of other Alaskans' interest he said he does not see the benefit of creating a board that generates regulations for itself. He suggested the members look at other ways to address the real issues, such as the number of operators in the field and the number of their clientele. Mr. Hardy suggested that to accomplish it would be necessary to reinvent an area system under a limited entry perspectives for the industries and then set a board within that statute to establish regulations.

CO-CHAIR MASEK announced that the committee will continue to take public testimony, and there will be additional hearings on HB 442. She announced that the bill will be held in committee.

HB 345-CAMPSITE FEES: DISABLED VETERANS/SENIORS

Number 2274

CO-CHAIR DAHLSTROM announced that the next order of business would be HOUSE BILL NO. 345, "An Act relating to fees for state park developed campsites; and providing for an effective date."

CO-CHAIR DAHLSTROM told the members the HB 345, version 23 LS-1299\A, is before the committee.

REPRESENTATIVE STEPOVICH asked if there were previous amendments to the bill.

CO-CHAIR DAHLSTROM replied that to her knowledge there were no other previous amendments.

Number 2209

REPRESENTATIVE GATTO commented that the reason Representative Stepovich asked if there were previous amendments is that as he [Representative Gatto] was going through the materials and found two other amendments that were labeled Amendment 1 and Amendment 2. He just wanted to verify that the amendment the members are looking at is Amendment 1 and not Amendment 3. Representative Gatto said he understands that Representative Fate offered the amendments.

REPRESENTATIVE FATE replied that is correct.

The committee took an at-ease from 2:15 p.m. to 2:17 p.m.

CO-CHAIR DAHLSTROM clarified that there were some amendments that were handed out during the last hearing, but they were not adopted. She announced that the committee will move forward with Representative Stepovich's amendment.

Number 2140

REPRESENTATIVE LYNN moved Amendment 1, labeled 23-LS1299\A.2, Luckhaupt, 2/4/04, which reads as follows:

Page 2, lines 5 - 8:

Delete all material.

Insert "(d) The department shall issue (1) free of charge to a disabled **veteran** [VETERANS] of this country who is a resident of this state, or (2) for an annual fee of \$10 to a resident of this state who is 60 years of age or older, an annual state park developed campsite permit."

REPRESENTATIVE STEPOVICH commented that as a veteran a person has paid his/her dues. He said he believes since the person is a disabled veteran means all the more that it should not be necessary to get more from him/her. Representative Stepovich said he strongly supports veterans. When he thinks of a disabled veteran he thinks that person is disabled and served so that he can be where he is today.

CO-CHAIR DAHLSTROM asked if there are any objections to the motion. There being no objection, Amendment 1 was adopted.

Number 2043

JIM POUND, Staff to Representative Hugh Fate, Alaska State Legislature, testified on behalf of Representative Fate, sponsor of HB 345. He proposed that the committee address two proposed amendments to HB 345 having to do with campsite location. He explained that in the urban areas of Alaska private campsites are often available. It is somewhat unfair for the State to compete directly with these private for profit companies, he said. Mr. Pound suggested the following amendment be considered by the committee:

Page 1, line 9, after "to use a"  
Insert "non-urban"

Page 2, line 5, after "Sec. 2"  
Insert "(f) In this section "non-urban" is defined as a state park developed campsite located outside of a ten-mile radius of a city center."

REPRESENTATIVE LYNN asked what number of this amendment is.

CO-CHAIR DAHLSTROM replied Amendment 2.

REPRESENTATIVE KERTTULA moved Amendment 2. [Amendment language previously stated]

There being no objection, Amendment 2 was adopted.

CO-CHAIR DAHLSTROM announced that the bill will be held in committee for additional testimony.

**ADJOURNMENT**

There being no further business before the committee, the House Resources Standing Committee meeting was adjourned at 2:20 p.m.