

**ALASKA STATE LEGISLATURE**  
**SENATE RESOURCES STANDING COMMITTEE**

May 5, 2004

3:30 p.m.

**TAPE(S) 04-49**

**MEMBERS PRESENT**

Senator Scott Ogan, Chair  
Senator Thomas Wagoner, Vice Chair  
Senator Ralph Seekins  
Senator Ben Stevens  
Senator Fred Dyson  
Senator Kim Elton

**MEMBERS ABSENT**

Senator Georgianna Lincoln

**COMMITTEE CALENDAR**

**CONFIRMATION HEARINGS:**

Board of Game - Ben Grussendorf - Sitka, Mike Fleagle

CS FOR HOUSE BILL NO. 395(FIN) am

"An Act relating to the recovery of shallow natural gas, to the regulation of shallow natural gas or coal bed methane operations, and to oil and gas leasing operations involving activities not governed under the Alaska Land Act; contingently redesignating shallow natural gas as nonconventional gas, and relating to the regulation of that gas under that contingency; and providing for an effective date."

SCHEDULED BUT NOT HEARD

CS FOR HOUSE BILL NO. 452(FIN) am

"An Act relating to licensing and regulation of sport fishing operators and sport fishing guides; authorizing the Department of Fish and Game and the Alaska Commercial Fisheries Entry Commission to release records and reports to the Department of Natural Resources and the Department of Public Safety; and providing for an effective date."

MOVED SCS CSHB 452(RES) am OUT OF COMMITTEE

**PREVIOUS COMMITTEE ACTION**

BILL: HB 452

SHORT TITLE: GUIDED SPORT FISHING/ ADFG & CFEC RECORDS

SPONSOR(S): REPRESENTATIVE(S) HEINZE

02/16/04	(H)	READ THE FIRST TIME - REFERRALS
02/16/04	(H)	L&C, JUD, FIN
03/17/04	(H)	L&C AT 3:15 PM CAPITOL 17
03/17/04	(H)	Heard & Held
03/17/04	(H)	MINUTE(L&C)
03/19/04	(H)	L&C AT 3:15 PM CAPITOL 17
03/19/04	(H)	Moved CSHB 452(L&C) Out of Committee
03/19/04	(H)	MINUTE(L&C)
03/22/04	(H)	L&C RPT CS(L&C) NT 1DP 3NR 1AM
03/22/04	(H)	DP: LYNN; NR: CRAWFORD, GATTO,
03/22/04	(H)	ANDERSON; AM: ROKEBERG
03/31/04	(H)	JUD AT 1:00 PM CAPITOL 120
03/31/04	(H)	Moved CSHB 452(JUD) Out of Committee
03/31/04	(H)	MINUTE(JUD)
04/05/04	(H)	JUD RPT CS(JUD) NT 1DP 5NR
04/05/04	(H)	DP: GRUENBERG; NR: HOLM, GARA,
04/05/04	(H)	ANDERSON, OGG, MCGUIRE
04/14/04	(H)	FIN AT 1:30 PM HOUSE FINANCE 519
04/14/04	(H)	Moved CSHB 452(FIN) Out of Committee
04/14/04	(H)	MINUTE(FIN)
04/15/04	(H)	FIN RPT CS(FIN) NT 4DP 6NR
04/15/04	(H)	DP: MEYER, MOSES, HARRIS, WILLIAMS;
04/15/04	(H)	NR: HAWKER, STOLTZE, JOULE, CROFT,
04/15/04	(H)	FOSTER, CHENAULT
04/23/04	(H)	LETTER FOR JOURNAL
04/23/04	(H)	TRANSMITTED TO (S)
04/23/04	(H)	VERSION: CSHB 452(FIN) AM
04/26/04	(S)	READ THE FIRST TIME - REFERRALS
04/26/04	(S)	RES, FIN
05/05/04	(S)	RES AT 4:15 PM BUTROVICH 205

**WITNESS REGISTER**

Mr. Ben Grussendorf and Mr. Mike Fleagle, nominees to the Board of Game

Mr. John Bittner  
Staff to Representative Cheryl Heinze  
Alaska State Capitol  
Juneau, AK 99801-1182

**POSITION STATEMENT:** Commented on HB 452 for the sponsor.

Mr. Kelly Hepler, Director  
Division of Sport Fish  
Department of Fish & Game  
PO Box 25526  
Juneau, AK 99802-5226

**POSITION STATEMENT:** Commented on HB 452.

Mr. Doug Vincent-Lang, Assistant Director  
Division of Sport Fish  
Department of Fish & Game  
PO Box 25526  
Juneau, AK 99802-5226

**POSITION STATEMENT:** Commented on HB 452.

### **ACTION NARRATIVE**

#### **TAPE 04-49, SIDE A**

**CHAIR SCOTT OGAN** called the Senate Resources Standing Committee meeting to order at 3:30 p.m. Present were Senators Wagoner and Chair Scott Ogan. Senator Seekins arrived at 4:50 and Senator Stevens arrived at 4:56. The first order of business to come before the committee was the confirmation hearing for Ben Grussendorf as a member of the Board of Game.

#### **^CONFIRMATION HEARINGS**

##### **^BOARD OF GAME**

MR. BEN GRUSSENDORF, nominee for the Board of Game, told members that he always wanted to be a game warden and when he graduated from college in 1967 he came to Alaska where he has already served on the board for three years. He offered to answer questions.

CHAIR OGAN asked him if he still loves wolves.

MR. GRUSSENDORF replied yes; he enjoys every animal in the state of Alaska.

CHAIR OGAN asked if he supported the current predator control program.

MR. GRUSSENDORF answered that he supported it in units 19D and 13, but dragged his heels on 16B, because the population figures of the prey animals needed more study of what bears and wolves are actually taking.

MR. MIKE FLEAGLE, nominee to the Board of Game, was up next and the chair asked him why he wanted to subject himself to this for another term.

MR. FLEAGLE replied that he always had an appreciation for trapping, hunting and fishing. He looked forward to his job the first time he was appointed and he is still looking forward to it now - his fourth appointment.

SENATOR BEN STEVENS arrived at 4:56.

CHAIR OGAN thanked both the members for serving on the board.

SENATOR WAGONER moved to forward the two names to the full body. There were no objections and it was so ordered.

4:57 - 4:58 - at ease

^#HB452

**CSHB 452(FIN)AM-GUIDED SPORT FISHING/ ADFG & CFEC RECORDS**

CHAIR OGAN announced HB 452 to be up for consideration.

MR. JOHN BITHNER, staff to Representative Cheryl Heinze, sponsor, said HB 452 is a sport guide licensing bill that creates two new licenses - a sports operators license (\$100) and a sports guide license (\$50). Purchasing both of them together would cost \$100. The licensing requires liability insurance, Red Cross or comparable first aid training and reporting requirements for the areas being fished. He offered to answer questions.

SENATOR WAGONER moved to adopt SCS CSHB 452(RES)AM, version \V.

CHAIR OGAN objected for discussion purposes and asked Mr. Bittner to go over the changes.

MR. BITTNER said the changes could be found on the second page, which is almost entirely new. Currently, sport fish guides must register their vessels with the Commercial Fisheries Entry Commission (CFEC) and there is a fee involved depending on the size of the vessel. This bill takes the category of sport fish guides out of the CFEC's jurisdiction and puts it in ADF&G's jurisdiction. ADF&G would use the fees it generated to pay for the vessel registration instead of having it be a separate fee. The information collected would be the same as it is now, but

would be consolidated more efficiently in the Department of Fish and Game.

SENATOR WAGONER asked why the fee is \$100 for buying both licenses. No other fee structure gives a break for combining licenses.

MR. BITTNER answered that the only reason he could see is to make it easier for small business operators where one person is the entire business.

CHAIR OGAN said he thought this was a good approach, because he objects to creating more layers of bureaucracy. His sportfishing guide friend needs over 60 permits. He felt the change was also beneficial because it would give the sport fishing industry a better position at the table with the Board of Fisheries.

SENATOR WAGONER held up his sportfishing guide license and said he doesn't pay \$50 a year for it; in fact, he pays nothing for it. He asked how the price structure was developed.

REPRESENTATIVE CHERYLL HEINZE replied that the whole reason for this bill is because the constant stream of sport fishermen on the inside waters is a huge problem that is developing throughout the state. The reports will provide useful information to the division for river management.

SENATOR WAGONER interrupted to say that his question about his license was still not addressed.

MR. KELLY HEPLER, Director, Division of Sport Fish, Alaska Department of Fish and Game (ADF&G), explained that Senator Wagoner is holding a registration card that provides information to the division on salt water and it is free. However, the division currently has no reporting requirements in fresh water and this bill now requires that.

He is not trying to make money off of the program and the fee structure was developed to mirror the additional work that would be needed to accurately and timely compile information for management decisions.

SENATOR SEEKINS asked regarding page 5, line 24, why a sport fishing guide license is restricted to citizens of Mexico and Canada and resident aliens, as well as citizens of the United States.

MR. DOUG VINCENT-LANG, Assistant Director, Division of Sport Fish, Alaska Department of Fish and Game (ADF&G), explained that the Attorney General's office said that the recently passed NAFTA legislation does not allow the department to discriminate against business practices conducted within the United States, Canada and Mexico. This U.S. treaty obligates everyone to treat all citizens equally.

SENATOR SEEKINS asked if sport fishing is considered to be regulated under the commerce clause.

MR. LANG replied yes; the business activity associated with the license of a sportfishing guide is what's at issue.

CHAIR OGAN asked why there isn't a resident/non-resident classification in this area.

MR. HEPLER replied that because the recent Carlson decision ruled that the state would not be able to justify a differential fee structure for residents and non-residents.

CHAIR OGAN asked if that ratio was 3:1.

MR. HEPLER elaborated that it's the ratio alone is not anymore the basis of the fee, but how much more it costs the state to administer licensing of non-residents than for residents. He added that this bill also requires guides to have a fishing license.

5:18 - 5:19 - at ease

SENATOR SEEKINS asked how the fee structure was established for the liability insurance.

MR. HEPLER said the department consulted with a number of insurance firms and the least amount for a liability package that they came up with was \$300,000.

CHAIR OGAN asked if the division provides a vessel sticker to be displayed at all times.

MR. HEPLER said the amendment intends to do that. Presently, people get a triangle for registration. He wants to offer something that is distinctly different from commercial fishing boats so that there is no difficulty in identifying a boat as a guide boat.

CHAIR OGAN asked what happens if a guide has 10 boats.

MR. HEPLER replied that he would need 10 stickers.

MR. LANG added that this bill requires businesses to register their vessels with the division. The fee is for the business registration and the division would provide a sticker for each of the 10 boats.

CHAIR OGAN asked if there was potential for fraud.

MR. LANG replied that sticker would be modeled after CFEC's program that asks for unique identifiers for each boat.

SENATOR SEEKINS said he thought that section meant the sticker could be on or in the boat (line 4).

MR. HEPLER added that he is trying to accommodate people by including small vessels like zodiacs.

CHAIR OGAN said that section needed more clarification. He personally thought that guide boats needed to be identified.

CHAIR OGAN recessed the meeting at 5:31 p.m. He called the meeting back to order at 2:25 p.m. on May 6, 2004.

SENATOR SEEKINS moved to adopt conceptual Amendment 1 [discussed at the May 5 meeting]. There were no objections and it was so ordered.

SENATOR SEEKINS moved to pass SCS CSHB 452(RES)am from committee with individual recommendations and new fiscal note. There were no objections and it was so ordered.

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CHAIR OGAN adjourned the meeting at 2:28 p.m.