

ALASKA STATE LEGISLATURE
HOUSE SPECIAL COMMITTEE ON ECONOMIC DEVELOPMENT, INTERNATIONAL
TRADE AND TOURISM

March 13, 2006
5:18 p.m.

MEMBERS PRESENT

Representative Mark Neuman, Co-Chair
Representative Jay Ramras, Co-Chair
Representative Bob Lynn
Representative Nancy Dahlstrom
Representative Harry Crawford
Representative Beth Kerttula

MEMBERS ABSENT

Representative John Coghill

COMMITTEE CALENDAR

HOUSE CONCURRENT RESOLUTION NO. 34
Relating to promoting Alaska grown produce and food products to
the visitor industry through the Arctic Fresh program.

- MOVED HCR 34 OUT OF COMMITTEE

PREVIOUS COMMITTEE ACTION

BILL: HCR 34

SHORT TITLE: ALASKA AGRICULTURAL PRODUCTS FOR TOURISTS

SPONSOR(S): RULES BY REQUEST OF ECON. DEVEL., TRADE, & TOURISM

03/01/06	(H)	READ THE FIRST TIME - REFERRALS
03/01/06	(H)	EDT
03/13/06	(H)	EDT AT 5:00 PM CAPITOL 106

WITNESS REGISTER

JANE PIERSON, Staff
to Representative Jay Ramras
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Explained the reasoning behind HCR 34 and
the intent of the Arctic Fresh program.

LARRY DEVILBISS, Director

Central Office
Division of Agriculture
Department of Natural Resources
Palmer, Alaska

POSITION STATEMENT: Testified in support of wider distribution of Alaska grown products.

ACTION NARRATIVE

CO-CHAIR MARK NEUMAN called the House Special Committee on Economic Development, International Trade and Tourism meeting to order at [5:18:29 PM](#). Representatives Neuman, Ramras, Lynn, Dahlstrom, and Kerttula were present at the call to order. Representative Crawford arrived as the meeting was in progress.

HCR 34-ALASKA AGRICULTURAL PRODUCTS FOR TOURISTS

[5:18:39 PM](#)

CO-CHAIR NEUMAN announced that the only order of business would be HOUSE CONCURRENT RESOLUTION NO. 34, relating to promoting Alaska grown produce and food products to the visitor industry through the Arctic Fresh program.

[5:19:09 PM](#)

JANE PIERSON, Staff to Representative Jay Ramras, Alaska State Legislature, explained that the intent of the Arctic Fresh program is to bring together the [Division] of Agriculture, farmers, related farm associations, processors, seafood processors, distributors, the visitor industry, restaurants, and related culinary support associations to provide the visitors to Alaska with wholesome, quality Alaska produce and products. She opined that this program should provide a win-win situation for everyone involved. She added that the establishment of this program is designed to shift the buying preferences of the visitor industry, thereby creating an additional market for Alaska farmers and producers to sell their goods as well as providing visitors throughout the state with fresh Alaska produce and products. She further added that it's also the intent of the program to work hand-in-hand with other already established programs, such as the Alaska Grown program and the Alaska Seafood Marketing Institute (ASMI)'s Wild Alaska Seafood campaign, thereby creating brand recognition for Alaska's fine products.

[5:20:23 PM](#)

REPRESENTATIVE KERTTULA requested that Ms. Pierson discuss how [the Arctic Fresh program] is going to differ and/or overlap with the Alaska Grown program.

MS. PIERSON reiterated that the plan is to have [the Arctic Fresh program] work hand-in-hand with the Alaska Grown program. She informed the committee that last year there were carrots and potatoes that were warehoused and didn't get distributed. Therefore, the hope is that a market can be created with the visitor industry so that there will be another place for [farmers and producers] to sell their products.

[5:21:15 PM](#)

CO-CHAIR RAMRAS remarked that [the] Alaska Grown [program] has been highly successful at selling Alaska grown carrots and potatoes in Fred Meyer and Safeway grocery stores. However, he noted that at the restaurant level, for on premise consumption, there's no buying preference expressed by chefs and kitchen managers. He relayed that [the committee] wanted to set up an alternate program, under the same umbrella, which requires no funding and no fiscal note. He further noted that at the end of the year/tourist season, it would be a scoring mechanism for the Alaska Hotel and Lodging Association (AkH&LA) and the Alaska Travel Industry Association (ATIA), who by switching their buying preference, would be able to buy, acquire, and use Alaska grown products. The legislation provides an incentive for [farmers and producers], statistically, to keep score under a separate record keeping, rather than to just contribute incrementally to the 20-year success of the Alaska Grown program.

[5:23:15 PM](#)

CO-CHAIR NEUMAN referred to a meeting in Fairbanks which allowed for the opportunity to speak with tourism industry representatives, some of who are already selling Alaska products. He opined that [HCR 34 and the Arctic Fresh program] would help identify those in the [tourism] industry as well as the restaurant [business] who want to ensure that they're selling the mystique of Alaska.

[5:24:11 PM](#)

LARRY DeVILBISS, Director, Central Office, Division of Agriculture, Department of Natural Resources, relayed that [the

Division of Agriculture] is very happy to see the step toward wider distribution of Alaska grown products. He further relayed that the division already received a phone call from the Delta Meat and Sausage Co. in Delta Junction, inquiring about the Arctic Fresh [program] because it had already received phone calls from hotels wanting to know whether they could buy Alaska meat. He opined that this is just the beginning of what's going to happen before the program is even publicized.

CO-CHAIR RAMRAS inquired as to the [large amount] of carrots and/or potatoes that were thrown away at the end of the season last year because [farmers and producers] weren't able to find a market. He asked, "Do you have any kind of statistic on that?"

MR. DEVILBISS acknowledged that last August, the division documented 1,500 tons of potatoes that had to be thrown away. He noted that the product was good, but the market didn't absorb it. He further noted that this year, the division is looking at an inventory of carrots which are in good condition. Therefore, by May, the industry is going to be in a good position to kick off [the season] with at least carrots and potatoes.

[5:27:00 PM](#)

REPRESENTATIVE LYNN inquired as to whether homeless shelters would be able to utilize these potatoes that were thrown away. He opined that it seems almost sinful to discard that many potatoes when there are people out there who are hungry.

MR. DEVILBISS explained that [the potatoes] are owned by individual farmers and the expense of getting them to homeless shelters or food banks would be almost as great as getting them to the marketplace. He surmised that those locations would not be able to absorb large quantities of [potatoes]. He further surmised that the farmers would be willing to work with those agencies willing to pick up the potatoes.

REPRESENTATIVE LYNN inquired as to whether there was any attempt to communicate with the homeless shelters regarding the surplus [potatoes].

MR. DEVILBISS responded that there wasn't [communication] from his office.

CO-CHAIR NEUMAN, in regard to getting product to homeless shelters, remarked that it would be in direct competition with [farmers and producers'] own sales.

REPRESENTATIVE LYNN commented that these are products which [farmers and producers] couldn't dispose of anyway - the market had absorbed all it was going to and [the potatoes] were just leftover.

[5:29:13 PM](#)

REPRESENTATIVE DAHLSTROM moved to report HCR 34 out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, HCR 34 was reported out of the House Special Committee on Economic Development, International Trade and Tourism.

[5:29:36 PM](#)

ADJOURNMENT

There being no further business before the committee, the House Special Committee on Economic Development, International Trade and Tourism meeting was adjourned at 5:29 p.m.