

HOUSE FINANCE COMMITTEE
March 13, 2006
4:14 p.m.

CALL TO ORDER

Co-Chair Meyer called the House Finance Committee meeting to order at 4:14:00 PM.

MEMBERS PRESENT

Representative Mike Chenault, Co-Chair
Representative Kevin Meyer, Co-Chair
Representative Bill Stoltze, Vice-Chair
Representative Richard Foster
Representative Mike Hawker
Representative Mike Kelly

MEMBERS ABSENT

Representative Jim Holm
Representative Reggie Joule
Representative Beth Kerttula
Representative Carl Moses
Representative Bruce Weyhrauch

ALSO PRESENT

McKie Campbell, Commissioner, Department of Fish and Game (ADF&G)

PRESENT VIA TELECONFERENCE

None

GENERAL SUBJECT(S):

**Funding Fish and Game Management:
A Wise Investment in Alaska's Future**

The following overview was taken in log note format. Tapes and handouts will be on file with the House Finance Committee through the 24th Legislative Session, contact 465-6814. After the 24th Legislative Session they will be available through the Legislative Library at 465-3808.

TIME	SPEAKER	DISCUSSION
<u>4:14:43 PM</u>	McKie Campbell, Commissioner, Department of Fish and Game	Referred to slides throughout his presentation (copy on file.) He spoke of ADF&G's mission. He referred to fish and wildlife as the soul of Alaska. He listed the many ways

	(ADF&G)	Alaskans enjoy opportunities and access to their living resources.
4:16:20 PM	Commissioner Campbell	Noted the principal reason many employees live in Alaska. He pointed out that fish and wildlife resources contribute greatly to the economy, and provide more jobs than any other sector in Alaska.
4:18:43 PM	Commissioner Campbell	Discussed how the fish and game investment has performed. He mentioned that the investment has rebuilt decimated commercial salmon fisheries.
4:20:02 PM	Commissioner Campbell	Highlighted the economic benefits to the state by commercial fisheries. Local governments benefit from fisheries-related monies.
4:21:20 PM	Commissioner	Shared economic statistics from commercial fisheries. He related that the investment supports sport fishing, which generates dollars for the state.
4:23:03 PM	Commissioner Campbell	Responded to a question from Representative Stoltze. He replied that he believes that sport fishing makes up less than 10 percent of fisheries-related income for the state. He said he would check further on the matter.
4:25:03 PM	Commissioner Campbell	Discussed the economic benefits to the state from hunting. He related subsistence harvesting economic benefits to the state.
4:26:56 PM	Commissioner Campbell	Shared that wildlife watching and fishing are central to the Alaska tourism marketing. Wildlife watching provides a large economic benefit in the form of jobs and fees.
4:28:05 PM	Commissioner Campbell	Highlighted a case study in Frazer Lake, where small investments yielded high returns regarding a salmon weir operation. For a \$50,000 annual investment, a \$2.1 million return was achieved from subsistence, hunting, bear viewing, sport fishing, and commercial fishing.
4:33:22 PM	Commissioner Campbell	Shared FY 06 funding sources: approximately 40 percent were federal funds and about 22 percent general funds. He pointed out the risks of relying on federal funding.
4:36:09 PM	Commissioner Campbell	Stated a belief that fish and wildlife resources are a wise investment. For every dollar invested in the budget, about \$35 returns to Alaska's economy.

4:38:40 PM	Representative Kelly	Suggested putting more trapping photos in the slide presentation. He asked about the general fund portion. Commissioner Campbell replied that \$33.8 million is from general funds and federal funding is 40 percent.
4:39:45 PM	Representative Kelly	Asked for more information regarding designated funds. Commissioner Campbell referred Representative Kelly to the web page. He said the \$156 million contains the \$4.2 million EVO funds.
4:40:38 PM	Representative Stoltze	Asked about the current status of halibut IFQ's. Commissioner Campbell replied that the North Pacific Management Council voted down the IFQ plan for charter boat halibut. The National Marine Fisheries had been sitting on it for about six years. The Magnuson Act requires any such fishery to reflect present participation in the fishery. The feeling was that the plan was illegal and would be overturned. A stakeholders' group made up of charter operators, commercial operators, and subsistence groups was formed. They are looking at two alternatives: IFQ-based plan and a percentage plan. In both cases the charter industry needs to grow.
4:43:21 PM	Representative Kelly	Asked about a recent article about the lack of sufficient funds in the predator control programs. Commissioner Campbell replied that the department believes in these programs and supports those plans that have the science to back them up. The department hopes to ask the legislature for a hunting license increase next session to cover some of the needed funds.
4:45:48 PM	Representative Kelly	Asked if public sector use is being maximized. Commissioner Campbell responded that cost is a problem and farming it out attracts national attention.
4:48:00 PM	Representative Kelly	Asked if regulation would be better than law. Commissioner Campbell replied that Department of Law recommends no changes right now. The main threat to the program is from a Federal Airborne Hunting Act rather than state law. He concluded that

		there would be no break in programs. Representative Kelly asked if the legislature should become involved. Commissioner Campbell said he would let them know when appropriate.
4:50:09 PM	Co-Chair Meyer	Inquired how out-of-state hunting licenses compare with other states. Commissioner Campbell replied that Alaska is a little higher than average. He noted the proportionality between resident and non-resident fees as a consideration. A non-resident only fee was considered. A hunting license in Alaska is a great bargain.
4:52:22 PM	Representative Stoltze	Asked how many of the licenses sold are full-fare. Commissioner Campbell replied he would get that information.
<u>ADJOURNMENT</u> The meeting was adjourned at 4:53 PM		