

**ALASKA STATE LEGISLATURE
HOUSE RESOURCES STANDING COMMITTEE**

April 22, 2005

2:33 p.m.

MEMBERS PRESENT

Representative Jay Ramras, Co-Chair
Representative Ralph Samuels, Co-Chair
Representative Jim Elkins
Representative Gabrielle LeDoux
Representative Kurt Olson
Representative Harry Crawford
Representative Mary Kapsner

MEMBERS ABSENT

Representative Carl Gatto
Representative Paul Seaton

COMMITTEE CALENDAR

CONFIRMATION HEARING(S)

Alaska Oil and Gas Conservation Commission

Daniel Seamount - Anchorage
Cathy Foerster - Anchorage

- CONFIRMATION(S) ADVANCED

HOUSE BILL NO. 37

"An Act relating to public access to fishing streams."

- MOVED CSHB 37(RES) OUT OF COMMITTEE

HOUSE BILL NO. 218

"An Act relating to cost recovery fisheries for private nonprofit hatchery facilities."

- MOVED CSHB 218(RES) OUT OF COMMITTEE

HOUSE BILL NO. 251

"An Act authorizing the Board of Fisheries to adopt regulations regarding fishing by a person who holds two entry permits for a salmon fishery."

- MOVED CSHB 251(RES) OUT OF COMMITTEE

HOUSE BILL NO. 241

"An Act relating to participation in matters before the Board of Fisheries by members of the board; and providing for an effective date."

- SCHEDULED BUT NOT HEARD

HOUSE BILL NO. 269

"An Act relating to contribution actions relating to the release of a hazardous substance; and providing for an effective date."

- SCHEDULED BUT NOT HEARD

HOUSE CONCURRENT RESOLUTION NO. 9

Proclaiming Alaska Agriculture Day for 2005 and 2006.

- SCHEDULED BUT NOT HEARD

PREVIOUS COMMITTEE ACTION

BILL: HB 37

SHORT TITLE: PUBLIC ACCESS TO FISHING STREAMS

SPONSOR(S): REPRESENTATIVE(S) GARA

01/10/05	(H)	PREFILE RELEASED 12/30/04
01/10/05	(H)	READ THE FIRST TIME - REFERRALS
01/10/05	(H)	FSH, RES
03/21/05	(H)	FSH AT 8:30 AM CAPITOL 124
03/21/05	(H)	-- Meeting Canceled --
03/23/05	(H)	FSH AT 8:30 AM CAPITOL 124
03/23/05	(H)	Heard & Held
03/23/05	(H)	MINUTE(FSH)
04/15/05	(H)	FSH AT 8:30 AM CAPITOL 124
04/15/05	(H)	Moved CSHB 37(FSH) Out of Committee
04/15/05	(H)	MINUTE(FSH)
04/18/05	(H)	FSH RPT CS(FSH) NT 2DP 1DNP 2NR
04/18/05	(H)	DP: ELKINS, THOMAS;
04/18/05	(H)	DNP: SALMON;
04/18/05	(H)	NR: KAPSNER, LEDOUX
04/18/05	(H)	FIN REFERRAL ADDED AFTER RES
04/22/05	(H)	RES AT 1:00 PM CAPITOL 124

BILL: HB 218

SHORT TITLE: PRIVATE HATCHERY COST RECOVERY FISHERIES

SPONSOR(S): REPRESENTATIVE(S) THOMAS

03/15/05 (H) READ THE FIRST TIME - REFERRALS
 03/15/05 (H) FSH, RES
 03/16/05 (H) FSH AT 8:30 AM CAPITOL 124
 03/16/05 (H) Heard & Held
 03/16/05 (H) MINUTE(FSH)
 04/15/05 (H) FSH AT 8:30 AM CAPITOL 124
 04/15/05 (H) Moved CSHB 218(FSH) Out of Committee
 04/15/05 (H) MINUTE(FSH)
 04/18/05 (H) FSH RPT CS(FSH) 3DP 3NR
 04/18/05 (H) DP: WILSON, ELKINS, THOMAS;
 04/18/05 (H) NR: HARRIS, SALMON, LEDOUX
 04/20/05 (H) RES AT 1:00 PM CAPITOL 124
 04/20/05 (H) -- Meeting Canceled --
 04/22/05 (H) RES AT 1:00 PM CAPITOL 124

BILL: HB 251

SHORT TITLE: COMMERCIAL FISHING MULTIPLE PERMIT HOLDER
 SPONSOR(S): REPRESENTATIVE(S) SAMUELS

04/05/05 (H) READ THE FIRST TIME - REFERRALS
 04/05/05 (H) FSH, RES
 04/11/05 (H) FSH RPT 3DP 1NR
 04/11/05 (H) DP: WILSON, HARRIS, ELKINS;
 04/11/05 (H) NR: THOMAS
 04/11/05 (H) FSH AT 8:30 AM CAPITOL 124
 04/11/05 (H) Moved Out of Committee
 04/11/05 (H) MINUTE(FSH)
 04/11/05 (H) RES AT 1:00 PM CAPITOL 124
 04/11/05 (H) Scheduled But Not Heard
 04/20/05 (H) RES AT 1:00 PM CAPITOL 124
 04/20/05 (H) -- Meeting Canceled --
 04/22/05 (H) RES AT 1:00 PM CAPITOL 124

WITNESS REGISTER

REPRESENTATIVE LES GARA
 Alaska State Legislature
 Juneau, Alaska
 POSITION STATEMENT: Presented HB 37 as sponsor.

IAN FISK, Staff
 to Representative Bill Thomas
 Alaska State Legislature
 Juneau, Alaska
 POSITION STATEMENT: Presented HB 218 on behalf of Representative
 Thomas, sponsor.

JIM BACON, Commercial Fisherman
Ketchikan, Alaska
POSITION STATEMENT: Testified in support of HB 218.

MITCH EIDE, Commercial Seiner
Petersburg, Alaska
POSITION STATEMENT: Testified in support of HB 218.

CRAIG EVENS, Commercial Seiner
Petersburg, Alaska
POSITION STATEMENT: Testified that HB 218 will provide greater flexibility to ADF&G.

JASON WELLS, Executive Director
Valdez Fishery Development
Valdez, Alaska
POSITION STATEMENT: Expressed concerns with HB 218.

BOB THORSTENSON, Executive Director
Southeast Alaska Seiners
Ketchikan, Alaska
POSITION STATEMENT: Testified in support of HB 218.

PETER ESQUIRO, General Manager
Northern Southeast Alaska Regional Aquaculture Association
Sitka, Alaska
POSITION STATEMENT: Expressed concerns with HB 218.

STEVE REIFENSTUHL, Staff
Northern Southeast Alaska Aquaculture Association
Sitka, Alaska
POSITION STATEMENT: Testified in opposition to HB 218.

STEVEN DOUGHERTY, Attorney General
Department of Law (DOL)
Anchorage, Alaska
POSITION STATEMENT: Presented legal opinions on HB 218.

CHUCK HARLAMERT, Juneau Section Chief
Tax Division
Department of Revenue
Juneau, Alaska
POSITION STATEMENT: Answered questions regarding HB 218.

HENRY WEBB, Staff
to Representative Ralph Samuels

Alaska State Legislature

POSITION STATEMENT: Presented HB 251 on behalf of Representative Samuels, sponsor.

JERRY MCCUNE

United Fishermen of Alaska (UFA)

Juneau, Alaska

POSITION STATEMENT: Testified in support of HB 251.

PETER THOMPSON, Fisherman

Kodiak, Alaska

POSITION STATEMENT: Testified in support of HB 251.

FRANK HOMAN, Commissioner

Commercial Fisheries Entry Commission

Juneau, Alaska

POSITION STATEMENT: Testified in support of HB 251.

ACTION NARRATIVE

CO-CHAIR RALPH SAMUELS called the House Resources Standing Committee meeting to order at [2:33:38 PM](#). Representatives Samuel, Elkins, LeDoux, Crawford, and Olson were present at the call to order. Representatives Kapsner and Ramras arrived as the meeting was in progress.

CONFIRMATION HEARING(S)

Alaska Oil and Gas Conservation Commission

CO-CHAIR SAMUELS announced that the first order of business would be advancing the confirmation of appointees to the Alaska Oil and Gas Conservation Commission. Appointees Daniel Seamont and Cathy Foerster were interviewed during the April 4, 2005 House Resources Standing Committee meeting.

REPRESENTATIVE CRAWFORD moved to forward the name of Cathy Foerster for commissioner of the Alaska Oil and Gas Conservation Commission.

There being no objection, it was so ordered.

REPRESENTATIVE CRAWFORD moved to forward the name of Daniel Seamont for commissioner of the Alaska Oil and Gas Conservation Commission.

There being no objection, it was so ordered.

[2:35:36 PM](#)

HB 37-PUBLIC ACCESS TO FISHING STREAMS

CO-CHAIR SAMUELS announced that the next order of business would be HOUSE BILL NO. 37 "An Act relating to public access to fishing streams."

REPRESENTATIVE LES GARA, Alaska State Legislature, said HB 37 tries to ensure that citizens continue to have public access to fishing streams. He noted that many streams currently accessible along the road system are on private land, and he said that these lands will be developed and the access to some fishing streams will be lost forever. The bill sets up a procedure with the Department of Natural Resources and Alaska Department of Fish & Game to identify these streams, and asks the state to consider purchasing or exchanging the access lands. It would be subject to a legislative appropriation or the availability of grant money, and it is completely voluntary, he said. "It encourages the discussion and it encourages the process so that we can hopefully avoid making the mistakes so many other states have made on what were once great publicly accessible fishing streams," he concluded.

REPRESENTATIVE OLSON asked about how HB 37 applies to access on Exxon Valdez oil spill land.

REPRESENTATIVE GARA said it won't have an effect because when the state sells land it must retain access.

[2:38:41 PM](#)

REPRESENTATIVE CRAWFORD moved Amendment 1 as follows:

Page 3, line 14, following "use,"
Insert: "sport"

There being no objection, Amendment 1 carried.

[2:39:46 PM](#)

REPRESENTATIVE CRAWFORD moved to report HB 37 as amended out of committee with individual recommendations and the accompanying fiscal notes.

There being no objection, CSHB 37(RES) passed out of committee.

[2:40:45 PM](#)

HB 218-PRIVATE HATCHERY COST RECOVERY FISHERIES

CO-CHAIR SAMUELS announced that the next order of business would be HOUSE BILL NO. 218 "An Act relating to cost recovery fisheries for private nonprofit hatchery facilities."

REPRESENTATIVE ELKINS moved to adopt HB 218, labeled 24LS054\L, Utermohle, 4/20/05, as a work draft.

IAN FISK, Staff to Representative Bill Thomas, Alaska State Legislature, said the hatchery program in Alaska has been very successful. It makes up about 30 percent of the volume of salmon caught. He said HB 218 will provide a new way for hatcheries to recover costs, but it is completely optional. Currently processors bid on the fish that the hatcheries will catch using only a couple of vessels from the commercial fishing fleet, he stated. This bill gives hatcheries the option to recover their costs through the common property fishery, since the intent of the hatchery program is to provide fish to fishermen. The language in HB 218 is permissive, he restated.

[2:43:53 PM](#)

MR. FISK said the committee substitute (CS) changes "special harvest areas" to "terminal harvest areas". Both areas relate to specific hatcheries, and a terminal harvest area is slightly larger and can be set by the commissioner of the Alaska Department of Fish & Game (ADF&G) or the Board of Fisheries. The special harvest area can be set only by the board. This change maintains allocation plans, he explained. Hatchery fish are subject to allocation plans between gear groups, and the bill is not intended to change those plans.

[2:45:21 PM](#)

MR. FISK said the ADF&G commissioner designee has concerns that the bill may affect allocations, but Mr. Fisk said he believes it won't. "We are both committed to resolving that issue in a way that will be amenable to the department before the bill passes through the rest of the process."

[2:46:52 PM](#)

MR. FISK said there is a change on line 16 to clarify that no allocative changes should be made, and subsection (d) on page 3

was rewritten based on Department of Law advice. Line 23 is relevant to the Department of Revenue. He said that the basic intent of the bill is to put an assessment on the fleet, which will be collected by the state. It will need to pass through the legislative appropriation process, "just like any other revenue of the state, and what we want to do is make this a user pay system." He added that this is experimental and it is hard to anticipate what the costs to the state will be.

[2:49:01 PM](#)

MR. FISK said a new section was added on page 4 at the request of one of the hatchery associations. It would make the salmon harvested under this law subject to the three percent salmon enhancement tax. Previously, fish harvested for cost recovery weren't taxed, he said.

[2:50:08 PM](#)

JIM BACON, Commercial Fisherman, Ketchikan, said he supports HB 218 because it provides an excellent tool for the hatcheries to use if they choose to. He said he served on the board of the Southern Southeast Aquaculture Association, and he is glad the bill leaves the final decision to its board of directors.

[2:51:10 PM](#)

MITCH EIDE, Commercial Seiner, Petersburg, said he supports HB 218. It may give seiners more fishing time and gives ADF&G more flexibility. He said most of the seiners in the fleet would like to see a change in the cost recovery structure.

CRAIG EVENS, Commercial Seiner, Petersburg, said there are more fish of less value, and cost recovery takes more effort now. It takes more fishermen, tenders, and processing capacity, which poses a time crunch and lost opportunities to catch wild fish. He said HB 218 will give ADF&G more flexibility.

[2:53:46 PM](#)

JASON WELLS, Executive Director, Valdez Fishery Development, said HB 218 has improved from its initial drafting. He finds fault on page 1, lines 7 and 8, where the bill references direct sales by hatcheries. "We have saved the commercial fishermen 86 million pounds and \$10 million in the past ten years by being able to go out and do direct sales and have the processors compete against each other for our fish," he said. It is a

negative bent to talk about doing away with direct sales. "They are the strongest tool that we have in the salmon industry right now to push prices up," he declared. He said the bill should remain voluntary.

[2:55:55 PM](#)

BOB THORSTENSON, Executive Director, Southeast Alaska Seiners, Ketchikan, said he supports HB 218. He said it will improve harvest quality and market timing, it will allow seiners to have a direct user fee, and it will instill more sense of fairness between the fishermen and the hatcheries. He stated that the permissive language is good because he doesn't want hatcheries to do something they don't want to do. He said United Fishermen of Alaska, Kake Vessel Owners Association, and Petersburg Vessel Owners Association also support HB 218.

[2:57:25 PM](#)

PETER ESQUIRO, General Manager, Northern Southeast Alaska Regional Aquaculture Association (NSRAA), Sitka, said HB 218 has evolved over the last few weeks, but it still needs changing. He is concerned whom the interested and knowledgeable parties are that are referenced on page 2, lines 4-6. He said the language requiring a commercial fishing representative is redundant because his board already has that. He suggested that "of the corporation" should be added to the end of line 11 on page 3.

MR. ESQUIRO said NSRAA has a cost recovery program with many different facets. He further suggested that "the amount of the existing reserve" be deleted from subsection (d) on page 3, because the existing reserve is unrelated to setting the rate of the assessment. "That is very much a part of the fiduciary responsibility in determining those levels of the NSRAA board of directors," he added. He said the legislation needs to consider the costs to the Alaska Department of Fish & Game because more enforcement will be required. He added that there are other related issues to be discussed before moving to this type of system. Moving from the present cost recovery system to an assessment system may have impacts on the seine boat operators. He said this has happened fairly rapidly, and he doesn't understand the rush.

[3:03:07 PM](#)

MR. FISK said the other interested parties could be any number of people who could provide helpful input. He said NSRAA has a majority of commercial fishermen on its board, but there are other aquaculture organizations that don't.

[3:04:57 PM](#)

MR. FISK referred to the addition of "corporations" on line 11; "we've been working with them through this process and we would be willing to discuss adding that in before the next committee of referral."

CO-CHAIR SAMUELS said that looks like just a technical change. Regarding the last comment of Mr. Esquiro, the legislature can appropriate anything it wants, he said.

MR. FISK said it is just a reminder, and the bill could list any number of departments. Mr. Fisk discussed enforcement. It is a terminal harvest area, he said, and the Department of Public Safety is not at every opening, but fishermen don't know where they will be, and the penalties are severe. "Just the knowledge that they are lurking ... is enough to keep people honest."

[3:08:13 PM](#)

STEVE REIFENSTUHL, Staff, Northern Southeast Alaska Aquaculture Association (NSRAA), Sitka, said he is opposed to HB 218. He said he is the messenger for seiners, trollers, and gillnetters because NSRAA represents the interests of the fishermen through its 25-member board elected through a certified ballot. Any permit holders can vote for their gear representative, he said. There are 3,200 permits for all the gear groups in Southeast, and the NSRAA board members look out for all. When board members were introduced to the concepts of HB 218, they were told to trust that the details would be taken care of later. They voted unanimously to oppose it, he said. The majority of fishermen don't want the bill. He said he doesn't see what the rush is, especially considering the opposition. "If the bill truly has merit, the proponents should work with the majority of fishermen ... to iron out the wrinkles rather than cram it down their throat." He said NSRAA is one of the most successful organizations of its kind. On average, 80 percent of the fish that NSRAA produces goes to fishermen. The board wants to maintain that track record, and the bill is not the path.

[3:11:47 PM](#)

MR. REIFENSTUHL said he has spoken to some supporters of the bill, and they agree that the bill should be withdrawn for the year. "We have always been willing to work closely with fishermen because we really represent them." He said he is at the Hidden Falls opening every year, "and protection was out there one time last year, and I had to work for two days prior to them arriving to make sure they would be there for an opening." They are spread thin, he added.

[3:13:13 PM](#)

REPRESENTATIVE LEDOUX said the bill is permissive; NSRAA will simply have a new option.

MR. REIFENSTUHL said the board of directors heard the same thing, but there is a lack of trust and it's worried the system may become required. He said he has spoken to the other organizations across the state, and "they mostly want to keep their head down on this, and I understand that. Just because you are not hearing from them today doesn't mean that they don't have some of the same concerns."

[3:14:35 PM](#)

REPRESENTATIVE ELKINS said he finds that hard to swallow. If they have the same concerns, where are they? We need to hear from them, he said.

MR. REIFENSTUHL said you have to go with what you hear, but he said he represents the 3,200 permit holders who elect his board, and they are in opposition to HB 218.

MR. FISK postulated that if an informal poll of fishermen were taken, they would generally be supportive of hatcheries but not of the cost recovery programs. This is not a new subject, he said, it has been discussed for a long time, including through the Salmon Task Force. "It did not just come out of the blue," he stated. It is a stretch to say NSRAA represents 3,200 commercial permit holders, he said.

REPRESENTATIVE LEDOUX asked if the concern is that the boards will make the hatcheries use the new cost recovery system.

[3:17:39 PM](#)

MR. FISK said that may be the case. He noted that NSRAA's Hidden Falls hatchery will "likely be the first place we try to

do this." People have talked about doing it in Cook Inlet. He noted that NSRAA does a great job.

[3:18:46 PM](#)

STEVEN DOUGHERTY, Attorney General, Department of Law (DOL), Anchorage, referred to subsection (d) on page 3 where Mr. Esquiro wanted to remove the words, "the amount of the existing reserve". He said, "One of the standards that has been imposed in this new version of the bill ... for the development of the assessment, is consideration of the maintenance or development of reserve fund of up to 100 percent of annual operating costs of the corporation. In order to determine what the assessment should be, it would be necessary for the department to look at the amount of existing reserves." He said it should stay in the bill, and the language needs to be consistent for the hatchery permit holder and the corporation. He noted that the changes in the CS are to reduce the discretion of the Department of Revenue in setting the assessment. The legislature sets it, and the Department of Revenue is merely implementing it based on criteria that will vary year to year. It is not practicable for the legislature to set the value for every facility each year.

[3:21:20 PM](#)

REPRESENTATIVE ELKINS asked about the Southern Southeast Alaska Aquaculture Association (SSRAA) cost recovery program.

MR. FISK said the method by which each hatchery deals with cost recovery differs. SSRAA has a different program, and "they have indicated that they won't need to do this anytime soon." If an attempt was made to make this system a requirement instead of an option, the sponsor would no longer support the bill, he added.

REPRESENTATIVE ELKINS said the SSRAA board listened to the managers when he was a board member.

CO-CHAIR SAMUELS asked if any other bill has language saying the legislature may appropriate funds.

[3:23:40 PM](#)

CHUCK HARLAMERT, Juneau Section Chief, Tax Division, Department of Revenue, said yes, and it is an indication of intent that doesn't broach the dedicated fund problem.

CO-CHAIR SAMUELS offered Amendment 1 as follows:

Page 3, line 11, after "annual operating costs"
Insert "of the corporation"

There being no objection, Amendment 1 carried.

[3:24:43 PM](#)

REPRESENTATIVE ELKINS moved to report HB 218, labeled 24LS054\L, Utermohle, 4/20/05, as amended, out of committee with individual recommendations and the accompanying fiscal notes.

There being no objection CSHB 218(RES) passed out of committee.

The committee took an at-ease from [3:25 PM](#) to [3:30 PM](#).

HB 251-COMMERCIAL FISHING MULTIPLE PERMIT HOLDER

CO-CHAIR SAMUELS announced that the final order of business would be HOUSE BILL NO. 251 "An Act authorizing the Board of Fisheries to adopt regulations regarding fishing by a person who holds two entry permits for a salmon fishery."

CO-CHAIR RAMRAS moved to adopt HB 251, labeled 24-LS0770\F, as a working document.

HENRY WEBB, Staff to Representative Ralph Samuels, Alaska State Legislature, said HB 251 is the logical conclusion to the legislation that allowed fishermen to hold two permits. This bill would allow the Board of Fish to assign additional fishing privileges for those who hold more than one permit in a salmon fishery, he added. Market forces prompt permit holders to buy or sell their permit, and this bill would not require anyone to buy or sell their permit. Mr. Webb said HB 251 would permit the board to allow additional fishing privileges. It would also allow specific fisheries to deal with situations where low salmon prices have contributed to large numbers of outstanding or latent permits. The committee substitute (CS) requires the fish board to consider this issue only in their normal three-year cycle, and it makes a technical amendment recommended by the Department of Law to conform this legislation to Commercial Fisheries Entry Commission statute.

CO-CHAIR SAMUELS said, "The point of the bill is to let the board look at ways in some of these, where they've got so many permits and the buy-back probably is not going to happen, is to allow to get more net out of the water, where if I fish and

Representative Ramras fishes, I can buy his permit and the board could say, OK, we used to have four shackles of gear, and if I own both permits, I'm allowed to have three. I've got two, he's got two. And let the board of fish work out the ways to get around the details."

[3:34:12 PM](#)

REPRESENTATIVE LEDOUX asked if the bill would allow a person with two entry permits to have a larger boat.

MR. WEBB said it would be up to the board. It doesn't proscribe that, he said. "It doesn't proscribe anything. It says the board will be able to determine ... allocative decisions and whatnot. They'll be able to determine what they want to do with gear or boats or anything under the sun, as long as it fits in with the constitution and existing statute. They could decide the particulars," he said.

REPRESENTATIVE LEDOUX said under section 3 the board might be able to allow for a larger boat.

CO-CHAIR SAMUELS said the intent is more gear, not a larger boat. "We can certainly work on the language to ensure that."

[3:35:48 PM](#)

MR. WEBB said the board can change the boat length now.

JERRY MCCUNE, United Fishermen of Alaska (UFA), Juneau, said UFA supports the bill. The Board of Fisheries just allowed two permit holders for one vessel in Bristol Bay and have an extra shackle of gear, he noted, so this is for all the fishermen in Bristol Bay who hold a second permit to be able to go to the board and make a request. It is a really good way to do fleet consolidation if that fits someone's fishery, because he or she doesn't have to have any money, he said. It also gives options, but it won't fit every fleet. He noted that the bill covers restructuring proposals, so there would be public hearings. He said, "The 32-foot is in regulation, so the board has that purview. The 58-foot was taken out of statute and put in area-by-area that you could bring it up in Prince William Sound, you could bring it up in Southeast, or you could bring it up in Kodiak. But you have to go before the board to remove the 58-foot limit."

[3:39:24 PM](#)

PETER THOMPSON, Fisherman, Kodiak, said the salmon industry has been an economic disaster, and the state should make it more valuable for anyone who attempts to remain in the industry. Fleet consolidation is a concept whose time has come, he said. He stated that he is tired of task forces and talks that are followed by no real action. "Waiting for the state of Alaska or Uncle Ted to bail us out or buy back permits is over," he said. Giving the board the tools to effect change is a good step. For every stacked permit in Bristol Bay, 100 fathoms of net are removed from the water, he figured. There are 1,857 drift permits in Bristol Bay, allowing for 5,571 shackles of drift gear. If just one third of the permit holders stacked permits, either with another permit holder or one individual with two permits on a single vessel, that would take over 22 percent of the gear out the water in the bay, he concluded. "That would be equal to eliminating 70.5 miles of drift net." He said the permit holders he has talked to support the intent of HB 251.

[3:42:13 PM](#)

FRANK HOMAN, Commissioner, Commercial Fisheries Entry Commission, said the commission supports the bill for the purpose of fleet consolidation and effort reduction. He added that it is a simple, non-mandatory tool for the board to use. People would have to come before the board to state their case before using the provision, he said.

[3:43:09 PM](#)

CO-CHAIR SAMUELS said the reason he wrote this legislation was to "let the private sector start eliminating some of the net in the water." There are fears that in Bristol Bay, 20 to 30 percent of the permits aren't actually used, and those will be the ones that are sold, thereby increasing the number of nets in the water, he said. The other concern is that village residents would be hurt because they can't afford to buy a second permit. He said he tried to find language "to put sideboards on it," but he ran into constitutional problems. The Board of Fisheries is a better forum to have this discussion, and all the communities can come forward at that time. He believes the market place can take better care than a non-existent government buy back.

[3:46:19 PM](#)

REPRESENTATIVE ELKINS moved to report CSHB 251, version 24-LS0770\F, out of committee with individual recommendations and

the accompanying fiscal notes. There being no objection, CSHB 251(RES) passed out of committee.

3:47:19 PM

ADJOURNMENT

There being no further business before the committee, the House Resources Standing Committee meeting was adjourned at 3:47 p.m.