

**ALASKA STATE LEGISLATURE**  
**HOUSE SPECIAL COMMITTEE ON FISHERIES**

March 5, 2007  
8:42 a.m.

**MEMBERS PRESENT**

Representative Paul Seaton, Chair  
Representative Kyle Johansen  
Representative Craig Johnson  
Representative Peggy Wilson  
Representative Bryce Edgmon

**MEMBERS ABSENT**

Representative Gabrielle LeDoux  
Representative Lindsey Holmes

**COMMITTEE CALENDAR**

HOUSE BILL NO. 134

"An Act relating to conservation and protection of wild salmon production in drainages affecting the Bristol Bay Fisheries Reserve; and providing for an effective date."

- HEARD AND HELD

**PREVIOUS COMMITTEE ACTION**

BILL: HB 134

SHORT TITLE: PROTECTION OF SALMON SPAWNING WATER

SPONSOR(S): REPRESENTATIVE(S) EDGMON

02/14/07	(H)	READ THE FIRST TIME - REFERRALS
02/14/07	(H)	FSH, RES
02/28/07	(H)	FSH AT 8:30 AM BARNES 124
02/28/07	(H)	Heard & Held
02/28/07	(H)	MINUTE(FSH)
03/02/07	(H)	FSH AT 8:30 AM BARNES 124
03/02/07	(H)	Heard & Held
03/02/07	(H)	MINUTE(FSH)
03/05/07	(H)	FSH AT 8:30 AM BARNES 124

**WITNESS REGISTER**

KARL RAWSON  
South Naknek, Alaska

POSITION STATEMENT: Stated opposition to HB 134.

ALEXUS KWACHKA  
Kodiak, Alaska

POSITION STATEMENT: Stated support for HB 134.

JASON METROKIN, Board Member/Shareholder  
Bristol Bay Native Corporation (BBNC)  
Anchorage, Alaska

POSITION STATEMENT: Stated opposition to HB 134.

RICHARD MILL  
Ninilchik, Alaska

POSITION STATEMENT: Stated support for HB 134.

JASON BENNER  
Homer, Alaska

POSITION STATEMENT: Stated support for HB 134.

BEN NYGREN  
Dillingham, Alaska

POSITION STATEMENT: Stated support for HB 134.

MARK E. ANGASAN  
King Salmon, Alaska

POSITION STATEMENT: Stated opposition to HB 134 [SB 67  
referenced].

WILLIAM COOK  
Dillingham, Alaska

POSITION STATEMENT: Stated support for HB 134.

GAIL PHILLIPS, Member  
Truth About Pebble  
Anchorage, Alaska

POSITION STATEMENT: Stated opposition to HB 134.

JOEL TUTT  
Homer, Alaska

POSITION STATEMENT: Stated support for HB 134.

DAVID BOONE  
Homer, Alaska

POSITION STATEMENT: Stated support for HB 134.

DAN SALMON  
Igiugig Village Council

Igiugig, Alaska

POSITION STATEMENT: Stated opposition to HB 134.

CLARA ANGASAN

King Salmon, Alaska

POSITION STATEMENT: Stated opposition to HB 134.

SALLY GUMLICKPUK, President

Stuyahok Limited

New Stuyahok, Alaska

POSITION STATEMENT: Stated support for HB 134.

JOHN TOPPENBERG, Director

Alaska Wildlife Alliance

Soldotna, Alaska

POSITION STATEMENT: Stated support for HB 134.

JOSEPH JOYNER, Natural Resource Manager

Division of Mining, Land and Water

Department of Natural Resources (DNR)

Anchorage, Alaska

POSITION STATEMENT: Responded to questions regarding HB 134.

#### **ACTION NARRATIVE**

**CHAIR PAUL SEATON** called the House Special Committee on Fisheries meeting to order at [8:42:14 AM](#). Representatives Edgmon, Johnson, and Wilson were present at the call to order. Representative Johansen arrived as the meeting was in progress.

#### HB 134-PROTECTION OF SALMON SPAWNING WATER

[8:43:02 AM](#)

CHAIR SEATON announced that the only order of business would be HOUSE BILL NO. 134, "An Act relating to conservation and protection of wild salmon production in drainages affecting the Bristol Bay Fisheries Reserve; and providing for an effective date."

[The motion to adopt CSHB 134, Version M, was left pending at the 2/28/07 meeting.]

CHAIR SEATON opened public testimony.

[8:44:39 AM](#)

KARL RAWSON, stated opposition to HB 134, and said that it holds one industry accountable over another for safeguarding the environment. When the fishing season ends, and the industries [fish canneries] "pull-out," the beaches are littered with garbage, which the municipalities residents clean-up each year. The canneries do not satisfy the employment needs of the area, or the needed diversification for economic development. He opined that without Shell Oil or Northern Dynasty, bringing more jobs in, the communities will dwindle and the area may be used only for a summer time recreation area. He stressed the need for the villages to have further employment opportunities.

[8:48:06 AM](#)

ALEXUS KWACHKA, stated support for HB 134, and said that, as a Bristol Bay fisherman, he is very concerned with the downstream effects of mining in the region. He expressed empathy for the village residents, and underscored that he is not opposed to mining conducted in an environmentally friendly way. However, he expressed concern for disrupting what is already working well in the area, in the way of renewable seafood resources.

[8:49:54 AM](#)

CHAIR SEATON asked if his concerns are primarily for downstream pollution from the proposed mine, or the aspects of the bill that restrict the use of water, from the watershed.

MR. KWACHKA responded that both the hydrology effects as well as the pollution threat, are concerns. He cited the experience in Karluk, where the fishery was "wiped-out" and has never been able to recover, despite the best biological efforts. There is enough trial and error from the past to learn from, and he said, "I'm concerned of basically tampering with the hydrology in any way, shape or form."

[8:51:09 AM](#)

REPRESENTATIVE WILSON inquired whether he commercially fishes in Bristol Bay solely, or other areas also.

MR. KWACHKA answered that 50-70 percent of his income is from fishing in Bristol Bay.

[8:51:54 AM](#)

JASON METROKIN, Board Member/Shareholder, Bristol Bay Native Corporation (BBNC), stated opposition to HB 134, on behalf of the BBNC Board of Directors. The board considers the blanket legislation to be an impediment to economic and community development. Despite the need to preserve and protect the fishery, development in the area is necessary. He expressed concern that the measures stipulated in HB 134 would make fundamental community projects cost prohibitive, if not legally impossible. "Planned and future developments in our region should not be at the mercy of legislation, designed to single out one controversial project." He offered the board's suggestion that the bill be rewritten.

[8:54:18 AM](#)

RICHARD MILL, stated support for HB 134, and said that he derives 75 percent of his income from commercial fishing in Bristol Bay, and the balance from fishing the Kvichak/Iliamna Lake area. He relayed his concern for the downriver pollution caused by leach mining. On a nation wide scale, this type of mining has proven detrimental, he said. Problems of containing the contaminants, and chemicals, continue to occur, with devastating effects on surrounding watersheds. Additionally, the ExxonMobil Corporation has proven that the judiciary safeguards are not valid. After 20 years, mitigation of the Prince William Sound oil spill is still pending. He urged passage of the bill.

[8:56:31 AM](#)

JASON BENNER, stated support for HB 134, and said that 80-90 percent of his annual income is derived as a commercial fisherman in Bristol Bay. Additionally, his family has owned/operated a guiding camp on the Nushagak River, for the past 15 years. He explained that he is originally from Montana, and described his experience of witnessing Northern Dynasties mining work in the Bitterroot Valley region, reporting the devastation to the Blackfoot River that the company has caused. Montana is still paying the price, monetarily in the millions, as well as the loss of the fishery, and environmental costs. Mitigation has not been possible due to Northern Dynasty being from outside of the United States. He stated support for small scale, non-chemical mining.

[8:58:34 AM](#)

REPRESENTATIVE JOHNSON asked what the distinction is between a camp and a lodge, and whether it is delineated by the type of structure involved.

MR. BENNER described the camp, which his family operates, stating that they do have a physical structure, boats, and equipment available to the users.

8:59:44 AM

CHAIR SEATON inquired whether his family holds perfected water rights for the use of the facility.

MR. BENNER responded that the camp utilizes a well, and does not draw water from the river.

9:00:18 AM

BEN NYGREN, stated support for HB 134, paraphrasing from a prepared statement, which read as follows [original punctuation provided]:

I support the aim of HB 134, which is the protection of the waters which nourish Bristol Bay's prodigious and lucrative salmon runs. These local salmon populations are a renewable economic and cultural treasure. Industrial scale removal of water from the streams in which this treasured resource rears would be just like sucking part of the air out of someone's home.

I was reared in Portland, Oregon, a short distance from the mighty Columbia River. This river was formerly home to one of the world's greatest salmon populations. Careless development has slashed this stock to a shadow of its former self. Billions of dollars have been spent to restore the Columbia watershed's salmon to their pre-development levels, with the successful outcome still far from certain. With wild salmon taking hits all over the world, what a great feeling it is that our Bristol Bay stocks are still in relative good health.

If the waters of our salmon streams are diverted for the purposes of extracting, transporting or storing sulfide bearing mineral ore, there would be in my opinion an unacceptable risk that these once pristine

waters would come back to haunt us in the form of sulfuric acid, dissolved heavy metals and other toxins.

I don't see this bill as favoring one industry over another. When an industry pollutes, or otherwise damages our environment, without incurring a cost, that industry is not paying the full true cost for their activities.

If denying mining companies these salmon bearing waters for their industrial use adds to their cost of doing business, then that added cost is only bringing them closer to paying the true overall cost for their activities.

My family has a heritage in the mining industry. My father and two generations before him worked part or most of their lives in the Montana mining industry. I am not opposed to mining and recognize its importance in our world. The headwaters of Bristol Bay's important salmon streams are however the wrong place for industrial scale mining.

Illustrations of environmental detriment incurred elsewhere in our country, which may be analogous to future industry caused problems in the Bristol Bay watershed include:

1) The Berkley pit in Butte, Montana. This now closed open pit copper mine is over one mile in diameter and 1800 feet deep. After mining operations ceased, it filled with a toxic stew of arsenic and heavy metals so thick that the water itself is mined, and is now the nation's largest body of contaminated water. Though ARCO, the sites owners, deny this poses any risk to human or wildlife health, a 1995 incident where 342 snow geese died after landing on the site may lead one to question ARCO's credibility when speaking to their site's safety. The estimated total cost for cleanup and control at the pit is \$110 million.

2) On June 5, 1976 an earthen dam, the Teton Dam, in Idaho failed spectacularly. Downstream communities were severely damaged, and the government was liable for \$322 million dollars in claims. A few hours of

advanced warning afforded many the chance to flee to safety, but 11 lives were still lost.

CHAIR SEATON asked whether he is primarily concerned about the pollution, water use issues, or environmental changes.

MR. NYGREN said, "If we're talking about sulfide mining fill sitting upstream from me, I'm opposed to that."

9:04:55 AM

REPRESENTATIVE EDGMON pointed out that the original bill has brought forth a number of unintended consequences, which will be addressed in the CS version.

9:05:53 AM

MARK E. ANGASAN, stated opposition to HB 134 [SB 67 referenced], paraphrasing from a prepared statement, which read as follows [original punctuation provided]:

I am an Alaskan Native, I have lived here in King Salmon all of my life, I am married, I have a son that is married and I have 3 grandchildren that also lives here in King Salmon. I have been a commercial salmon fisherman all of my life. We also harvest food from the land and our lakes and rivers to help supplement our homes with food. I want to express my opposition to any plans to develop the Hammond fish refuge in the region and the Alaska Wild Salmon Protection Act (Senate Bill 67 and House Bill 134). I am speaking to both because I see them both as a means to stop economic development in Bristol Bay. We are already surrounded by enough refuges, reserves, State and National Parks.

Those of us who live here see the need to keep our options open to future economic development - whether it's the Pebble project, oil & gas development or any other economic opportunities that SB 67 or HB 134 might preclude. We can no longer afford to be the play ground for the rich who come here to play or for the special interest groups that want to involve themselves in our lives. We can no longer allow them to dictate to us what is in our best interests.

We shouldn't be forced to consider limited economic opportunities because of the fear mongering, peer pressure, and the misleading information taking place about developing our natural resources. We can't continue to say there are cures in the near future for our salmon fisheries. Or make statements that our salmon fishery is coming back, it's on the rebound. When is that going to happen? How many more years do we have to keep telling ourselves that? The fish prices that we are getting to day is what we got 30 years ago and it isn't keeping up with the cost of living. Many of our people no longer fish because they sold their permits. At one time we had over 800 drift permits in our villages today we have less than 400. We need economic diversity.

As for the Pebble mine project, there is no permit application to judge, to the best of my knowledge they haven't completed the environmental reviews or the impacts studies that are to be submitted to State and Federal regulators for permitting. And if the environmental and impact studies don't pass the reviews the mine will not be able to operate. Until all the reviews are completed there is nothing to judge.

There is no group more concerned about the protection of our fish and wildlife resources than those of us who live here. But we also know that Alaska has a system in place for ensuring environmental protection that has a proven track record. If I am wrong please correct me.

Too often, policy makers can be convinced to rush to make a decision for the sake of satisfying political promises made to special interest groups or to the wealthy that made campaign contributions. I want to assure you that many of us that live in this region recognize the long-term impacts of pushing ahead with this fish refuge proposal at the expense of future economic opportunities and the ability to provide for ourselves.

For those that want to stop development within our region of the state, I ask what solutions do they have to provide for economic growth, diversity and security for us? The answer is nothing!! Are these same

people going to put food on our tables? Are they going to put oil in our tanks? Are they going to pay for our light bills? Are they going to put gas in our trucks? Are they going to provide for our financial wants and needs? No, they won't. We need to do that for ourselves, but they want to dictate under what conditions we are to live in.

The late Governor Hammond has passed on, please don't bury us with him by adopting these two legislative proposals. Don't sacrifice a region and its people of new economic opportunities because someone wants to honor his name or by saying that this is what he would have wanted. People are trying to romanticize and twist his words. He supported economic development. In the early 60's as our State Representative he was successful in getting a resolution passed in the State legislature to develop a road from the Bristol Bay Borough thru the Katmai National Park to a ferry terminal in the Shelikof's to promote economic development. As shown here: Katmai Administrative History 1950-69 Chapter 4.

We still need a road, railroad or a dirt path to Anchorage, the Interior Rail belt or to a ferry terminal to promote economic opportunities and to reduce the cost of living to the region. Forgive me, but this is what our State Legislature should be working on, not trying to find ways to stop economic growth and development from occurring within Bristol Bay. We still need ground transportation. We need economic growth and security. We need cheaper energy. We need to reduce the cost of living to our villages. Where's the Legislation to address these issues?

We live in a cash economy, we need more than just the ability to pick berries and put fish in the freezer as we all do. We need more than living in a subsistence lifestyle. Please don't allow this legislation to be adopted. We need major economic change and solutions for the long term.

[9:12:43 AM](#)

CHAIR SEATON reminded witnesses to focus on the issues of the bill.

9:13:25 AM

WILLIAM COOK, stated support for HB 134, paraphrasing from a prepared statement, which read as follows [original punctuation provided]:

Once the hydrology of this region gets changed, altered, or polluted, the mining company won't be able to take it back it will be too late.

I have very real concerns about the future of the Bristol Bay region, its people, and its fisheries.

The ecological impact of large scale sulfide mining for copper, and the ecological impact of cyanide heap leaching for gold. These present very serious threats to our environment that will affect this area, its fisheries both sports and commercial fishing.

This will also create health risks to the people of Bristol Bay region for thousands of years.

A mine on the scale of this one can generate almost unimaginable amounts of particulate contamination, trillions of gallons of contaminated wastewater, trillions of tons of acid generating tailings.

Just the fact that someone wants to use cyanide! (a deadly poison) on an industrial level upstream from where my family lives, makes it unacceptable.

This mine is an ecological disaster waiting to happen.

How can anyone or any company tell the people of the Bristol Bay region and the state of Alaska that they can provide adequate habitat protection from contamination of this magnitude and expect us to believe it!

How can contaminated materials of this magnitude not affect the aquifer, the watershed, and groundwater.

It is true that the mine will provide jobs and infrastructure. But at what cost? Long after the mining company is gone the people of the Bristol Bay region will be living the legacy of the damage this mine can do to our environment. Just so a company

owned by some person or, persons in another country can get rich!

I pray that those of you who are in a place where you have an opportunity to protect the people of the state of Alaska and the Bristol Bay region will have the wisdom and courage to protect us from the greed of outside interests, have the wisdom and courage to protect us from our own greed, and the foresight to protect our water! By supporting this bill HB 134.

After reading Mr. Trasky's testimony on the mining permit process, I feel strongly these need to be addressed and rectified as well. These are very real and serious problems.

9:16:39 AM

GAIL PHILLIPS, Member, Truth About Pebble, stated opposition to HB 134, paraphrasing from a prepared statement, which read as follows [original punctuation provided]:

I think this bill should be renamed from "An act relating to conservation and protection of wild salmon production....." to a more honest assessment, which would be "the illegal takings of any and all future economic and resource development for the entire Bristol Bay region".

You have previously heard credible opposing testimony to this unprecedented and transparent withdrawal of over 22 million acres of mineral-productive lands in Southwest Alaska; lands that were specifically identified for mineral development when the State made its land selection.

I am not going to repeat the facts that have previously been presented to you in opposition of this bill; I am, however, going to focus my testimony on three major issues: (1) a blatantly onerous attempt to circumvent Alaska's legally-established permitting process; (2) the "takings" issue that will result in major lawsuits against constitutional mandates regarding the development of our natural resources for the benefit of all Alaskans; and (3) the constitutional mandates regarding the development of our natural resources for the benefit of all Alaskans.

## 1. Circumvention of the State's Permitting Process:

Alaska is one of the richest resource states in the Union, with many types and vast amounts of natural resources available for development. We have been diligent in our efforts to create comprehensive permitting policies that now insure the safe and profitable development of our resources. As you are all aware, laws pertaining to Alaska's permitting process are continually updated and refined as new technologies become available.

When I was Speaker of the House, revising and updating our well-established permitting policies was a high priority. We did not do this in a vacuum - all of these policy refinements were accomplished in an open public process. The best scientific advice was applied, while conforming to State and Federal guidelines and the adamant direction of the people of Alaska to "DO THINGS RIGHT".

As a result of Alaska's on-going permitting process, and thanks to many of you for your efforts in this regard, we now have major resource development projects throughout the State that are the most environmentally safe in the Nation.

This blatant attempt to circumvent our permitting process, especially on lands that have been previously identified for mineral and resource development, is egregious and completely contrary to our State's fairness doctrine.

## 2. The "Takings" Issue:

This bill would specifically stop all mineral development. Yet, at this time we all know that there is a mineral prospect in the area that has the potential to exceed \$2 billion in mined product. Geologic exploration and results show this prospect to be one of the largest in the world. If this bill should pass and the millions of acres withdrawn from future mineral development, "takings" lawsuits will be inevitable. We don't have enough money in the State, including all the assets of our Permanent Fund, to cover the potential amounts of payments that will

follow. This one issue alone could easily bankrupt the State of Alaska.

3. Constitutional Mandate to Develop our Resources:

Each of you, as I did when I served in the Legislature, took an oath of office to uphold the Constitution of our State. Article VIII - Natural Resources - of our Constitution is very clear about the policy of the State to encourage the development of its resources for maximum public use (Section 2) and that no exclusive right or special privilege of fishery shall be created or authorized in the natural waters of the state (Section 15) and that all laws and regulations governing the use or disposal of our natural resources shall apply equally to all persons (Section 17). I think that an attempt to approve any version of this onerous legislation will put each of you in direct conflict with your promise to uphold the constitution.

[9:22:04 AM](#)

REPRESENTATIVE EDGMON questioned the "takings" issue, which Ms. Phillips raised, and suggested the need for additional legal opinions. "We don't have, yet, the facts on the table."

MS. PHILLIPS replied, "Certainly legal opinions will float all over the place." She opined that, if these 22 million acres are withdrawn from development, it will effect a number of entities. Northern Dynasty has made clear their intent to proceed with the permitting process, and if disallowed that opportunity would have legal standing for a takings lawsuit.

[9:24:51 AM](#)

JOEL TUTT, stated support for HB 134, and identified himself as a third generation fisherman, deriving 80-90 percent of his income from the Bristol Bay fishery. He said, "I strongly believe that the watershed supporting this fishery should be protected at any cost."

[9:25:26 AM](#)

DAVID BOONE, stated support for HB 134, and identified himself as a Bristol Bay fisherman. He said:

I have a degree in fisheries management, and fully understand the delicate balance between fish habitat, and fish survival. Protecting the Bristol Bay watersheds would help insure that that delicate balance in nature won't be disturbed.

[9:26:18 AM](#)

DAN SALMON, Igiugig Village Council, provided the following testimony:

I'm a Lake and Peninsula Borough Assembly member, a local school advisory member, and an alternate on the Iliamna Lake Fish & Game Advisory Committee. Today, I'd like to speak on behalf of Igiugig Village Council. Igiugig Village Council is strongly opposed to any bill creating another layer of land- or resource-use restriction on us. The Iliamna Lake Advisory Committee unanimously rejected the recently proposed Fish and Game reserve concept as well. We are currently flanked by Katmai and Lake Clark National Park and Preserve and are prohibited from uses in those areas already. Our local Native corporation has over 60,000 acres potentially impacted by this bill's provisions. By having met former Governor Hammond on numerous occasions and discussing his views on state government and policy more than once, I'm confident he would've liked to see a direct benefit to the indigenous communities and locally affected people as (indisc.) included to mitigate negative consequences endured by those having the greatest potential economic hardship offered by this bill.

I recommend a PILO or Payment In Lieu of Opportunity. Having managed a rural community for sustainability in the Lake and Peninsula Borough for over 20 years and for having been recognized for fiscal policy, sustainability, and achievement, I suggest an amendment to this proposed piece of legislation include[ing] a yearly allocation and distribution of \$500,000 per effected community plus a formula-driven per capita and COLA [cost of living allowance]. This bottom-line threshold could be funded by CDQ [community development quota] communities who benefit through legislation by the fisheries we're excluded from, yearly legislative appropriations, as well as

the salmon industry, both commercial and sport, we foster as stewards of spawning and rearing habitat. Other individuals and groups who seek to create parks, refuges, critical habitat, et cetera around us should contribute to this funding mechanism as well. I'm sure it all could agree that this is a drop in the bucket compared to the potential fiscal opportunities we are giving up as a result of this legislation.

For the record, we are enduring \$5.50 per gallon gas and oil, \$.60 to \$.70 per kilowatt electricity, limited infrastructure, and exorbitant unemployment. Our population is down approximately 35 percent over the last five years and our school is threatened by closure. We have only one Bristol Bay drift permit left in our village and no setnet permits at all. We do have residents and tribal members currently employed by NDM [Northern Dynasty Mines] and other mineral exploration companies who are dependent on this income to feed their families and pay their bills. Igiugig is officially neutral on the proposed Pebble Project and reserves support or not at such time as development permits are applied for and we have the opportunity to evaluate and make intelligent decisions through an orderly, established process.

I ask Mr. Edgmon and other legislators to spend quality and dedicated time on developing implementing meaningful and sustainable economic opportunity for the communities and people in the Iliamna Lake and Upper Nushagak areas that have been excluded from other legislatively created programs. Please include our PILO concept in your proposed legislation discussion. It is incumbent on leaders who propose new laws to thoroughly perform due diligence on cost versus benefit. As I believe I'm the longest tenured tribal administrator in Bristol Bay, I ask the following: How many Bristol Bay permits have left the Upper Nushagak and Iliamna Lake area in the last 15 years? How many people participate in the commercial fishing today? How many Native allotments have been sold to make ends meet? Where are people with limited or no credit going to get the vast sums of money to get back into fishing? What is the unemployment rate of this subregion, and make sure you count the people who haven't had a job in so long that they aren't currently statistically counted in the UI formula.

How much money in food stamps, welfare, energy assistance, unemployment, and other federal and state social programs are distributed in this area? How do these communities with limited funds compete with required matching funds for infrastructure versus our neighbors 30 miles distance in CDQ communities?

This entity sanctioned by the federal and state government has in excess of \$70 million in cash and assets and has a huge advantage over us on Denali and other grants, individual and community expansion, education, revenue, et cetera. BBEDC [Bristol Bay Economic Development Corporation] (indisc.) stands for Bristol Bay's economically disadvantaged communities. What are the crime rate statistics for this region? How come unorganized communities in this region of Lake and Peninsula Borough are not eligible for state revenue sharing, but provide state regulated services? How are we going to be sustainable and provide local services with no revenue options? This legislation has the potential to preclude borough formation in other parts of the unorganized areas of the state. It puts limits on the tools of local government. The former Lieutenant Governor Loren Lemman, while recently in office, told a well-attended group of Bristol Bay leaders to listen carefully to this new industry and to train our people and prepare strategies to benefit from it. Our village did just that referencing the Bristol Bay area plan and investing over \$750,000 in debt by loans to provide housing and other services for mineral exploration, which we are deriving benefit from today. Northern Dynasty Mines and similar companies have provided jobs and training, combined with transportation to and from our village for people who wanted to work. I don't know what else they could do to date. I do know that one of our village council elected officials, a former Bristol Bay drift permit holder, commented that he is very excited about working and feeding his family of six while at the same time being in a work environment surrounded by family, friends, and relatives. He said that the current mail box work mentality of our region must end if communities are to become healthy and self-sufficient. I feel these are words of wisdom and deserve respect. Mr. Coghill from the legislature recently told me, about impending school closures, that he didn't think it was the responsibility of the

state body legislature to create laws and programs to keep villages alive. Well, we don't think it's fair to create laws that will inhibit or close them either.

This proposal, [HB] 134 is ill-founded and -conceived and IVC [Igiugig Village Council] rejects it in its entirety. Out of mutual respect we ask Mr. Edgmon and others who propose such types of further natural resource restrictions in our region to visit our community and familiarize yourselves with us and our economic problems before including us. Please don't continue to send our community into the trenches for survival holding a gun with no opportunity to have any bullets. Thank you.

[9:33:09 AM](#)

CLARA ANGASAN, stated opposition to HB 134, citing concerns that it would prohibit economic development of the area. She opined that the village residents are emigrating, due to lack of opportunities, causing schools to close. HB 134 will not allow development to change this economic downturn. She questioned the use of the term subsistence as a modern day lifestyle, and argument against progress. If a subsistence lifestyle were being lived, she maintained, there would not be dictates issued for the number of fish that could be taken, residents would not be living on welfare, and the children would not be living in an electronic culture. Pebble Mine does not have a permit as yet, and people are fearful of the unknown. The children and grandchildren [in the villages] will need jobs, she predicted, and the mine will provide them possibilities.

[9:36:52 AM](#)

SALLY GUMLICKPUK, President, Stuyahok Limited, stated support for HB 134, paraphrasing from a prepared statement, which read as follows:

I put up subsistence fish every summer, and harvest the moose, and caribou, when in season. These foods ... survive on the clean waters of our region. So in order for our continued survival, and for our future generations to come, we urge you to pass this HB 134.

[9:39:54 AM](#)

JOHN TOPPENBERG, Director, Alaska Wildlife Alliance, stated support for HB 134, paraphrasing from a prepared statement, which read as follows:

We believe that putting a renewable resource at great risk, in order to ease the work of a non-renewable resource, is not in the best long-term interest of all Alaskan's. The emerging eco-tourism industry will provide sustainable income for many generations of Alaskan's. The villages experiencing economic hardships must start working with the tourism industry, and others, to explore this promising new industry. This will not happen if our streams fail to support wild Alaska. Many of the points made earlier in favor of this bill, we're certainly in support of.

[9:41:16 AM](#)

CHAIR SEATON closed public testimony.

[9:41:40 AM](#)

CHAIR SEATON asked how well water use relates to perfected water rights. Further, as the bill is written, does it require the curtailment of operations, which do not hold perfected water rights, or prohibit applicants from obtaining the rights.

JOSEPH JOYNER, Natural Resource Manager, Division of Mining, Land and Water, Department of Natural Resources (DNR), the method of appropriation doesn't alter the requirement of water right, whether it is taken from a stream or a well. If a perfected water right is not held, it would need to be obtained. The bill, as written, may prohibit someone from obtaining a perfected water right.

[9:44:28 AM](#)

REPRESENTATIVE JOHNSON asked how many lodges in the area currently hold perfected water rights.

MR. JOYNER said that the answer would need to be researched.

REPRESENTATIVE JOHNSON maintained his interest for discovery.

CHAIR SEATON requested, on behalf of the committee, that a list of the commercial users and water right permit holders be compiled and submitted for reference.

9:45:20 AM

CHAIR SEATON recapped the status of the bill. The three days of public testimony have raised issues to be considered by the sponsor, including: the constitutionality of water rights, as identified by DNR; whether DNR would be allowed to grant water rights/use permits to existing, or future, commercial operations; and the exempted uses vs. user's language, and to whom this applies. Additionally, the chair asked the sponsor to consider the separation, or clarification, of the three primary: pollution and discharges; removal, outtake, or diversion of water; and the land changes, particularly the prohibition of conversion to dry land. Exemptions in the CS for projects pertaining to transportation, energy, and seafood processing should be specified and defined. As an example, he said, if a portion of a proposed project includes an energy aspect, does that qualify the entire project for exemption status. Thus, if Pebble [Mine] proposed a 300 kilo watt line, providing power to villages in the area, would that qualify as an energy project; does the construction of the super highway to access the mine site, qualify the mine as a transportation project.

9:50:34 AM

REPRESENTATIVE EDGMON acknowledged the scope of HB 134, and the concerns that have been brought forth. He offered that a number of unintended consequences are being identified, but the intent of the bill is not to be punitive to any entity. The intent is to protect the renewable resources of the region, and the salmon industry. The Bristol Bay Fisheries Reserve has been in place since 1972, and he read from statute [not cited]:

Within the Bristol Bay Fisheries Reserve no surface entry permit to develop an oil or gas lease may be issued on state owned or controlled lands unless by appropriate resolution of the legislature.

REPRESENTATIVE EDGMON pointed out that this existing statute provides restrictions, or caveats, for oversight to be upheld by the legislature, in terms of oil and gas leases. The concern for the impacts of a non-renewable resources development on a renewable resource, he stressed, were at the forefront in 1972, and HB 134 is a bill to bring that concern forward in a new day, and a new era.

9:54:59 AM

CHAIR SEATON stated that this topic is controversial because the issues are important.

[HB 134 was held over.]

**ADJOURNMENT**

There being no further business before the committee, the House Special Committee on Fisheries meeting was adjourned at 9:55.