

ALASKA STATE LEGISLATURE
SENATE RESOURCES STANDING COMMITTEE

March 8, 2010

3:39 p.m.

MEMBERS PRESENT

Senator Lesil McGuire, Co-Chair
Senator Bill Wielechowski, Co-Chair
Senator Charlie Huggins, Vice Chair
Senator Hollis French
Senator Bert Stedman
Senator Gary Stevens

MEMBERS ABSENT

Senator Thomas Wagoner

COMMITTEE CALENDAR

SENATE BILL NO. 220

"An Act declaring a state energy policy; relating to energy efficiency and alternative energy; establishing the energy efficiency grant fund, an emerging energy technology fund, a renewable energy production tax credit, and an energy use index; and relating to a fuel purchasing cooperative, to energy codes and efficiency standards, to energy conservation targets in public buildings, to a state agency energy use reduction plan, to the alternative energy revolving loan fund, and to the renewable energy grant fund."

- MOVED CSSB 220(RES) OUT OF COMMITTEE

SENATE JOINT RESOLUTION NO. 27

Urging the federal government to provide funding for domestic seafood marketing and promotional activities.

- MOVED CSSJR 27(RES) OUT OF COMMITTEE

SENATE BILL NO. 274

"An Act naming the state fish hatchery on the Elmendorf Air Force Base the William Jack Hernandez Sport Fish Hatchery."

- MOVED CSSB 274(RES) OUT OF COMMITTEE

SENATE BILL NO. 208

"An Act requiring the Department of Natural Resources to evaluate current incentives and recommend additional incentives that would increase gas exploration, development, and production in the Cook Inlet sedimentary basin; and requiring the Department of Natural Resources to evaluate the means by which the department may explore for, purchase, and sell natural gas from newly proved gas reserves in the Cook Inlet sedimentary basin."

- MOVED CSSB 208(RES) OUT OF COMMITTEE

SENATE BILL NO. 144

"An Act relating to hunting permits and tag fees for musk oxen."

- MOVED SB 144 OUT OF COMMITTEE

PREVIOUS COMMITTEE ACTION

BILL: SB 220

SHORT TITLE: ENERGY EFFICIENCY/ ALTERNATIVE ENERGY

SPONSOR(s): RESOURCES

01/19/10	(S)	READ THE FIRST TIME - REFERRALS
01/19/10	(S)	RES, FIN
01/20/10	(S)	RES AT 3:30 PM BUTROVICH 205
01/20/10	(S)	Heard & Held
01/20/10	(S)	MINUTE(RES)
01/21/10	(S)	RES AT 3:30 PM BUTROVICH 205
01/21/10	(S)	-- MEETING CANCELED --
01/25/10	(S)	RES AT 3:30 PM BUTROVICH 205
01/25/10	(S)	Heard & Held
01/25/10	(S)	MINUTE(RES)
01/27/10	(S)	RES AT 3:30 PM BUTROVICH 205
01/27/10	(S)	Heard & Held
01/27/10	(S)	MINUTE(RES)
02/03/10	(S)	RES AT 3:30 PM BUTROVICH 205
02/03/10	(S)	<Bill Hearing Postponed>
02/11/10	(S)	RES AT 3:30 PM BUTROVICH 205
02/11/10	(S)	<Bill Hearing Postponed to 2/15/10>
02/15/10	(S)	RES AT 3:30 PM BUTROVICH 205
02/15/10	(S)	Heard & Held
02/15/10	(S)	MINUTE(RES)
02/17/10	(S)	RES AT 3:30 PM BUTROVICH 205
02/17/10	(S)	<Bill Hearing Canceled>
02/18/10	(S)	RES AT 3:30 PM BUTROVICH 205
02/18/10	(S)	Heard & Held
02/18/10	(S)	MINUTE(RES)

02/22/10 (S) RES AT 3:30 PM BUTROVICH 205
02/22/10 (S) Heard & Held
02/22/10 (S) MINUTE(RES)
02/24/10 (S) RES AT 3:30 PM BUTROVICH 205
02/24/10 (S) Heard & Held
02/24/10 (S) MINUTE(RES)
02/25/10 (S) RES AT 4:00 PM BUTROVICH 205
02/25/10 (S) Scheduled But Not Heard
03/08/10 (S) RES AT 3:30 PM BUTROVICH 205

BILL: SJR 27

SHORT TITLE: FED. FUNDING: DOMESTIC SEAFOOD MARKETING
SPONSOR(s): EGAN

02/12/10 (S) READ THE FIRST TIME - REFERRALS
02/12/10 (S) RES
03/01/10 (S) RES AT 3:30 PM BUTROVICH 205
03/01/10 (S) Heard & Held
03/01/10 (S) MINUTE(RES)
03/08/10 (S) RES AT 3:30 PM BUTROVICH 205

BILL: SB 274

SHORT TITLE: WILLIAM JACK HERNANDEZ FISH HATCHERY
SPONSOR(s): DYSON

02/10/10 (S) READ THE FIRST TIME - REFERRALS
02/10/10 (S) RES
03/01/10 (S) RES AT 3:30 PM BUTROVICH 205
03/01/10 (S) Heard & Held
03/01/10 (S) MINUTE(RES)
03/08/10 (S) RES AT 3:30 PM BUTROVICH 205

BILL: SB 208

SHORT TITLE: DNR STUDY ON NATURAL GAS
SPONSOR(s): WIELECHOWSKI

01/19/10 (S) PREFILE RELEASED 1/8/10
01/19/10 (S) READ THE FIRST TIME - REFERRALS
01/19/10 (S) RES, FIN
02/08/10 (S) RES AT 3:30 PM BUTROVICH 205
02/08/10 (S) Heard & Held
02/08/10 (S) MINUTE(RES)
03/08/10 (S) RES AT 3:30 PM BUTROVICH 205

BILL: SB 144

SHORT TITLE: MUSK OXEN PERMITS
SPONSOR(s): OLSON

03/09/09 (S) READ THE FIRST TIME - REFERRALS
03/09/09 (S) RES, FIN
03/08/10 (S) RES AT 3:30 PM BUTROVICH 205

WITNESS REGISTER

MICHELLE SYDEMAN
Staff to Senator Wielechowski
Alaska State Legislature
Juneau, AK

POSITION STATEMENT: Commented on CSSB 220(RES) version D and on SB 208.

MIKE PAWLOWSKI
Staff to Senator McGuire
Alaska State Legislature
Juneau, AK

POSITION STATEMENT: Explained amendments to CSSB 220(RES) version D.

SENATOR DENNIS EGAN
Alaska State Legislature
Juneau, AK

POSITION STATEMENT: Sponsor of SJR 27.

KURTIS GIBSON, Deputy Director
Division of Oil and Gas
Department of Natural Resources (DNR)
Juneau, AK

POSITION STATEMENT: Supported SB 208.

TIM BENINTENDI
Staff to Senator Olson
Alaska State Legislature
Juneau, AK

POSITION STATEMENT: Commented on SB 144 for the sponsor.

SENATOR DONALD OLSON
Alaska State Legislature
Juneau, AK

POSITION STATEMENT: Sponsor of SB 144.

ACTION NARRATIVE

[3:39:27 PM](#)

CO-CHAIR LESIL MCGUIRE called the Senate Resources Standing Committee meeting to order at 3:39 p.m. Present at the call to order were Senators Huggins, Stevens, Stedman, French, Wielechowski, and McGuire.

SB 220-ENERGY EFFICIENCY/ ALTERNATIVE ENERGY

[3:40:22 PM](#)

CO-CHAIR MCGUIRE announced SB 220 to be up for consideration [CSSB 220(RES), labeled 26-LS1197\D, Kane was before the committee].

MICHELLE SYDEMAN, staff to Senator Wielechowski, reviewed that the committee first took up SB 220 almost six weeks ago. She said they had taken invited testimony from energy experts, and staff has worked closely with all the agencies; the bill has had many hearings. As result there were numerous changes. Five of those main changes are that they adopted an amendment by Senator Huggins that allows nuclear power in Alaska and they added a section suggested by Senator Hoffman that expands the state's heating assistance program for low income families when oil prices are high and the state has a surplus. They also incorporated language from Senator Stedman's SB 132 which expands the purposes of Southeast Energy Fund and adopted an amendment offered by Senator Dyson requiring the Department of Transportation and Public Facilities (DOTPF) to examine the feasibility of powering vehicles in Alaska using compressed natural gas. Finally, they added new language creating a new loan fund for businesses seeking to make their facilities more energy efficient or to incorporate renewable energy into their operations. This idea was advanced by Senator Egan's office and further developed by Senator McGuire's office. One additional change was that they incorporated the Governor's SB 223 into this bill and that authorizes AHFC to issue up to \$250 million in bonds to help the state, municipalities and school districts to make their buildings more energy efficient. This revolving loan fund should create an on-going revenue stream for the state to help cities and schools cut their energy-related costs. She said that they had a few more amendments and then the bill would be ready for the committee's consideration.

[3:43:23 PM](#)

MIKE PAWLOWSKI, staff to Senator McGuire, said that several small changes were made to version D after the amendments were made to the previous version; some were clerical and some were based on statements heard at the table. One example is on page 14, line 11, the Emerging Energy Technology Fund (EETF) section.

He explained that one of the discussions by Senator Wagoner was that while having a degree in science or engineering is appropriate, professional experience should be considered also. Others were clerical cleanups, for example, saying the department shall work with other state agencies in the alternative energy section. Another change was on page 14, line 23. In the previous version they had the Alaska Energy Authority on the board of the EETF, but since it is administering the fund it didn't make sense for someone from it to also be on the advisory committee. So they were replaced that position with the Alaska Industrial Development and Export Authority (AIDEA). Other changes were small and clerical.

[3:45:07 PM](#)

CO-CHAIR MCGUIRE moved Amendment 1, labeled 26-LS1197\D.1.

26-LS1197\D.1
Kane

AMENDMENT 1

OFFERED IN THE SENATE BY SENATOR MCGUIRE
TO: CSSB 220(RES), Draft Version "D"

Page 20, line 27:
Delete "Alaska"
Insert "alternative"

Page 28, line 1:
Delete "AS 44.42.067(c)"
Insert "AS 44.42.067(d)"

CO-CHAIR WIELECHOWSKI objected for discussion purposes.

CO-CHAIR MCGUIRE said this amendment references alternative energy.

MR. PAWLOWSKI added that Amendment 1 took on the Department of Commerce, Community and Economic Development (DCCED) business loan program for energy efficiency and retitled it the Alaska Energy Conservation Loan Fund. Since it was the Alternative Energy Conservation Loan Fund, the reference in Section 27 had to be changed to conform to the change language in an earlier reference. So Amendment 1 is pure cleanup language.

The second change in Amendment 1 corrects the repeal of a wrong subsection. It relates to new construction meeting energy

efficiency standards, but they wanted to repeal the reporting requirements in AS 44.42.067(c) and (d). This can be found on page 19, line 21.

CO-CHAIR WIELECHOWSKI removed his objection to Amendment 1.

CO-CHAIR MCGUIRE found no further objections and Amendment 1 was adopted.

CO-CHAIR MCGUIRE moved Amendment 2.

26-LS1197\D.2
Kane

AMENDMENT 2

OFFERED IN THE SENATE BY SENATOR MCGUIRE
TO: CSSB 220(RES), Draft Version "D"

Page 13, line 16, following "projects;":

Insert "(2) amounts deposited under (f) of this section;"

Renumber the following paragraph accordingly.

Page 13, line 22:

Delete "(f)"
Insert "(g)"

Page 14, line 1:

Delete "(f)"
Insert "(g)"

Page 14, line 8:

Delete "(f)"
Insert "(g)"

Page 14, following line 9:

Insert a new subsection to read:

"(f) As a condition of all grants awarded under this section, the authority shall require that the grantee pay to the authority a fair and reasonable return to the fund, as determined by the authority, from the revenue, economic value, or profits derived by the grantee from the grant project. The authority shall deposit the amounts received under this subsection into the fund. To secure payment of sums owed to the authority under a grant agreement, the

authority may own and take a security interest in patents, copyrights, and other intellectual property."

Reletter the following bill subsections accordingly.

Page 14, line 24:

Delete "(f)"

Insert "(g)"

Page 14, lines 27 - 28:

Delete "(f)(4), (f)(5), or (f)(6)"

Insert "(g)(4), (g)(5), or (g)(6)"

Page 14, line 30:

Delete "(f)(4), (f)(5), or (f)(6)"

Insert "(g)(4), (g)(5), or (g)(6)"

CO-CHAIR WIELECHOWSKI objected for discussion purposes.

MR. PAWLOWSKI explained that Amendment 2 applies to Section 18 on page 13-15 of the bill, the Emerging Energy Technology Fund. Lines 1-18 of the amendment are conforming languages. The substance of the amendment was from line 18 through page 2, line 3. A question was raised in working with the department about giving these grants to technology development and what happens if this technology becomes wildly successful and a private sector entrepreneur makes a lot of money out of it. This is old language that existed in the Alaska Science and Technology Fund where grants had conditions to provide a return to the state in the event that a grant was successful. This language gives the department some flexibility to put conditions on grants so that they can function in a way that returns money to the fund for future use and to endow future activities. They are still working with the department to a degree on the language, but it is very open and permissive.

CO-CHAIR MCGUIRE remarked that in Washington D.C. she was part of a discussion that revealed the Department of Energy (DOE) has an Emerging Technology Fund similar to this. They took a bet on the technology that involves refracking that has led to the shale extractions and as a result returns from that have set up a pretty healthy loan fund for future technologies.

CO-CHAIR WIELECHOWSKI removed his objection to Amendment 2.

CO-CHAIR MCGUIRE found no further objections and therefore Amendment 2 was adopted.

[3:49:57 PM](#)

CO-CHAIR MCGUIRE moved to adopt Amendment 3.

26-LS1197\D.3

Kane

AMENDMENT 3

OFFERED IN THE SENATE BY SENATOR MCGUIRE
TO: CSSB 220(RES), Draft Version "D"

Page 16, line 31, following "\$30,000,000":
Insert "for each project"

Page 17, line 16:
Insert a new paragraph to read:

"(3) "project" means a plant, works, system, or facility, together with related or necessary facilities and appurtenances, including a divided or undivided interest in or a right to the capacity of a power project or project, that is used or is useful for the purpose of renewable energy production;"

Renumber the following paragraph accordingly.

Page 30, following line 12:

Insert a new bill section to read:

"* **Sec. 51.** The uncodified law of the State of Alaska is amended by adding a new section to read:

EXHAUSTION OF UNUSED RENEWABLE ENERGY REFUNDABLE TAX CREDITS. Notwithstanding the repeal of AS 43.98.040 by sec. 43 of this Act, an unused portion of a tax credit acquired under AS 43.98.040, enacted by sec. 21 of this Act, may be carried forward until exhausted, except that the unused portion of the tax credit may not be carried forward to tax years beginning after December 31, 2023."

Renumber the following bill section accordingly.

CO-CHAIR WIELECHOWSKI objected for discussion purposes.

MR. PAWLOWSKI explained that Amendment 3 came out of work with the Department of Revenue (DOR). In the previous work on this

production tax credit there had been a degree of concern about how big the liability to the state could be. That has been approached in several different directions. It was based on the 15 percent of the electricity sold, but then also 10 percent of the capital expenditures. A way was found to get at Senator Stedman's concern about limiting a Susitna-style hydro project that would cost in the range of \$4.5 billion so the investor wouldn't get a \$450 million credit. They tried to design a cap that mirrors what the equity would look like in a project of that size and they came up with \$30 million. So, the cap exists in the current version at \$30 million, but it was per person. Working with staff and the DOR they really felt it should be per project. So on page 1, lines 1-2, of the amendment "for each project" was inserted. The amendment then inserts a definition of project.

Another way they approached the issue of the liability to the state is to provide a sunset in 2018 for the production tax credits. But sunseting it early required transition language since tax credits are accrued over the first five years a project produces energy. Section 51 on page 1, lines 15-23, of the amendment are really about how to transition once the renewable project comes on line just before the sunset period.

CO-CHAIR WIELECHOWSKI removed his objection.

CO-CHAIR MCGUIRE found no further objection, and, therefore, Amendment 3 was adopted. She asked for further comments.

MR. PAWLOWSKI directed members to a summary sheet about fiscal notes for the bill that they received yesterday afternoon.

CO-CHAIR MCGUIRE said most of the bill concerns incentives and policy shifts that don't involve a lot of money. So the total fiscal note is \$1.281 million.

She noted that the committee heard support all across the board from the communities, although one criticism she did hear three times is that it doesn't deal solely with renewable energy, but rather alternative energy and fossil fuel based energy in a variety of places (the Bulk Fuel Loan and power cost equalization (PCE). Nuclear has been added as an alternative fuel source, so people refer to it as renewable, but the "real nuclear guys" refer to it as alternative.

[3:54:58 PM](#)

SENATOR HUGGINS asked what kind of energy hydro is called in the bill.

CO-CHAIR MCGUIRE said renewable. She said they had directed the federal government to this definition in their resolutions as recently as this week when she was in D.C. She thanked the committee "for a labor of love," Michelle and Fish for all their hours of work and dedication, and the administration for heeding the call to assemble a team that has been working with them, as well as the House of Representatives, Chair Edgmon and his staff, so that the bills mirror one another.

SENATOR HUGGINS gave credit to her and Senator Wielechowski for the broad travels of a group of people that really did some yeoman work. It's important to realize that what they are doing today had a thumbprint from people in communities across the state.

CO-CHAIR WIELECHOWSKI commented that when they talked to Senator Stevens about this bill last year he wondered if they would ever get a product; and here it is. It is a product of one of the more open and transparent processes he has seen in this legislature. He thanked staff, staff in other offices and the administration. He thought the state would get tremendous bang for its buck out of this bill.

[3:59:05 PM](#)

CO-CHAIR WIELECHOWSKI moved to report CSSB 220(RES) as amended from committee with individual recommendations and attached fiscal note(s). There were no objections and it was so ordered.

SJR 27-FED. FUNDING: DOMESTIC SEAFOOD MARKETING

[4:00:12 PM](#)

CO-CHAIR MCGUIRE announced SJR 27 to be up for consideration. [CSSJR 27(RES) was before the committee]

SENATOR DENNIS EGAN, sponsor of SJR 27, said this is a proposal for national seafood marketing. The resolution communicates to the Obama Administration, the Alaska Congressional delegation the Legislature's support for using a portion of federal revenues generated from duties on imported seafood and fish products for marketing American seafood including that harvested in the State of Alaska.

CO-CHAIR MCGUIRE thanked him for bringing this up. She said no amendments had been proposed. She closed public testimony.

CO-CHAIR WIELECHOWSKI moved to report SJR 27 as amended from committee with individual recommendations and attached zero fiscal note. There were no objections and so CSSJR 27(RES) moved from committee.

SB 274-WILLIAM JACK HERNANDEZ FISH HATCHERY

[4:03:15 PM](#)

CO-CHAIR MCGUIRE announced SB 274 to be up for consideration. [CSSB 274(RES) was before the committee]. She stated that the committee took a lot of testimony on it last week. Finding no further discussion, she closed public testimony.

CO-CHAIR WIELECHOWSKI moved to report SB 274 as amended from committee with individual recommendations and attached zero fiscal note. There were no objections and, therefore, CSSB 274(RES) moved from committee.

SB 208-DNR STUDY ON NATURAL GAS

[4:04:01 PM](#)

CO-CHAIR MCGUIRE announced SB 208 to be up for consideration.

CO-CHAIR WIELECHOWSKI moved to adopt version C, [CSSB 208(RES) 26-LS1235\C, Bullock]. There were no objections and it was so ordered.

[4:04:38 PM](#)

MICHELLE SYDEMAN, staff to Senator Wielechowski, explained that subsection (3) that called for the Department of Natural Resources and the (DNR)Department of Revenue (DOR) to determine the cost, feasibility and a proposed organizational structure for a new state entity that would take a more active role in the exploration, development and marketing of gas from Cook Inlet was removed after Senator Stedman raised concerns about it.

In (2) on page 3, line 6, "or proposals" was added to a requirement that DNR and DOR identify and evaluate and recommend additional incentives or "other proposals" that might increase exploration for and production of gas in Cook Inlet.

The third change was to the date for completion of this work by the DNR and DOR from November 1, 2010, to December 1, 2010. The intent of this bill is to provide the Legislature with an analysis of its options for increasing Cook Inlet gas production before the start of next session. An immediate effective date

was added for the bill giving the department the full seven months in which to do this analysis.

CO-CHAIR MCGUIRE asked if they envisioned a process for selecting individuals who would help the state carry out this task.

MS. SYDEMAN answered that there are two options: the DOR already has some petroleum economists they would be willing to devote to this time permitting and outside consultants, if needed, for which a \$200,000 fiscal note was provided. An existing Gaffney Kline contract could be amended to include this work, as well. There were concerns with putting an RFP out and having that work accomplished by the start of the next legislative session.

CO-CHAIR MCGUIRE said she was glad of the bill that could help trigger oil and gas development in Cook Inlet. She knew the RCA not approving contracts has been a part of it, and Cook Inlet had had incentives, but exploration is not happening. They have heard the Basin is expensive and that gas storage might play a role, but everybody is drilling in Texas and Canada. She asked if anyone wanted to testify.

SENATOR HUGGINS asked what would be happening in lieu of this bill and how would the Legislature know about it and why isn't it already happening.

CO-CHAIR WIELECHOWSKI agreed and said this bill is more out of frustration than anything else with development in Cook Inlet. This should be occurring right now and he didn't know why it hasn't.

[4:10:23 PM](#)

CO-CHAIR MCGUIRE asked if DNR would like to respond to Senator Huggins' point. What is being done from the DNR perspective to look at lack of development in Cook Inlet and how might that be carried out?

KURTIS GIBSON, Deputy Director, Division of Oil and Gas, Department of Natural Resources (DNR), answered that he sees the bill is a positive approach to trying to resolve the complex issue of motivating explorers in the Cook Inlet basin to bring on additional reserves. He said he supported SB 208. In December they released a report that detailed the results of their analysis of remaining reserves for the five major producing fields in the Cook Inlet. From the division's perspective, they welcome the opportunity to expand their charge and examine not

just what is the appropriate incentive for explorers but what can be done to tighten up what is a structurally unsound market. It's a step in the right direction.

CO-CHAIR MCGUIRE said she was talking to Mark Myers, Gas Pipeline Office, DNR, and her point was seeing the Division of Oil and Gas take a leadership role on some of these issues: Cook Inlet, Nenana Basin, Gubik, the issue of delivering in-state gas to Alaskans, developing a value-added natural gas industry, and those kinds of things. They would go a long way in taking the focus off of the AGIA war which process is proceeding on its own merit.

MR. GIBSON said they know and stand ready to assist in any way they can.

CO-CHAIR WIELECHOWSKI moved to report CSSB 208(RES), version C from committee with individual recommendations and attached fiscal note(s). There were no objections and it was so ordered.

SB 144-MUSK OXEN PERMITS

[4:15:24 PM](#)

CO-CHAIR MCGUIRE announced SB 144 to be up for consideration.

[4:16:01 PM](#)

TIM BENINTENDI, staff to Senator Olson, sponsor of SB 144, explained that the primary objective of SB 144 is to authorize a second permit hunt for residents and subsistence hunters for the taking of musk oxen in Alaska. It would double the chances of taking an animal but it would not change the bag limit, which is currently one animal per year, either a bull or cow. Nonresident hunters would not qualify. If a hunter did not harvest a musk ox under their first permit, a second permit could be issued upon application for another chance in a different hunting area or a different game unit. Musk oxen are the only game animals in Alaska to which the one permit restriction still applies.

There are four game management units where these animals are found in Alaska: Unit 18 on both Nunivak and Nelson Islands, Units 22 and 23 on the Seward Peninsula and Northwest Alaska, and Unit 26 in the northeast. The wild musk oxen population in Alaska is currently estimated to be about 4400 and annually 325-350 are available for harvest.

Wildlife biologists and regulators within the Alaska Department of Fish and Game (ADF&G) have determined that the health of the

herd and the size of the state's herd is well passed the threshold for expanding opportunities for Alaskan hunters. State biologists estimate that a nominal number of additional permits would be issued under this bill and perhaps 25 more animals might be harvested annually.

Under SB 144 the Board of Game would have the authority to reduce or eliminate subsistence tag and fee requirements, and the department could issue subsistence permits beyond the current calendar year basis to accommodate seasons which straddle two calendar years. For example, there is a season that runs from August 1 to March 15. A year would change from a calendar year to a regulatory year, which is July 1 - June 30.

If passed this legislative session, the new provisions would be in place for the season beginning August of this year. SB 144 has a zero fiscal note and has the support of the department and the hunting community in Northwest Alaska. It includes the Northern and Southern Norton Sound Advisory Committees and the Seward Peninsula Musk Ox Cooperators Group. They have found no opposition to the bill.

[4:18:42 PM](#)

CO-CHAIR WIELECHOWSKI asked the rationale behind the prohibition of going out more than once.

MR. BENINTENDI answered that it's due to game population size. All other species are under a multiple permit basis and now that the department is comfortable with the herd's numbers, musk ox can be brought into that dynamic.

[4:19:23 PM](#)

SENATOR HUGGINS asked if there is a priority between resident and subsistence hunters.

MR. BENINTENDI said that getting a permit depends on the date of application.

SENATOR HUGGINS said some states have incentives whereby the governor would have a musk ox tag that he could use as a funding raising mechanism to raise hundreds of thousands of dollars. Had he had any discussions along that line?

MR. BENINTENDI answered no.

[4:20:44 PM](#)

SENATOR OLSON, sponsor of SB 144, said the bill was brought to him by the local fish and game personnel who noticed confusion amongst the harvesters. There is no difference between residents and subsistence users. It's whoever comes first. Once the quota is filled they would close the season. Because of that confusion people are worried about getting their guns confiscated, going to jail and having those kinds of penalties. This would make the law a lot clearer.

He said that one of the reasons there is a difference between other big game animals and musk ox is that musk ox, like reindeer, were imported. The ones on the Seward Peninsula came from Nunivak and the ones in Nunivak originally came from Canada and Greenland. The government has an interest in maintaining those populations because they invested money to get them into different areas. Right now the stocks on the Seward Peninsula, especially, have gotten to the level where they could sustain a harvest.

[4:22:05 PM](#)

SENATOR STEDMAN joined the committee.

CO-CHAIR WIELECHOWSKI moved to report SB 144 from committee with individual recommendations and attached fiscal note(s). There were no objections and it was so ordered.

[4:23:30 PM](#)

CO-CHAIR MCGUIRE found no further business to come before the committee and adjourned the meeting at 4:23 p.m.