

**ALASKA STATE LEGISLATURE  
HOUSE RESOURCES STANDING COMMITTEE**

March 11, 2013

1:03 p.m.

**MEMBERS PRESENT**

Representative Eric Feige, Co-Chair  
Representative Dan Saddler, Co-Chair  
Representative Peggy Wilson, Vice Chair  
Representative Mike Hawker  
Representative Craig Johnson  
Representative Kurt Olson  
Representative Paul Seaton  
Representative Geran Tarr  
Representative Chris Tuck

**MEMBERS ABSENT**

All members present

**OTHER LEGISLATORS PRESENT**

Representative Andrew Josephson  
Representative Bob Herron

**COMMITTEE CALENDAR**

HOUSE BILL NO. 158

"An Act authorizing the commissioner of natural resources to implement a hunting guide concession program or otherwise limit the number of individuals authorized to conduct big game commercial guiding on state land."

- HEARD & HELD

**PREVIOUS COMMITTEE ACTION**

BILL: HB 158

SHORT TITLE: DNR HUNTING CONCESSIONS

SPONSOR(S): REPRESENTATIVE(S) COSTELLO

03/05/13	(H)	READ THE FIRST TIME - REFERRALS
03/05/13	(H)	RES, JUD, FIN
03/11/13	(H)	RES AT 1:00 PM BARNES 124

**WITNESS REGISTER**

REPRESENTATIVE MIA COSTELLO  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** Testified as sponsor of HB 158.

ED FOGELS, Deputy Commissioner  
Office of the Commissioner  
Department of Natural Resources (DNR)  
Anchorage, Alaska

**POSITION STATEMENT:** Provided a PowerPoint overview of the DNR's state's guide concession program.

MR. FLEENER, Deputy Commissioner  
Office of the Commissioner  
Alaska Department of Fish & Game (ADF&G)  
Anchorage, Alaska

**POSITION STATEMENT:** Presented a PowerPoint and answered questions during the discussion of HB 158.

MR. KELLY VREM, Master Guide 102; Chair  
Big Game Commercial Services Board (BGCSB)  
Palmer, Alaska

**POSITION STATEMENT:** Testified and answered questions during the discussion of HB 158.

MR. PAUL JOHNSON, Registered Guide 463  
Gull Cove, Alaska

**POSITION STATEMENT:** Testified during the discussion of HB 158.

TED SPRAKER, Chair  
Board of Game (BOG)  
Soldotna, Alaska

**POSITION STATEMENT:** Testified and answered questions during the discussion of HB 158.

CLARK COX, Natural Resources Manager  
Department of Natural Resources (DNR)  
Anchorage, Alaska

**POSITION STATEMENT:** Testified and answered questions during the discussion of HB 158.

**POSITION STATEMENT:** Testified and answered questions during the discussion of HB 158.

THOR STACEY, Registered Guide 1194; Lobbyist  
Alaska Professional Hunters Association (APHA)

Juneau, Alaska

**POSITION STATEMENT:** Testified during the discussion of HB 158.

JOE KLUTSCH, Master Guide 91; Representative  
Alaska Professional Hunters Association (APHA)  
King Salmon, Alaska

**POSITION STATEMENT:** Testified during the discussion of HB 158.

BILL STEVENSON, Registered Guide 661  
Sutton, Alaska

**POSITION STATEMENT:** Testified during the discussion of HB 158.

#### **ACTION NARRATIVE**

[1:03:22 PM](#)

**CO-CHAIR ERIC FEIGE** called the House Resources Standing Committee meeting to order at 1:03 p.m. Representatives Hawker, Johnson, Tuck, Olson, P. Wilson, Tarr, Saddler, and Feige were present at the call to order. Representative Seaton arrived as the meeting was in progress. Representatives Josephson and Herron were also present.

#### **HB 158-DNR HUNTING CONCESSIONS**

[1:03:40 PM](#)

**CO-CHAIR FEIGE** announced that the only order of business would be HOUSE BILL NO. 158, "An Act authorizing the commissioner of natural resources to implement a hunting guide concession program or otherwise limit the number of individuals authorized to conduct big game commercial guiding on state land."

[1:04:35 PM](#)

**REPRESENTATIVE MIA COSTELLO**, Alaska State Legislature, stated that HB 158 would give the Commissioner of the Department of Natural Resources authority to implement a hunting guide concession program. She explained the purpose of introducing this bill is for the state to answer the question of whether the state should have a guide concession area program. She offered that last legislative session the legislature appropriated funding for Department of Natural Resources (DNR) to work on public comment and preparation for such a program. While the issue is not new, HB 158 would allow the legislature to weigh in and take public testimony. She expressed an interest in land

stewardship, wildlife conservation, and to promote a healthy hunting guide industry.

REPRESENTATIVE COSTELLO said the state management of game is an important issue. Several departments and two boards have been involved in this issue. Additionally, she advised that the House Finance budget subcommittee removed funding for this program since it is important for the legislature to answer the aforementioned question.

[1:07:23 PM](#)

REPRESENTATIVE COSTELLO raised the issue of overcrowding and over utilization in some game management areas (GMUs) and underutilization in other GMU areas. Additionally, conflicts with other user groups routinely occur. She offered her belief this is a significant issue for the state to address, which is one reason the committee room is so full today. This issue pertains to land management and game management issues that must be answered. She summarized her interest is to ensure the state manages its game and resources for generations to come.

[1:08:08 PM](#)

REPRESENTATIVE P. WILSON inquired whether the sponsor has considered allowing the hunting guide concession program to evolve regionally to address over or underutilization rather than to take a statewide approach.

REPRESENTATIVE COSTELLO said the DNR's Division of Mining, Land and Water have conducted work related to this issue. One of the things the DNR has indicated is that it would like to retain some flexibility to address some of the issues. Thus HB 158 specifically gives the power of creating such a program to the commissioner, while the details would be designed by regulation, especially through the ongoing public comment period.

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CO-CHAIR FEIGE noted that today's testimony is by invitation.

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ED FOGELS, Deputy Commissioner, Office of the Commissioner, Department of Natural Resources (DNR), introduced himself and recognized some members of the audience. He offered to provide an overview of the guide concession program, noting the

department began its efforts in 2006. The department has been asked to provide a solution and this is DNR's proposal, which should not be taken lightly since the program could potentially significantly increase government and will require a number of staff to implement and run the proposed program. Additionally, the bill would create more oversight and regulation of an industry at a time when government is moving toward less regulation.

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MR. FOGELS asked to focus on the problems to be solved. He related that the Alaska Department of Fish & Game (ADF&G), the Board of Game (BOG), and the Big Game Commercial Services Board (BGCSB) have helped outline the issues related to big game and guiding. First, one question that has been asked is why DNR has been assigned to solve the issue. He predicted that the testimony from the BOG and the BGCSB will be fairly enlightening. Second, he asked whether this proposal will help the guiding industry, which is an important sector of Alaska's economy that contributes hundreds of millions of dollars to the state's economy. He stated that members of the guiding industry will testify on the proposal. Third, he asked whether the guide concession program (GCP) would help the state's wildlife and answered that the ADF&G and BOG will testify on the GCP's effect on wildlife management. Finally, he asked whether the program will help the public and if non-guided members will benefit. He suggested that the board members will be able to enlighten the committee and members of the public will testify on the proposal.

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MR. FOGELS provided a brief history of the guide industry in Alaska. In 1974, the BOG established an area system limiting guides to operate within Exclusive Guide Areas (EGA). By 1976, the program was extended statewide [slide 2]. In 1978, the Alaska Supreme Court (ASC) found the EGA system unconstitutional for several reasons. First, the ASC found a lack of connection to wildlife management. Second, the ASC found the guide industry did not provide any remuneration to the state. Third, the ASC found the industry was not subject to competitive bidding and exclusivity, and finally, the ASC found the guide areas were of unlimited duration without contractual terms or restrictions.

MR. FOGELS explained the proposed Guide Concession Program (GCP) in HB 158 [slide 3]. He explained that the DNR is responding to a problem identified by members of the guiding community, the BGCSB, and the Board of Game (BOG). Additionally, former Governor Palin supported the DNR proposal as did a strong sector of the guiding industry. In essence, the program would create a system that manages and distributes guided hunting pressure through a competitive process that would be implemented on all state lands.

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MR. FOGELS highlighted the reason to implement the system on state lands, including briefly outlining the issues identified by the guide industry, the BGCSB, and the BOG. The issues, related to the ongoing problems identified in the field, included a decreased incentive to practice wildlife conservation, especially in high use areas. The industry has experienced a decreased quality of experience for guided clients. Other problems include increased conflicts between user groups, an overall lack of land stewardship, and difficulties enforcing game laws. In short, these represent the problems the DNR would attempt to accomplish with its program.

1:16:07 PM

MR. FOGELS turned to slide 5, entitled, "Anticipated Benefits and Most Common Concerns of the GCP." He explained an economic reason exists to help the guiding industry in Alaska. Although the primary goal of the GCP is to promote a healthy guide industry, other concerns have been raised about the program from the public and some guides.

MR. FOGELS briefly reviewed the 2011 Guide License by Class, indicating the total number of guides is 1,428, with 312 contracting guides, or those who booked at least one trip last year [slide 6].

1:17:15 PM

MR. FOGELS highlighted that the concession system has been implemented on other lands in Alaska, with 110 concessions available on Fish and Wildlife refuges [slide 7]. Currently, the U.S. Park Service has 36 concessions, and the U.S. Forest Service has 35 concessions. If the DNR's GCP goes forward an additional 298 concessions would be added for a total of 479 concessions. Recalling the 312 contracting guides previously

mentioned, he noted there are currently more concessions than guides operating at this time.

MR. FOGELS related that a white paper was distributed in 2009 with a 113-day comment period, in which 277 comments were received [slide 8]. A proposed decision was released on February 15, 2012, with a 68-day comment period, in which 190 comments were received. The DNR just finished a 37-day public comment period for the Framework Management Document released on January 23, 2013, with the department receiving 77 comments. Currently, the DNR has been working to fully analyze the 77 comments, although most of the comments were reasonably supportive of the program. He noted very specific feedback was received. He offered his belief that the department can work within many of the comments, but some go beyond the "sideboards" placed by the ASC's decision.

[1:19:20 PM](#)

MR. FOGELS described the proposed GCP Design [slide 9]. The program would offer two types of concessions, full and limited concessions. The full concession has been designed for the guide who has been in the business as a serious professional, noting 208 guides fit this category. Additionally, the limited concession has been designed for entry-level guides, which currently number 90. Each guide would be required to submit an application to compete for the 136 guide areas in the state. All applications would then be evaluated and scored by panels comprised of agency staff. The concessions would be offered to the highest scoring applicants within each guide concession area and according to number of concessions available and type of concession application. He indicated that no bidding will be allowed under this proposal.

MR. FOGELS discussed violations [slide 10]. He said that DNR scoring will reflect any violations by guides. Additionally, while the fee structure is complicated, it is ultimately designed to pay for the cost of the program estimated to be about \$1.4 million per year. As the program is implemented, the fees will be evaluated to make sure the program costs are covered, which will be set by regulation. In essence, the DNR's goal is to cover costs but not overcharge or undercharge for concessions.

[1:21:56 PM](#)

MR. FOGELS directed attention to slide 12, entitled, "Transferability and Vacancies." Concession areas would not be allowed to be transferred, sold, or exchanged so as not to risk being unconstitutional. He emphasized this initiated a big debate on the program; however, the Department of Law has indicated it is important not to risk being unconstitutional. Additionally, a system for vacancies has been developed. He indicated the system is somewhat complicated, which will be discussed in more detail later.

[1:22:42 PM](#)

MR. FOGELS pointed out two slides provide a sense of the concession area maps [slides 13-14]. He stated that maps have been prepared for the whole state. He offered to print them off for the committee and indicated a web link also allows people to download the map and review them on-line. The areas are numbered, depicting the number of concessions in parenthesis and showing the split between full and limited concessions.

MR. FOGELS directed attention to slide 15, entitled, "Historical Information." This slide indicates the progression over the years, including what was proposed in the 2009 white paper, in last year's proposal, and the current proposal. He offered his belief that each version has considered public comments and industry comments and program has been adjusted accordingly. He said the DNR feels that the current framework is "pretty close" although he imagined some adjustments will still need to be made. However, given the legal framework that DNR must currently operate under and the framework of the Alaska Supreme Court's decision, it is not likely that too many significant modifications will be made.

MR. FOGELS briefly discussed the current and required statutory authority [slide 16]. He said given the current authority under AS 38.05.020, AS 38.05.035, and AS 38.05.850, the Department of Law believes the DNR has the authority to develop the program. This bill will help to clarify the GCP program and allow for additional debate and discussion before the legislature.

[1:25:00 PM](#)

REPRESENTATIVE P. WILSON asked for further explanation on the historical information. She asked for clarification on full assistant guide concessions.

MR. FOGELS replied the DNR has two different kinds of concessions, which are full and limited concessions. Under the proposal, each guide will be allowed to have a certain number of assistant guides. As you can see the number has increased from the 2012 figures [slide 15]. The lead guide can have more assistant guides, which allows him/her to take out more clients into the field. Thus the greater the number of assistant guides, the more clients that can be served. Therefore, the DNR felt strongly that the number of assistant guides should be capped; otherwise, the effect is to not cap the level of guided use in an area.

[1:26:39 PM](#)

REPRESENTATIVE SEATON asked for the number of camps served by guides in each area as compared to the current use.

MR. FOGELS responded that under the proposal, a guide assigned three full concessions can have six assistant guides for each, or a total of 18 assistant guides. Theoretically, the number of camps or clients served would depend on the guiding operation but the proposal outlines the total workforce for the area. The current guide areas don't mesh with the proposed GCP areas so it is more difficult to estimate the number of clients. Some of these problem areas have more than three guides, with some areas having as many as twenty guides. He offered his belief that this proposal would reduce the hunting pressure in some of the well-used areas.

[1:28:32 PM](#)

REPRESENTATIVE SEATON related a scenario in which 20 guides worked. He asked whether this proposal would allow 18 camps.

MR. FOGELS responded that it's important to keep in mind that while there may be 20 guides in an area, each will have a number of assistant guides, which would mean that more than 20 guides could work in an area. However, currently the number of assistant guides is not restricted for an area.

[1:29:14 PM](#)

REPRESENTATIVE SEATON said he would like the department to provide an estimate on the number of camps currently operating in order to compare it to the number of camps that would be permitted under the proposal.

CO-CHAIR SADDLER asked who requested the number of assistant guides to increase from three to the six allowed under the current proposal.

MR. FOGELS replied that DNR had proposed three assistant guides in its 2012 proposal, but received substantial comments from the industry urging the department to allow more assistant guides. In fact, a strong contingent of guides did not want any limits on the number of assistant guides. While the DNR and ADF&G felt strongly that some cap was necessary, the DNR agreed to increase the cap based on comments to the 2012 proposal.

[1:30:26 PM](#)

REPRESENTATIVE P. WILSON asked whether the department would work with the ADF&G to adjust "take" based on over utilization.

MR. FOGELS answered yes; DNR would be able to conduct periodic evaluation of the program to see how it is working in terms of fees or guides per area. He emphasized the DNR plans on periodic evaluation and will adjust the "take" if necessary. He reminded members that guided hunting is not the only pressure on an area and the BOG also manages the public hunts.

[1:31:49 PM](#)

MR. FLEENER, Deputy Commissioner, Office of the Commissioner, Alaska Department of Fish & Game (ADF&G), added that the ADF&G would still have management responsibilities to ensure overharvest of wildlife does not occur. Additionally, the BOG has similar responsibilities. He explained that when the department notices an impact on wildlife resources, it will reduce harvest opportunities, as well.

[1:32:14 PM](#)

REPRESENTATIVE P. WILSON asked whether the department has enough biologists in the field to monitor activities. She understood the legislature has cut funding for positions.

MR. FOGELS answered that the fees for the GCP program are designed to fund the staff for the program. He understood that approximately 11 DNR staff and one or two staff from ADF&G would manage the program. He anticipated some on-the-ground enforcement will be covered by these fees. Additionally, other ADF&G staff will be doing field work, too. He said the hope is that this program will be self-funding and self-sufficient.

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REPRESENTATIVE P. WILSON said it seems as though more guides and more assistant guides in the program would result in more funding to cover staff necessary for the program. She asked whether there are any checks and balances to prevent the possibility of allowing too many guides in order to sustain program funding.

MR. FOGELS answered that the GCP program has been designed to spread the guide concessions throughout the state based on where the guiding activity and game populations exist. Every guide area will have between 1-3 full concessions, he said. The cost has been designed based on the DNR's best estimate on the number of guides. As the system changes, the regulations will need to be changed, which will also require public involvement.

[1:35:37 PM](#)

REPRESENTATIVE TUCK returned to the number of assistant guides allowed. He recalled that originally the white paper was set by an operations plan. He asked whether the DNR planned to have someone submit a plan and if the department would approve or disapprove the number of guides.

MR. FOGELS answered that is correct. He explained the number of assistant guides would have been based on a proposal by the guides.

[1:36:06 PM](#)

REPRESENTATIVE TUCK referred to an earlier map [slide 13]. He asked whether the map was a 1974 map or if it was prepared recently.

MR. FOGELS answered the map was recently developed through substantial work by ADF&G and DNR, as well as by both boards. In further response to Representative Tuck, he agreed it was created in anticipation for the framework document issued in January, which is contained in HB 158.

[1:37:07 PM](#)

REPRESENTATIVE SEATON asked for the regulatory process. For instance, the ADF&G found too many bears were being taken, whether the DNR would limit the number of assistant guides.

MR. FLEENER answered that question is best answered by the ADF&G and the BOG. He did not envision that DNR would review annual program changes because it would be impossible to do so. Instead, the restrictions would clearly come from ADF&G and BOG. He suggested that the DNR would work in conjunction with ADF&G and the BOG. This could result in changes to draw hunts, general season hunts, or by restricting seasons and bag limits to address declining wildlife populations.

[1:39:09 PM](#)

REPRESENTATIVE SEATON asked how that would relate to the restricted guide area concessions.

MR. FLEENER offered to discuss this later on in the presentation.

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REPRESENTATIVE TARR recalled in 1973 the legislature created the Guide License Control Board. She asked whether the BGCSB is the same board.

MR. FOGELS answered no; that the Guide License Control Board no longer exists. He deferred to the BGCSB to provide the history.

CO-CHAIR FEIGE pointed out there was a gap in time between the end of the guide license control board and the beginning of the BGCSB.

[1:40:51 PM](#)

KELLY VREM, Master Guide 102; Chair, Big Game Commercial Services Board (BGCSB), stated the guide board was sunsetted in the 1970s and another board was instituted and later sunsetted. He offered his belief this is the third version of the guide licensing board. He deferred to Paul Johnson, the immediate past chairman of the BGCSB to answer.

[1:41:30 PM](#)

REPRESENTATIVE TARR referred to the boundaries of the proposed map and asked whether these boundaries match the BOG boundaries, in terms of allocation management.

MR. FLEENER responded that these maps overlap the game management units (GMU) very well. He said the sub-units follow those lines pretty well, too.

[1:42:11 PM](#)

CO-CHAIR SADDLER referred to slide 14 in members' packets entitled, "GCA Map Close-up." He asked what the small squares refer to since he cannot read the legend due to the print size

MR. FOGELS answered he thinks Co-Chair Saddler is referring to the numbers in brackets. For example, 14-04 has three total concessions, of those, two would be full concessions and one would be a limited concession.

[1:42:45 PM](#)

CO-CHAIR SADDLER referred to GCA map 14-02 and asked him to identify the full concessions and the limited concessions.

MR. FOGELS answered that the concessions will only apply to state lands, which are shaded blue on the map. He added that the guides would be able to operate anywhere in the area.

[1:43:35 PM](#)

MR. FOGELS directed attention to slide 17, entitled, "Timeline," which refers to the framework document prior to HB 158 being introduced. Essentially, the timeline begins with the January 23-February 28, 2013 public comment period. The timeline assumed regulations would be developed in the Spring and Summer 2013, and staff would be hired in the Fall 2013. Next fall, a call for applications would occur, which he anticipated would be approximately 1,000 applications. The applications would be scored throughout the Summer 2014 and the DNR would notify guides approximately in August-September 2014 of areas, with guide concession areas being effective January 1, 2015. However this timeline may change based on HB 158, he said.

[1:44:43 PM](#)

MR. FLEENER reported that ADF&G has worked closely with DNR on this for about three years. He named reasons for the proposal including impacts to wildlife, reducing overcrowding, improving stewardship, improving hunter success and satisfaction rates, and responding to requests by the BGCSB and BOG to make changes to improve the overall system. He mentioned the need for action

relates to increasing problems, which includes impacts to wildlife populations, user conflicts due to overcrowding, and declining stewardship [slide 18].

MR. FLEENER directed attention to slide 19, entitled, "Case Study - Chugach Sheep." This example uses the Dall sheep in Game Management Unit (GMU) 14A since some of the greatest conflicts in terms of guide overcrowding relates to Dall sheep. He prefaced his comments by stating the department really has not identified any population-wide negative impacts from user conflicts associated with unregulated guiding. However, the ADF&G has identified a number of areas experiencing severe impacts to certain age classes. For example, referring to slide 19, one segment of the Chugach Dall sheep population that has been impacted is the number of full-curl rams. That part of the population has experienced a significant decrease. The areas in the state with the largest impact include GMU 13A, which is Glennallen and west, GMU 13D, Glennallen and south, and GMU 14A which is the Palmer-Wasilla area. Additionally, the ADF&G has growing concerns about GMU 19C, since the department has noticed some increases; however, he anticipated that the problem will worsen.

[1:47:46 PM](#)

MR. FLEENER, returning to slide 19, pointed out the overharvest of full-curl rams and overcrowding. The ADF&G went to a drawing hunt in 2008 and the bar graph significantly dropped. He also pointed out the significant decrease in hunter opportunities from 2007-2008. The numbers on the left side of the graph indicates the number of hunters or permits awarded whereas the numbers on the right side of the graph indicate the actual number of harvested rams. The lines shown in orange represent resident harvest while the green lines depict the non-resident harvest. In essence, the slide shows a significant decrease in overall hunter opportunities. He pointed out severe restrictions are sometimes necessary to resolve these types of conflicts. For example, the ADF&G and board instituted a permit hunt in 2008 to protect the segment of wildlife population in trouble.

MR. FLEENER said also of importance to note is the crossover of success rates depicted. He pointed out that beginning in 2004-2005 the orange line, or resident success rate, starts to decline and continued to decline until 2010. In 2002, the non-resident success rate began to increase [until 2005]. Of course, resident hunters would be vocal about their inability to

successfully harvest rams. In fact, the department continues to hear about overcrowding and resident hunters not being able to meet their needs. According to regional wildlife staff, the declining resident participation and success rates are attributed to overcrowding and conflicts on the ground.

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MR. FLEENER indicated it is easy to see that ADF&G was able to resolve the problems of overharvest and overcrowding, with resident success stabilized and increasing beginning in 2008 through 2012. Certainly, this is logical given that far fewer hunters are on the ground in drawing hunts so the success rates will increase and hunter satisfaction correspondingly increases.

MR. FLEENER said the problem with severe limitations on non-resident opportunity is that it has the potential to decrease state revenue due to lost license and tag fees, as well as the dollars hunters spend. Moreover it makes it difficult for hunting guides to have effective business planning due to restrictions on permits and numerous guides operating in the same area. He reiterated that the department doesn't only consider dollars and cents, but the committee should be aware the potential for decreased revenue exists if the ADF&G or the BOG goes to very restricted numbers of permits instead of providing ample opportunity to hunters.

MR. FLEENER surmised that the general amount of money brought into the state by guided hunters is \$12,000-\$15,000 on average. He anticipated that this topic will be covered in more detail during testimony.

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REPRESENTATIVE P. WILSON asked how many licensed guides are non-residents and how many licensed guides are residents.

[1:52:22 PM](#)

MR. PAUL JOHNSON, Registered Guide 463, noting he previously served on the BGCSB, stated that about 15 percent of the guides are non-resident guides. He said that under the common use clause [in the Alaska Constitution] the state cannot restrict non-residents from obtaining professional licenses. In further response to Representative Wilson, he said that assistant guides figures are higher, but he was uncertain of the figures. Still, most of the assistant guides are residents, he said.

1:53:13 PM

REPRESENTATIVE SEATON referred to slide 19 entitled "Case Study - Chugach Sheep." He asked whether the purpose of the draw hunt was to reverse the non-resident take with non-residents taking a greater share of the harvest.

MR. FLEENER answered no; that is not the purpose of the program at all. What he attempted to say is that implementing a permit was a last-ditch effort to stabilize a decreasing segment of the population favored for hunting. The graph illustrates the success rate. He referred to the 2008-2012 period in which animals taken by non-residents were limited to two or three animals and resident opportunity highest being at 12 harvested rams, which was less limited. The department and BOG's goal has been to stabilize the population and prevent the 8-year-old, full-curl ram population from decreasing any further and also increase the hunter success rates and overall satisfaction.

TED SPRAKER, Chair, Board of Game, stated he would cover this topic during his presentation.

1:55:12 PM

REPRESENTATIVE SEATON expressed an interest in how the Alaska GCP program would have affected the ram harvest and hunter numbers in GMU 14A if it had been implemented in 2008, instead of the draw hunt, as depicted on the graph. He wondered if concession guides would take a higher percentage of the rams. It seems if the problem is a biological problem, it is probably a different solution, given that residents hunt, as well. In essence, he asked what effect will the concession program versus [draw hunt policy have with respect to] the resident and non-resident take.

MR. FLEENER answered that from the ADF&G's perspective the end result is to attain viable wildlife populations that can sustain harvests over the long term. He indicated his primary interest is to meet the needs of Alaska residents, with subsistence being first, and to expand the opportunity to others as harvestable surplus is available. He predicted that the GCP would have worked better since it would not have necessitated the BOG to be so restrictive [in 2008 by instituting a draw hunt]. He suggested the [draw hunts] make it much tougher for guides to have a business plan. For example, if a small number of non-resident permits are available but the number of guides in an

area is not restricted, it could mean 25-30 guides and numerous assistant guides are operating in an area. Therefore, it makes it tough for guides to develop their business plans. He anticipated the guide representatives will discuss this in more detail; however he has heard from guides that when hunts are restricted to only a few permits, guides don't know whether they will be selected, which adversely affects their business plans.

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REPRESENTATIVE TUCK understood the aforementioned chart depicts the number of resident and non-resident hunters. However, the total population of rams is not indicated. He understood that in 2007, the ADF&G put in place [draw hunt] measures to increase the population densities of 8-year old rams. The measure resulted in the number of resident/non-resident permit hunts and the harvested amounts. He understood Mr. Fleener to say that wasn't a good thing, or that it could have been prevented if a concession plan had been in place. He asked whether the [draw hunt] was effective in increasing the ram population.

MR. FLEENER answered absolutely. He said the success rates for residents increased; however, the harvest opportunities for residents and non-residents decreased since far fewer hunters were in the field. From the perspective of managing the single age-class, the draw hunt was successful. He deferred to Mr. Spraker to elaborate.

[1:59:32 PM](#)

REPRESENTATIVE TUCK pointed out that the graph doesn't show the outcome, but the ADF&G "knows" [it positively affected the 8-year-old ram population].

MR. FLEENER answered that is correct.

[1:59:43 PM](#)

MR. SPRAKER offered to weigh in since the comments have moved into the BOG activities. He reminded members the BOG must first manage on a sustained yield basis. Therefore, conservation is the BOG's number one priority. Next, the process is a step-down process. As Representative Tuck alluded to, there is the "building back" of a population, but the [permit hunt] also allows for a quality hunt. While the BOG doesn't attempt to quantify quality, the BOG is very cognizant of overcrowding in areas.

MR. SPRAKER explained the process the BOG took to address the Chugach ram issue. First, the BOG considered the conservation issue. As Mr. Fleener mentioned, the number of legal rams was decreasing. Second, the BOG considered overcrowding and competition in the hunts. He mentioned a prior article he read by Representative Mia Costello [not in members' packets] that he thought hit on a number of points the board must consider. Again, he characterized the process as being a "step-down process," with conservation considered first and crowded hunts considered next.

[2:01:17 PM](#)

MR. FLEENER continued his presentation. He reviewed the harvest success rate in GMU 13D and 14A [[slide 20]. The harvest for GMU 13D Tazeast dropped by 59 percent. This slide indicates the actual numbers of hunters and harvest. In 2003, GMU 13D Tazeast had 88 hunters with 27 sheep harvested. The resident hunt success rate was 22 percent, and the non-resident success rate was 65 percent. By 2008, draw permit hunts were implemented, which resulted in 43 hunters, 11 harvested sheep, or 26 percent resident hunt success rate as compared to 79 percent non-resident success rate. This depicts the overall opportunity, which decreases by more than 50 percent when the department switched from a general hunt to a draw permit hunt. On the whole, these figures show a lot of hunters, with very low hunter success rates, and a reduction of 50-80 percent hunter opportunity by going to the draw permit. This slide indicates that when the draw program was implemented, it severely limited hunter opportunity, which has a greater negative impact on resident hunters; however, he offered his belief that implementing the permit hunt did reestablish healthy full-curl ram populations and improved success rates.

[2:04:04 PM](#)

MR. FLEENER tuned to slide 21, entitled, "ADF&G - An example of GCP benefits." He read, as follows [original punctuation provided]:

- Unit 8, Kodiak) is by far ADF&G's most active area for guides in Region II.
- Within the Kodiak archipelago there are 30 guide use areas, about 6 of which have significant state lands within them.

- Although there are rarely guide-resident conflicts in GMU 8, passage of the proposed guide concession would enhance our ability to work cooperatively with guides to assure residents have fair treatment.
- If history is a good teacher, we can learn from the Kodiak NWR exclusive guide areas that the guides who are awarded these concessions are better stewards of the resources, better partners to let us know what is going on within their areas, and are more engaged in the public process.
- The guides are also able to provide better services for their clients because they are more willing to invest in infrastructure (e.g. cabins or tent platforms) and they have a better ability to advertise and provide hunts in the future.
- It would be an asset to state resources to implement a fair guide concession program.

MR. FLEENER said the second to the last paragraph summarizes that guides can have a better ability to advertise and provide future hunts if they are operating in an area. Thus a small group of guides with a long-term business plan can provide a better quality hunt for clients as compared to numerous guides and assistant guides operating in overcrowded areas in which ram population issues have also developed.

[2:06:01 PM](#)

CO-CHAIR FEIGE asked whether the number of game animals has increased or decreased statewide since the policy changes in the 1990s.

MR. FLEENER answered that it depends on the species and which general population is under consideration. For example, some caribou herds have increased and some have decreased. In his data review, he did not see any dramatic declines that appeared related to sheep. He deferred to Mr. Spraker to elaborate, due to his long-term board experience. He said the department has done a good job increasing moose numbers in some parts of the state; however, Alaska is a big state and game management is a very complex question.

[2:08:25 PM](#)

CO-CHAIR FEIGE pointed out federal lands within the state have concessions. He asked for the relative health of the game populations in those areas compared to state areas.

MR. FLEENER responded that he could speak more about hunter satisfaction, in general, rather than the relative health of game populations on federal lands. From his discussions with DNR, he has heard that many guides prefer to hunt on federal lands due to less crowded hunting, good wildlife populations, and the target age class of animals typically being better than on state land.

[2:09:32 PM](#)

REPRESENTATIVE TUCK, referring to the six assistant guides per concession [proposed GCP program], assumed that the most qualified master guides would be selected prior to taking new entrants. He asked whether the guides could be located in Montana while the six assistant guides were working in Alaska.

MR. FLEENER was unsure, but recalled that the hunter must have a registered guide with him while out hunting, but perhaps it could be the assistant guide. He admitted this is an area in which he is unfamiliar.

CO-CHAIR FEIGE noted some statutes were changed last legislature.

MR. JOHNSON answered that the process is still an ongoing process. In response to Co-Chair Feige's question on supervision levels, the provision is not in HB 158; however, the guide must in the state. This requirement was not previously required; however, the supervision level will be increased once regulations are adopted.

[2:11:19 PM](#)

REPRESENTATIVE TARR asked whether the operations plan used to be part of the proposal, but is now limited to the scoring system that will be used.

MR. FLEENER answered that the guides must still submit an operations plan as part of their application package.

[2:12:05 PM](#)

REPRESENTATIVE TARR referred to the licensure system for guides, including assistant guides, master guides, and registered guides. She asked whether the criteria will be reevaluated through the regulatory process if HB 158 passes.

MR. FOGELS said he believed so. He suggested that the regulatory process will be driven by the bill that is passed. The department will receive guidance on the program and will adjust the regulations accordingly.

[2:13:09 PM](#)

CO-CHAIR SADDLER inquired why the DNR is tackling this issue instead of the ADF&G and the BOG.

MR. FOGELS answered that the 1988 Alaska Supreme Court decision, [Oswichek], basically threw out the old guide program, which specifically pointed to DNR's land concession and land permitting authority to implement the areas.

MR. FLEENER concurred. However, the ADF&G has worked closely with DNR and believes the new program will help resolve the problem. While there are guides who do not support this solution, he has heard from a number of guides who support the GCP's concession program. Many guides are asking for regulation of their own program, due to impacts on the resource, which he characterized as good stewardship. He offered his belief that the ADF&G is trying to be responsive to that request.

[2:15:24 PM](#)

CO-CHAIR SADDLER asked whether not having this program would require the BOG to have more draw permits.

MR. FLEENER offered his belief that is correct.

MR. FOGELS added there are a number of ways the issue could be resolved. In fact, the GCP program represents only one solution to the issue, so the debate is whether this is the appropriate solution. He pointed out the full-curl ram population addressed in slide 19, which required the BOG to take radical measures to address. He suggested Mr. Spraker will speak to the downsides of that approach.

[2:16:41 PM](#)

MR. SPRAKER explained the BOG considers DNR to have the authority to establish the leasing program and set up the guide control use areas, but the ADF&G will continue to provide the BOG information to make management decisions with respect to wildlife conservation. In essence, the DNR, the ADF&G, & the BOG work in unison, but the BOG has the final decision-making authority in terms of whether a more restrictive harvest program is adopted.

[2:17:21 PM](#)

CO-CHAIR FEIGE understood the guides would be spread out across the land by DNR, but the program would not interfere with the ADF&G's or the BOG's ability to manage game populations by setting bag limits and seasons.

MR. SPRAKER answered yes.

[2:17:49 PM](#)

CO-CHAIR SADDLER echoed that as the [ADF&G, & the BOG] considers the health of the resource, the distribution of the guiding effort would be one factor considered.

[MR. SPRAKER nodded yes.]

[MR. FLEENER nodded yes.]

[2:18:06 PM](#)

REPRESENTATIVE JOHNSON said it seemed like the state has a contract with the guides. He asked what the process will be if the state's contract with the guides is broken when more restrictive measures are put in place.

MR. FLEENER did not think such changes would be breaking a contract because the guide concession program does not guarantee access or a successful hunt. Instead, it provides opportunities for guides to take hunters out to use the land. He said that aspect [land use] would always be available through the guide concession program. Additionally, the ADF&G and BOG must always manage the wildlife populations, which will be in the forefront when the department and the board make decisions on whether or not a guide-concession program will exist.

[2:19:52 PM](#)

REPRESENTATIVE JOHNSON related a scenario such that in year one hunts are allowed, but in year two the hunts are restricted. He asked whether the state is legally responsible for a guide's lost revenue if the state finds it must reduce the terms of the guide's five-year contracts. He expressed concern over the liability.

MR. FLEENER responded that did not think the state would be "on the hook." He said that hunting is a gamble due to weather and game populations. He deferred to others to provide a more definitive legal viewpoint.

[2:21:50 PM](#)

REPRESENTATIVE JOHNSON referred to the chart on slide 20 for GMU 13D that indicated a 90 percent success rate on guided sheep hunts and 70 percent success rate for non-guided hunts. He characterized this statistic meant hunters using a guide were nearly guaranteed a successful sheep hunt.

MR. FLEENER answered yes; that hunting with a guide is a good way to be successful.

[2:22:01 PM](#)

REPRESENTATIVE JOHNSON related he has some questions regarding contracts that are better answered by the House Judiciary Committee. He recalled earlier testimony that the permit holder for the concession would be in the area or in an adjacent area. He asked whether the guide in question would have two areas and if a guide can have more than one area.

[2:22:53 PM](#)

CLARK COX, Natural Resources Manager, Department of Natural Resources (DNR), answered that under the proposal guides can apply for and hold up to three guide areas, which is similar to the current system.

[2:23:14 PM](#)

REPRESENTATIVE JOHNSON asked whether the areas would be adjacent area.

MR. COX answered that the guide use areas don't need to be adjacent areas.

2:23:21 PM

REPRESENTATIVE JOHNSON asked whether the guide could be in one part of the state with clients hunting in another part of the state.

MR. COX pointed out that hunting seasons also vary.

REPRESENTATIVE JOHNSON asked whether a guide could hold a moose permit in three different areas. In further response to a question, he agreed a guide could hold a moose, sheep, or bear permit in three different areas.

2:23:50 PM

REPRESENTATIVE SEATON, returning to the Chugach case study [statistics on slide 19], noted an increase in the guided non-resident take, which he said caused concern about the ram population and led to the BOG limiting hunting through a permit hunt. He asked how many guides and camps participated in that elevated harvest. He expressed his interest that if the same number of guides and hunters under the six assistant guides could hunt under the proposed program, it might not change the biological makeup of the rams. While some guides might not participate to ensure the health of the herd, it seemed to him the non-residents certainly affected the population dynamics. He requested the population and guide figures at the next meeting so he could see how this proposal would solve the problem.

MR. SPRAKER responded that 36-38 guides operated during the aforementioned case study, [slide 19]. He agreed that was the primary reason for BOG action to limit hunters by instituting a draw hunt. He characterized the competition [at the time] as being "fierce."

2:27:06 PM

REPRESENTATIVE TARR asked whether this bill would be limited to non-residents who are required to obtain guide services for hunting brown bear, Dall sheep, or mountain goats. She further asked whether the proposal would be expanded to include black bear, moose, or caribou.

MR. COX answered no; that while this bill primarily pertains to guided clients a resident could hire a guide and would be subject to the same requirements. In further response to a

question, he said the requirements apply to all guided species, including moose, black bear, and caribou.

[2:28:05 PM](#)

REPRESENTATIVE TARR asked whether the concession is transferable if a business would be sold during the five-year timeline.

MR. COX answered that the concession is nontransferable so if someone chose to leave in year two or three, the authorization would be referred back to the department. He commented that the DNR would maintain a reserve list of people who had competed for the guide use area. In the event a vacancy occurred, the concession would go to the next person on the list.

[2:28:58 PM](#)

MR. SPRAKER provided his background. He said he has lived in Alaska for 40 years and has served on the Board of Game (BOG) for three governors. Currently, he said he serves as the chairman of the BOG and he previously served on the Big Game Commercial Services Board (BGCSB) from 2004-2013. He asked to briefly discuss challenges the BOG will face if the guide concession program is not implemented [slide 22]. He clarified that he would not be reviewing the budgets or the program configuration, but would focus on the wildlife resources. He indicated the BOG has two major concerns. First, the BOG is concerned about conservation of the state's wildlife resources. Second, the BOG has concerns about overcrowding and competition between resident and non-resident hunters. Thus he has written three letters to the BGCSB to support limiting the number of guides and their ability to move around the state. He offered his belief that the current system, which does not limit the number of guides, has resulted in fairly heavy, locally limited overharvest of game.

[2:30:58 PM](#)

MR. SPRAKER related that at every BOG meeting since 2003, new proposals have requested some reduction of harvest by non-residents. In the past few years, these proposals focused on sheep harvest, primarily due to competition and overharvest of legal rams for sheep hunting. However, he has also noticed some proposals have spread to encompass all big game, with requests for some type of reduction on non-resident take for all big game.

MR. SPRAKER stated that the requests to the BOG come in two forms. First, proponents would like to eliminate all non-resident hunters. He characterized this request as being a common statement. At the very least, proponents would like to stagger the opening hunting season dates to give residents a five-to-seven day head start before non-residents can hunt. Second, in the next level of proposals, proponents suggest limiting non-residents to only participate through drawing permits. These proposals typically include an allocation, which is typically around 10 percent. In fact, he recently reviewed all the hunts and estimated the effect of reducing them to 10 percent. Such action would make a huge difference, he said. While the BOG does not look at the financial aspects and only considers conservation aspects, it is aware of the impacts. In conclusion, he said reducing non-resident take to 10 percent would have a significant impact in terms of the hunter dollars coming into the state since fees for licenses and tags are designated to the ADF&G for game management.

[2:33:06 PM](#)

MR. SPRAKER elaborated on the overcrowding issue. For example, GMU 13D and 14A, the Palmer to Glennallen area, had 36-38 guides operating in it. The BOG convened a "town hall" meeting to discuss overcrowding, which resulted in a good discussion. It was at this meeting that he learned the financial difficulty guides experience on planning based on permit hunts. All but one of eight guides at the town hall meeting said they'd "had enough" since the competition is so great that clients have a limited opportunity for success. These guides indicated they would rather have permit hunts since it would raise the quality of the hunt, the size of the ram would increase, the client would have more rams to consider, and the conservation will be addressed. However, the main reason these guides supported a permit hunt is to address the overcrowding issues.

[2:34:30 PM](#)

MR. SPRAKER pointed out the BOG will also consider GMU 20A, south of Fairbanks, the spring of 2014. He said approximately 13 guides are registered for the area, but what he has heard from guides is that the area can only support about a third of that number in order to provide quality hunts.

MR. SPRAKER explained there is a difference between guides competing with guides or competition between residents. From a BOG perspective and a state's rights perspective, competition

with guides adversely affects residents because residents have a tough time competing with the guided hunts. He pointed out most guides are well equipped with large camps, wall tents, a string of horses, aircraft, or other enhancements since this is their business. Therefore, the average hunter has a tough time getting game in areas with substantial guide competition.

MR. SPRAKER pointed out GMU 19C, west of the Denali National Park and Preserve, is an area that receives competition between guides. One guide said that competition in this area has been building, primarily due to actions the BOG took in GMUs 14A and 13D, which likely pushed some of the guides into GMU 19C. Again, when an area is fully utilized, the areas of access are limited, with a finite number of areas to access the sheep areas. Additionally, guides spend the whole season at their camps so it limits the residents who can hunt in these areas.

[2:36:47 PM](#)

MR. SPRAKER said the next BOG meeting will be held in Kenai next Friday. He said the BOG has 53 proposals to consider, of which nine proposals address some type of competition, overcrowding, or over harvest issues. He concluded that substantial concern exists between guides and resident hunters.

MR. SPRAKER, in summary, said that the BGCSB licenses about 15-20 new registered guides annually, but in the board's opinion, the state cannot accommodate that level of growth without additional hunting restrictions. He predicted that the new guides will have difficulties competing with established guides in their area, but these guides will likely be able to compete with residents. Unless additional limits are imposed, it will spill down to the residents and their ability to take game, he predicted.

[2:38:15 PM](#)

MR. SPRAKER raised another concern, which he referred to as "hot spot" hunts. He explained that as the BOG remedies one area, the problem is pushed to another area. He characterized the "hot spot" hunts as problem that has been addressed in a piecemeal manner since fixing one area pushes use into another area. He recommended some sort of a "global" approach as a better means to consider hunter pressure.

MR. SPRAKER concluded that adopting a system that addresses overcrowding and overuse will result in a more stable guiding system that will benefit the resident Alaskan hunters.

[2:40:02 PM](#)

REPRESENTATIVE HAWKER commented that slide 23 states the proposal will promote multi-generation family businesses. He expressed concern that this may create an entitlement mentality. He wondered whether this will create special interest legislation that would not withstand constitutional muster.

CO-CHAIR FEIGE pointed out that Mr. Spraker represents the BOG and not the ADF&G.

[2:41:03 PM](#)

REPRESENTATIVE TUCK expressed an interest in better understanding the wildlife conservation portion of the proposal. He recalled reasons for the changes included the guides did not want to compete and ram sizes were smaller. It sounds like limiting the number of guides in an area would help, but he wondered if [the proposal] would reduce the number of overall hunts. He was uncertain how the wildlife conservation would occur under the proposed GCP.

MR. SPRAKER answered that he has identified one of the issues the BOG has struggled to address. He said the BOG does not look at whether there are too many guides, but considers whether there are too many hunters. Thus BOG determines how many hunters can be allowed in an area. Since sheep requires hunters to take a full curl ram and nothing smaller, it is a self-regulating system. Additionally, the BOG has implemented a selected antler harvest for non-residents for moose and in most areas of the state for a bull with a minimum 50-inch antler spread with four brow tines or three brow tines. In essence, the BOG has moved to a conservation approach by limiting size. However, the "bottom line" is that in some cases there are still too many hunters. He agreed it would not change the outcome to allow just as many guides in an area without also limiting the total number of hunters. Certainly, the guides must submit a request or understanding that they take a certain number of moose or bear in each area, which is submitted as part of the operational plan. This is one way the BOG has requested the conservation be addressed in the GCP proposal. Additionally, a guide who operates in an area for 10 years under a concession will be looking for a stable financial plan so he would

basically "farm" the numbers of animals he has in his area. Not only does the GCP promote land stewardship, but wildlife stewardship will also be enhanced. In conclusion, the BOG faces many challenges, but the last step the BOG takes is to require permit hunts to severely restrict the numbers of hunters.

[2:44:56 PM](#)

KELLY VREM, Chair, Big Game Commercial Services Board (BGCSB), referred to the statement [on slide 23] the proposal will promote multi-generation family businesses. He explained that he included this statement in his presentation because most of the guides he knows discourage their sons and daughters from entering the business since guiding is too unstable at this point. He envisioned if the business of guiding was more stable, the guide's children would be mentored, which could result in better guides; however, he did not mean to imply the children would take over the same GMU.

MR. VREM offered to cover the remaining bullet points on slide 23 entitled, "Big Game Commercial Services Board - Perspective." He said Alaska cannot avoid restricting guide activities. He offered his belief that the state is approaching a saturation point [of hunters]. He offered his belief that the public and even some guides are getting fed up, including some older, very fit guides. He agreed that guide concessions promote good citizenship and stewardship. The guides who have federal guide use areas can have them revoked if they don't adhere to their operations plan or overharvest animals. Further, guides with concessions tend to develop relationships with the local villages and local hunters. Finally, these guides "farm" their areas since they depend on them in future years.

[2:48:15 PM](#)

MR. VREM turned to the bullet relating that land managers are able to help BGCSB enforce regulations. The BGCSB can only enforce behavior and professional standards; however, the land manager controls the access. For example, currently a guide operating on state land can keep on operating despite violations since the DNR must provide the land use authorization. The control that the land managers can exert over an occupant is tremendous and should not be overlooked. In particular, this has been evident for guides operating on federal lands who must be in compliance.

MR. VREM turned to the bullet point that concessions insure long-term stability for future guides. He suggested the concessions could create a more stable guide business, one that allows guides to plan their businesses.

MR. VREM offered his belief that in some areas of the state it is the transporters exerting more pressure on the resource than are the guides, which he experienced when he guided in Southwest Alaska. He referred to AS 08.54.790 [12][B], which read [original punctuation provided]:

[12] "transportation services" means the carriage for compensation of big game hunters, their equipment, or big game animals harvested by hunters to, from, or in the field; "transportation services" does not include the carriage by aircraft of big game hunters, their equipment, or big game animals harvested by hunters ...

(B) by an air taxi operator or air carrier for which the carriage of big game hunters, their equipment, or big game animals harvested by hunters is only an incidental portion of its business; in this subparagraph, "incidental" means transportation provided to a big game hunter by an air taxi operator or air carrier who does not ... "

MR. VREM offered his belief that this language creates a huge loophole. The BGCSB will need the legislature's help to eliminate this provision before transporter compliance can occur. While he has personally found most licensed transporters are honest, it is the air taxis who operate under the [AS 08.54.790 [12](B)] loophole that have caused most of the problems. On the North Slope, the two biggest service providers for drop-off service are "hiding" behind this exemption. He apologized but needed to leave the meeting now in order to travel to a BGCSB meeting.

[2:52:02 PM](#)

REPRESENTATIVE SEATON asked whether penalty provisions similar to the federal concessions would be covered under regulations. He specifically asked whether someone working outside their operational plan would be subject to suspension.

MR. VREM replied that is his assumption. He said he couldn't speak for the DNR, but the federal concessions have an annual performance review. While he serves on the BGCSB, he has been

both a commenter and a spectator [on federal reviews.] He anticipated that the penalty provisions would be more refined as the process continues.

MR. COX responded that absolutely, the permits would be subject to terms and conditions, which will be established by regulation.

[2:53:44 PM](#)

MR. VREM, responding to Representative Johnson's fear about the implied contract, emphasized that guides do not seek an implied contract or buyout provision. He said this has never been the case.

[2:54:56 PM](#)

THOR STACEY; Registered Guide 1194; Lobbyist, Alaska Professional Hunters Association (APHA), introduced himself.

JOE KLUTSCH, Master Guide 91; Representative, Alaska Professional Hunters Association (APHA), introduced himself.

[2:55:25 PM](#)

MR. STACEY, who also holds Registered Guide license number 1194, is testifying on behalf of the Alaska Professional Hunters Association. First, guiding is a complex issue involving a number of agencies with oversight over commercial hunting and wildlife resources. Currently, in order to obtain a land use authorization on state lands, a registered guide must apply to the DNR and pay a \$500 fee. It does not matter how many pending investigations, game violations by clients, or problems with assistant guide compliance, the DNR is compelled to issue the land use permit and has no authority to deny, revoke, or suspend the land use authorization. However, on federal lands, the guide concession program seeks to have the most qualified guide hold a specific geographic unit. The selected applicant is subject to a progressive fee structure, but is chosen based on his knowledge, compliance with operating permit, reported employee safety record, and reported client use days in the field.

[2:57:08 PM](#)

MR. STACEY said the DNR has an opportunity to develop a similar program in the form of the guide concession program (GCP). The

question before the committee should not be focused on whether guides should have six assistant guides or the fee structure, but whether to empower the DNR to geographically restrict guides based on a system that rewards quality, experience, and promotes stewardship among operators on its lands.

MR. STACEY indicated the current status quo has been to encourage an unlimited competitive entry at the expense of degraded wildlife resources and state residents, non-residents, and all user groups. He supported the [proposal in HB 158], which would empower DNR to encourage and promote a guide selection program that rewards the most qualified experienced applicants, encourages them to be wise stewards of the land and resources and penalizes them or revokes land use authorization if the guides violate the public's trust.

[2:58:18 PM](#)

MR. STACEY compared APHA's guides operating concessions on federal lands since 1988 to those operating on state lands. The guides operating on federal lands have seen their opportunities remain stable or flourish whereas guides operating on state lands have seen declining and unstable businesses. He offered his belief the state program has harmed the public. He said that competitive, unrestricted, commercial opportunity has never been the state's policy for renewable resource development, beginning with fish trap restrictions. In conclusion, the proposed guide concession program would reward merit and experience when selecting guides for concessions. Finally, the proposal is designed to charge appropriate fees and give the state the ability to deny or revoke permits.

[2:59:18 PM](#)

MR. KLUTSCH said he has been living on the King Salmon Peninsula for almost 40 years and has operated a small summer guided sport fishing operation. He currently operates Katmai Guide Service and is a master guide, number 91. Further, he has been guiding on federal lands post-Owsichek. He said everything that he had worked for eight years went away when the ruling was issued. Subsequently, a Task Force on Guiding and Game was appointed by Governor Steve Cowper, with representatives of the guiding industry, state, and federal land managers participating over several years to formulate a series of recommendations to restructure some type of statutory and regulatory framework for guiding. While a state board was not authorized to rank, evaluate, or establish a specific concession area, the federal

U.S. Fish and Wildlife Service (USFWS) and the National Park Service (NPS) established concessions. He described himself as one of the "guinea pigs" of the federal concession system. He said currently holds and has held permits for over 25 years in the Alaska Peninsula Wildlife Refuge, the Becharof Refuge, the Kodiak National Wildlife Refuge, and the National Park concession contract in Aniakchak National Monument and Preserve.

[3:01:23 PM](#)

MR. KLUTSCH said in short, the justification for this system was for the benefit of the [wildlife] resources and the users. Despite the regulatory constraints of federal agencies, the quality of the experience on federal lands is far greater than it is on state lands. He asked to address Representative P. Wilson's question on accountability, which he said is done by an operations plan. He detailed the operations plan, which includes pre-season client rosters, the proposed take by species by date, and the assistant guides. The operations plan under the proposed GCP system would be administered by DNR, including a requirement for an operations plan and a post-season hunt record submitted to the BGCSB. In fact, this record provides all the data, including the hunters, the species hunted, and the dates of the hunt.

MR. KLUTSCH, addressing Representative Johnson's question on whether this would constitute a contract, said the federal agencies address this under permit stipulations, which says that nothing in the permit supersedes the Board of Game's authority to set seasons and bag limits.

MR. KLUTSCH offered his belief that the status quo is unacceptable. He suggested that without the preferred alternative [as proposed in HB 158], wildlife resources will diminish, which will primarily affect residents and subsistence users. He acknowledged the process to develop the concession program has been a long one, and his testimony has been repeated each year. In his view, everything that was predicted to happen has happened. In conclusion, he offered his belief that these problems can be fixed.

[3:04:14 PM](#)

MR. BILL STEVENSON, Registered Guide 661, stated he has been Alaska resident for over 50 years and registered guide for over 20 years. He related he has significant experience in GMUs 14A and 13D. He supported guide use areas on state lands, similar

to the federal guiding concession program. He said having a guide area does not represent an entitlement, but is something that must be earned. The catalyst for this current push is the overcrowding of guides in GMUs 13D and 14A in the Chugach Mountains. Prior to 2000, six guides operated in the aforementioned GMUs, which increased in 2008 to 38 guide operations.

MR. STEVENSON highlighted what he characterized as an almost "silent problem" which is the number of clients an air taxi takes into an area, Previously, only a few guides had their own airplanes so operators typically could avoid one another; however, now, one air taxi operator will take in over 50 clients on the ground at one time. Several air taxi operators have multiple aircraft, while others have a single operator with a Super Cub. In summary, he agreed a guide area system would be great to have in place, but the transporter issue must also be addressed.

[3:06:52 PM](#)

MR. STEVENSON said a few problems exist with the forms/permit applications that must be filled out. He emphasized that guides with concessions can act as stewards of the lands and wildlife, whereas with totally unregulated areas what happens is the mentality that if you do not do it, the next guy will. For example, if one air taxi doesn't drop clients off at an airstrip, the next one will. He characterized the overcrowding can be visualized as layers of transparencies with lines drawn for activity. Over time some lines get quite thick and pretty soon the entire transparency is blocked.

MR. STEVENSON specifically characterized the sheep populations in GMUs 14A and 13D as being a "perfect storm." After several difficult winters, sheep populations were down. Although hunters don't impact ewes and lambs, since they hunt rams, the ewes are affected by nature and eventually the ram population is decreased.

[3:10:17 PM](#)

MR. STEVENSON identified the four basic user groups as including Native, resident, air taxis, and guides. He described the Native use he is most familiar with as ones that use relatively small areas near villages and expand to nearby waterways. Typically, residents use the road system and ATVs, with some aircraft use. Air taxis and guides are commercial operators

have made significant investments and make a living from profit. He suggested one guide may have 10-15 clients, but many take fewer clients, although a few guides take out more clients. However, the smallest air taxi operator will take more clients to the field than any of the guides. He offered his belief that the proposed GCP proposal would limit the smaller of the two user groups. He estimated that non-resident hunters take about 10 percent of the game, but contribute about 80 percent of the revenues. He remarked that by and large, the guiding industry is comprised of "good" guides with a few "bad apples."

MR. STEVENSON emphasized that a guided client contributes far more revenue to Alaska than an unguided client. Overall, the larger air taxi operators may contribute more than guides, but the air taxi operators have a much larger footprint and impact. He offered his belief that a GCP would be a worthwhile program, but only if it will increase the quality of the experience for the guiding industry without leaving "the door open further for the air taxi operators."

[3:13:20 PM](#)

CO-CHAIR FEIGE held over HB 158 and announced public testimony would be taken March 13, 2013.

[3:13:27 PM](#)

#### **ADJOURNMENT**

There being no further business before the committee, the House Resources Standing Committee meeting was adjourned at 3:13 p.m.