

**ALASKA STATE LEGISLATURE  
HOUSE RESOURCES STANDING COMMITTEE**

April 10, 2013

1:07 p.m.

**MEMBERS PRESENT**

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

**MEMBERS ABSENT**

Representative Craig Johnson  
Representative Kurt Olson

**COMMITTEE CALENDAR**

HOUSE BILL NO. 161

"An Act relating to auctions or raffles for big game harvest permits and to the selection of nonprofit organizations to conduct auctions and raffles for the Department of Fish and Game."

- HEARD & HELD

**PREVIOUS COMMITTEE ACTION**

BILL: HB 161

SHORT TITLE: AUCTIONS FOR BIG GAME HARVEST PERMITS

SPONSOR(S): REPRESENTATIVE(S) GATTIS

03/11/13	(H)	READ THE FIRST TIME - REFERRALS
03/11/13	(H)	RES
04/10/13	(H)	RES AT 1:00 PM BARNES 124

**WITNESS REGISTER**

REPRESENTATIVE LYNN GATTIS  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** Testified as the prime sponsor of HB 161.

LINDA SYLVESTER, Staff  
Representative Lynn Gattis  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** Answered questions during the discussion of HB 161.

DOUG VINCENT-LANG, Acting Director  
Division of Wildlife Conservation  
Alaska Department of Fish & Game (ADF&G)  
Anchorage, Alaska

**POSITION STATEMENT:** Testified in support of HB 161.

CONRAD (CON) BUNDE  
Anchorage, Alaska

**POSITION STATEMENT:** Testified in support of HB 161.

GARY STEVENS, Member  
Board of Directors  
Alaska Outdoor Council (AOC)  
Chugiak, Alaska

**POSITION STATEMENT:** Testified during the discussion of HB 161.

AL BARRETTE, Board Member  
Alaska Outdoor Council (AOC)  
Fairbanks, Alaska

**POSITION STATEMENT:** Testified in opposition to HB 161.

WAYNE HEIMER  
Fairbanks, Alaska

**POSITION STATEMENT:** Testified in opposition to HB 161.

ROD ARNO, Executive Director  
Alaska Outdoor Council (AOC)  
Anchorage, Alaska

**POSITION STATEMENT:** Testified during the discussion of HB 161.

#### **ACTION NARRATIVE**

[1:07:30 PM](#)

**CO-CHAIR DAN SADDLER** called the House Resources Standing Committee meeting to order at 1:07 p.m. Representatives Seaton, P. Wilson, Tarr, Feige, and Saddler were present at the call to order. Representatives Tuck and Hawker arrived as the meeting was in progress.

**HB 161-AUCTIONS FOR BIG GAME HARVEST PERMITS**

1:07:52 PM

CO-CHAIR SADDLER announced that the only order of business would be HOUSE BILL NO. 161, "An Act relating to auctions or raffles for big game harvest permits and to the selection of nonprofit organizations to conduct auctions and raffles for the Department of Fish and Game."

1:08:32 PM

REPRESENTATIVE LYNN GATTIS, Alaska State Legislature, paraphrased from the following written comments [original punctuation provided]:

The Alaska Department of Fish & Game (ADF&G) operates several programs where big game permits for auction or raffle are donated to nonprofit sporting groups to support state wildlife management. Three separate auction programs are authorized in statute: Delta Bison, Etolin Elk and Big Game and the rules governing which organizations are eligible to operate the raffle or auction, the species and number of permits that are available, and disbursement of the proceeds differ for each program. Currently, the statutory framework governing the two most important programs -Delta Bison and Big Game -are so dated -groups have become ambivalent about participating.

HB 161 proposes changes to better align the programs with the objectives of the department and the nonprofit partners. As well, the bill increases the financial incentive for the Big Game program so that the outdoor or conservation groups approved to operate the auctions are able to recoup administrative fees and retain 25 [percent] of the net profits.

REPRESENTATIVE GATTIS said this is up from 10 percent. Anyone involved in fundraising understands that it takes money to fundraise, but 10 percent wasn't enough [to cover the administrative costs].

REPRESENTATIVE GATTIS continued to paraphrase from written comments [original punctuation provided]:

Nurturing and improving these public/private partnerships is foundational to the department's resource conservation scheme. This resource management model is based on set of principals known as the North American Model of Wildlife Management, which among numerous tools is a user-pay system of licensing fees. Around these principles, resource managers, sportsmen and women support wildlife and habitat conservation.

Using science as a management tool, the hunting community works in partnership with state agencies to set limits in order to protect what they love, foster ethical and competent hunting skills training and assume responsibility for the stewardship of the natural resources.

From this history the department established the donation of big game permits to empower hunting and fishing groups with some ownership of the cost of stewardship. HB 161 updates the programs to ensure that these public/private partnerships thrive into the future.

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REPRESENTATIVE GATTIS identified this as being one of the "contentious" parts of the bill. She expressed a willingness to work on the bill with the end result being a bill that works.

[1:11:34 PM](#)

REPRESENTATIVE GATTIS said the North American Model of Wildlife Conservation, which has not been adopted in Alaska, provides an interesting model. She stated that fish and wildlife are held in public trust and belong to all the people.

[1:12:22 PM](#)

REPRESENTATIVE SEATON pointed out the two basic principles of the North American Model of Wildlife Conservation. First, fish and wildlife are held in public trust and belong to all Americans. Second, the wildlife resources need to be managed in a way that their populations will be sustained forever. He wondered if increasing the number of permits under permit drawings would mean the wildlife will not be available to all Americans. He asked how that provision corresponds to satisfy the North American Wildlife Conservation model. In essence, he

offered his belief that the bill would increase the number of permits not available to the general public since those permits would be given to certain groups to auction off to their members.

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REPRESENTATIVE GATTIS asked for further clarification on the question.

REPRESENTATIVE SEATON restated that the North American Model of Wildlife Conservation states that fish and wildlife will be available to all Americans. It seemed as though the bill would take a larger number of animals out of the pool and designate the permits to an organization to be raffled off to a more limited group of users.

REPRESENTATIVE GATTIS said this bill specifically addresses the permits that can be raffled off. The proceeds would be used for conservation. The crux of the bill is to allow permits to be auctioned off to raise money for organizations.

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CO-CHAIR FEIGE referred to page 2, line 13-17 of HB 161, which read, as follows [original punctuation provided]:

[NOT BE USED TO MAKE A CONTRIBUTION TO ANY CANDIDATE FOR POLITICAL OFFICE OR TO ANY ORGANIZATION SUPPORTING OR OPPOSING BALLOT PROPOSITIONS OR TO PAY EXPENSES ASSOCIATED WITH LOBBYING THE LEGISLATURE OR ADMINISTRATION].

CO-CHAIR FEIGE asked for the reason the language was deleted. In response to a question on clarification, he again asked why the specific language was deleted.

REPRESENTATIVE GATTIS answered that the purpose is for conservation principles and not for political purposes.

[1:17:08 PM](#)

LINDA SYLVESTER, Staff, Representative Lynn Gattis, Alaska State Legislature, stated that the language amplifies the intent that of the program. This bill would stipulate that funds will only be allowed to support conservation projects and conservation education programs approved by the department. She

characterized the deletion as tightening up the language. Under the bill, the department will approve the activity and stipulate the purposes the funds can be used for. Additionally, the raffle proceeds were never intended to be used for political activity. Further, the deficiency in the original bill did not adequately convey the intent of the funds. Thus the language is being removed to make it very clear about how funds can be used.

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CO-CHAIR FEIGE pointed out that many of the hunting groups [who are awarded big game permits through raffles] make contributions to political candidates and hire lobbyists. He asked how the legislature would know without conducting audits about specific expenditures of raffle funds. He wondered how the legislature could enforce this provision and ensure that the receiving organization complies with the law.

MS. SYLVESTER stated that the department and the participating groups are available to testify.

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REPRESENTATIVE TUCK commented that the language would limit the scope.

[1:19:12 PM](#)

REPRESENTATIVE P. WILSON referred to page 2, lines 11-12. She asked whether the language which read, "The percent of the proceeds from the auction or raffle of a big game harvest permit retained by the organization may be used only to support conservation projects and conservation education programs approved by the department ...." She questioned whether "may" should be replaced with "shall" since "may" is more permissive.

MS. SYLVESTER answered that "may" was the language used in the original statute. She noted that the sponsor of the original program is currently a Co-Chair of the committee and may be able to speak to that aspect.

CO-CHAIR SADDLER said he did not specifically recall.

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REPRESENTATIVE HAWKER referred to the drafting manual, which specifies how language is used in bills. He said there have

been numerous arguments about the distinctions between "may" and "shall" but the legislative manual merely contains drafting conventions. He recalled that one time the legislature changed the language in a bill to "shall" but the revisor changed it back to "may."

REPRESENTATIVE SEATON pointed out the prior language indicated it "may" not be used, which is very specific and means it cannot be done. He said "may not" means a person cannot do something. Additionally, "may be used only" has a different connotation. He indicated the legislative drafters often change language.

[1:22:04 PM](#)

DOUG VINCENT-LANG, Acting Director, Division of Wildlife Conservation, Alaska Department of Fish & Game (ADF&G), said that the existing governor's tag program provides essential revenue and partnership opportunities for wildlife management and conservation in Alaska. He reported that funds generated by the program are used as match to the federal [Pittman-Robertson Wildlife Restoration program] to conduct research on largely for big game projects. In fact, this information has been used to inform management and long-term conservation of these species. It also allows the department to partner with other entities that have mutual conservation goals and objectives. He offered the department's belief that this has been a very successful program and one it does not wish to lose. However, it may be time to "tweak" the program with an eye towards improving it. This bill would make some minor changes that will build upon the success of the existing program. Further, the department believes the bill will augment wildlife conservation in Alaska and improve conservation partnership opportunities across the state. Finally, the bill would help ensure that funds are spent on projects that support the North American Wildlife Model, a model that has a proven record of success in wildlife conservation in the U.S. and in Alaska. However, this model has been under recent increased attacks.

MR. VINCENT-LANG said he has been working with the bill's sponsor and understood several modifications are being considered to further enhance this bill. He said he would be happy to discuss the potential changes with the committee.

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REPRESENTATIVE TARR observed the ADF&G's fiscal note lists the organizations that would no longer be eligible. She said,

[referring to page 2, line 10], that after doing the math it appears that the change in the amount of the proceeds from 10 to 25 percent would result in a loss of \$70,000 in revenue to the state. She asked how the department would manage with the loss of revenue.

MR. VINCENT-LANG acknowledged that it was difficult to put together an estimate for the fiscal note. He suspected that as organizations gain permits and are able to keep a greater percentage, the result will be that the organizations would potentially enjoy greater proceeds. He characterized this as balancing out any potential losses resulting from the organization retaining the additional [15] percent in proceeds. Incidentally, he also believed that some of the Lower 48 organizations included in the fiscal note would likely incorporate their organizations in Alaska in order to become eligible to gain permits. Finally, the number of permits will increase from [two to four] under the bill, which will probably result in increased revenue. He estimated that the net result would be a "wash" or potentially result in increased revenue to the department. While it's difficult to estimate the effect of the bill with any degree of accuracy, he did not think the department would lose any revenue.

[1:26:00 PM](#)

REPRESENTATIVE TARR, with respect to organizations incorporating in Alaska, understood that the department would use the funds to support conservation projects and conservation education programs. She surmised that the out-of-state organizations would become knowledgeable about Alaska's conservation issues such that the department could work with them to develop appropriate education plans.

MR. VINCENT-LANG considered this aspect as being one of the good benefits of the changes being proposed. The bill would allow the department to work in partnership with organizations being awarded or issued big game tags to ensure that programs being conducted are in the best interests of the state. Specifically, this bill would provide the department with the opportunity to define criteria "upfront" so the organizations will have a good understanding of the programs being conducted and how it will benefit wildlife conservation and education efforts across the state.

[1:27:10 PM](#)

REPRESENTATIVE SEATON recalled Mr. Vincent-Lang previously testifying that the funds have been used for wildlife conservation. He referred to page 1, line 10 of the bill and asked whether the partnership currently promotes fish and game law enforcement. He further asked whether the funds are being used for that purpose.

MR. VINCENT-LANG answered that different programs are conducted under the "tag" program. First, the ADF&G currently donates a single Delta bison permit to an organization that promotes law enforcement. However, the department has had difficulty in awarding the bison permit since no single entity wants to take the tag, raffle it off, and designate the proceeds to fish and game law enforcement. In fact, the department has unsuccessfully been attempting to conduct the raffle for years. Basically, Section 1 of the bill would change this to allow the ADF&G to donate one bison and one Dall sheep to an organization requiring the proceeds to be used to promote outdoor and conservation programs in partnership with the department. This could potentially include law enforcement, as well as other activities. He emphasized that the goal is to use the donations from the raffle to benefit the conservation programs.

[1:28:53 PM](#)

REPRESENTATIVE SEATON referred to proposed Section 2 of HB 161, which would increase the harvest permits being raffled off from two to four permits, which also will include Dall sheep, bison, and other species. He asked whether the intent is to have five Dall sheep permits and bison and four harvest permits designated for each of the other species listed.

MR. VINCENT-LANG answered that Section 1 would award one bison and one Dall sheep to a non-profit organization that would use all the proceeds for outdoor and conservation programs. However, Section 2 would award up to four harvest permits for a wide range of big game species. He acknowledged that this provision could result in up to five Dall sheep permits under the program and five bison permits.

[1:30:07 PM](#)

REPRESENTATIVE SEATON asked what percentage of the permits will be issued.

MR. VINCENT-LANG replied he did not have the figures before him and offered to get back to the committee with that information.

1:30:30 PM

CO-CHAIR SADDLER asked whether the programs [in Section 1 and 2] could be combined. He understood that sometimes language develops over time.

MS. SYLVESTER answered that the sponsor considered combining all the programs into one. She pointed out that one group takes advantage of the small program for Etolin elk and derives all of the proceeds for its program. Thus combining the programs would result in a loss of income to the one organization that would normally benefit from the raffle. She indicated it makes sense to keep the programs separate. In response to a question, Ms. Sylvester indicated that Etolin Island is in Southeast Alaska near Petersburg. She reported that the Petersburg Archery Club is the only group that consistently applies for the Etolin elk permit. Further, the auction otherwise has little interest and the raffle typically goes for \$700, which is a small amount.

1:32:18 PM

CO-CHAIR FEIGE asked for the criteria that will be used to determine which organization will qualify for the program.

MR. VINCENT-LANG said the department would be most interested in research programs that will add to the understanding of the management needs for the species or the life-history characteristics of the species. Further, the department would be interested in those organizations that would contribute to outdoor education and hunter heritage programs. He expressed concern that hunter heritage is being lost across the state.

MR. VINCENT-LANG said to the extent that the department can partner with different groups helps to ensure an increased understanding about the value of hunting and participating in hunting, which would be a good thing. He concluded those would be the types of things that would be included in an agreement prior to issuing a raffle permit.

MR. VINCENT-LANG added the requirement would indicate via an "upfront" agreement that the money cannot be used to make a contribution to any candidate for political office or to pay for lobbying expenses. In response to a question, he said this prohibition would be written into the agreement at the time the "tag" is issued to the organization.

[1:34:20 PM](#)

CO-CHAIR SADDLER asked whether there would be any advantage to combining the two programs outside the Etolin Island program.

MR. VINCENT-LANG offered his belief that the reason the programs are separate is that 100 percent of the proceeds of the first category - which is the bison and sheep permit - can be given to the organization. However, the department would receive 75 percent of the proceeds from the other program, so it's really an allocation decision.

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CO-CHAIR SADDLER asked whether there any shorthand term used for the programs.

MR. VINCENT-LANG responded that he calls them Section 1 permits and Section 2 permits, with Section 1 permits being donated permits and Section 2 permits being permits issued on a 75/25 percent allocation. He characterized the difference as being donated versus issued permits.

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REPRESENTATIVE TARR asked him to describe the Memorandum of Agreement (MOA) process and whether the department works with the same groups year after year.

MR. VINCENT-LANG said his hope is to enter into a Memorandum of Agreement process that would raffle off to a law enforcement group. He also hoped the department could work with another group, the Outdoor Heritage Foundation, which is the department's official foundation and is one that shares the values the department values. While the department would not limit the raffle to any groups, it would carefully consider groups that the department envisions as being good partners in the future.

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REPRESENTATIVE TARR understood that to implement the bill the department would not need to draft regulations so the director would make decisions about the program. She asked whether the bill provides enough clarity for the director to proceed. She imagined a larger pool of applicants would be had under the bill.

MR. VINCENT-LANG answered that he has been through the process twice as the director. He offered his belief that the bill contains enough flexibility to allow him to write criteria to expand the applicant pool and raise more revenue for the program, which he identified as one real benefit of the program. Additionally, he said having discretion makes it easier and possibly gives greater certainty to the people being issued the permits. Finally, the ADF&G would receive a product or partnership that works for the department.

[1:38:33 PM](#)

REPRESENTATIVE P. WILSON inquired as to whether the criteria will be standard criteria for qualifications.

MR. VINCENT-LANG answered the department would want to have some discretion to tailor the program capacities and skills but still have some baseline foundations to ensure the funds aren't being used in ways that are not in the best interests of the department. For example, if the department awarded a permit to the North American Sheep Foundation that he would envision the benefits would be used for sheep management and sheep hunting rather than for caribou or bison. He said the department would want the flexibility to craft this type of criteria into the agreement. Again, the department would want to ensure that funds did not go to political contributions, regardless of the organization. Again, if a permit is issued to a bison group, he would want to ensure that bison are benefitted. Similarly, if a group focused on outdoor hunter heritage and education programs, he would hope that proceeds would be used for those types of programs rather than ones in which the group has little expertise.

REPRESENTATIVE P. WILSON said that was exactly what she wanted to hear on record that there were some base criteria for the [big game harvest permit raffle] agreement.t

[1:40:50 PM](#)

MS. SYLVESTER explained the first program, the Delta Bison program, which will be modified under the bill, is one that retains 100 percent of the proceeds. She explained that the participating group has developed a comprehensive effort to encourage hunter training, ethical hunting practices, and outdoor women skills. This group has worked with the ADF&G to identify the department's needs and determine how to advance

hunting and fishing. Finally, license fees are deposited directly to the department. The second program, the big game program, is smaller so these groups are doing something on a smaller scale. Under the second program, the department will allow the group to retain the funds and must agree on how the funds will be used. She concluded that everyone has been working together to reach common goals.

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CO-CHAIR FEIGE asked whether the department requires organizations to be of a certain size. It seemed to him anyone could file paperwork and set up a non-profit organization.

MR. VINCENT-LANG answered that the participating organization would need to be incorporated in the state prior to being considered; however, the department would evaluate the applicant in terms of their ability to deliver terms.

[1:43:43 PM](#)

CO-CHAIR SADDLER referred to the Section 2 permits, and asked how many of the harvest permits are actually issued and the allowable "take" that is allowed under the permits.

MR. VINCENT-LANG answered there has not been significant interest in wolf or in caribou. He pointed out the species people are most interested in are grizzly bears, moose, Dall sheep, bison, and musk ox. In most instances, this would result in a small percentage of the opportunity; however, the department does try to find hunts of interest. Typically, the numbers are small, compared to the overall opportunities. He added that people could still apply and it would represent yet another opportunity for them to take an animal. Again, overall the total number is a small number, he said.

[1:45:19 PM](#)

CO-CHAIR SADDLER asked what kinds of restrictions are on the permits.

MR. VINCENT-LANG answered that the permits are restricted to the current hunting season and the current limitations set by the Board of Game (BOG). He referred to Section 2, on page 2, line 27, which would allow the commissioner to set some of the terms of the permits. He hoped the department would be able to work with the BOG to allow the department additional discretion on

the permits. For example, perhaps the BOG would allow the permittee an opportunity to hunt a day or two early or after the season. He pointed out one of the difficulties is some of the hunts are required to be guided hunts so the big game guide needs to be available, which is generally before or after their regular season.

[1:46:40 PM](#)

REPRESENTATIVE SEATON referred to page 2, line 5, of HB 161, which discusses conducting an auction or raffle. He wondered if the language specifies that the raffle must be offered to the public or can this can be limited to the membership of the organization.

MR. VINCENT-LANG responded that the department would leave that up to the organization and because the nature of the effort is fundraising and most organizations will try to sell to the broadest group possible to raise the most amount of revenue.

[1:47:23 PM](#)

REPRESENTATIVE SEATON referred to line page 2, line 19, of HB 161, which requires that funds "shall" be deposited in the fish and game fund, except for the amount being withheld and used to support conservation projects or education. He asked whether the funds could be used for other purposes such as the fisheries conservation program.

MR. VINCENT-LANG answered that the proceeds must be deposited into the fish and game fund due to diversion issues; however, he agreed that the proceeds could be used for any division. Surely, he hoped the commitment would be that if a big game tag is being auctioned off that the funds would be used to benefit wildlife management across the state instead of a different conservation program.

[1:48:41 PM](#)

REPRESENTATIVE SEATON asked whether it would be acceptable for the receiving organization to specifically use it for wildlife conservation.

MR. VINCENT-LANG answered yes. He indicated an acceptable purpose would be to use funds for wildlife conservation.

[1:49:10 PM](#)

CO-CHAIR SADDLER referred to page 3, line 10, of HB 161, which refers to the judgment of the department that the qualified organization demonstrates support for the North American Model of Wildlife Conservation. He inquired whether the department is comfortable making that type of judgment or if it needs further definition.

MR. VINCENT-LANG replied he is very comfortable with making that determination. He indicated the North American Model of Wildlife Conservation really has been a model of wildlife management that is a user-based pay system. He said it really has led to the successful restoration of fish and game resources across our nation and in Alaska. In fact, the division uses this model to base its wildlife conservation program. Thus, he is not only comfortable with the model, but he supports ensuring that the model continues to be a basis for wildlife management in the state. He predicted that if the state were to lose the user-pay based system over time, the state would lose its ability to have a vibrant conservation program across the state. He understood several definitions exist and one consideration the sponsor has contemplated is actually placing the specific principles into statute; however, he feels comfortable making those types of decisions on a daily base.

[1:50:42 PM](#)

CO-CHAIR SADDLER understood he bases his management practices on the North American Model of Wildlife Conservation, but there is not any obligation for a new director to do the same.

MR. VINCENT-LANG answered yes.

CO-CHAIR SADDLER asked whether there would be value in placing the specific requirement in statutory definitions.

MR. VINCENT-LANG answered yes.

[1:51:08 PM](#)

REPRESENTATIVE TUCK inquired whether the group would need to have a [Department of Revenue] gaming license to auction off a raffle.

MR. VINCENT-LANG answered yes.

[1:51:45 PM](#)

CO-CHAIR SADDLER, drawing attention to page 2, line 19, of HB 161, asked for the current balance of the fish and game fund and the typical use of the fund.

MR. VINCENT-LANG answered that the current balance of the wildlife portion of the fish and game fund is from \$3 to \$4 million. The funds are used as matching funds for the Pittman-Robertson fund, which is derived from federal taxes on gun sales, ammunition, and gear used by hunters. The [fish and game] fund is used to fund most of the wildlife stock assessments and populations, as well as for research to inform management and the Board of Game to ensure sustainability of those populations. Additionally, the fund is used for outdoor hunter education programs and to ensure hunter area aspects important to the division. Basically, the fish and game fund is used to match the Pittman-Robertson fund in Alaska.

[1:53:02 PM](#)

CO-CHAIR SADDLER inquired whether the division has expanded its efforts for game management to watchable wildlife - in addition to those that are hunted - and if so, how the division would capture money from those persons.

MR. VINCENT-LANG responded that [watchable wildlife] has been "on the books" for a long time. The Congress has tried to hone in on the user group by taxing a wide-variety of outdoor gear and other equipment. However, the department eventually gave up on that aspect and instituted a program called the state Wildlife Action Grants. This specific program examines species not targeted by hunters to ensure they remain common in state. However, the department faces some challenges in this approach since it does not want to use [comingled] hunter dollars from gear proceeds. He suggested several measures have considered various ways to tax outdoor gear and binoculars; however, none of those bills have passed. He said that making sure that species that aren't hunted remain common and don't become targets of the Endangered Species Act listings remains a challenge for the state. He has worked to provide sufficient funds to ensure that negative effects on the ability to hunt are not encountered.

[1:54:36 PM](#)

CO-CHAIR FEIGE referred to page 2, line 2, of HB 161, noting goat and elk have been added to the species. He asked whether elk are found on other areas than Etolin Island.

MR. VINCENT-LANG answered that elk are also found on the north side of Kodiak Island.

[1:55:04 PM](#)

CO-CHAIR FEIGE referred to AS 16.05.343 (d), to auctions and raffles that are not changed under the bill, which read [original punctuation provided]:

(d) Auctions and raffles of harvest permits authorized under this section are not subject to AS 05.15.

REPRESENTATIVE FEIGE pointed out that AS 05.15 relates to games of chance or skill. Thus he assumed the parties would not need a gaming license.

MS. SYLVESTER said that Section 4 repeals subsection (b).

CO-CHAIR FEIGE clarified he was referring to subsection (d). He said that subsection (b) speaks to the elk on Etolin Island.

[1:56:45 PM](#)

REPRESENTATIVE TARR asked whether this bill would repeal Etolin Island. She asked whether the consolidation is actually already being addressed.

[1:57:15 PM](#)

MS. SYLVESTER offered her belief that provision refers to the gaming.

CO-CHAIR SADDLER restated the question, which is that AS 16.04.343 (b) refers to the Etolin Island hunt and Representative Tarr's question is whether the sponsor intends to eliminate that section of the bill.

[1:57:40 PM](#)

MS. SYLVESTER answered that the intention is not to repeal the Etolin Island elk hunting program. She offered her belief that

Section 4 refers to whether the program is subject to the gaming provisions. She deferred to Mr. Eddie Grasser to answer.

CO-CHAIR suggested that this be worked on over the legislative interim.

[1:58:13 PM](#)

CO-CHAIR SADDLER opened public testimony on HB 161.

[1:58:52 PM](#)

CONRAD (CON) BUNDE stated he is testifying on his own behalf as a long time Alaskan and hunter [Mr. Bunde previously served as an Alaska State Senator]. He offered his support for the committee substitute for HB 161. He said he was the original author of the governor's tag bill, which he supported due to the results of similar programs in other states. He explained that in those states substantial amounts of money were generated for fish and game management as well as for non-profits interested in promoting outdoor sports hunting and fishing. It seemed like a "win-win" to him since hunters of means or philanthropists are willing to contribute a substantial amount of financial support for their opportunities to hunt and fish in the U.S., in particular, since this type of hunting is not available in many other countries. He has been a member of number of these organizations that support and promote wise use of wildlife resources and hunting and fishing. These organizations are able to generate additional hunting opportunities for the public as well as funds to continue their activities through the raffle process.

[2:01:32 PM](#)

MR. BUNDE mentioned one such organization, the Rocky Mountain Elk Foundation, contributes tens of millions of dollars to habitat restoration throughout the Lower 48. He mentioned a number of other organizations feel an obligation to give back to the state.

MR. BUNDE, after reviewing the proposed legislation and the proposed committee substitute [not yet offered], had some suggestions. He suggested that the proposed committee substitute would generate even more money than in the past.

MR. BUNDE mentioned that the first Dall sheep governor's "tag" that was sold generated over \$250,000. The interest has not

been at that volume, since it was the first instance; however, he has heard [anecdotally that interest in permits] would increase if the proposed changes in HB 161 are adopted.

2:04:10 PM

REPRESENTATIVE SEATON understood that under HB 161, the department could auction the permits or the ADF&G could choose an organization to conduct the auction. He asked whether any issues exist if the department offers an auction and retains the entire proceeds to benefit the species. He further asked whether the intention would be to have a selected organization auction the permit or if it should be limited to the department.

MR. BUNDE said he supports the department to have options to have an organization hold the auction for two reasons. One, not all tags generate interest in a particular year. For example, the Etolin elk hunt is a difficult hunt that would likely generate little interest. The department may wish to offer the auction based on receiving a percentage of the proceeds rather than none. Two, based on his prior experience as a state senator, it seemed that ADF&G would not have the time to conduct an auction. Finally, he thought the department would act as "a good neighbor" and "sitting" on the permits wouldn't be "a good neighbor" if other interest existed.

2:07:44 PM

GARY STEVENS, Member, Board of Directors, Alaska Outdoor Council (AOC), provided a brief background, including that he has been a resident for over forty years, serves as a life member of the National Rifle Association (NRA) and the Alaska Chapter of Wild Sheep. He also holds memberships with other wildlife organizations, including the Safari Club International (SCI). He said the intent of HB 161 is good; however, he expressed concern with the inclusion of the North American Model of Wildlife Conservation's provision that "sound science" is essential to managing fish and wildlife. While he believed that "sound science" represents the ultimate goal in utilization of managing Alaska's wildlife resources, he said the organization does not believe that "sound science" is actually what currently exists. In fact, some unintended consequences could occur by placing that reference into statute, he also said.

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MR. STEVENS related other board members have expressed concern on how this bill would affect trapping. He said that the large scale commercial sale of wildlife or anatomical parts of wildlife is discouraged to ensure the sustainability of wildlife populations. He requested more time and information to research and allow for more public input on the bill.

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CO-CHAIR SADDLER asked whether he was speaking formally for the AOC.

MR. STEVENS answered yes.

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CO-CHAIR SADDLER indicated work on HB 161 during the legislative interim will allow time for the public process and to have discussions on the North American Model of Wildlife Conservation and any issues it may raise.

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AL BARRETTE, Board Member, Alaska Outdoor Council (AOC), stated he is representing himself today and is a life member of the Alaska Trapper's Association. He described his involvement with the fish and game process as being "highly involved." He predicted that the bill, as written, would adversely affect his family - that his family would become homeless - since it would eliminate the "large scale sales of wildlife and their parts." He advised members that his entire income revolves around wildlife resources in Alaska. He expressed further concern that under the bill he could not sell wild furs or possibly the sale of skins, hides, capes, antlers, or horns. He maintained that "sound science" is a matter of acoustics not wildlife management. In fact, the state tries to achieve "sound science" but the Board of Game and ADF&G must use the best science it has.

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MR. BARRETTE questioned the ADF&G being able to issue an additional four Dall sheep permits with a total of five permits for Dall sheep and bison. He stated the AOC and residents have spent many hours testifying and lobbying the Board of Game for additional opportunities for residents to no avail. Further, Dall sheep and bison are managed on a sustained-yield basis so

one additional permit doesn't always exist. According to the ADF&G's drawing hunt supplement located on department's website, currently half of the brown bear, Dall sheep, bison, musk ox, and mountain goat permits have less than five permits issued. He expressed concern that the bill would increase the total permits to five. He offered his belief that people would need to be involved in the Board of Game process in order to fully understand the impact of issuing one extra permit for the Chugach Dall sheep hunt. He predicted the bill would be highly contentious since many resident hunters seek to hunt Dall sheep in the Tok Management Area or bison in the Chitina Bison hunt. He stated that these are highly sought out permits by Alaskans.

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REPRESENTATIVE TUCK asked for further clarification on his comments about being prohibited from selling furs or antlers. He asked whether his comments were general in nature or if he was referring to the bill.

MR. BARRETTE referring to page 3, line 20, to subsection (c) of the committee substitute for HB 161 [not in members' packets] which relates to large scale commercial sale of wildlife part is prohibited due to the sustained-yield principle.

CO-CHAIR SADDLER said Mr. Barrette is referring to a draft version of the bill that has not been adopted and is not before the committee. He indicated these issues will be discussed during the legislative interim.

MR. BARRETTE apologized for referencing the draft document [since the committee members do not yet have the draft committee substitute (CS)].

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WAYNE HEIMER began by relating his previous experience, including that he worked as a Dall sheep research and management biologist with ADF&G for over 20 years. Additionally, he previously has worked on federal and state issues for five years, and served on the Wild Sheep Foundation board, which is formerly known as the Foundation for North American Wild Sheep for nine years.

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MR. HEIMER said he is familiar with how permits are obtained, marketed, sold, and the types of people who buy them. He suggested that the committee be very cautious about HB 161. He offered his belief that intuitively it seems like the right thing to do and the intentions are good. He expressed concerns that he characterized as being in two categories, conceptual and practical. Practically speaking, the assumption would be that since the permitting system has worked well, that the department could do even better if more permits occurred.

MR. HEIMER said he was unsure that what currently exists is "all that broken." He considered the amount of money the Dall sheep permit has generated since its inception with the federal matching funds, which he said is about \$7 million. He also reviewed the fiscal note analysis and said the \$1.7 million, which includes the federal matching funds, comes almost completely through sheep-associated outfits or the [fees from hunting] sheep. One of the things that make an auction a good auction is that two-bidders participate. Secondly, part of what makes special permits sell is that it is special so hunters anticipate as the buyers, they will have a special experience. Thus, he questioned the notion that the revenue would be as high for additional permits. He further questioned the reason there are not any costs for this program and if the number of permits is substantially increased why there will not be any costs to the department. He concluded that just because the program has worked well in the past does not mean it will continue to do so.

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MR. HEIMER highlighted the conceptual issues with HB 161. First, the North American Wildlife model is expansive, since it applies primarily to the U.S. and does not have much relevance to Canada. He pointed out that Gifford Pinchot, Canada, worked with President Teddy Roosevelt and "made it up." Second, it's a set of principles which pertain to democracy and fairness; however, he suggested that the relevant principles that are important in Alaska are already in Alaska's Constitution and its statutes. Third, some of the simple things that raise his concern are wording changes, such as from "sustained yield" to "sustained use." He explained that "sustained yield" comes down to food for human food, but "sustained use" can be anything.

MR. HEIMER expressed concern about Section 1 of the bill. He said if he were in Director Vincent-Lang's shoes that he would love the idea of creating a special use fund and decide would be spent on things of his interest if it the expenditures did not

relate to production of wildlife for harvest. Hunter Heritage has been mentioned considerably through the discussion. Years ago, when he first argued for the permit system, ADF&G was opposed since it would make obligated funds. Subsequently, the ADF&G has embraced it and now it seems that the concept has evolved to the point that the department would like obligated funds on a selected basis. He cautioned that it seems like "special interest legislation, which makes him a little nervous.

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ROD ARNO, Executive Director, Alaska Outdoor Council (AOC), explained the AOC is an umbrella organization with 49 clubs statewide and approximately 9,000 members. He said in his capacity as executive director that he has had many opportunities to speak to sportsmen throughout the state and his comments are based on that interaction. First, fish and game enforcement is extremely important and this bill would undermine fish and game enforcement. The Alaska State Troopers have a volunteer enforcement program called the "Fish and Wildlife Safeguard Program" that operates similar to the "Crime Stoppers" program. He offered his belief that this program needs to be "nurtured not murdered." He said the Fish and Wildlife Safeguard program has been dormant for some time, but the AOC has been working jointly with individuals to rejuvenate it.

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MR. ARNO said, secondly, that this legislation is an opportunity for the legislature to strengthen the accounting, transparency, and controls. He said that it is critical to be able to tell Alaskans where the money is being spent. The AOC has auctioned off permits, including Delta bison permits and in fact, an auction is currently underway. He understood the funds would be directed to the Fish and Wildlife Safeguard program; however, he questioned the accountability that the money was directed to the enforcement via the Fish and Wildlife Safeguard Program. Meanwhile, the AOC has not spent its portion of the raffle proceeds since it would like to see the funds go to the Fish and Wildlife Safeguard program. He hopes that the legislature will rejuvenate the program. He concluded that the department needs to be held strongly to reporting systems.

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MR. ARNO outlined his third concern, which is that the principles of the North American Model of Wildlife Conservation

have not been put into any states' statutes, as far as he knows, since these principles evolve over time. The points in the committee substitute, not yet before the committee, are not the definitive principles from the North American Model for Wildlife Conservation. He reported his belief that the Wildlife Society - an organization of professional wildlife personnel in the U.S. - and the Boone & Crockett [Club] worked together in 2006 to develop the seven points of the North American Model of Wildlife Conservation.

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MR. ARNO said this [model] has nothing to do with fish; it has to do with trophy hunting of big game. He cautioned against picking out certain pieces and defining it as the model. The proposed bill directs the department to follow the North American Model of Wildlife Conservation; however, he did not believe a "definitive" of the model exists. He highlighted that the proposed committee substitute, not yet before the committee, is quite different from the North American Model of Wildlife Conservation. He indicated that the AOC has a willingness to work with the sponsor of HB 161 during the legislative interim. Finally, he questioned giving away Alaska's very high quality wildlife resource that the public wants, which is a big issue. In fact, at last year's Board of Game meeting, 24 proposals were on the agenda to limit the opportunity for non-residents to hunt Dall sheep or that would give residents a head-start on hunting. He understood the director basically decides who will get the permits. He highlighted that the department would be giving away a public resource which Alaskans would like to have an opportunity to hunt, with little accountability, at a time when the harvestable surplus is about half what it has historically been.

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REPRESENTATIVE SEATON recalled previous testimony that indicated if the department auctions off four times the number of permits, the value may go down. He asked for comments on that statement.

MR. ARNO responded that most of the tags have been awarded to the Wild Sheep Foundation or Safari Club International, which are national and international trophy hunting organizations. He said a lot of trophy mounts are on display at these organization's banquets whereas the AOC is comprised of "meat" hunters. Therefore, when the AOC raffles off its permits, people pay between \$5-20, which is a limited group, whereas the

national organizations have a demand. He surmised the five tags would draw a lot of money for the fish and game fund.

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CO-CHAIR FEIGE posited that Mr. Arno is saying on one hand not to give away as many permits since it will take away the public's use, but on the other hand the permits will raise more money for fish and game programs in Alaska by auctioning off the permits to outside groups.

MR. ARNO replied that what the co-chair said pretty much targets his concern with this legislation. He offered his belief that one aspect is the fish and game fund will need additional funding to match the Pittman-Robertson fund to obtain funds for the state. He said this bill is trying to find another funding source for the fish and game fund, which is good; however, the AOC wants accountability. His constituency needs to know the five sheep are being auctioned for a very good reason, which is to obtain matching federal funds so the department can research the science that allows for intensive management to result in a greater harvestable surplus.

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CO-CHAIR FEIGE asked whether he would be advocating for a reserved bid on permits.

MR. ARNO answered that is a good possibility and something the AOC would be interested in considering pursuing.

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REPRESENTATIVE TARR asked whether the AOC has 40 organizations under its umbrella.

MR. ARNO answered that is correct. For example, the organization in Juneau would be the Territorial Sportsmen and in Fairbanks, the Tanana Valley Sports Association and the Outdoor Access Club. He did not believe any of their members are out-of-state members, noting the members are all residents.

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CO-CHAIR SADDLER held public testimony open on HB 161.

[2:31:53 PM](#)

REPRESENTATIVE GATTIS stated that Mr. Arno [AOC] and Mr. Grasser [SCI] both reside in the Matanuska-Susitna valley and Mr. Arno is her constituent. She reiterated that the intent of the bill is to be able to fund [the fish and game fund]. She agreed the funding mechanism is important and noted the valid point regarding accountability. She offered to continue to work on HB 161 during the legislative interim.

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[HB 161 was held over.]

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#### **ADJOURNMENT**

There being no further business before the committee, the House Resources Standing Committee meeting was adjourned at 2:32 p.m.