

ALASKA STATE LEGISLATURE
SENATE RESOURCES STANDING COMMITTEE

April 2, 2014

3:31 p.m.

MEMBERS PRESENT

Senator Cathy Giessel, Chair
Senator Fred Dyson, Vice Chair
Senator Peter Micciche
Senator Lesil McGuire
Senator Hollis French

MEMBERS ABSENT

Senator Click Bishop
Senator Anna Fairclough

COMMITTEE CALENDAR

COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 161(RES)

"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."

- MOVED SCS CSHB 161(RES) OUT OF COMMITTEE

COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 268(FIN)

"An Act relating to big bull moose derbies and the Snow Town Ice Classic; and relating to permits for games of chance and contests of skill."

- HEARD & HELD

HOUSE JOINT RESOLUTION NO. 30 am

Requesting that the federal government and the United States Secretary of the Interior reconsider the Izembek Land Exchange decision and approve the Izembek Land Exchange, allowing the residents of King Cove to have road access to the Cold Bay Airport for critical health and safety reasons and to improve the quality of their lives.

- MOVED OUT OF COMMITTEE 3/31/14

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
04/10/13 (H) Heard & Held
04/10/13 (H) MINUTE(RES)
02/19/14 (H) RES AT 1:00 PM BARNES 124
02/19/14 (H) Heard & Held
02/19/14 (H) MINUTE(RES)
02/24/14 (H) RES AT 1:00 PM BARNES 124
02/24/14 (H) Moved CSHB 161(RES) Out of Committee
02/24/14 (H) MINUTE(RES)
02/26/14 (H) RES RPT CS(RES) 5DP
02/26/14 (H) DP: JOHNSON, OLSON, SEATON, SADDLER,
FEIGE
03/03/14 (H) TRANSMITTED TO (S)
03/03/14 (H) VERSION: CSHB 161(RES)
03/05/14 (S) READ THE FIRST TIME - REFERRALS
03/05/14 (S) RES
03/21/14 (S) RES AT 3:30 PM BUTROVICH 205
03/21/14 (S) Heard & Held
03/21/14 (S) MINUTE(RES)
03/29/14 (S) RES AT 10:00 AM BUTROVICH 205
03/29/14 (S) -- MEETING CANCELED --
04/02/14 (S) RES AT 3:30 PM BUTROVICH 205

BILL: HB 268

SHORT TITLE: BIG BULL MOOSE DERBIES; SNOW TOWN ICE CL.

SPONSOR(S): REPRESENTATIVE(S) T.WILSON

01/21/14 (H) READ THE FIRST TIME - REFERRALS
01/21/14 (H) RES, FIN
02/03/14 (H) RES AT 1:00 PM BARNES 124
02/03/14 (H) Heard & Held
02/03/14 (H) MINUTE(RES)
02/07/14 (H) RES AT 1:00 PM BARNES 124
02/07/14 (H) Moved CSHB 268(RES) Out of Committee
02/07/14 (H) MINUTE(RES)
02/10/14 (H) RES RPT CS(RES) NT 6DP 1AM
02/10/14 (H) DP: JOHNSON, HAWKER, SEATON, P.WILSON,
OLSON, SADDLER
02/10/14 (H) AM: KAWASAKI
02/26/14 (H) FIN AT 1:30 PM HOUSE FINANCE 519
02/26/14 (H) Moved CSHB 268(FIN) Out of Committee

02/26/14 (H) MINUTE(FIN)
02/28/14 (H) FIN RPT CS(FIN) NT 3DP 6NR
02/28/14 (H) DP: NEUMAN, THOMPSON, T.WILSON
02/28/14 (H) NR: GUTTENBERG, HOLMES, GARA, MUNOZ,
COSTELLO, STOLTZE
03/26/14 (H) TRANSMITTED TO (S)
03/26/14 (H) VERSION: CSHB 268(FIN)
03/26/14 (S) READ THE FIRST TIME - REFERRALS
03/26/14 (S) JUD
03/26/14 (S) JUD REFERRAL REMOVED
03/26/14 (S) RES, FIN REFERRALS ADDED
03/26/14 (S) RES WAIVED PUBLIC HEARING NOTICE, RULE
23
03/29/14 (S) RES AT 10:00 AM BUTROVICH 205
03/29/14 (S) -- MEETING CANCELED --
04/02/14 (S) RES AT 3:30 PM BUTROVICH 205

WITNESS REGISTER

LINDSAY WILLIAMS, staff to Senator Giessel and the Senate
Resources Committee, Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Explained the committee substitute (CS) to
HB 161.

REPRESENTATIVE GATTIS
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Sponsor of HB 161.

REID HARRIS
Staff to Representative Gattis
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Explained the changes to HB 161 for the
sponsor.

WAYNE HEIMER, representing himself
Fairbanks, Alaska

POSITION STATEMENT: Opposed HB 161 unless it gets a Judiciary
Committee referral.

KAREN GORDON, representing herself
Fairbanks, Alaska

POSITION STATEMENT: Suggested that HB 161 be killed or sent to
the Finance Committee for due diligent consideration because of
its impossible zero dollar fiscal note.

RON SOMERVILLE, lobbyist
Territorial Sportsmen
Juneau, Alaska
POSITION STATEMENT: Opposed HB 161.

AL BARRETTE, representing himself
Fairbanks, Alaska
POSITION STATEMENT: Opposed HB 161.

DAVE LYON, representing himself
Homer, Alaska
POSITION STATEMENT: Opposed HB 161.

GEORGE MATZ, representing himself
Fritz Creek, Alaska
POSITION STATEMENT: Opposed HB 161.

TOM YOUNG, representing himself
Homer, Alaska
POSITION STATEMENT: Opposed HB 161.

BRIAN LYNCH, Founding member and trustee
Devils Thumb Archer's Archery Club
Petersburg, Alaska
POSITION STATEMENT: Wanted to make sure that maintaining their ability to raffle off these permits and keep 100 percent of the proceeds remained in the statute.

RICHARD ROHRER, representing himself
Kodiak, Alaska
POSITION STATEMENT: Said he didn't want to testify at this time.

STEVEN FLORY, representing himself
Anchorage, Alaska
POSITION STATEMENT: Opposed HB 161.

GARY STEVENS, representing himself
Chugiak, Alaska
POSITION STATEMENT: Opposed HB 161.

ZACHARY DUNLAP, representing himself
Anchorage, Alaska
POSITION STATEMENT: Opposed HB 161.

YOLANDA DELACRUZ, representing herself
Anchorage, Alaska

POSITION STATEMENT: Opposed HB 161.

GARY GEARHART, President
Safari Club International, Alaska Chapter
Palmer, Alaska

POSITION STATEMENT: Supported HB 161.

BETHANY MARCUM, representing herself
Anchorage, Alaska

POSITION STATEMENT: Supported HB 161.

KEN TAYLOR, representing himself
Anchorage, Alaska

POSITION STATEMENT: Supported HB 161.

GEORGE PIERCE, representing himself
Kasilof, Alaska

POSITION STATEMENT: Opposed HB 161.

EDDIE GRASSER, lobbyist
Vice President, Safari Club International and
President, Outdoor Heritage Foundation
Palmer, Alaska

POSITION STATEMENT: Supported HB 161.

ROD ARNO, Executive Director
Alaska Outdoor Council
Wasilla, Alaska

POSITION STATEMENT: Opposed HB 161.

ALPHEUS BULLARD, Attorney, Legislative Legal Division
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Discussed common clause issues related to HB 161.

THERESA WOLSTAD
Staff to Representative Tammy Wilson
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Presented HB 268 for the sponsor of HB 268.

ACTION NARRATIVE

[3:31:25 PM](#)

CHAIR CATHY GIESSEL called the Senate Resources Standing Committee meeting to order at 3:31 p.m. Present at the call to

order were Senators Micciche, McGuire, French, and Chair Giessel.

[3:32:10 PM](#)

HB 161-AUCTIONS FOR BIG GAME HARVEST PERMITS

CHAIR GIESSEL announced HB 161 to be up for consideration [CSHB 161(RES) was before the committee].

SENATOR MCGUIRE moved to adopt SCS CSHB 161(RES), version 28-LS0530\I. There were no objections and it was so ordered.

[3:32:58 PM](#)

SENATOR DYSON joined the committee.

LINDSAY WILLIAMS, staff to Senator Giessel and the Senate Resources Committee, Alaska State Legislature, Juneau, Alaska, explained the committee substitute (CS) makes three changes. The first is on page 1, line 8, where the words "one Dall sheep" were removed from section 1 and inserted into section 2. Page 2, line 2, now reads "three harvest permits each year for Dall sheep". It previously read two harvest permits.

The second change is on page 2, line 23, where "notwithstanding any other provision of law "a" was removed and "A" was reinserted.

The final change is on page 2, line 30. The phrase "conditions set by the commissioner" was removed and "applicable law" was inserted.

[3:34:31 PM](#)

REPRESENTATIVE GATTIS, sponsor of HB 161, Alaska State Legislature, Juneau, Alaska, said her staff, Reid Harris, would explain the reasons for the CS and she would follow up.

[3:35:12 PM](#)

REID HARRIS, staff to Representative Gattis, Alaska State Legislature, Juneau, Alaska, explained that the sheep permit was moved from section 1 to section 2 mainly because now it is eligible for Pitman Robertson matching funds, which would hopefully provide more money to the department to use for conservation, protection, and education needs.

The second change on page 2, line 23, where "notwithstanding any other provision of law, a" is legal language that says this bill will supersede any other provisions that were in statute

regarding this issue. Removing that language means the other statutes would apply before this bill. There was concern that this would create an environment of special hunts, closed hunts, out-of-season hunts or possibly the use of helicopters. The same thing with conditions set by the commissioner being removed and applicable law being reinserted. It has been said by the department that both Resource Committees said they had no intention of doing that.

SENATOR DYSON said he heard some discussion about how much of the money raised should go to the nonprofits and maybe a portion should go to ADF&G or their efforts.

MR. HARRIS said section 1 of the bill where 100 percent of the tag proceed goes to nonprofits has two different theories. The nonprofits that are able to use these tags can do a lot with it. They can't keep any of it; it has to be spent. Section 2 that raised the percentage from 10 to 30 percent does the same thing. In current statute, the nonprofit can keep 10 percent and use it for anything they want as long as it isn't for political gain, lobbying and things like that. In the CS they retain 30 percent but they all have to be spent on projects within the state, according to the department. They can keep a nominal fee for conducting the auction.

SENATOR DYSON said he heard that some have raised over \$100,000 and asked how much money gets raised typically.

MR. HARRIS said an ADF&G financial breakdown indicated an average of \$50,000 to \$60,000. A 2013 figure jumps out where the Wild Sheep Foundation sold a Dall sheep permit for \$180,000.

CHAIR GIESSEL opened public testimony.

[3:40:10 PM](#)

WAYNE HEIMER, representing himself, Fairbanks, Alaska, said he opposed passing HB 161 out of committee unless it gets a Judiciary Committee referral. He said that he had 25 years in with the ADF&G primarily in Dall sheep and had been working with Dall sheep special permits through the Wild Sheep Foundation. He said that HB 161 proposes to significantly increase the longer term future of the Wildlife Conservation budget by turning pre-hunters into dedicated hunter conservationists. The assumption that this will work over the long haul and correlated assumption that the decline in hunting license sales can be fixed by spending money on education seems to be based more on hope rather than actual data.

He was gratified that the Dall sheep that was formerly in section 1 was moved to where it will be matched by Pitman Robertson funds, but he was still concerned about adding a third Dall sheep permit because it may dilute the market, which is extremely volatile and based almost entirely on the presumption of an advantage that the purchaser might gain. If there is no advantage the permits don't sell well. He had seen the bid price for the most desirable of Dall sheep permits vary from \$200,000 to \$20,000. Right now the Chugach permit is doing very well, but he did not anticipate being able to maintain that value because of the biology that seems to be happening there.

[3:42:34 PM](#)

Additionally, there seem to be questions about statutory and constitutional acceptability of HB 161. The bill's backers say these questions could not have arisen because they were careful during drafting. Nevertheless, since the bill has been written they have arisen and they should be addressed, perhaps through a Judiciary Committee review.

Finally, Mr. Heimer said, he was a little uncomfortable with the ADF&G determining how NGOs spend the money generated from the permits. NGOs are inherently special interests and he preferred a separation of funding to preserve the sometimes adversarial but helpful relationship between NGOs and their managing agency. While confrontation may be unpleasant, service bureaucracies like ADF&G need the challenge to see beyond their status quo. NGOs have always served this role and he wanted that to be preserved.

[3:43:53 PM](#)

SENATOR DYSON appreciated his weighing in and said he had received comments from a lot of Alaskans who were concerned about less game being available for Alaskans.

MR. HEIMER responded that the addition of one more Dall sheep permit will not materially affect anyone's opportunity, however a permit without a home isn't worth very much. Anybody who might buy this permit can currently go almost anywhere in Alaska to hunt sheep and the only thing to give the sheep permit value is the impression that there is a spectacular advantage associated with it.

[3:45:00 PM](#)

KAREN GORDON, representing herself, Fairbanks, Alaska, suggested that HB 161 be killed or sent to the Finance Committee for due

diligent consideration because of its impossible zero dollar fiscal note. She said that she lives in Fairbanks and recently retired from the state as an administrative officer after almost 30 years with the ADF&G and DNR where she often dealt with contracts and MOUs.

She said that HB 161 is rife with problems that make the bill indefensible. Number one, it's not even necessary because nothing is actually broken. The state has made over \$4 million via permit sales through the Wild Sheep Foundation alone. Dall sheep are the big money ticket and three permits could dilute the exclusivity of the market and that would drive down the price.

Number two, it violates state procurement laws by funneling money earned from common use resources to a singular NGO via a sole source contract which yields a smaller return to the department than is now realized through a competitive process. And three, the zero dollar fiscal note is unrealistic. Writing one or more MOUs allocating 42 permits which are presumed in this bill, assessing and approving the involved NGOs intended operating plan, accounting for funding splits, auditing the backup documentation for the expenditures necessary for each of the 42 permits, completing follow-up evaluations on 42 permits, etc. isn't going to be without costs. From her experience, just one can be very time consuming, but 42 of them cannot be managed for nothing.

MS. GORDON said she preferred that this bill were killed, because nothing is broken and benefits to Alaskans are ambiguous at best and the amount returned to the department is reduced significantly. If it must survive, it really needs to go to Senate Finance, because the zero fiscal note is unrealistic.

[3:47:51 PM](#)

RON SOMERVILLE, lobbyist, Territorial Sportsmen, Juneau, Alaska, said he was director of the Division of Wildlife when this issue came up originally; the purpose was to generate money for Wildlife Safeguard Program. It then morphed into getting money for the Fish and Game Fund to match with federal dollars. Now it's going to more support for the NGOs. While they didn't oppose the many programs, the question is the oversight of the legislature. If you give 100 percent of something to an organization, you're saying that money will be controlled by a memorandum of agreement (MOA). He wanted the legislature to have some oversight in this process; plus having as much going to the

Fish and Game Fund as possible is important, because of the matching 3:1 ratio with federal dollars.

MR. SOMERVILLE said that the division needs to increase license fees. He explained that this program generates about \$100,000 a year, a pittance in terms of what is needed to match the federal money, and this is not a solution.

MR. SOMERVILLE stated, "You gotta look at the whole picture." The board had to essentially stop non-resident hunting in Mulchatna because no caribou were left there. There are conflicts between the subsistence and non-subsistence users in Nelchina; non-residents are being pushed out. But residents are being affected similarly, too.

MR. SOMERVILLE said resident hunting opportunities in the state are diminishing every year and nothing in HB 161 requires these permits to come from the non-resident pool, yet 47 percent of the permits are sold outside of the state. Even though it's a small percentage, they add up.

He summarized that they appreciated the sponsor moving the sheep permit into section 2, but they prefer that the bison go into section 2, as well. The existing agreements have very little control over what happens to the money going to non-profits.

[3:53:01 PM](#)

AL BARRETTE, representing himself, Fairbanks, Alaska, said that mainly the NGOs testified at the last meeting and the one thing that stood out in his mind is that none of them were asking for money or more opportunity to raise money. They were just touting how good their programs were working with the monies they have.

Second, he pointed out that the department has been trying to keep this bill alive to raise this money, yet when he was at the last Board of Game meeting on March 14, they didn't "bat an eyelid when they lost approximately \$180,000 to musk ox tags when the board reduced the bull musk ox tag from \$500 to \$25."

He had also spent a lot of time today trying to find some statistics that would show that educating hunters increased the sale of licenses or interest in the sport of hunting, and he couldn't find anything. There is no correlation between educating hunters and making them long-time hunters or getting them active in the shooting sports. If this bill doesn't fail here, he wanted it sent to Senate Finance so the fiscal note could be looked at.

3:54:45 PM

DAVE LYON, representing himself, Homer, Alaska, opposed HB 161. He is a long-time Alaska hunter and member of the Alaska Backcountry Hunters and Anglers as well as chair of the Homer Fish and Game Advisory Board. Despite a whirlwind of last minute revisions, this bill is at its heart an affront to Alaskan hunters and in direct conflict with the common use provisions of the Constitution. There is not a problem that this bill fixes; the tag program has been a success in its current form and has provided ample funding for many organizations to further their goals.

The much lauded "Becoming an Outdoors Woman Program" is an ongoing program that is neither in jeopardy of being defunded nor exclusively funded by the Governor's tag program, he said. In fact, the Alaska Backcountry Hunters and Anglers has funded scholarships for the program in the past with no income from any governmental handout.

He said this legislation is not a response to an ongoing issue; it is simply an example of an organization wanting more tags, ostensibly for the ultimate good of Alaskans and the ADF&G. Everyone wants more tags, but for an increase in auction tags there obviously needs to be a reduction in tags available to regular hunters, some who can't afford a high-dollar auction for a tag they may, if lucky, get one as a drawing permit.

MR. LYON said he didn't know of any Alaskans who feel that giving a tag to a corporate entity of any kind is worth the reduction in their odds for drawing one of them. To raise more money for the department, hunting and fishing fees must increase and there must be nominal fee for big game tags. With the Pitman Robertson funds available to the state, each dollar is met three to one, and at the moment, despite record funds available, the state has had to leave some of this money on the table, because it isn't raising enough to match it.

MR. LYON stated that there is no reason to believe this legislation will generate any more money for ADF&G, especially with an added percentage of the auction proceeds being funneled away from the department and flooding the market with tags. In closing, he said that the simple fact that the proceeds of the sale of these tags profit the NGOs obviously violates the common use clause of our Constitution, which is wherever occurring in their natural state, fish, wildlife and waters are reserved to the people for common use.

[3:57:23 PM](#)

SENATOR MICCICHE said it doesn't sound like he has a problem with the existing tag statute, and asked why he thought the new plan does have a problem.

MR. LYON replied that the additional increase in the revenue that the auctioning organizations get to keep from the proceeds has gone up from 10 to 30 percent. In the past when the 10 percent is mentioned, it has been considered administrative costs for the auction. This has been such a long-standing issue that probably it might actually fail the common clause challenge, but nobody is bothering about it right now. But generating all this attention may create a bigger problem.

[3:58:47 PM](#)

GEORGE MATZ, representing himself, Fritz Creek, Alaska, said he is a member of the Homer Advisory Committee and opposed HB 161. It makes as much sense as the legislature being decided by auction instead of votes. Basically HB 161 privatizes Alaska's common use resources. Continuing the trend toward privatizing resources goes down the slippery slope of adding more hunts and more proceeds for private interests. Although non-profits benefit by this, they are private organizations not public organizations. Privatization puts more emphasis on making money and less on conservation. The result usually turns out to be non-sustainable harvesting of fish and game resources, less biodiversity, and less opportunity for the average hunter. Furthermore, HB 161 deletes language that prohibits money from being used for political purposes, which may not be in accordance with ADF&G and other wildlife user groups.

He agreed that ADF&G needs more funding if it is to have science-based, sustainable management of Alaska's fish and wildlife resources. Unfortunately, he said, historically, ADF&G has been underfunded by the state in terms of its general funds, but fish and game resources are important to the general public and it should be paying more for it. So, they should be looking for other options for increasing its funding.

MR. MATZ recalled that about 20 years ago there was the concept of a watchable wildlife equipment excise tax, which could be part of the match for the Fish and Game Fund. It was a national program that failed ultimately because Congress didn't want to add another tax, but it had general support of the user groups and mixed support from the industry.

[4:01:48 PM](#)

TOM YOUNG, representing himself, Homer, Alaska, opposed HB 161. It bothers him to be "selling game," which is not legal to start with.

[4:02:49 PM](#)

BRIAN LYNCH, founding member and trustee, Devils Thumb Archer's Archery Club, Petersburg, Alaska, said their concerns are to maintain the four Ellen Island elk permits and the ability to keep 100 percent of the proceeds that go to the non-profits for the auction of these permits. He explained that the Archery Club is a small 501(c)(3) non-profit organization with fewer than 100 members, most of whom are family members with kids. They have been raffling off an Ellen Island elk permit for nearly 15 years and generally they receive \$500-1,000, typically.

He said that even though the total dollars are small their impact to their organization is substantial, because they use the money to maintain their archery range, purchase 3-D archery targets, which are very expensive, and put on tournaments, open houses, provide archery instruction and free use of ski equipment by members with an emphasis on encouraging participation by kids. The local schools have even occasionally used the archery range for physical education classes.

MR. LYNCH asked that the Ellen Island elk provisions in section 1(c) of HB 161 remain as currently written in the statute.

CHAIR GIESSEL asked if he supported the bill.

MR. LYNCH responded that they just want to make sure that their ability to raffle off these permits and be able to keep 100 percent of the proceeds remains in the statute or however form it comes out.

SENATOR MICCICHE commented that the CS has the same outcome as the root bill.

[4:05:50 PM](#)

RICHARD ROHRER, representing himself, Kodiak, Alaska, said he didn't want to testify at this time.

[4:06:23 PM](#)

STEVEN FLORY, representing himself, Anchorage, Alaska, opposed HB 161. He is a past chairman of the Anchorage Fish and Game Advisory Committee and past president of the Wild Sheep Foundation, Alaska Chapter. He said there is no reason to add

another sheep tag, especially when no more money will go to the ADF&G. The sheep tags have always been used as a draw and that is why Alaska has gotten so much money from them. This will continue if the application is not changed. If they add another sheep tag that will add a fiscal note and the bill needs to go to Finance. The department would be losing money, because three tags are worth less money than two. This is a bill to fix something that isn't broken, so that it will help one particular group and one particular lobbyist.

CHAIR GIESSEL asked if he was one of the non-profits that had a tag to raffle off.

MR. FLORY replied no.

[4:09:04 PM](#)

GARY STEVENS, representing himself, Chugiak, Alaska, said he is a board member of the Alaska Outdoor Council, and opposed HB 161 for all the same reasons they have heard: it fixes a problem that is not broken. He didn't understand why section 1 that describes the qualification for a non-profit corporation that is established to promote these wonderful things specifically in partnership with the ADF&G is a different qualification than in section 3. He has been assured that the new language doesn't limit it to any one group, but he thought it did. Although any other group that wants to form at this point and create a new non-profit will be able to be awarded this permit if the ADF&G agreed with that. The biggest issue he had was he didn't understand why that is different than the description for a qualifying non-profit in section 3.

He also stated that this bill is 100 percent about money and if it passes out of Resources it should go to Finance.

SENATOR MICCICHE asked what type of organization would qualify under section 1.

MR. STEVENS answered that it specifically says "a non-profit corporation established to promote education in outdoor traditions and conservation and wildlife protection programs in partnership with the department," and the only non-profit corporation that was created to work in partnership with the ADF&G is the Outdoor Heritage Foundation of Alaska.

[4:12:37 PM](#)

ZACHARY DUNLAP, representing himself, Anchorage, Alaska, opposed HB 161 for all the reason already mentioned. He is a younger

Alaskan who uses every tag he gets, most of it for meat, and adding more tags to the non-profits takes them away from hunters.

[4:14:50 PM](#)

YOLANDA DELACRUZ, representing herself, Anchorage, Alaska, opposed HB 161, because the natural resources in Alaska belong to all Alaskans, not just the politicians and trophy hunters. She is against sport hunting, but not against hunting for food.

[4:18:34 PM](#)

GARY GEARHART, President, Safari Club International, Alaska Chapter, Palmer, Alaska, supported HB 161. He said a couple of things are important: it requires the non-profits to work with the department to reach an agreement where the funds raised should be spent and that would increase the effort toward ADF&G totally. Increasing the share to the non-profits will increase their opportunity to raise money for their specific projects; it is not just restricted to the one.

[4:20:04 PM](#)

BETHANY MARCUM, representing herself, Anchorage, Alaska, said she is a graduate of ADF&G's Becoming an Outdoors Woman Program (BOW) supported HB 161. She learned to hunt and fish as well as other outdoor skills as a result of the program, and she now donates much of her time to support conservation efforts in Alaska. She also buys a hunting, fishing and trapping license every year and fills her freezer with wild game and fish. Many others have gained skills through this program and volunteer to support conservation.

She supported HB 161, because she thought the change in ratio from 90/10 to 70/30 will create more incentive for the non-profits to engage in the process and it is important to require them to engage with ADF&G, so funds are spent appropriately.

MS. MARCUM said she knows state funds are tight and this bill provides a way for the non-profits to raise money for their projects instead of coming the legislature and asking for a handout.

[4:22:23 PM](#)

KEN TAYLOR, representing himself, Anchorage, Alaska, said he is a board member of the Outdoor Heritage Foundation of Alaska and supported HB 161. He explained that they had primarily been raising their funding for running this non-profit through a charity shoot that is held every summer. So, they are not

looking at this bill as a funding mechanism for just their organization that supports a lot of programs in partnership with the ADF&G. He didn't believe this language is that restrictive.

If the provision in section (a) that says "a non-profit organization established to promote education and outdoor traditions and conservation" limits the pool of non-profits to just the Outdoor Heritage Foundation, that needs to be changed. But he didn't think it did.

MR. TAYLOR said he understood the Wild Sheep Foundation's concerns about diluting the number of permits, and they could be right, but there have been some discussions about the common use clause in Article 8 of the Constitution and how the state's fish, wildlife and waters are reserved for leaves out beneficial uses. Educate children and others about what conservation means.

[4:25:56 PM](#)

GEORGE PIERCE, representing himself, Kasilof, Alaska, opposed HB 161. He said it will double the number of big game permits donated to organizations to auction off, most often, to non-residents and there isn't even enough game for Alaskans. Residents hunt for food and non-residents hunt for horns, he said, and they rarely take the meat home with them. Residents are required to take it home. Alaska's resources are supposed to be managed for the benefit of all Alaskans and Article 8 of the Constitution says so. Where in the Constitution does it say to even fund these folks, at all?

[4:28:50 PM](#)

EDDIE GRASSER, lobbyist, Vice President, Safari Club International and, President, Outdoor Heritage Foundation, Palmer, Alaska, supported HB 161. He knew of several non-profits that have worked with the department on education projects; any organizations who go to the department and agree to conditions in an MOA and terms of the language in the first part of this bill can do so. Nothing stops them.

He said the current system may not be broken, but the ADF&G and several of the NGOs that support this bill were looking for a mechanism to help the department's education programs. The current governor's permits only allows for conservation and law enforcement programs. Education is a vital part of what the department needs to do. America is becoming more urbanized as a culture and a survey has indicated that education programs increase purchase of hunting and fishing licenses.

SENATOR MICCICHE said the only thing the money can be used for is to support outdoor and traditional education projects and conservation and wildlife protection programs approved by the department, and asked what those might look like as opposed to things that folks might fear that direct someone politically to oppose some kind of a ballot proposition.

MR. GRASSER answered that it would be very unlikely that a department person working on an MOA with a non-profit for one of these permits on the 30 percent would ever consider approving it to be spent on political purposes. Secondly, some testimony has been incorrect: 501 (c)(3)s are not private enterprises; they are public corporations whose books are open to the public (under IRS regulations). The IRS also prohibits 501(c)(3) non-profits from doing politics.

SENATOR MICCICHE said all have witnessed 501(c)(3) improperly engaging in illegal activities and he understood the fear. It's worth pointing out and ensuring that doesn't occur.

SENATOR DYSON asked of the list of people who are groups in favor of this bill, if are any liable to get any of the funds through this program.

MR. GRASSER answered probably all of them are. A lot of the groups that aren't in favor of this would have the same opportunity; they would just have to apply.

SENATOR DYSON remarked that some 30 groups might qualify.

MR. GRASSER said that was true.

[4:36:25 PM](#)

ROD ARNO, Executive Director, Alaska Outdoor Council, Wasilla, Alaska, opposed HB 161. He said they are an organization of about 48 clubs and they just met a couple of weeks ago and chose to oppose HB 161 as written. The most important thing to the council is that it doesn't want to diminish the integrity of the Fish and Game Fund and the matching Pitman Robertson funds. Concerns at the time were if this would infringe on Article 8, Section 3 on common use and at the time the argument was that it was only one bison and that was alright because it was a small number. At that time the money was to go to the Wildlife Safeguard Program. Since then AOC supported the legislation that increased the big game tags to include elk tags.

He said they were concerned with accountability and transparency, which they still don't see. The Legislature has oversight in AS 16.05.130(d) that says the ADF&G has to report each year on the expenditures out of the Fish and Game Fund. He tracked those expenditures and found hunter services, but they don't account for the donations that have gone to the NGOs, and that is another major concern. The AOC has gotten the permit and has shared it with the department, but there is no accounting of that money going back to the Department of Public Safety, because they chose to put money back into the Safeguard Program for Delta bison.

[4:39:40 PM](#)

But the biggest concern they have is that it will jeopardize the current process. It's not getting challenged, because it's a small number and a small percentage goes to the NGOs. Increasing that percentage from 10 to 30 percent, specifically because the harvestable sheep surplus is way down (about half of the historical harvest), and the public is aware of the demand and all of a sudden it means a lot more.

SENATOR MICCICHE asked for list of 48 clubs he represents and if they support this program at all along with an accounting for past funds.

MR. ARNO said they see the value of the auction permit process and hoped for an audit of it.

[4:41:55 PM](#)

SENATOR DYSON asked if the NRA is part of the AOC.

MR. ARNO answered yes.

SENATOR DYSON asked if Eddie's group is part of the AOC.

MR. ARNO answered no.

SENATOR DYSON asked him to name some members of the AOC.

MR. ARNO replied the Territorial Sportsmen, the Tanana Valley Sportsmen, the Alaska Outdoor Access Alliance, and the Ruffed Grouse Society.

SENATOR DYSON thanked him for his candid assessment that the oversight of the money the AOC has gotten hasn't been very well done, and asked what process they go through to get members to weigh in.

MR. ARNO explained that at their annual meeting, each club gets one delegate with one vote and there are three votes from individual memberships in the three areas. The legislation is presented and discussed. Then the delegates vote.

SENATOR DYSON said that implies that the delegates that come have the authority to speak for their group.

MR. ARNO said that was correct.

CHAIR GIESSEL found no further questions and closed public testimony.

CHAIR GIESSEL wanted Mr. Bullard to respond to the constitutionality question of common use.

[4:45:09 PM](#)

ALPHEUS BULLARD, Attorney, Legislative Legal Division, Alaska State Legislature, Juneau, Alaska, explained that this legislation implicates it, but he didn't know if it is a violation. There is a spectrum: at some point given the number of permits and the condition somewhere there will be a line.

[4:46:24 PM](#)

REPRESENTATIVE GATTIS said the accountability question could be addressed by Mr. Lang.

She said this bill was started last year and went through committee after committee; she worked with folks on line and some of today's things had not come up before, like having to go to Finance and accountability.

In regards to the political gain, another committee wanted to put in the following language: "Not to be used to make a contribution to any candidate for political office or for any organizations supporting or opposing ballot propositions or to pay expenses associated with lobbying the legislature or the administration." She then heard that didn't have to be in the bill and the permits may be used only to support outdoor traditions.

REPRESENTATIVE GATTIS said she had put things in and taken things out, and had tried for two years to go through every angle but she had "no intention of getting involved" with the clubs' different philosophies. She wanted what was best for Alaska, Alaskans, and the department on how to use the fund for

education. Nothing in the bill says, and the department has reiterated, that there will be special hunts in closed areas, out of season hunts, or allowable helicopter use. She noted that this bill passed out of the House with a vote of 30 to 5, and the five folks that struggled with it were from Fairbanks.

[4:50:59 PM](#)

SENATOR MICCICHE commented that it's unfortunate, because there are many people on both sides of this issue that normally work together on outdoor tradition and related issues, and it was painful to watch.

SENATOR DYSON said he was concerned about the fiscal side of it and was surprised the bill had no Finance referral in either house.

[4:52:20 PM](#)

SENATOR DYSON moved to report SCS CSHB 161(RES), version 28-LS0530\I, from committee to the next committee of referral with attached zero fiscal note and individual recommendations. He said if it is passed, he personally wanted a Finance referral. There were no objections and it was so ordered.

[4:52:53 PM](#)

At ease from 4:52 to 4:54 p.m.

HB 268-BIG BULL MOOSE DERBIES; SNOW TOWN ICE CL.

[4:54:13 PM](#)

CHAIR GIESSEL announced HB 268 to be up for consideration [CSHB 268 (FIN) was before the committee].

[4:54:42 PM](#)

THERESA WOLSTAD, staff to Representative Tammy Wilson, sponsor of HB 268, Alaska State Legislature, Juneau, Alaska, presented HB 268 for the sponsor. She read the sponsor statement as follows:

House Bill 268 would allow the Tanana Valley Sportsmen Association (TVSA) to raise funds for their organization and the University of Fairbanks Nanooks Rifle team equally. The big bull moose derbies would be operated much like other contests already allowed under statute. This will take place during the annual moose season by individuals that have acquired all the proper documentation already implemented by the State of Alaska to stay within the legal boundaries of the

moose season. Participants must purchase a derby ticket prior to the opening day of the season. The winner would be determined based on the bull antlers; the widest spread legally taken and would receive a predetermined portion of the net proceeds from the fund raiser. Anyone who enters a bull moose would, regardless of the antler spread, be entered into a drawing for prizes.

The TVSA is a nonprofit organization that hosts training and completion events for the nationally ranked University of Alaska Nanooks Rifle Team as well as the local high schools. It is home to a multitude of community and school events; NCAA tournaments, biathlon training and competition, gun safety and personal protection classes are among the many offered.

House Bill 268 would allow the raising of funds to further the use of the TVSA club house and support the efforts of the nationally ranked UAF Nanooks Rifle team who has produced Olympic level competitors.

The Snow Town Ice Classic will also operate and be administered by the Advocates for Victims of Violence. The participants must purchase a ticket and guess the total of snow accumulation in the town. Winners are determined by the closest guess of what the total snow accumulation is.

The Advocates for Victims of Violence is a non-profit organization that is committed to ending domestic violence and sexual assault. Advocates for Victims of Violence provide confidential services to victims and their families and operates a safe shelter for women and their children. A total of 18 communities are directly serviced by them including Chuitna, Galena, McCarthy, and Valdez. HB 268 would allow the raising of funds to help serve the women and children that stay in the shelter and allow the advocates to continue to strive to end domestic violence, sexual assault and child abuse.

[4:57:47 PM](#)

CHAIR GIESSEL asked for sectional of the bill explaining where moose were added in these new classics.

[4:58:03 PM](#)

MS. WOLSTAD said:

Section 1: Adds "big bull moose derbies" to the existing list of games of chance and skill that can be permitted by the Department of Revenue.

Section 2: Adds "big bull moose derbies" to the existing definition of "activity" for the purposes of AS 05.15.115 (c), which limits how permittees can contract with operators.

Section 3: Adds "big bull moose derbies" to the existing list of activities that can be licensed under AS Chapter 05.15.180 (b) Games of Chance and Contest of Skill.

Section 4: Defines and describes the "big bull moose derbies."

Deletes the words "Licensed" and "Licensing" and replaces them with "permit" and "permitted" to allow for consistency throughout the document.

Section 5: Adds "and the Snow Town Ice Classic to be operated and administered by the Advocates for Victims of Violence. Inc."

Section 6: Deletes "for harvesting".

[4:59:13 PM](#)

CHAIR GIESSEL thanked her for presenting HB 268 and said it would be held in committee. She adjourned the Senate Resources Committee meeting at 5:00 p.m.