

ALASKA STATE LEGISLATURE  
HOUSE SPECIAL COMMITTEE ON FISHERIES

February 12, 2015

10:05 a.m.

**MEMBERS PRESENT**

Representative Louise Stutes, Chair  
Representative Neal Foster  
Representative Bob Herron  
Representative Craig Johnson  
Representative Jonathan Kreiss-Tomkins  
Representative Dan Ortiz

**MEMBERS ABSENT**

Representative Charisse Millett

**COMMITTEE CALENDAR**

HOUSE BILL NO. 41

"An Act relating to sport fishing services, sport fishing operators, and sport fishing guides; and providing for an effective date."

- MOVED CSHB 41(FSH) OUT OF COMMITTEE

**PREVIOUS COMMITTEE ACTION**

BILL: HB 41

SHORT TITLE: SPORT FISHING SERVICES

SPONSOR(S): REPRESENTATIVE(S) TILTON, MUNOZ

01/21/15	(H)	PREFILE RELEASED 1/9/15
01/21/15	(H)	READ THE FIRST TIME - REFERRALS
01/21/15	(H)	FSH, FIN
02/12/15	(H)	FSH AT 10:00 AM CAPITOL 120

**WITNESS REGISTER**

REPRESENTATIVE KATHY TILTON  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** Introduced HB 41, as co-sponsor.

CRYSTAL KOENEMAN, Staff  
Representative Cathy Munoz  
Alaska State Legislature

Juneau, Alaska

**POSITION STATEMENT:** Assisted in presenting the Committee Substitute (CS) for HB 41.

HEATH HILYARD, Staff  
Representative Kathy Tilton  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** Assisted in presenting the Committee Substitute (CS) for HB 41.

CHRIS CONDOR, Captain  
Rum Runner Charters  
Juneau Charter Operators  
Juneau, Alaska

**POSITION STATEMENT:** Testified in support of HB 41.

TOM BROOKOVER, Acting Director  
Division of Sport Fish  
Alaska Department of Fish & Game (ADF&G)  
Juneau, Alaska

**POSITION STATEMENT:** Testified with official support for HB 41, and responded to questions.

MONTE ROBERTS, Member  
Kenai Advisory Board  
Soldotna, Alaska

**POSITION STATEMENT:** Testified in opposition to HB 41.

#### **ACTION NARRATIVE**

[10:05:28 AM](#)

**CHAIR LOUISE STUTES** called the House Special Committee on Fisheries meeting to order at 10:05 a.m. Representatives Stutes, Herron, Johnson, and Kreiss-Tomkins were present at the call to order. Representatives Foster and Ortiz arrived as the meeting was in progress.

### **DRAFT**

#### **HB 41-SPORT FISHING SERVICES**

[10:05:47 AM](#)

CHAIR STUTES announced that the only order of business would be HOUSE BILL NO. 41, "An Act relating to sport fishing services,

sport fishing operators, and sport fishing guides; and providing for an effective date."

[10:06:53 AM](#)

REPRESENTATIVE JOHNSON moved Committee Substitute (CS) for HB 41, Version 19-LS0238\H, Bullard, 2/7/15, as the working document.

CHAIR STUTES objected for discussion.

[10:07:31 AM](#)

REPRESENTATIVE KATHY TILTON, Alaska State Legislature, thanked the committee for hearing the bill and deferred to staff for an explanation of the changes represented in the CS.

[10:08:21 AM](#)

HEATH HILYARD, Staff, Representative Kathy Tilton, Alaska State Legislature, directed attention to the CS, page 10, to point out the changes in the effective dates, Sec. 12-16, lines 25-30. He explained that Alaska Department of Fish & Game (ADF&G) expressed a conflict with implementing the statute in 2015, and accord was reached by pushing the effective date back one year.

[10:09:37 AM](#)

CHAIR STUTES removed her objection and, without further objection, Version H was before the committee.

[10:09:47 AM](#)

MR. HILYARD explained that the original sport fishing guide licensure had a sunset date of 12/31/14. The expiration was not a policy call on the part of the 28th Alaska State Legislature, but essentially a function of logistics and mechanics, with the resultant unintended consequence of a sunset on this licensure; basically the result of political maneuvers at the time. He pointed out that he would be using the terms charter, sport fishing, and guided recreational, interchangeably for the purposes of this presentation. The bill re-establishes the sport fishing guide and operator licenses, and amends the previously existing fee structure to double licensing fees, thus ensuring a budget neutral action. As the sport fishing representative on the advisory panel, he said he has had conversations with charter operators and regulatory agencies

regarding the need for this legislation. On request of a committee member for a review of the fiscal note, he deferred.

[10:12:50 AM](#)

CRYSTAL KOENEMAN, Staff, Representative Cathy Munoz, Alaska State Legislature, reviewed the fiscal note information and the increases, paraphrasing from the sectional analysis, which read [original punctuation provided]:

Section 1 - Retroactive to January 1, 2015; establishes license fees at the current rate of \$100 for operators, \$50 for guides, and \$100 combined.

Section 2 - Effective January 1, 2016; increases license fees to \$150 for operator, \$75.00 for guides, and \$150 combined.

Section 3 - Effective January 1, 2017; increases license fees to \$200 for operator, \$100 for guides, and \$200 combined.

MS. KOENEMAN added that the projected revenues are: FY16 - \$205,000, FY17 - \$308,000, and FY18 and subsequent years - \$411,200. The operating costs for the program are about \$382,700. She said the department considers this to be adequate to cover the program and provide an appropriate buffer for the coming years, while maintaining a neutral budget figure.

[10:15:16 AM](#)

CHAIR STUTES opened public testimony.

[10:15:46 AM](#)

CHRIS CONDOR, Captain, Rum Runner Charters, Vice President, Juneau Charter Operators, testified in support of HB 41 and said the program has been essential in ensuring quality, standardized, charter service. Under this program, ADF&G licensed operators have been required to hold a captain's license, carry appropriate insurance, demonstrate on-board first aid measures, and maintain a department required log book for documentation of the fishing effort activities on the boat. Through these measures the public has had a level of protection and the department has received accurate data for management purposes. He said that the charter boat fleet supports the bill and the proposed, self-sustaining fee structure. Program costs

might also be reduced by eliminating some of the data lines currently required in the log book. He pointed out that some of the data points are never tabulated and there are also halibut catch entries that are specific for the federal government. The federal government should be contributing for that data, he opined, and stressed that, primarily the information gathered is important. He directed attention to the committee packet and the letters of support therein.

10:18:14 AM

REPRESENTATIVE KREISS-TOMKINS noted that there appears to be broad support in the charter fleet for this measure.

MR. CONDOR agreed. He qualified that the support he is reporting applies to the Southeast region, and pointed out that the Kenai operators hold other viewpoints.

10:19:27 AM

TOM BROOKOVER, Acting Director, Division of Sport Fish, Alaska Department of Fish & Game (ADF&G), provided official support for HB 41, and recounted the department's original support for the program.

10:20:16 AM

REPRESENTATIVE HERRON referred to the CS, Sec. 8, to ask why there is a "carve-out" for the Kenai area, if it is important to have in the proposed CS, and whether the division supports this action.

MR. BROOKOVER stated his understanding that Sec. 8 provides a waiver for the requirement that guides attend the Kenai Guide Academy, with specific conditions for application. He said the department is neutral on that aspect, and conjectured that the measure may have an impact on the Department of Natural Resources.

REPRESENTATIVE HERRON assumed that the cited carve-out is not appropriate for any other location in Alaska; strictly a Kenai concern.

MR. BROOKOVER clarified that the provision applies to the Kenai River special management area alone, making it a local issue.

MR. HILYARD offered that, in order to guide on the Kenai, a certification course must be completed. The section allows a guide to waive completion of the course, specifically for an in-season hire.

10:23:03 AM

REPRESENTATIVE KREISS-TOMKINS requested further information on the importance of the ADF&G log book.

MR. BROOKOVER said that it is the primary vehicle for obtaining information for the department's data base. It contains a comprehensive daily accounting of a charter vessel's fishing activities.

10:25:10 AM

REPRESENTATIVE JOHNSON asked whether six positions were terminated when the program reached sunset.

MR. BROOKOVER responded, no. The department understood the ramifications that would occur, should the sunset be realized. Working with the Department of Law, ADF&G preemptively modified the regulations to accommodate the impending deficit. The six positions were assigned to make the modifications. Changes, such as stipulating "register" to replace "license," in regulation, were necessary to continue the log book program without interruption.

REPRESENTATIVE JOHNSON questioned the need for six people [added positions shown in the fiscal note].

MR. BROOKOVER explained that an implementation of the log book program requires major effort and that the duties of the positions were shifted, not added.

MS. KOENEMAN offered to provide additional information on the request for personnel.

10:28:51 AM

REPRESENTATIVE KREISS-TOMKINS asked whether the standard time period for the sunset of licensure bills is 10 years.

MS. KOENEMAN responded that time limits are a policy call. The original program was for 10 years, and it is the purview of Legislative Audit Division to recommend the sunset dates.

10:30:19 AM

MONTE ROBERTS, Member, Kenai Advisory Committee, testified in opposition to HB 41, recalling that the Kenai charter operators originally supported the concept for charter operators to be licensed. The original program as an addition to the stringent practices already in place for the Kenai area. The log book requirement was new and penalties for reporting were put in place that became cumbersome. The operators were supportive for the ten year period and looked forward to the sunset date. He reported that the program has become a hammer for the department and a disproportionate tool; using the log book data to extrapolate on the pressure to a fishery from non-licensed/reporting user groups. He provided anecdotal situations where violations might occur, suggesting the need for attention/amendment. The allowance for Kenai charter operators to have the Sec. 8 waiver option is important, he said, as the college offers the required course only twice per year, and an operator could be put out of business depending on life circumstances. The bill could be written to be supportable, he said, but maintained opposition given the current language regarding penalty violations.

The committee took a brief at-ease at 10:35.

10:35:20 AM

CHAIR STUTES closed public testimony after ascertaining that no one further wished to testify.

10:36:24 AM

CHAIR STUTES questioned where the violation penalty information is contained in the bill, as mentioned by the witness from Soldotna.

MR.HILYARD answered that the overall statute does contain violation measures; however, HB 41 only reestablishes the licensure requirement and does not address penalties.

10:37:27 AM

REPRESENTATIVE ORTIZ queried the possibility for charter operators to be regulated on a limited entry basis.

MR.HILYARD said there appear to be problems surrounding the possibility for establishing a true, direct, charter fleet limited entry program, and recalled past efforts dating from the late 1990's. However, the National Marine Fisheries Service (NMFS) did, in recent years, impose a limited entry on the charter halibut fishery and permits were issued.

[10:39:49 AM](#)

REPRESENTATIVE JOHNSON expressed concern for the accuracy of the fiscal note, as it is written showing only expenses, but said he would not object to the will of the committee.

[10:41:32 AM](#)

REPRESENTATIVE JOHNSON moved CSHB 41, Version H, with the forthcoming and attached fiscal notes. Without objection, CSHB 41(FSH), Version 29-LS0238\H, Bullard, 1/7/15 was reported from the House Special Committee on Fisheries.

[10:41:53 AM](#)

CHAIR STUTES thanked the day's participants.

#### **ADJOURNMENT**

There being no further business before the committee, the House Special Committee on Fisheries meeting was adjourned at 10:42 a.m.