

**ALASKA STATE LEGISLATURE
HOUSE RESOURCES STANDING COMMITTEE**

April 5, 2017

1:54 p.m.

MEMBERS PRESENT

Representative Andy Josephson, Co-Chair
Representative Geran Tarr, Co-Chair
Representative Dean Westlake, Vice Chair
Representative Harriet Drummond
Representative Justin Parish
Representative Chris Birch
Representative DeLena Johnson
Representative George Rauscher
Representative David Talerico

MEMBERS ABSENT

Representative Mike Chenault (alternate)
Representative Chris Tuck (alternate)

COMMITTEE CALENDAR

PRESENTATION: UPDATE ON THE HILCORP SPILLS IN COOK INLET:
DEPARTMENT OF ENVIRONMENTAL CONSERVATION

- HEARD

CONFIRMATION HEARING(S) :

Big Game Commercial Services Board

Adam Trombley - Anchorage

CONFIRMATION(S) ADVANCED

HOUSE BILL NO. 129

"An Act relating to sport fishing, hunting, or trapping licenses, tags, or permits; relating to penalties for certain sport fishing, hunting, and trapping license violations; relating to restrictions on the issuance of sport fishing, hunting, and trapping licenses; creating violations and amending fines and restitution for certain fish and game offenses; creating an exemption from payment of restitution for certain unlawful takings of big game animals; relating to commercial fishing violations; allowing lost federal matching funds from

the Pittman - Robertson, Dingell - Johnson/Wallop - Breaux programs to be included in an order of restitution; adding a definition of 'electronic form'; and providing for an effective date."

- MOVED CSHB 129(RES) OUT OF COMMITTEE

HOUSE BILL NO. 130

"An Act relating to the Izembek State Game Refuge, Cape Newenham State Game Refuge, Palmer Hay Flats State Game Refuge, Port Moller Critical Habitat Area, Egegik Critical Habitat Area, Pilot Point Critical Habitat Area, Fox River Flats Critical Habitat Area, Kachemak Bay Critical Habitat Area, and Dude Creek Critical Habitat Area; and providing for an effective date."

- HEARD & HELD

HOUSE BILL NO. 177

"An Act relating to the response to, and control of, aquatic invasive species; establishing the aquatic invasive species response fund; and relating to the provision of information about aquatic invasive species to users of the Alaska marine highway system."

- SCHEDULED BUT NOT HEARD

PREVIOUS COMMITTEE ACTION

BILL: HB 129

SHORT TITLE: FISH & GAME: OFFENSES;LICENSES;PENALTIES

SPONSOR(S): RULES BY REQUEST OF THE GOVERNOR

02/15/17	(H)	READ THE FIRST TIME - REFERRALS
02/15/17	(H)	RES, JUD
03/29/17	(H)	RES AT 1:00 PM BARNES 124
03/29/17	(H)	Heard & Held
03/29/17	(H)	MINUTE(RES)
03/31/17	(H)	RES AT 1:00 PM CAPITOL 106
03/31/17	(H)	Scheduled but Not Heard
04/03/17	(H)	RES AT 1:00 PM BARNES 124
04/03/17	(H)	Heard & Held
04/03/17	(H)	MINUTE(RES)
04/05/17	(H)	RES AT 1:00 PM BARNES 124

BILL: HB 130

SHORT TITLE: GAME REFUGE/CRIT HABITAT AREA BOUNDARIES

SPONSOR(S): RULES BY REQUEST OF THE GOVERNOR

02/15/17 (H) READ THE FIRST TIME - REFERRALS
02/15/17 (H) RES
04/05/17 (H) RES AT 1:00 PM BARNES 124

WITNESS REGISTER

KRISTIN RYAN, Director
Division of Spill Prevention & Response
Department of Environmental Conservation
Anchorage, Alaska

POSITION STATEMENT: Provided an update on the oil and gas pipeline spills in Cook Inlet.

ADAM TROMBLEY, Appointee
Big Game Commercial Services Board, Division of Corporations,
Business and Professional Licensing, Department of Commerce,
Community & Economic Development
Anchorage, Alaska

POSITION STATEMENT: Spoke as appointee to the Big Game Commercial Services Board.

MORGAN FOSS, Legislative Liaison
Office of the Commissioner
Alaska Department of Fish & Game
Juneau, Alaska

POSITION STATEMENT: Introduced HB 130, sponsored by the House Rules Committee by request of the governor, and answered questions.

ACTION NARRATIVE

[1:54:34 PM](#)

CO-CHAIR GERAN TARR called the House Resources Standing Committee meeting to order at 1:54 p.m. Representatives Tarr, Birch, Parish, Talerico, Rauscher, Drummond, Westlake, and Josephson were present at the call to order. Representative Johnson arrived as the meeting was in progress.

PRESENTATION: Update on the Hilcorp spills in Cook Inlet:
Department of Environmental Conservation

[1:55:13 PM](#)

CO-CHAIR TARR announced that the first order of business would be a presentation by the Department of Environmental Conservation.

[1:55:49 PM](#)

KRISTIN RYAN, Director, Division of Spill Prevention & Response, Department of Environmental Conservation, advised the committee there have been two recent events in Cook Inlet related to infrastructure owned by Hilcorp Alaska, L.L.C. (Hilcorp). The first was a natural gas leak from a pipeline located on the east side of Cook Inlet that carries methane to four platforms, two of which were producing oil at the time of the rupture. Ms. Ryan explained the pressure in the pipeline was reduced to 65 pounds per square inch (PSI) so that critical operations, such as pump, can operate. Certain operations are necessary to keep the seawater flowing through the other pipeline to land and prevent the pipeline from freezing up; the wells have been closed-in and there is no more oil in the line. There is a continuing methane release, at a much-reduced rate, and Hilcorp is monitoring environmental impacts by testing for salinity and dissolved oxygen. Because methane displaces oxygen in the water column, the biggest environmental concern is whether there is sufficient oxygen in the water column so that fish can breathe. She said Hilcorp has provided some information related to how much methane is in the water, but her division seeks more information to fully understand the situation.

[1:59:15 PM](#)

REPRESENTATIVE RAUSCHER inquired as to who owns the pipe.

MS. RYAN answered Hilcorp.

CO-CHAIR JOSEPHSON recalled recent newspaper reports that the Department of Environmental Conservation (DEC) needs updated regulations to prevent future oil pipeline leaks, and asked whether this would apply to natural gas leaks as well.

MS. RYAN said DEC regulations do not pertain to natural gas pipelines at this time; the department has statutory authority limited to the state's interest in public safety concerns - such as an explosion - but natural gas above land dissipates into the air, without an environmental risk. Natural gas underwater pipelines are federally regulated by the Pipeline and Hazardous Material Safety Administration (PHMSA), U.S. Department of

Transportation, and she noted that PHMSA has issued orders to Hilcorp related to the affected natural gas and oil pipelines.

CO-CHAIR JOSEPHSON pointed out that DEC has concerns about methane displacing oxygen, PHMSA has concerns, and concerns have been expressed by the governor. He asked whether DEC has authority to regulate the discharge of natural gas underwater.

MS. RYAN advised DEC has broad generic authority that an entity cannot pollute and said authority is used by DEC to regulate pipelines, but has no specific regulations pertaining to natural gas pipelines, as it does for oil pipelines.

REPRESENTATIVE BIRCH asked Ms. Ryan whether Hilcorp has been cooperative regarding this matter.

MS. RYAN said Hilcorp has been cooperative in working with DEC to minimize the release. Using its generic authority, DEC asked Hilcorp to monitor the release and provide data, and it has done so.

REPRESENTATIVE BIRCH inquired as to how the incident was discovered and reported.

[2:04:51 PM](#)

MS. RYAN said Hilcorp self-reported the release to PHMSA and DEC. In further response to Representative Birch, she explained allowing some methane to run through the pipeline maintains positive pressure so seawater does not infiltrate the pipeline. The affected pipeline was an oil pipeline that transported oil from the platform to the shore before it was converted to a gas pipeline and reversed direction, thus there is residual oil in the pipeline, and if the pipeline is infiltrated with seawater, oil could be released from the leak.

REPRESENTATIVE BIRCH asked for an estimate of the quantity of oil released.

MS. RYAN said no oil has been released in this incident. In further response to Representative Birch, she said there are natural methane seeps in Alaska, but she was unsure of natural occurring methane specifically in Cook Inlet.

REPRESENTATIVE PARISH recalled from December to March [2017] the pipeline was losing approximately 250,000 cubic feet per day [of methane].

MS. RYAN said yes. In further response to Representative Parish, she said the pressure on the line was reduced [3/24/17] when the wells on the two platforms that were still producing oil were shut-in.

REPRESENTATIVE PARISH asked how many cubic feet of methane have leaked.

MS. RYAN said she would have to calculate that total. In further response to Representative Parish, she said [internal pipeline cleaners known as pigs] are utilized to clean residual oil from pipelines and the affected pipeline has been pigged; in fact, Hilcorp plans to run a pig down the pipeline before it becomes operational again. In further response to Representative Parish, she said she was unsure how many similar pipelines are operational; however, DEC is looking at old infrastructure reports completed in 2000, although the department has more information on oil pipelines than on natural gas pipelines.

REPRESENTATIVE RAUSCHER asked for the cause of the rupture.

MS. RYAN said the cause is unknown until Hilcorp can put divers in the water, which will be delayed due to ice coverage in Cook Inlet. In further response to Representative Rauscher, she said the size of the leak is also unknown at this time; however, both [leaking] pipelines are located in an area of Cook Inlet known for scouring - movement on the seafloor - which erodes the surface under the pipeline and creates a greater risk [for rupture].

[2:12:36 PM](#)

CO-CHAIR JOSEPHSON referred to articles that Hilcorp has other problems related to safety, oil and gas leaks, and fines. He asked whether DEC considers the aforementioned information when considering new regulations and further monitoring.

MS. RYAN advised DEC focuses on environmental risks when making regulation decisions; the department is limited to its specific authority and does not " ... take a holistic look of, of past performance on other areas that aren't within our purview. We, we have a pretty narrow view that is restricted by our statutory authority."

CO-CHAIR JOSEPHSON, returning attention to statements related to naturally occurring methane seeps, noted that PHMSA has "pressed [Hilcorp] to stop the leak or shut down the gas fuel by May 1 [2017], and it [has] expressed other concerns about leaking gas in old crude oil pipelines." He asked for DEC's level of concern.

MS. RYAN advised DEC is in alignment with PHMSA in that its order demanded for a plan for how Hilcorp would shut the pipelines down; in fact, DEC is in a fact-finding mode to determine whether there are environmental risks and damage to the aquifer, which is unknown at this time.

CO-CHAIR JOSEPHSON opined there must be known information and analysis of the impact, if any, on the environment from natural gas seepage.

MS. RYAN said there is a dearth of information on the release of natural gas in a saltwater environment.

CO-CHAIR TARR observed the area is a critical habitat area for Beluga whales, which will be monitored by a different agency, and asked how the agencies will work together to garner information.

MS. RYAN stated DEC works closely with the National Oceanic and Atmospheric Administration (NOAA) and the National Marine Fisheries Service (NMFS), the agencies with concerns about an endangered species such as Beluga whales. The agencies are reviewing data and helping DEC decide which data must be collected, and from where. Additionally, the Alaska Department of Fish & Game and U.S. Fish and Wildlife, U.S. Department of the Interior, have been reviewing data. She noted that Beluga whales breathe on the surface, but oxygen in the water column is necessary for the fish on which the whales feed. In further response to Co-Chair Tarr, she said prevention measures are key to preventing similar releases. In the last two years DEC has been working to increase its authority, and also recognizes that the aging infrastructure in Cook Inlet needs further assessment as to what is there and the ownership and operations thereof. The department has consistent standards for pipelines, new and old, and Hilcorp is in compliance with DEC standards. She acknowledged current standards need further review.

[2:18:42 PM](#)

REPRESENTATIVE RAUSCHER observed Hilcorp recently acquired existing aging infrastructure.

MS. RYAN agreed that Hilcorp bought old infrastructure from many companies in Alaska, which is its business structure, but that does not mean the infrastructure is not maintained; Cook Inlet infrastructure is the oldest in the state and dates from the '60s.

CO-CHAIR JOSEPHSON expressed his belief that when an entity buys infrastructure it carries the environmental burden.

MS. RYAN agreed and added that DEC statutes indicate "joint and equal liability," and if a problem arises DEC holds the current operator responsible; for example, in the case of the [contamination at the] [Flint Hills Resources North Pole] refinery, DEC is dealing with the present owners and not the previous owner.

REPRESENTATIVE BIRCH recalled there is a fuel line from Whittier to [former] Elmendorf Air Force Base that was repurposed to move natural gas/methane, and he asked whether methane is a less corrosive product than oil.

MS. RYAN was unsure. She added there are cathodic protection requirements for oil pipelines and DEC seeks to avoid any corrosion in an oil pipeline. She said she would provide further information to the committee.

MS. RYAN returned to her presentation and explained the second spill began [4/1/17] on the [west] side of Cook Inlet from the oil pipeline carrying oil between the Anna and Bruce platforms, which are owned by Hilcorp. The cause is being investigated; the pipeline is 75 feet underwater and bubbling and sheening were seen at the surface. Production at the Anna platform was shut down and the pipeline was closed-in. Aerial investigation revealed more sheening was seen in Cook Inlet downstream of the platforms. The pressure in the oil pipeline was reduced to five PSI; afterward, no further sheening was seen. As in the natural gas leak, a diver cannot inspect the pipeline due to ice in the inlet; an incident command post led by DEC, the U.S. Coast Guard, and Hilcorp, was established in Nikiski at the headquarters of Cook Inlet Spill Prevention & Response Inc. (CISPRI), the company contracted by Hilcorp to be its response organization for any releases. Hilcorp proposed to pig the pipeline with a polyurethane pig to push the oil past the leak. She continued to explain that about 50 feet from the platforms

there are flanges which were suspected to be the source of the leak. The department was present during this process to witness the event and to ensure CISPRI was prepared for an additional release. On 4/2/17, the pig pushed the oil past the leaking point and into a holding tank on the Bruce platform. The capacity of the pipeline was 461 barrels of oil, and the operator acted in a safe way - the oil was removed and there was no further leak. At this time, DEC is awaiting the inspection by divers and the completion of repairs before allowing the pipeline to return to operations.

[2:28:14 PM](#)

REPRESENTATIVE BIRCH asked whether CISPRI or another entity could estimate the volume of a potential spill.

MS. RYAN advised that DEC has not recovered any oil, thus does not know how much was released to the environment; however, DEC's "best guess" is less than ten gallons. Hilcorp asserts the release was less than three gallons. The amount recovered in the holding tank includes water as well as oil: 490 barrels were recovered, although the total capacity was reported to be 461 barrels.

CO-CHAIR JOSEPHSON inquired as to how Hilcorp arrived at its estimate of three gallons released.

MS. RYAN said she did not know. In further response to Co-Chair Josephson, she concluded the amount will remain "a bit of a mystery."

CO-CHAIR JOSEPHSON then asked whether the problem was with the structure of the pipeline between the platforms or the impact of ice on the Anna platform.

MS. RYAN restated that the cause is unknown; Hilcorp reported an impact to the platform. As to whether Hilcorp has made changes in maintenance from that of the previous owner of the pipeline, in further response to Co-Chair Josephson, she said DEC is reviewing Hilcorp's inspection records; Hilcorp had cathodic protection on the pipeline and was conducting sound navigation and ranging (sonar) work on the oil pipeline as well as on the aforementioned natural gas pipeline. [Side-scan] sonar allows one to see if the pipeline is adequately supported, and would be in compliance with DEC's pipeline integrity program.

REPRESENTATIVE PARISH advised the natural gas leak from mid-December to March [2017] released 26 million cubic feet of methane.

REPRESENTATIVE DRUMMOND asked how many state employees were deployed at the incident command center.

MS. RYAN explained DEC regulations require the responsible party to man the center, and DEC staff monitors the performance of the responsible party. There are three onsite coordinators representing state government, federal government, and the responsible party. The state and the federal governments have the ability to override the responsible party if deemed necessary. She restated that the command center was established at the CISPRI headquarters and held thirty to fifty responders. In further response to Representative Drummond, she said there was one state and one federal employee on the platform to monitor the activity there.

[2:37:09 PM](#)

REPRESENTATIVE RAUSCHER asked whether permits and plans are required to begin repairs on the pipelines.

MS. RYAN informed the committee DEC is in the process of deciding what will be specifically required of Hilcorp to allow it to operate the pipeline again. She clarified that DEC does not monitor work on the pipeline, that would be under the purview of the Occupational Safety and Health Administration (OSHA), U.S. Department of Labor. She added that DEC has standards for the repair of a pipeline, and the responsible party knows what is necessary to make a repair in compliance with DEC code.

REPRESENTATIVE RAUSCHER surmised [pipeline leaks] have happened before.

MS. RYAN clarified that DEC standards apply to all oil pipelines across the state and underwater.

CO-CHAIR TARR asked whether funding for state expenses is coming from the Division of Spill Prevention and Response (SPAR), DEC.

MS. RYAN answered that DEC is currently using standard operating budget funds and is requesting response funds; however, Hilcorp will get a bill for the state's costs.

REPRESENTATIVE PARISH asked for the diameter of the pipelines.

MS. RYAN said the oil pipeline is eight inches in diameter. In further response to Representative Parish, she said for an oil release DEC can issue a civil assessment penalty for up to \$100,000 for the initial release, and up to \$5,000 for every day thereafter, based on three factors: harm to the environment, the cost to the state to respond, and whether there were economic savings to the company that caused the release. She confirmed that the penalty relates to an oil spill and excludes natural gas, and stated her belief that a similar penalty for natural gas would need a statute change.

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CO-CHAIR JOSEPHSON recalled a finding by the Alaska Oil and Gas Conservation Commission (AOGCC) that Hilcorp has "committed endemic disregard of Alaska regulations, AOGCC accused Hilcorp of misleading that agency, and it's like every story is about Hilcorp" He said his confidence in Hilcorp is flagging.

CO-CHAIR TARR questioned whether tax credits Hilcorp received from the state, and \$100 million in employee bonuses would be considered by DEC to be economic benefits when assessing a fine.

MS. RYAN said those examples would not meet the definition of economic benefits.

[CO-CHAIR TARR turned the gavel over to Co-Chair Josephson.]

[2:44:27 PM](#)

The committee took an at-ease from 2:44 p.m. to 2:46 p.m.

CONFIRMATION HEARING(S):
Big Game Commercial Services Board

[2:46:25 PM](#)

CO-CHAIR JOSEPHSON announced that the next order of business would be a confirmation hearing on the appointee to the Big Game Commercial Services Board, Division of Corporation, Business and Professional Licensing, Department of Commerce, Community & Economic Development.

[2:46:30 PM](#)

ADAM TROMBLEY, appointee to the Big Game Commercial Services Board, stated he would like to serve on the board as he is an avid hunter who cares about Alaskans and priority access to animals, and seeks to ensure that hunting guides abide by the law and are regulated fairly.

CO-CHAIR JOSEPHSON asked whether Mr. Trombley currently serves on the board.

MR. TROMBLEY said he was appointed to fill a seat for a public member who had resigned. In further response to Co-Chair Josephson, he said he did not have sufficient information to make a statement on a game concession program on state lands.

REPRESENTATIVE DRUMMOND asked when Mr. Trombley began to serve on the [Big Game Commercial Services Board].

MR. TROMBLEY responded February 2017. In further response to Representative Drummond, he said he had been unable to attend the board meeting in March due to previous commitments.

REPRESENTATIVE DRUMMOND referred to his application dated November 2015, seeking a position on the Alaska Bar Association Board of Governors.

[2:49:10 PM](#)

MR. TROMBLEY explained he was appointed to the Alaska Bar Association Board of Governors in 2012, and served one term. In further response to Representative Drummond, he said he submitted his application for reappointment to the Board of Governors; in fact, the Big Game Commercial Services Board was his third choice.

CO-CHAIR JOSEPHSON suggested getting clarification on Mr. Trombley's application from the Office of Boards and Commissions, Office of the Governor.

CO-CHAIR JOSEPHSON opened public testimony. After ascertaining no one wished to testify, public testimony was closed.

CO-CHAIR TARR said the House Resources Standing Committee has reviewed the qualifications of the governor's appointee Mr. Adam Trombley to the Big Game Commercial Services Board and recommends that his name be forwarded to a joint session of the House and Senate for consideration. This does not reflect intent by any of the members to vote for or against this

individual during any further sessions for the purposes of confirmation. [There being no objection, the name was advanced.]

HB 129-FISH & GAME: OFFENSES;LICENSES;PENALTIES

[2:51:53 PM](#)

CO-CHAIR JOSEPHSON announced that the next order of business would be HOUSE BILL NO. 129, "An Act relating to sport fishing, hunting, or trapping licenses, tags, or permits; relating to penalties for certain sport fishing, hunting, and trapping license violations; relating to restrictions on the issuance of sport fishing, hunting, and trapping licenses; creating violations and amending fines and restitution for certain fish and game offenses; creating an exemption from payment of restitution for certain unlawful takings of big game animals; relating to commercial fishing violations; allowing lost federal matching funds from the Pittman - Robertson, Dingell - Johnson/Wallop - Breaux programs to be included in an order of restitution; adding a definition of 'electronic form'; and providing for an effective date."

[2:52:25 PM](#)

REPRESENTATIVE BIRCH moved to adopt Amendment 1, labeled 30-GH1687\A.3, Bullard, 4/5/17, which read:

Page 5, line 30:

Delete "voluntarily and immediately reported"

Insert "as soon as reasonably practicable,
voluntarily reports"

Page 6, line 1:

Delete "surrendered"

Insert "surrenders"

[2:52:51 PM](#)

CO-CHAIR TARR objected for discussion purposes.

REPRESENTATIVE BIRCH said Amendment 1 addresses previous testimony to recognize that one intends to immediately report an [illegal act to the Alaska Department of Fish & Game (ADFG)] but reporting may be delayed because of one's remote location or weather.

CO-CHAIR JOSEPHSON added Amendment 1 has the support of the administration and would be useful to provide some relief for those who present a sheep to ADFG for sealing.

[2:54:19 PM](#)

CO-CHAIR TARR removed her objection. There being no further objection, Amendment 1 was adopted.

[2:54:40 PM](#)

CO-CHAIR TARR moved to report HB 129, as amended, out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, CSHB 129(RES) was reported from the House Resources Standing Committee.

HB 130-GAME REFUGE/CRIT HABITAT AREA BOUNDARIES

[2:55:14 PM](#)

CO-CHAIR JOSEPHSON announced that the final order of business would be HOUSE BILL NO. 130, "An Act relating to the Izembek State Game Refuge, Cape Newenham State Game Refuge, Palmer Hay Flats State Game Refuge, Port Moller Critical Habitat Area, Egegik Critical Habitat Area, Pilot Point Critical Habitat Area, Fox River Flats Critical Habitat Area, Kachemak Bay Critical Habitat Area, and Dude Creek Critical Habitat Area; and providing for an effective date."

[2:55:28 PM](#)

The committee took a brief at-ease.

[2:55:40 PM](#)

MORGAN FOSS, Legislative Liaison, Office of the Commissioner, Alaska Department of Fish & Game, introduced HB 130, sponsored by the House Rules Committee by request of the governor. She explained the bill pertains to the legal boundary descriptions of special areas, state game refuges (SGRs), and critical habitat areas (CHAs). State game refuges, of which there are 12 in the state, are designed to protect and preserve the natural habitat and game population; SGRs and CHAs are co-managed by ADFG and the Department of Natural Resources (DNR), or in certain cases, a private landholder. Ms. Foss directed attention to a map of the Izembek SGR located near Cold Bay [slide 1]. Izembek SGR was established by the legislature in

1972 with the intent to incorporate tide and submerged lands into the SGR, thus incorporating the waterbodies within the [Izembek National Wildlife Refuge] watershed and fully protecting waterfowl and shorebird habitat in the bay and lagoon. She said the exclusion of the waterbodies may have been due to imperfect mapping of mean highwater in the '60s and '70s. Slide 2 was a map of Cape Newenham SGR, located near Izembek SGR, and she characterized the changes there as "the same scenario with [land] ... that was intended for inclusion." Ms. Foss turned attention to slide 3 that was a map of the Palmer Hay Flats SGR which was designated by the legislature in 1975. The Palmer Hay Flats SGR surrounds the Matanuska River and the riverbed is owned by the state. The original survey in 1913 platted a fixed river channel, which has since has meandered, making the designated area no longer practicable for managers and users. The bill would incorporate the excluded areas indicated by the crosshatched areas shown on slide 3.

[2:59:47 PM](#)

CO-CHAIR JOSEPHSON asked how the undesignated land was previously classified.

MS. FOSS said some of the land within the Palmer Hay Flats SGR is private, and there are various land types in these areas.

CO-CHAIR JOSEPHSON clarified his question in that in the Izembek SGR, for example, what is the classification of the parcels that are being added.

MS. FOSS answered [the land] is not part of the CHA and is designated as state water. She then directed attention to [slide 4] that was a map of the Port Moller CHA boundary established in 1972, and said the demarcations were six miles west of the intended boundary, which erroneously incorporated the community of Nelson Lagoon into the CHA. The bill will correct the boundaries and benefit the community. In response to Co-Chair Josephson, she agreed the aforementioned change would affect residents. Slides 5 and 6 were maps of the Egegik CHA and the Pilot Point CHA boundaries, both of which have noncontiguous segments due to mistakes in the 1972 legislation; corrections in HB 130 would redraw the boundaries so that the previously isolated segments become part of a contiguous CHA.

REPRESENTATIVE BIRCH inquired as to how the affected areas were discovered.

MS. FOSS said ADFG habitat biologists and staff have discovered mistakes inconsistent with the original intent of legislation.

REPRESENTATIVE WESTLAKE recalled the issue of a road from King Cove [proposed in the Izembek National Wildlife Refuge] and asked what prompted moving the land into a CHA or SGR.

MS. FOSS explained the bill would not add land to CHAs except for the change to the Dude Creek CHA. The department is shifting boundaries to align with the original statutory intent.

[3:04:45 PM](#)

CO-CHAIR JOSEPHSON returned attention to the Port Moller CHA boundary and asked whether there was a problem affecting the community of Nelson Lagoon.

MS. FOSS understood that when the community was erroneously placed within the CHA in 1972, there was "much concern over this." In further response to Co-Chair Josephson, she said there was no change in the acreage of the CHA illustrated on slide 5. She further described the boundary error affecting the Pilot Point CHA, and presented slide 7, which was a map of the Fox River Flats CHA located at the head of Kachemak Bay, and created in 1972. Shown on the map was the mean highwater line which divides the uplands from the tidelines and submerged water, which is important to the boundary of the CHA. Along the north and east boundaries, four of the seven meridian township ranges (MTRs) have tidelands and submerged water excluded; however, the exclusions were not applied consistently. The bill would remove the existing exclusions so that all four sections are treated consistently; at this time, the affected areas are the intersection of the Bradley River and the tidelines and submerged lands. She added that Kachemak Bay was sinking and is now rebounding, so a flexible definition of the mean high tideline is necessary.

CO-CHAIR JOSEPHSON asked whether ADFG has heard any concerns from the community or residents of Homer.

MS. FOSS said ADFG has not received negative feedback and has received letters of support from two organizations in the Kachemak Bay area. Directing attention to slide 8, which was a map of the Kachemak Bay CHA, she said the Kachemak Bay CHA was created in 1974 as a list of townships and ranges and the tide and submerged land and waters within, and includes all of

Kachemak Bay except a small area omitted by error. Long-standing access to the area would not be affected by the bill.

REPRESENTATIVE BIRCH asked for the significance of a CHA.

[3:09:31 PM](#)

MS. FOSS said a CHA is open to multiple use as long as [multiple use] does not conflict with the original intent of the protection.

CO-CHAIR JOSEPHSON surmised the Fox River Flats area is subsumed inside Kachemak Bay.

MS. FOSS said correct.

[3:10:22 PM](#)

REPRESENTATIVE DRUMMOND asked for the location of Kachemak Selo.

MS. FOSS explained [the community of] Kachemak Selo is the beachfront area.

CO-CHAIR JOSEPHSON asked for further questions to be submitted in writing, due to time constraints.

MS. FOSS directed attention to slide 9 which was a map of the Dude Creek CHA boundary in Gustavus near Glacier Bay. She described this area as an addition of land - that was purchased by Nature Conservancy in 2016 - to an existing CHA. Nature Conservancy subsequently transferred ownership of the land to the state, and in November 2016, the [Gustavus City Council] passed a resolution urging ADFG to accept management authority and incorporate the land into the CHA. There has been no negative feedback at this time.

HB 130 was held over.

[3:12:57 PM](#)

ADJOURNMENT

There being no further business before the committee, the House Resources Standing Committee meeting was adjourned at 3:12 p.m.