

**ALASKA STATE LEGISLATURE
SENATE RESOURCES STANDING COMMITTEE**

March 19, 2018

3:29 p.m.

MEMBERS PRESENT

Senator Cathy Giessel, Chair
Senator John Coghill, Vice Chair
Senator Natasha von Imhof
Senator Bert Stedman
Senator Kevin Meyer
Senator Bill Wielechowski
Senator Click Bishop

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

CONFIRMATION HEARINGS:

Big Game Commercial Services Board
Jason Bunch - Kodiak

- CONFIRMATION ADVANCED

State Assessment Review Board
William Westover - Anchorage

- CONFIRMATION ADVANCED

SENATE JOINT RESOLUTION NO. 13

Urging the United States Congress to amend the Marine Mammal Protection Act and urging the United States Department of the Interior to permit Alaska Native organizations and the Alaska Department of Fish and Game to co-manage, take, and study marine mammals under the Marine Mammal Protection Act.

- MOVED CSSJR 13 (RES) OUT OF COMMITTEE

PREVIOUS COMMITTEE ACTION

BILL: SJR 13

SHORT TITLE: URGING CO-MANAGEMENT PLAN FOR SEA OTTERS

SPONSOR(s): SENATOR(s) STEDMAN

02/19/18	(S)	READ THE FIRST TIME - REFERRALS
02/19/18	(S)	RES
03/07/18	(S)	RES AT 3:30 PM BUTROVICH 205
03/07/18	(S)	<Bill Hearing Canceled>
03/12/18	(S)	RES AT 3:30 PM BUTROVICH 205
03/12/18	(S)	Heard & Held
03/12/18	(S)	MINUTE(RES)
03/19/18	(S)	RES AT 3:30 PM BUTROVICH 205

WITNESS REGISTER

JASON BUNCH

Kodiak, Alaska

POSITION STATEMENT: Appointee to the Big Game Commercial Services Board

WILLIAM WESTOVER

Anchorage, Alaska

POSITION STATEMENT: Appointee to the State Assessment Review Board.

WAYNE KUBAT, Vice President

Alaska Professional Hunters Association (APHA)

Wasilla, Alaska

POSITION STATEMENT: Supported the confirmation of Mr. Bunch to the Big Game Commercial Services Board.

RANDY RUARO, Chief of Staff to Senator Stedman

Alaska State Legislature

Juneau, Alaska

POSITION STATEMENT: Explained changes from version J to version U of SJR 13.

CHRIS KRENZ, Wildlife Science Coordinator

Division of Wildlife

Alaska Department of Fish and Game (ADF&G)

POSITION STATEMENT: Neutral position on SJR 13 but provided background details.

SCOTT KELLEY, Director

Division of Commercial Fisheries

Alaska Department of Fish and Game (ADF&G)

POSITION STATEMENT: Neutral position on SJR 13 but provided background details.

ACTION NARRATIVE

[3:29:49 PM](#)

CHAIR CATHY GIESSEL called the Senate Resources Standing Committee meeting to order at 3:29 p.m. Present at the call to order were Senators Coghill, Stedman, Meyer, Von Imhof, Bishop, Wielechowski, and Chair Giessel.

CONFIRMATION HEARING(S) :
Big Game Commercial Services Board
State Assessment Review Board

[3:30:28 PM](#)

CHAIR GIESSEL announced that the first order of business would be confirmation hearings for two Governor's appointees. The committee would take up the remaining appointee to the first. She welcomed Mr. Jason Bunch to tell the committee why he wants it serve on the board and what he has to contribute to it.

JASON BUNCH, appointee to the Big Game Commercial Services Board, Kodiak, Alaska, said he is being appointed to the guide outfitter seat. He went right to the question of why he wants to serve on the board. He spent 20 years as a U.S. Coast Guard as a helicopter rescue swimmer. There are only 300 rescue swimmers in the United States, he stated, and they are very professional. When he left that organization, he moved to another occupation, guiding. When he came to the guide field he was blessed and fortunate to be surrounded by professional guides not just guides with no formal education who are vagabonds, but men who saw guiding as an occupation and staked their lives to it.

[3:32:51 PM](#)

They are all very plugged in to Advisory Committees, the public process, the Board of Game, and always pay attention to different regulations and statutes that are governing not just guiding but natural resources, and even the state's Administrative Code for the regulations for hunting. He was quickly able to separate the professional guides from a vagabond-style person who is just kind of using state resources but not really thinking about what they are doing in the long term. He wants to follow that kind of mold and this is his opportunity to be a good steward of Alaska's natural resources.

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SENATOR BISHOP said his resume' is very impressive and thanked him for applying. He asked if he had read Pinnell and Talifson's book ["Last of the Great Brown Bear Men"].

MR. BUNCH answered yes, he had read their book. Going a little bit further, he said one stormy night they were flying in an H-60 helicopter to Cold Bay to Kodiak. They had just done a medivac about 200 miles offshore of Cold Bay. They were flying back and got a 121.5 beacon transmit over the radios. So, they turned their direction-finding equipment on and the needle swung to the right. So, the pilot swung that helicopter to the right, and they followed the beacon to the Sturgeon River that had two men; one had a little head lamp. The helicopter hovered, and he was lowered down. He ran over to them to figure out the distress was. Those men had flipped their raft and lost all their belongings including safety equipment. The only thing they had was the little pen light that was in their pocket and the 121.5 emergency beacon that they had shoved in their jacket pocket.

They took the men back to the air station and got them dried and fed and a place to stay for the night and sent them on their way. About three months later, Mr. Clark, sent him a thank you letter for picking him up on the Sturgeon River with a copy of that book. He has read it a couple of times.

CHAIR GIESSEL noted that he is filling a vacancy on the board that is for only one year and asked if he was aware of that.

MR. BUNCH replied that he is aware of and okay with it. It's one year in which he can be assessed to see if he is the right man for the job and to see if he can make the impact that he wants to make and then decide whether he wants to ask for a reappointment.

CHAIR GIESSEL noted that this board allows two consecutive terms, either partial or full, and said one of the board's challenges is its' budget. The law requires that these regulatory boards fund themselves and licensing fees pay for that. In the case of the Big Game Commercial Services Board, they have actually had just a few years ago a \$1 million debt. They have recently raised licensing fees and it is a priority topic and asked if he had given it any thought.

MR. BUNCH replied yes; their balance is \$500,000. Steps have been taken in terms of raising licensing and filing fees and

2019 has been suggested as a goal for having a zero balance. They are already discussing ways to put revenue that they continue to collect to good work.

He said he is the owner of two small businesses and they are successful without debt, so he brings that financial expertise to the board. He thinks the biggest challenge for the board's financial presence is going to be that the division often makes those decisions not the board. He hopes his position on the board will help assist the division at time when spending is unavoidable.

CHAIR GIESSEL said it sounds like he is well informed about the issue and how it works, and she thanked him for his service.

[3:40:36 PM](#)

CHAIR GIESSEL said the committee would next take up the appointee for the State Assessment Review Board. She noted that Mr. Westover is a first-time appointee to this board and is calling in from Anchorage. She invited him to introduce himself and tell the committee why he is interested in this board.

[3:40:46 PM](#)

WILLIAM WESTOVER, appointee to the State Assessment Review Board, Anchorage, Alaska, said he has 25 years of appraisal experience, both private and public. The last 19 years have been spent in property assessment work for the government, specializing in special use properties and regulated utility valuations. He has known a few board members and followed previous hearings, which he found very interesting. When a vacancy opened up he was ready to submit his application.

MR. WESTOVER said he had been a resident of the State of Alaska since 1966 and it had been really good to his family. The opportunity and the time is available to him now to try give back to the state.

SENATOR COGHILL thanked him for giving back to Alaska and asked if he had attended any of their board meetings.

MR. WESTOVER answered yes.

SENATOR COGHILL remarked that it looks like they are an appeals board and asked him what some of the tougher issues are that they deal with.

MR. WESTOVER said that was correct; they hear appeals from the oil and gas industry predominantly on their assets.

SENATOR COGHILL asked if he assessed local utility distribution pipes.

MR. WESTOVER answered that the Municipality of Anchorage appeals are heard by the Assembly.

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CHAIR GIESSEL opened public testimony on both appointees.

[3:45:08 PM](#)

WAYNE KUBAT, Vice President, Alaska Professional Hunters Association (APHA), Wasilla, Alaska, supported the confirmation of Mr. Bunch to the Big Game Commercial Services Board. Since Mr. Bunch became a registered guide in 2012 he had been an active participant in the Big Game and Big Game Commercial Services Board activities. He sat with him on several board subcommittees and had observed that he has excellent computer skills; his participation was key in helping reformat their hunt records. Mr. Bunch is personable and respectable and puts passionate energy into whatever he does. Being that he is from Kodiak, he will bring knowledge of the coastal areas of Alaska. He is very fair minded and results-oriented; he will come up to speed fast and be a very valuable asset to the board.

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CHAIR GIESSEL, finding no further comments or questions on either appointee, thanked them again for volunteering for these positions.

She stated that in accordance with AS 39.05.080, the Resources Committee reviewed the following and recommends the appointments be forwarded to a joint session for consideration: Assessment Review Board: William Westover, Anchorage, and Big Game Commercial Services Board: Jason Bunch, Kodiak. This does not reflect an intent by any of the members to vote for or against confirmation of the individuals during any further sessions. She noted that committee members were signing the report.

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At ease

SJR 13-URGING CO-MANAGEMENT PLAN FOR SEA OTTERS

[3:48:09 PM](#)

CHAIR GIESSEL called the meeting back to order and announced consideration of SJR 13. At the first hearing on Monday, public testimony was opened and concluded.

SENATOR COGHILL moved to adopt CSSJR 13(), version 30-LS1408\U, as the working document.

CHAIR GIESSEL objected for discussion purposes.

[3:48:56 PM](#)

RANDY RUARO, Chief of Staff to Senator Stedman, Alaska State Legislature, Juneau, Alaska, explained two changes between version J to version U of SJR 13. On page 4, line 3, a new resolve clause is added to urge the Secretary of the Interior to waive the requirements of the Marine Mammal Protection Act to allow the taking of sea otters in Southeast Alaska. In addition, on page 4, lines 28 & 29, language "who is enrolled under the Alaska Native Claims Settlement Act (ANCSA)" is add to those Alaska Natives who would be eligible to take sea otters.

CHAIR GIESSEL, finding no further comments, removed her objected and said CSSJR 13(), version U, was before the committee.

[3:50:11 PM](#)

SENATOR COGHILL moved to adopt Conceptual Amendment 1. On page 3, line 2, delete "either" and on page 3, line 3, delete "or to be enrolled under the Alaska Native Claims Settlement Act".

CHAIR GIESSEL objected for discussion purposes.

MR. RUARO explained that the language being deleted is a drafting error and is related to a resolve clause about relief that the resolution is seeking. It's not current law.

CHAIR GIESSEL removed her objection, and Conceptual Amendment 1 was adopted.

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SENATOR WIELECHOWSKI asked if ADF&G supports the resolution.

[3:52:12 PM](#)

CHRIS KRENZ, Wildlife Science Coordinator, Division of Wildlife, Alaska Department of Fish and Game (ADF&G), said the department is neutral on SJR 13.

[3:53:25 PM](#)

SENATOR WIELECHOWSKI asked if the department had done any research on this issue and if he believes the sea otters are impacting the fisheries in any way.

MR. KRENZ answered that it is very clear that sea otters have a very large impact on the ecosystem that has resulted in very low numbers of shellfish in several areas.

SCOTT KELLEY, Director, Division of Commercial Fisheries, Alaska Department of Fish and Game (ADF&G), said they do believe that sea otters are impacting commercial and subsistence important species. He added that the department conducts scuba diving surveys for three miscellaneous shellfish species: sea cucumbers, geoduck clams, and red sea urchins, and have often noticed sea otters preying on these creatures that are important for commercial fisheries and subsistence. In fact, they have closed 12 sea cucumber areas, 6 geoduck areas, and 10 red sea urchin areas specifically because of sea otter predation.

SENATOR WIELECHOWSKI asked why the department doesn't support the resolution with that knowledge.

MR. KELLEY answered that the department is neutral on the resolution, but he is calling in to present the data related to the on-topic species.

SENATOR STEDMAN asked if the department has any projections on future impacts on the three mentioned fisheries and subsistence access.

MR. KELLEY answered it is "very safe" to say that sea otters will continue to expand their range in the region. It has been well documented since their introduction. Clear that additional areas will be closed. It's clear the additional commercial fishing areas will be closed for these three miscellaneous shellfish species and it's pretty clear that sea otters are getting close to the very heart of the commercial Dungeness fishery in the region. Once that happens that fishery will be significantly affected.

SENATOR STEDMAN noted that the harvest level had gone down from 1,500 sea otters in the last five years to 800 and the sea otter population is growing at 13 percent a year. So, they are not talking about decades here, but years, before they get into the core Dungeness fishing grounds. He said a sea otter herd is in Duncan Canal already - quite the feasting grounds.

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SENATOR MEYER asked what preys on sea otters.

MR. KELLEY replied that killer whales are known to prey on sea otters, particularly in the Aleutians.

MR. KRENZ added that sharks eat sea otters, too, but their population is still growing faster than that.

SENATOR BISHOP asked if the department had completed an economic study on the loss to the commercial Dungeness crab fleet and the subsistence take.

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MR. KELLEY replied that the Division of Commercial Fisheries manages the subsistence shellfish fisheries in Southeast Alaska and they haven't closed any subsistence shellfish fisheries and wouldn't - sea otters or not sea otters. He didn't have the information on whether subsistence harvest had gone down compared to Tanner 20 years. A formal economic study had not been done on the impacts to commercial fisheries, the three miscellaneous dive fisheries, and Dungeness crab. While they know sea otters have a significant impact on those creatures, a lot of other factors affect their abundance, as well. They don't do assessments on Dungeness crab, but they do for the miscellaneous shellfish, and large-scale environmental factors drive their abundance, too.

SENATOR WIELECHOWSKI remarked that Senator Stedman could be considered the apex predator of the sea otter. He asked what kept sea otters in check a couple of hundred years ago and if something changed in the ecosystem.

MR. KRENZ answered the ecosystem was very different before the Russian fur trade started and sea otters were hunted to very low numbers. There weren't the same invertebrate shellfish resources available at that time. The Division of Subsistence has information indicating that locals would hunt sea otters in particular areas to protect clam beaches or crab areas.

CHAIR GIESSEL thanked everyone for being available to answer questions.

[4:03:10 PM](#)

SENATOR STEDMAN closed saying it's time to take action on this issue and try to get the additional attention of the U.S. Fish and Wildlife Service informing them that coastal Alaska

particularly Southeast is having problems with the magnitude of the growth of the sea otter population not only on the commercial side but on the subsistence side. Many coastal communities don't have large super markets, or daily flights, or goods brought in to have a litany of choices for what to eat. They actually go out onto the beach, or into the water, or up on the hillside, and get what they can gather from Mother Nature.

They are having a severe challenge with letting the replanted sea otters grow at an unchecked rate. It would be nice to have sea otters all over Southeast, but at a lower level, and clearly not to a point where they are impacting other areas of interest.

SENATOR STEDMAN noted that the tourism trade likes to watch sea otters in the water, but there has to be a balance. He is not looking for eradication of the sea otters, but just slowing their growth. He said state control had been taken away, which was not the case when the state replanted them in Southeast. Now we have management from afar and the whole table has been turned on us. A good Anchorage Daily News (AND) article about sea otters had comments from U.S. Fish and wildlife indicating that they didn't really care, and they should care about the humans that live in Southeast and other areas of coastal Alaska.

[4:07:12 PM](#)

The management style of doing nothing after particular beaches and areas are completely decimated will cause other critters to be listed as endangered or threatened, too. He reminded folks that 1995, the mouth of Glacier Bay had five or six otters and in 2012 there was an estimated 8,000 of them. As a park, Glacier Bay is managed differently, but if you live there and rely on harvest, you definitely have a different opinion. That growth in Glacier Bay is similar to other areas in the state: Prince of Wales, South Baranov Island, and he heard a big raft of them was next to Petersburg and ready to go into the mouth of the Stikine River. He said we need some federal help on this issue.

[4:08:33 PM](#)

SENATOR COGHILL moved to report CSSJR 13, work order 30-LS1408\U, as amended, from committee with individual recommendations and attached zero fiscal note. There were no objections CSSJR 13(RES) moved from the Senate Resources Standing Committee.

[4:09:43 PM](#)

CHAIR GIESSEL adjourned the Senate Resources Committee meeting at 4:09 p.m.