

ALASKA STATE LEGISLATURE
HOUSE SPECIAL COMMITTEE ON FISHERIES

February 20, 2020
11:05 a.m.

MEMBERS PRESENT

Representative Louise Stutes, Chair
Representative Chuck Kopp
Representative Jonathan Kreiss-Tomkins
Representative Geran Tarr
Representative Sarah Vance

MEMBERS ABSENT

Representative Bryce Edgmon
Representative Mark Neuman

COMMITTEE CALENDAR

HOUSE BILL NO. 218

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

- MOVED CSHB 218 (FSH) OUT OF COMMITTEE

HOUSE BILL NO. 247

"An Act relating to the fish and game fund; establishing the sport fishing enhancement surcharge; relating to the repeal of the sport fishing facility surcharge; providing for an effective date by amending the effective date of sec. 21, ch. 18, SLA 2016; and providing for an effective date."

- HEARD & HELD

PREVIOUS COMMITTEE ACTION

BILL: HB 218

SHORT TITLE: SALT WATER FISHING: OPERATORS/GUIDES

SPONSOR(S): RULES BY REQUEST OF THE GOVERNOR

01/27/20	(H)	READ THE FIRST TIME - REFERRALS
01/27/20	(H)	FSH, RES, FIN
02/06/20	(H)	FSH AT 11:00 AM GRUENBERG 120
02/06/20	(H)	Heard & Held
02/06/20	(H)	MINUTE (FSH)

02/13/20 (H) FSH AT 11:00 AM GRUENBERG 120
02/13/20 (H) Heard & Held
02/13/20 (H) MINUTE (FSH)
02/20/20 (H) FSH AT 11:00 AM GRUENBERG 120

BILL: HB 247

SHORT TITLE: SPORT FISHING ENHANCEMENT SURCHARGE
SPONSOR(S): RULES BY REQUEST OF THE GOVERNOR

02/12/20 (H) READ THE FIRST TIME - REFERRALS
02/12/20 (H) FSH, FIN
02/20/20 (H) FSH AT 11:00 AM GRUENBERG 120

WITNESS REGISTER

ERIN HARRINGTON, Staff
Representative Jonathan Kreiss-Tomkins
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Offered explanations on Amendment 1 and Amendment 2 to HB 218, on behalf of Representative Jonathan Kreiss-Tomkins, prime sponsor.

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

POSITION STATEMENT: Offered comments on Amendment 1 to HB 218.

DOUG VINCENT-LANG, Commissioner
Alaska Department of Fish & Game (ADF&G)
Juneau, Alaska

POSITION STATEMENT: Presented HB 247 on behalf of the House Rules Committee, by request of the governor.

RACHEL HANKE, Legislative Liaison
Office of the Commissioner
Alaska Department of Fish & Game (ADF&G)
Juneau, Alaska

POSITION STATEMENT: Offered an explanation on the Sectional Analysis for HB 247.

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

POSITION STATEMENT: Answered questions pertaining to HB 247.

ACTION NARRATIVE

[11:05:33 AM](#)

CHAIR LOUISE STUTES called the House Special Committee on Fisheries meeting to order at 11:05 a.m. Representatives Stutes, Kopp, Kreiss-Tomkins, and Vance were present at the call to order. Representative Tarr arrived as the meeting was in progress.

HB 218-SALT WATER FISHING: OPERATORS/GUIDES

[11:06:51 AM](#)

CHAIR STUTES announced that the first order of business would be HOUSE BILL NO. 218, "An Act relating to salt water sport fishing operators and salt water sport fishing guides; and providing for an effective date."

[11:07:56 AM](#)

REPRESENTATIVE KREISS-TOMKINS moved to adopt Amendment 1, labeled 31-GH2192\A.1, Klein, 2/18/20, which read as follows:

Page 2, following line 5:

Insert a new paragraph to read:

"(3) signs a sworn statement identifying whether the person is a state resident or a nonresident;"

Renumber the following paragraphs accordingly.

Page 3, following line 8:

Insert a new paragraph to read:

"(4) signs a sworn statement identifying whether the person is a state resident or a nonresident;"

Renumber the following paragraphs accordingly.

[11:08:05 AM](#)

CHAIR STUTES objected to the motion, for the purpose of discussion.

[11:08:22 AM](#)

ERIN HARRINGTON, Staff, Representative Jonathan Kreiss-Tomkins, Alaska State Legislature, on behalf of Representative Jonathan Kreiss-Tomkins, prime sponsor of HB 218, offered an explanation on Amendment 1. She stated that the amendment would add the requirement that people applying for licenses under HB 218 must certify whether they are residents or nonresidents. She said that it would provide a data point to help understand the characteristics of the economic activity and participation in this sector.

[11:08:55 AM](#)

REPRESENTATIVE VANCE asked why the language in the proposed amendment read "signs a sworn statement identifying whether the person is a state resident or a nonresident" instead of having the requirement be proof of residency, such as a driver's license.

[11:09:22 AM](#)

MS. HARRINGTON replied, using sport fishing license applications currently used in Alaska as an example, that this is a sworn document which designates whether the applicant is a resident or nonresident, the date a residency began, and requires a signature making the document a suitable "certification thereof." In response to a follow-up question, she stated that it is anticipated that in the regulatory process and design of the proposed application, the burden would lie on the Alaska Department of Fish & Game (ADF&G) to determine what is considered suitable for certification. She explained that she had used the Sport Fishing License application as an example because it was familiar and understood to have been put in place by ADF&G to follow a directive in statute; not necessarily that the proposed application would look just like it.

[11:10:42 AM](#)

TOM TAUBE, Deputy Director, Division of Sport Fish, Alaska Department of Fish & Game (ADF&G), commented that similar to Representative Vance's comment on the sworn statement, ADF&G sees that HB 218 would already require an applicant to hold a Sport Fishing License from the state; therefore, the applicant is already signing an affidavit stating his/her residency status, and it seems that there is some duplication in the second portion of the proposed amendment.

[11:11:41 AM](#)

The committee took an at-ease from 11:11 a.m. to 11:13 a.m.

[11:13:30 AM](#)

MS. HARRINGTON stated that during the conversation that just took place [during the at-ease] with ADF&G, it was distinguished that the requirement for a Sport Fishing License exists under HB 218, and that the application does require a description of residency; however, that would be a separate piece of information living in a separate data house. The data for both applications would be collected by ADF&G, but the goal of the proposed amendment is to clearly understand the characteristics of the sector of participants specific to the legislation proposed by HB 218. She summarized that, although she didn't want to personally put the ADF&G's support on the record, her understanding is that ADF&G understands the distinction.

[11:14:17 AM](#)

CHAIR STUTES asked to have ADF&G offer firsthand information on Ms. Harrington's comments.

[11:14:30 AM](#)

MR. TAUBE stated that based upon the discussion mentioned by Ms. Harrington, ADF&G supports Amendment 1.

[11:14:42 AM](#)

CHAIR STUTES, after ascertaining that there were no further questions on Amendment 1, withdrew her objection. There being no further objection, Amendment 1 was adopted.

[11:14:58 AM](#)

REPRESENTATIVE KREISS-TOMKINS moved to adopt Amendment 2, labeled 31-GH2192\A.2, Klein, 2/19/20, which read as follows:

Page 1, lines 1 - 2:

Delete "**operators and salt water sport fishing guides**"

Page 5, following line 5:

Insert a new section to read:

"Sec. 16.40.287. Reports from unguided rented boats equipped with gear for salt water sport fishing.

(a) The department shall collect information on the rental of unguided boats equipped with gear for salt water sport fishing, including

(1) the name and address of the person renting the boat;

(2) the name and address of the person offering the boat for rent;

(3) the stated reason for the boat rental;

(4) a declaration of whether the person renting the boat used the boat for salt water sport fishing; and

(5) the sport fishing license number of any person who used the boat for salt water sport fishing during the rental period.

(b) A person who rents an unguided boat equipped with gear for salt water sport fishing shall record the information required in (a) of this section.

(c) A person who, for compensation or with the intent to receive compensation, offers unguided boats equipped with gear for salt water sport fishing for rent shall collect the information required in (a) of this section and report the information to the department.

(d) A person who is required to report or collect information under this section may not provide false information or omit material facts in a report.

(e) The board may adopt regulations under AS 44.62 (Administrative Procedure Act) to implement this section.

(f) In this section, "gear" includes rods, reels, nets, gaffs, downriggers, fish finders, bait, tackle, and fishing traps and pots."

[11:15:04 AM](#)

CHAIR STUTES objected to the motion, for the purpose of discussion.

[11:15:11 AM](#)

MS. HARRINGTON offered an explanation on Amendment 2 to HB 218. She explained that Amendment 2 would attempt to begin to put some information in place to address the nebulous area of unguided rental vessels. She explained that public perception is that there is growth in this section of the fishing sector,

but currently there is no collected data which helps to describe that growth or the characteristics of that sector. She stated that the North Pacific Fishery Management Council (NPFMC) has been discussing this topic and has an analysis from staff looking into this issue in order to understand the sector. She expressed that this is most important regarding halibut, as the halibut fisheries are highly managed, regulated, and fully allocated. She added that participation in halibut fisheries takes place from commercial vessels, a commercial guided sector, and from individuals using sport fishing licenses.

MS. HARRINGTON stated that the concern regarding people renting boats to participate in unguided harvesting, is that there might be significant growth in what is ultimately a commercial access point to a resource that is not being quantified or described in a way that allows for a place in the management scheme. She added that the proposed amendment would attempt to begin collection of baseline data to describe the unguided fishing sector's participation in the commercial use of fisheries resources.

MS. HARRINGTON clarified that Amendment 2 would specifically propose "to do a few things, and there are some things specifically that it does not propose to do." She stated that the proposed amendment would not require enumeration of the fish harvested from a boat; this would not be a logbook or a count. She said that the legislation proposed under the amendment would acquire information on businesses renting boats, and the individuals renting those boats to confirm that they have sport fishing licenses and determine whether they are fishing from the rented vessels.

MS. HARRINGTON, speaking anecdotally, said that she had a conversation recently with a well-informed member of the guided charter sector, and this individual informed her that a business he is familiar with just bought 10 additional vessels to add to its fleet, for operations in a small Southeast Alaska village. She remarked that 10 additional boats being fully utilized over the course of a week could add as many as 80 angler days, which, when added up across all businesses and regions in the state, represents an unfathomable impact on a resource that is highly regulated and managed. She added that this resource is managed by the State of Alaska in partnership with the federal government and through treaties with Canada. She summarized that the legislation proposed under this amendment would attempt to gain some understanding on what impact this sector might have on Alaska's fisheries.

[11:18:55 AM](#)

REPRESENTATIVE VANCE asked why Amendment 2 shouldn't propose a fish count in addition to collecting data on who offers the service and the gear. She expressed that this is a limited resource and wondered whether there should be oversight without a count attached to it.

MS. HARRINGTON replied that the proposed amendment is intended to be a "stair step." She expressed that ultimately the objective would be to understand the full scope of the participation of this sector on fisheries, including harvest retention. She added that this would be a larger, more complex program which would require a lot of resources to bring it to bear, and Amendment 2 is viewed as a first step towards that.

[11:20:14 AM](#)

REPRESENTATIVE KREISS-TOMKINS commented that in a "perfect world all equal," it would be ideal to know how many halibut are being caught by the unguided charter sector. He remarked that in deference to the administrative complexity involved in gathering all that information, it would make sense to "start with a very basic level of data."

[11:20:58 AM](#)

REPRESENTATIVE VANCE asked what the additional burden would be to require a logbook program for the unguided charter sector in the same venue as the program proposed for guided charters, under HB 218.

[11:21:36 AM](#)

MS. HARRINGTON answered that one of the things Amendment 2 would allow is for a beginning in understanding the characteristics of this sector. As an example, she said that a boat could be rented and used for: sport fishing through an Airbnb; a club of some sort; a remote cabin with "a skiff pulled up in the weeds outside of it"; or kayaks. She stated that it is a "complex world," and the proposed amendment could be the first step in getting to the point of understanding it well enough to implement a rational regulatory or reporting scheme. She explained that the scale of vessels involved in the unguided charter sector is still unknown; it could be 10,000 vessels or 200 vessels, but gathering information of this kind could lend

itself to the next step, which could then answer the question of implementing a logbook. She expressed that many of the businesses in the unguided charter sector might be set up very differently from an operation in the guided charter sector, and there might not be a person at the shore consulting with the client.

11:23:15 AM

REPRESENTATIVE VANCE asked whether the distinction between regulating personal use and unguided charters needs to be defined more clearly. She expressed that she thinks it is important not to infringe on Alaskans' right to "go get halibut," while being responsible for the allocation of that resource which is no longer as plentiful as it once was. She summarized that this could be a part of the stair step as mentioned by Ms. Harrington earlier.

MS. HARRINGTON responded that she understands Representative Vance's question and she thinks the answer to it might be "just one half a step to the side" and the track to consider. She recognized the importance of the point made by Representative Vance for residents and nonresidents alike to be able to continue harvesting Alaska's fisheries resources in a sport fishing environment. She explained that the other two sectors of commercial participation in the harvest of halibut, salmon, and rockfish are well known, and they are held accountable for the fish harvested and required to participate in processes that allocate resources between them. She said that the processes involved in this require intentional deliberation, tremendous effort, negotiation, and attention to the science involved. She added that a new business sector coming into these fisheries and taking more of the resources, without participating in any of the resource allocation processes, should be asked to become a part of the discussion.

11:25:51 AM

REPRESENTATIVE KOPP asked whether the proposed amendment had been "run by" the Kenai River Sportfishing Association (KRSA). He said that the lower four miles of the Kenai River are saltwater sport fishing, and often boats are rented with guides that bring people out for personal use dipnet fishing. He expressed that the whole process can be complicated, and he hadn't "even quite figured out in my head how all that happens." He remarked that he just wanted to be sure that the proposed amendment wouldn't do anything to inadvertently hurt operations

such as these, which provide great services that allow for more personal use fish to be taken; in addition, the professionally guided boats help to keep the chaos down on the river.

MS. HARRINGTON answered that KRSA had not yet been contacted regarding Amendment 2. She explained that the proposed amendment had been received quite recently, and the process of working on the nuances had only recently begun.

[11:27:33 AM](#)

REPRESENTATIVE KOPP commented that it looked to him like the intent of Amendment 2 could be maintained while removing the language from subsection (b), which reads: "A person who rents an unguided boat equipped with gear for salt water sport fishing shall record the information required in (a) of this section." He noted that the language in subsection (c) of Amendment 2 would require the person who is receiving the money for renting the boat to record the same information and report it to ADF&G. He asked what the bill sponsor's thoughts on this might be.

[11:29:08 AM](#)

REPRESENTATIVE KREISS-TOMKINS replied that he thinks there are aspects to the proposed amendment which need to be fine-tuned. He remarked that he had not considered the Kenai River sport fisheries and it would be good to investigate areas that are half saltwater, half freshwater.

[11:29:41 AM](#)

REPRESENTATIVE TARR asked whether ADF&G would anticipate an increased need for staff to address the increased workload, and whether there should be an adjustment to the proposed fees to accommodate for more resources. She expressed that it seems that the proposed program would require some significant effort from ADF&G.

REPRESENTATIVE KREISS-TOMKINS replied that ADF&G had shared its perspective recently on what the proposed project might look like administratively, its thoughts on what the value of data collection is, and the end goals from a management perspective. He expressed that he sees this as another area in which he is excited to fine tune the proposed amendment.

[11:31:39 AM](#)

CHAIR STUTES stated that Amendment 2 could be very helpful in understanding the scope of activity related to barebones charters, which is particularly pertinent in halibut fisheries; however, she expressed that she understands the language of the proposed legislation needs fine tuning, which Representative Kreiss-Tomkins would be working with the appropriate parties to accomplish. She expressed that her hope is that the work on the proposed amendment would take place in the next committee of referral.

[11:32:21 AM](#)

REPRESENTATIVE KREISS-TOMKINS withdrew Amendment 2.

[11:32:45 AM](#)

REPRESENTATIVE TARR commented that HB 218 would be moving to the House Resources Standing Committee after it moved from the current committee, and she would be happy to continue the conversation there.

[11:33:11 AM](#)

REPRESENTATIVE KOPP moved to report HB 218, as amended, out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, CSHB 218(FSH) was reported from the House Special Committee on Fisheries.

[11:33:36 AM](#)

The committee took an at-ease from 11:33 a.m. to 11:37 a.m.

HB 247-SPORT FISHING ENHANCEMENT SURCHARGE

[11:37:30 AM](#)

CHAIR STUTES announced that the final order of business would be HOUSE BILL NO. 247, "An Act relating to the fish and game fund; establishing the sport fishing enhancement surcharge; relating to the repeal of the sport fishing facility surcharge; providing for an effective date by amending the effective date of sec. 21, ch. 18, SLA 2016; and providing for an effective date."

[11:38:34 AM](#)

DOUG VINCENT-LANG, Commissioner, Alaska Department of Fish & Game (ADF&G), presented HB 247 on behalf of the House Rules

Committee, by request of the governor. He expressed that HB 247 was a priority for ADF&G in the current legislative session. He said that in 2005 the legislature had approved a bond measure to construct two sport fish hatcheries: the William Jack Hernandez Sport Fish Hatchery in Anchorage and the Ruth Burnett Sport Fish Hatchery in Fairbanks. He expressed that he is proud to have been personally involved in the design, construction, and financing of the bills which were passed and allowed the construction of the hatcheries. He expressed that in order to receive the bond, ADF&G crafted an unprecedented repayment plan; a surcharge was added to sport fishing licenses, all of which went directly to the repayment of the bond, less \$500,000 annually for hatchery production in Southeast Alaska. He stated that the average collection from 2013 to 2018 was \$6.4 million. Most of the surcharge was levied to nonresident anglers and no general funds were used for the repayment of the bond under this unprecedented strategy; the bonds would be paid for by sport anglers, the primary beneficiaries of the hatchery.

COMMISSIONER VINCENT-LANG remarked that is important to note that \$500,000 of the surcharge was dedicated annually to support sport fishing in Southeast Alaska; this was done recognizing that part of license fees would be collected from anglers only fishing in Southeast Alaska. He stated that this allowed hatchery production to be expanded in Southeast Alaska, which was critical given the status of its King salmon stocks. He remarked that significant sport fishing opportunities are provided through stocking efforts that are funded by the surcharge. He expressed that the plan has worked so well that ADF&G is paying the bond back five years early, in calendar year 2020. A promise was made at the inception of the bond that the surcharge would go away as soon as the bond was paid. As a result, the surcharge and all associated statutes will be repealed at the end of calendar year 2020. He said he had made that promise when he was part of drafting the bill. He stated that he realized what this funding source could do to maintain hatchery operations, but with the aforementioned promise in mind, he said that he is now proposing a compromise and a \$5 reduction from what is currently being collected across the board; this leaves residents with a \$4 surcharge and nonresidents contributing the "lion's share" at over six times what residents would be contributing [spreadsheet included in committee packet]. He remarked that this would be a 34 percent reduction now that the hatcheries are paid off.

COMMISSIONER VINCENT-LANG said that ADF&G proposes to collect the additional surcharge in a separate account within the ADF&G

fund to be accounted for and used only for the state's sport fish enhancement programs and sport fish hatchery facilities. Upon repayment of bond debt there is an immediate \$500,000 funding impact to Southeast Alaska from the loss of the surcharge income, that currently funds the raising and releasing of over 1.4 million chinook salmon and smolt at release sights targeted to benefit sport anglers in Southeast Alaska's inside waters. He explained that losing this amount of funding, which supports existing enhancement activities, would be detrimental to Southeast Alaska's sport anglers.

[11:42:32 AM](#)

COMMISSIONER VINCENT-LANG pointed out that sport fish enhancement programs release nearly 7.2 million fish in nearly 270 locations annually, in addition to the 1.4 million in Southeast Alaska. He stated that when the Ruth Burnett and William Jack Hernandez Hatcheries came online nearly \$5 million in "DJ funds" had to be redirected in order to pay for their operation and maintenance. Any needed repairs and maintenance must come from existing operational budget funds and are usually done at the expense of other divisional needs. He added that there are other large expensive needs that were deferred during construction and have yet to be addressed. As these facilities age the maintenance needs will grow, which will put further undue burden on other existing programs. He expressed that the ability to tap into a source of funds to cover these needs would allow ADF&G to sustain enhanced production without impacting activities elsewhere. He said that there is an average of \$6.4 million generated revenue from surcharge collections on sport fishing licenses; ADF&G currently allocates a little over \$7 million to enhancement-related programs and projects across the division, with most tied to operation and maintenance of the two large facilities in Fairbanks and Anchorage. He summarized that establishing a new pared down enhancement surcharge would: cover existing costs allocated to enhancement programs, allow for the ability to reinstate old programs and projects, address deferred maintenance and equipment needs, ensure contingency funding is available for unforeseen events at these facilities without having to approach the legislature for a supplemental or shut down a facility, and allow the continuation of the important Southeast Alaska hatchery production.

[11:44:29 AM](#)

CHAIR STUTES asked why ADF&G is decreasing the surcharge by \$5, when every year the ADF&G's budget is reduced. She suggested

that the \$5 should be kept and added into the ADF&G's budget to be used for deferred maintenance.

[11:45:20 AM](#)

COMMISSIONER VINCENT-LANG replied that when he was helping to put together the legislation to put the surcharge in place, he made a commitment that when the bonds were paid off the surcharge would go away. He expressed that he thinks it is important to follow through on commitments made early on, in order to assure people that a promise made regarding bond payments will at least be partially fulfilled moving forward. He stated that the goal with the proposed legislation is to strike a compromise that would allow for the continued operation of Southeast Alaska hatchery production and provide maintenance for the facilities, while still following through, to the extent possible, on reducing the surcharge amount based on the original commitment.

CHAIR STUTES remarked that she appreciates Commissioner Vincent-Lang's desire to follow through on the original commitment but "times are changing," and with the funding for ADF&G being continually reduced, she thinks that it should be up to the legislative body to determine whether the surcharge should be lowered. She said that she would personally like to see this money stay within ADF&G and be utilized for management of fisheries.

[11:47:04 AM](#)

REPRESENTATIVE TARR commented that she agreed with Representative Stutes' statement. She explained that the prices for licenses are already affordable; there wasn't any pushback from residents to adjustments that were recently made regarding surcharges under HB 137. She expressed that given how important fisheries are to all Alaskans, she would like to see that they have the resources necessary and she would be supportive of not lowering the fees.

[11:47:52 AM](#)

REPRESENTATIVE VANCE asked whether the proposed changes to the fees would continue in perpetuity or have a sunset date.

[11:48:15 AM](#)

COMMISSIONER VINCENT-LANG replied that the proposed fees would continue in perpetuity.

REPRESENTATIVE VANCE asked, if the surcharges stayed as they currently are, whether ADF&G would have the discretion to use the funds in the department as needed, or they would stay in the Division of Sport Fish.

COMMISSIONER VINCENT-LANG answered that the way the bill is constructed, any funds collected through the surcharge would go into a subaccount of the ADF&G fund which would be dedicated to maintaining and operating the hatcheries and allowing production in Southeast Alaska to continue.

REPRESENTATIVE VANCE asked whether the proposed legislation would address all the hatcheries throughout Alaska or only those in Southeast Alaska.

COMMISSIONER VINCENT-LANG replied that the proposed legislation would allow Southeast Alaska production to increase and, to the extent that ADF&G were to see needs for support in sport fisheries in other areas of the state, funding could be considered on a case by case basis. He emphasized that most of the funds would go to the operation and maintenance of the Ruth Burnett and William Jack Hernandez Hatcheries, which provide fish for much of Southcentral Alaska including the Railbelt and Kodiak. He explained that ADF&G saw this as an opportunity to work to provide more fishing opportunities for Southeast Alaska, as revenues were being collected from sport fishermen in those area.

[11:50:07 AM](#)

REPRESENTATIVE KREISS-TOMKINS, referencing page 2 and 3 of HB 247, asked whether the resident/nonresident differential is required to operate within constitutional parameters. He referenced the Carlson case and said that interstate commerce, privileges, and immunities govern a lot of what the state can or cannot do regarding the ratio of resident to nonresident license rates.

COMMISSIONER VINCENT-LANG answered that ADF&G had talked to the Alaska Department of Law (DOL) when it was originally putting the legislation together; DOL said that it would violate the law to have only a nonresident fee, but it was agreed that the percentage breakdown regarding residents and nonresidents under the existing surcharge was allowed. He stated the changes to

the surcharge proposed under HB 247 would be steps down from the current surcharges, but he said that he thinks they would be permissible; however, he thinks it would not be permissible to have a surcharge on only nonresident licenses.

REPRESENTATIVE KREISS-TOMKINS expressed that there is a big difference between having a nonresident fee and no fee for residents and having a set ratio between the two that the state is required to work within. He expressed that he would like to converse offline with Commissioner Vincent-Lang at a later point to discuss legal guidance on this topic.

[11:52:37 AM](#)

CHAIR STUTES asked whether ADF&G could explain the Sectional Analysis for HB 247 [hardcopy included in the committee packet].

[11:53:19 AM](#)

RACHEL HANKE, Legislative Liaison, Office of the Commissioner, Alaska Department of Fish & Game, offered an explanation on the Sectional Analysis for HB 247. She pointed out that existing legislation created the enterprise account, which as Commissioner Vincent-Lang had stated collected surcharge revenue for the bond repayment. She explained that this would be amended under Section 1 of HB 247 to remove any bond language and create the subaccount in the ADF&G fund, which is the sport fishing enhancement account. It would also allocate the revenue to sport fishing facilities to be used only on enhancement programs and facility maintenance. She pointed out that Section 2 would amend AS 16.05.340(j) to reference the new enhancement surcharge for resident and nonresident sport fishing licenses. Section 3 would repeal a reference to AS 16.05.340(j), which would be kept in statute under the proposed legislation. She said that Section 4 would repeal Section 34, ch.18, SLA 2016 which would be amended to allow AS 16.05.130(e) and AS 16.05.340(j) to remain in statute beyond the sunset date. She pointed out that Section 5 is like Section 3 and makes a similar amendment to retain the reference to AS 16.05.340(j). Section 6 is the transition language stating that any funds remaining in the enterprise account after the bonds are satisfied will be transferred to the new sport fishing enhancement account. She said that Section 7 and Section 9 would give Section 1 and Section 2 an effective date of January 1, 2021. Section 8, like Section 3 and Section 5, would fix another reference to AS 16.05.340(j). The other remaining sections establish an immediate effective date.

[11:55:09 AM](#)

REPRESENTATIVE VANCE asked, if the surcharges were kept at current levels to expand revenue, whether the proposed sport fish enhancement fund fees could be used towards paying for the modernization of the application ADF&G has in development.

[11:55:55 AM](#)

MS. HANKE replied that her answer would be no, but she would like to have Deputy Director Tom Taube confirm this for the record.

[11:56:09 AM](#)

REPRESENTATIVE VANCE remarked that she had spoken with ADF&G and she understands that one of the hopes for the application is that it will provide anglers with live access to information on what fish can be legally caught at a specific point in time. She clarified that that is why she asked whether the fees could be used towards application development, as it seems to her that it is an enhanced service for sport fishing; however, she expressed that she understands the legal restrictions on use of the funds. She summarized that she is hoping to understand the scope of what the options are for using the fund's fees.

[11:57:09 AM](#)

TOM TAUBE, Deputy Director, Division of Sport Fish, Alaska Department of Fish & Game, replied that the way the proposed legislation is currently written the enhancement fund is related to hatchery production, and he did not think that would apply to application development. He expressed that some of the fisheries the application could provide access to would be hatchery fish, but he would have to ask one of the ADF&G's lawyers whether the language used in the proposed legislation would allow for fees to cover application cost development or anything outside of hatchery related expenditures.

[11:57:59 AM](#)

CHAIR STUTES, after ascertaining that there were no further questions, announced that HB 247 would be held over for further review.

[11:58:28 AM](#)

ADJOURNMENT

There being no further business before the committee, the House Special Committee on Fisheries meeting was adjourned at 11:58 a.m.