

ALASKA STATE LEGISLATURE
HOUSE SPECIAL COMMITTEE ON FISHERIES

March 10, 2020
11:09 a.m.

MEMBERS PRESENT

Representative Louise Stutes, Chair
Representative Bryce Edgmon
Representative Jonathan Kreiss-Tomkins
Representative Geran Tarr
Representative Sarah Vance
Representative Mark Neuman

MEMBERS ABSENT

Representative Chuck Kopp

COMMITTEE CALENDAR

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 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
02/20/20	(H)	Heard & Held
02/20/20	(H)	MINUTE(FSH)
02/27/20	(H)	FSH AT 10:00 AM GRUENBERG 120
02/27/20	(H)	-- MEETING CANCELED --
03/03/20	(H)	FSH AT 10:00 AM GRUENBERG 120
03/03/20	(H)	-- MEETING CANCELED --
03/05/20	(H)	FSH AT 10:00 AM GRUENBERG 120
03/05/20	(H)	-- MEETING CANCELED --
03/10/20	(H)	FSH AT 11:00 AM GRUENBERG 120

WITNESS REGISTER

RON SOMERVILLE
Territorial Sportsmen
Juneau, Alaska

POSITION STATEMENT: Offered testimony in support of HB 247.

FORREST BRADEN, Executive Director
Southeast Alaska Guides Organization (SEAGO)
Ketchikan, Alaska

POSITION STATEMENT: Offered testimony in support of HB 247.

DAVID LANDIS, General Manager
Southern Southeast Regional Aquaculture Association (SSRAA)
Ketchikan, Alaska

POSITION STATEMENT: Offered testimony in support of HB 247.

TOM TAUBE, Deputy Director
Division of Sport Fish
Alaska Department of Fish & Game
Juneau, Alaska

POSITION STATEMENT: Answered questions pertaining to HB 247.

ACTION NARRATIVE

[11:09:20 AM](#)

CHAIR LOUISE STUTES called the House Special Committee on Fisheries meeting to order at 11:09 a.m. Representatives Stutes, Tarr, Vance, and Neuman were present at the call to order. Representatives Edgmon, and Kreiss-Tomkins arrived as the meeting was in progress.

HB 247-SPORT FISHING ENHANCEMENT SURCHARGE

[11:10:02 AM](#)

CHAIR STUTES announced that the only 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."

[11:10:43 AM](#)

CHAIR STUTES opened public testimony on HB 247.

[11:11:07 AM](#)

RON SOMERVILLE, Territorial Sportsmen, offered testimony in support of HB 247. He stated that he had a graph with data from the Alaska Department of Fish & Game (ADF&G) pertaining to King salmon, which would help him illustrate his testimony [hard copy included in committee packet]. He said that the Territorial Sportsmen has been in strong support of carefully controlled enhancement programs and, as with the commercial fleet, it has contributed as much as it can to the enhancement program. He remarked that this program has been very successful in Southeast Alaska and without it, personal use King salmon would be significantly diminished. He expressed that the Territorial Sportsmen's 1,600 members in Juneau are supportive of the proposed legislation.

MR. SOMERVILLE, referencing the graph with data from ADF&G, stated that it is predicted that escapement in the Taku River is going to be considerably lower than the minimum of 20,000. He said that for six of the last eight years, escapement numbers have been below the minimum of 20,000, and personal use of the resource has been completely shut down. He pointed out that in the last 12 to 14 years any harvest that has occurred has come from the escapement, as there has not been anything above the escapement goal throughout those years. He summarized that this illustrates the dire situation for King salmon struggling in streams all throughout Alaska, and added that enhancement programs have been beneficial.

[11:13:10 AM](#)

REPRESENTATIVE TARR asked whether the Territorial Sportsmen would be in general support for the proposed legislation if the licensing fee surcharge was left in place entirely and used for various purposes.

MR. SOMERVILLE answered that the members of the Territorial Sportsmen had not been polled on that issue, but he thinks they would support the reduction. He said that there was recently a license fee increase for residents and non-residents, and he thinks it would be a show of good faith if the \$5 reduction was kept in place. He said that was his recommendation.

[11:14:14 AM](#)

REPRESENTATIVE NEUMAN asked Mr. Somerville whether he thinks the proposed legislation would target any excess money that goes out for fishery hatcheries and, when the bonds are paid off, whether that money would go directly to a subaccount in [the Division of Sport Fish] and the rest of the money would be used for fisheries management and enhancement.

MR. SOMERVILLE replied that he assumes that hatcheries do not run free of charge and some of that money would be used for the purpose of maintenance. He expressed that the Territorial Sportsmen supports the oversight of the legislature in how that money is spent.

[11:15:23 AM](#)

FORREST BRADEN, Executive Director, Southeast Alaska Guides Organization (SEAGO), offered testimony in support of HB 247 [written testimony included in the committee packet]. He stated that the sport fleet in Southeast Alaska relies heavily on King salmon. He explained that there is an outside and inside fleet and hatchery enhancement production benefits both sectors, as the fish must come through the outside to get to the inside. He said that he has found it interesting in his research that one out of two King salmon harvested from 2005 to 2016 by the inside sport fisheries, which includes Juneau, Ketchikan, Petersburg, and Wrangell, were of hatchery descent. He expressed that he thinks everyone knows the importance of these fish for resident and non-resident sport fishermen, and SEAGO supports keeping the money from fees coming in. He said that his understanding is that 80 percent of the funds that come in are from non-residents, and that that is a good way to bring in money to support the fisheries. He said that this would not only benefit sport fisheries, as fish are shared by all fisheries, and he said that sport fishermen feel as though they should "pay our way." He commented that SEAGO would be in support of keeping the non-resident portion of the fee surcharge in place without a reduction; although, he said that he understands that there is a ratio that must be kept in place between resident and non-resident fees. He summarized that SEAGO would be happy to see additional funds coming toward Southeast Alaska for further enhancement and maintenance.

[11:17:42 AM](#)

REPRESENTATIVE TARR observed that the written testimony submitted by SEAGO said the same thing as Mr. Braden; it would support an amended bill that keeps the original surcharge amount

for non-residents, with the additional revenue aimed at increasing production and/or "marking of" hatchery chinook. She asked whether SEAGO would not have a problem if the non-resident fees were to stay the same, given that some of them were recently increased. She expressed that she thinks guides might be one of the most outspoken groups on the topic.

MR. BRADEN replied that he thinks there would be support for keeping those funds in place, and it is a cost to which customers, consumers, and visitors are accustomed. He said that he thinks it really benefits the fishery. He added that SEAGO is not opposed to a reduction in resident fees.

[11:19:17 AM](#)

DAVID LANDIS, General Manager, Southern Southeast Regional Aquaculture Association (SSRAA), offered testimony in support of HB 247. He stated that the lion's share of the projected revenue from the proposed legislation would go to the William Jack Hernandez Sport Fish Hatchery in Anchorage, and the Ruth Burnett Sport Fish Hatchery in Fairbanks; however, he noted that the state owns a third sport fish hatchery, the Crystal Lake Hatchery in Petersburg, which is operated by SSRAA. He said that a portion of the operational funding for the Crystal Lake Hatchery flows through the sport fish license surcharge funding, and the remainder of the funding comes from the Dingell-Johnson Act funding. He explained that these funds are comingled and form the contract SSRAA has with the State of Alaska to operate the Crystal Lake Hatchery and release King and Coho salmon in specified locations. He noted that this funding is critical to the operation of the Crystal Lake Hatchery.

MR LANDIS stated that this is a user pay system, which he said he thinks is a benefit to the people who work in fisheries, as it has the people who use the fish pay for them in some part. He added that it might be worth considering keeping the license surcharge fees in place as they are, to whatever degree that would lessen the risk of a challenge on the ratio of non-residents to residents. He summarized that SSRAA supports the passage of HB 247, and noted that at the recent United Fishermen of Alaska (UFA) meeting, UFA announced support of HB 247 as well. He added that another commercial user group, the Alaska Trollers Association, submitted a letter of support for HB 247.

[11:22:15 AM](#)

CHAIR STUTES noted, because it had been mentioned a couple of times, that non-residents cannot be charged a fee that is not charged to residents, although the non-resident license fee could be increased.

[11:22:40 AM](#)

CHAIR STUTES, after ascertaining that there was no one else who wished to testify, closed public testimony on HB 247.

CHAIR STUTES commented that on page 1, of HB 247, it is stated that funding shall be allocated to "sport fishing facilities", and the term sport fishing facilities is rather broad. She said that according to ADF&G, sport fishing facilities can include things like trail renovations and access ramps. She said that while she does support keeping the trails well maintained, it does not directly support the health of the resource, but simply access to it. She expressed that she would like to see the proposed legislation "tightened up" to be specific to stock enhancement and maintenance at Alaska's sport fish hatcheries, so that funding will always benefit the resource and not simply human access to it. She remarked that she would be interested in hearing the committee and ADF&G's comments on that topic.

CHAIR STUTES remarked that HB 247 proposes to reduce the \$9 surcharge to \$4. She remarked that she is in support of continuing the \$4 surcharge in support of the state's sport fish hatcheries, but she wondered whether the \$5 that the bill proposed to "kick back" could be better used for fisheries management and research within ADF&G, particularly in light of recent budget reductions and various challenges to the resource, including ocean acidification, ocean and river warming, and invasive species. She asked Tom Taube, Deputy Director at ADF&G, what ADF&G's thought is on leaving the \$5 surcharge in place and making it available for fisheries management and research. She remarked that this would seem prudent to her.

[11:24:55 AM](#)

TOM TAUBE, Deputy Director, Division of Sport Fish, Alaska Department of Fish & Game, answered questions pertaining to HB 247. He said that ADF&G would be receptive to what Chair Stutes was proposing, but it would want to ensure that the benefits would be to sport anglers and sport fisheries related to the additional projects that would be funded by the full surcharge. He remarked, referencing invasive species, that the Division of Sport Fisheries has taken lead on much of the pike reduction in

the Mat-Su area and the Kenai Peninsula, and funds would go toward that. He said that there are needs regarding King and Coho salmon assessment and research on the Kenai Peninsula and Mat-Su area, as well as for other resident species research that could occur in Southeast Alaska and the Interior. He summarized that ADF&G would be receptive to seeing a full fee amount but would defer to the legislature to make that happen at this time.

[11:26:18 AM](#)

REPRESENTATIVE NEUMAN commented that he uses lakes where ADF&G drops sport fish in by airplane, and there are a lot of lakes like that that are not accessible by road that have trail access. He said that a lot of those lakes start at different state parks, like the Red Shirt Lake out of Nancy Lake State Park. He said he thinks any fisheries that receive Dingell-Jonson funds must have public access, and stock fish cannot be put in a lake that does not have public access. He said that there needs to be adequate access that is identified, so people are not crossing private property to catch the fish that are being stocked.

REPRESENTATIVE NEUMAN said that he noticed the proposed legislation would also change the hunting license fees. He noted that the title of the proposed legislation pertains to sport fishing enhancement. He expressed that he wondered where the legal authority is to change hunting and trapping license fees, because the proposed legislation is about the sport fisheries and the \$9 surcharge that sport fishermen, under the North American Model of Wildlife Conservation, are taxed to support sport fish hatcheries. He said he is not sure how changing hunting licenses fits in to the title of the proposed legislation, and there might be a legal issue as to how far it can go under the authority of the ADF&G fund.

REPRESENTATIVE NEUMAN asked why sport fish enhancement funds would go to a hatchery, like a Pink salmon hatchery, when 98 percent of those fish are caught by commercial fishermen, in what could be called a "terminal fishery." He opined that this is a wonderful program that is "working like it should."

[11:28:49 AM](#)

CHAIR STUTES commented that it appears the hunting and trapping license was included in the increase in the original legislation on that topic.

11:29:01 AM

REPRESENTATIVE VANCE thanked Representative Neuman for pointing out the increase in licensing fees for hunting and trapping, and said that on page 3 of the proposed legislation, the non-resident and military fee applies to small game and sport fishing licenses as well. She commented that if the fees were kept in place, the original amount requested could go toward sport fish hatcheries maintenance and operations, but the additional amount could go to ADF&G for management and research. She expressed that she would like an answer on the legality of the "crossover of this combined license." She noted the feedback on the committee's intent for the money to go specifically towards fish management and research, which she said, "We all support," but she said that the needs of ADF&G are great. She asked whether there is crossover management that doesn't just affect sport fishing, that these funds could support. She expressed that there is good in focusing funds to specific things, but ADF&G should have the ability to utilize the funds where there are needs that might have been overlooked.

CHAIR STUTES remarked that the proposed legislation says, "an act relating to the fish and game fund", and she said that she would imagine that is where the hunting license portion comes into play.

11:31:02 AM

REPRESENTATIVE TARR remarked that she likes the ideas, and she thinks that the fee structure is currently very reasonable. She said that as the conversation on how to maintain essential state services progresses some of the newer ideas would take some time to evolve into, and the proposed legislation is something that is already operational, which she likes. She opined that HB 247 would fill an important need. She said that she thinks this is one of the topics that all Alaskans care about, and she likes the conversation of having more specificity in which piece of the surcharge, if left in its entirety, would go towards stock enhancement and maintenance of the sport fishery hatcheries. She commented that perhaps it could be made clearer as to how the remaining funds could be used to be as strategic as possible in thinking about where there are gaps currently, particularly in information and areas that need better management. She summarized that she is supportive of keeping the fees in place, and appreciates the input that others might add to the conversation on how those funds might need to be specifically used.

11:32:37 AM

CHAIR STUTES commented that according to Rachel Hanke, Legislative Liaison for ADF&G, the change in the fees on "two, three, and four" is referring to the sport fishing license portion.

[HB 247 was held over.]

11:33:49 AM

ADJOURNMENT

There being no further business before the committee, the House Special Committee on Fisheries meeting was adjourned at 11:34 a.m.