

**ALASKA STATE LEGISLATURE
HOUSE RESOURCES STANDING COMMITTEE**

February 19, 2020

1:03 p.m.

MEMBERS PRESENT

Representative John Lincoln, Co-Chair
Representative Geran Tarr, Co-Chair
Representative Grier Hopkins, Vice Chair
Representative Sara Hannan
Representative Chris Tuck
Representative Ivy Spohnholz
Representative Dave Talerico
Representative George Rauscher
Representative Sara Rasmussen

MEMBERS ABSENT

All members present

OTHER LEGISLATORS PRESENT

Representative Mel Gillis

COMMITTEE CALENDAR

HOUSE BILL NO. 203

"An Act relating to transportation of live crab."

- HEARD & HELD

HOUSE BILL NO. 137

"An Act relating to the taking of big game by nonresidents; and providing for an effective date."

- HEARD & HELD

PREVIOUS COMMITTEE ACTION

BILL: HB 203

SHORT TITLE: TRANSPORTATION OF LIVE CRAB

SPONSOR(s): REPRESENTATIVE(s) KNOPP

01/21/20	(H)	READ THE FIRST TIME - REFERRALS
01/21/20	(H)	FSH, RES
01/30/20	(H)	FSH AT 11:00 AM GRUENBERG 120

01/30/20 (H) Heard & Held
 01/30/20 (H) MINUTE(FSH)
 02/04/20 (H) FSH AT 11:00 AM GRUENBERG 120
 02/04/20 (H) Heard & Held
 02/04/20 (H) MINUTE(FSH)
 02/05/20 (H) FSH RPT CS 5DP
 02/05/20 (H) DP: VANCE, KOPP, EDGMON, NEUMAN, STUTES
 02/19/20 (H) RES AT 1:00 PM BARNES 124

BILL: HB 137

SHORT TITLE: LIMIT NONRESIDENT TAKING OF BIG GAME
 SPONSOR(s): REPRESENTATIVE(s) TUCK

04/16/19 (H) READ THE FIRST TIME - REFERRALS
 04/16/19 (H) RES
 02/19/20 (H) RES AT 1:00 PM BARNES 124

WITNESS REGISTER

REPRESENTATIVE GARY KNOPP
 Alaska State Legislature
 Juneau, Alaska

POSITION STATEMENT: Speaking as the sponsor, offered comments during the hearing of HB 203.

INTIMAYO HARBISON, Staff
 Representative Gary Knopp
 Alaska State Legislature
 Juneau, Alaska

POSITION STATEMENT: Speaking on behalf of Representative Knopp, sponsor of HB 203, presented the bill.

EDWARD POULSEN, Member
 GKC Holdings
 Shoreline, Washington

POSITION STATEMENT: Testified in support during the hearing of HB 203.

FRANCES LEACH, Executive Director
 United Fishermen of Alaska
 Juneau, Alaska

POSITION STATEMENT: Testified in support during the hearing of HB 203.

JEREMY WOODROW, Executive Director
 Alaska Seafood Marketing Institute
 Juneau, Alaska

POSITION STATEMENT: Testified in support during the hearing of HB 203.

JAMIE GOEN, Executive Director
Alaska Bering Sea Crabbers
Seattle, Washington

POSITION STATEMENT: Testified in support during the hearing of HB 203.

FRANK KELTY, Research Fisheries Consultant
City of Unalaska
Unalaska, Alaska

POSITION STATEMENT: Testified in support during the hearing of HB 203.

MARK RICHARDS, Executive Director
Resident Hunters of Alaska
Fairbanks, Alaska

POSITION STATEMENT: Testified in support during the hearing of HB 137.

ROD ARNO, Executive Director
Alaska Outdoor Council
Anchorage, Alaska

POSITION STATEMENT: Testified in opposition during the hearing of HB 137.

SAM ROHRER, President
Alaska Professional Hunters Association
Kodiak, Alaska

POSITION STATEMENT: Testified in opposition during the hearing of HB 137.

SAM FEJES, Commercial Pilot; Lodge Owner/Operator
Anchorage, Alaska

POSITION STATEMENT: Testified in opposition during the hearing of HB 137.

ACTION NARRATIVE

[1:03:16 PM](#)

CO-CHAIR GERAN TARR called the House Resources Standing Committee meeting to order at 1:03 p.m. Representatives Tuck, Hannan, Talerico, Rauscher, Hopkins, Lincoln, and Tarr were present at the call to order. Representatives Rasmussen and Spohnholz arrived as

the meeting was in progress. Also present was Representative Gillis.

HB 203-TRANSPORTATION OF LIVE CRAB

[1:04:38 PM](#)

CO-CHAIR TARR announced the first order of business would be CS FOR HOUSE BILL NO. 203(FSH), "An Act relating to transportation of live crab."

[Before the committee was CSHB 203(FSH), read across the House floor and referred to the House Resources Standing Committee on 2/5/20.]

[1:04:53 PM](#)

REPRESENTATIVE GARY KNOPP, Alaska State Legislature, sponsor of HB 203, informed the committee HB 203 is a noncontroversial bill that would remove antiquated legislation. He explained during the '60s, there was a prohibition on the surface transportation of three species of live crab for two reasons: the crab needed to be landed in Alaska to collect fisheries taxes and there was a high mortality rate of crab transported by means other than air transport. However, due to improvements in technology and methods of shipping, live crab now can be shipped and kept alive in excess of 30 days. Representative Knopp advised removal of the prohibition on surface transportation would add value to the crab end product and strengthen the market for crab.

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INTIMAYO HARBISON, Staff, Representative Gary Knopp, Alaska State Legislature, on behalf of Representative Knopp, sponsor of HB 203, paraphrased from the sponsor statement which read [original punctuation provided]:

House Bill 203

This bill would change the language of Alaska Statute (AS) 16.10.240 to remove restrictions on the surface transport of live crab. As the law is currently written there is a restriction on the transport of crab species except for when shipped, live, via air freight after pre-packaging. House Bill 203 would change the language of AS 16.10.240 to allow for surface transport of live crab after the product has been first landed in an Alaskan port and recorded on an Alaska Department of Fish and Game fish ticket.

The current Alaska Statute pertaining to the transport of live crab was written in the 1960's and revised in 1996 due to concerns regarding loss of product as well as concerns regarding toxins when transporting by surface rather than air. Since the initial passing of this legislation, and subsequent amendments, there have been many breakthroughs in the safe transport of live crab species. These breakthroughs allow for the movement of live crab by surface transport while maintaining freshness of product. New technology allows for transport, and storage of live crab, while keeping product in cooled and aerated saltwater for its entire journey to market. Furthermore, this method of transport allows for crab to be held up to a month or longer after harvest, if necessary, without significant loss of product or risk to consumers.

As it currently stands dead loss on the shipment of live crab out of Alaska can be high due to several factors including improper packaging, delays to air shipment from weather, and a general lack of air shipment service to remote Alaskan crabbing communities. This bill will allow for high quality Alaskan crab to reach markets despite the limitations to air freight.

As live crab markets continue to expand around the globe, Alaska has fallen behind due to the limitations placed on live export from the State. Red King crab is currently sold live on global markets by industries in other countries. This includes sales to the United States and Canada as well as other prime markets who would be better served by the Alaskan crabbing industry. The ability to sell currently restricted species in a larger and more consistent volume would help to expand consumption of Alaskan crab, bring economic opportunity to Alaskan crabbing communities, and benefit the State and State industries as a whole.

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REPRESENTATIVE KNOPP noted there is broad support for the bill from state agencies; in fact, the Department of Public Safety (DPS) said passage of the bill would make its job easier and the Department of Environmental Conservation (DEC) has no concerns about the bill.

REPRESENTATIVE HANNAN asked whether the changes to the bill made by the committee substitute passed by the House Special Committee on Fisheries were related to the species of crab affected by the bill.

REPRESENTATIVE KNOPP said yes. He explained after the first hearing of HB 203, the Alaska Department of Fish and Game (ADFG) expressed concern that only three species of crab were identified in the original bill; to eliminate confusion in the future, all references to crab species were removed by [CSHB 203(FSH)].

REPRESENTATIVE RAUSCHER asked how the bill solves the problem of improper packaging.

REPRESENTATIVE KNOPP described how crab were previously shipped before the use of saltwater injection, aeration, pumps, and other improved methods. At one time, four days of surface transportation could result in a mortality rate of 100 percent.

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MR. HARBISON further explained an advance in technology enables air to be injected into the water which allows crab to breathe, and the water temperature is controlled. He pointed out crab that are currently shipped by air freight are removed from water, cooled, and packaged out of water; however, surface shipping in water is beneficial to crab.

REPRESENTATIVE TUCK asked whether shipping crab by air freight would still be an option.

MR. HARBISON said yes. He noted there still will be a high demand for overnight fresh crab deliveries, and the bill would create an increase in the volume of fresh crab delivered to markets.

REPRESENTATIVE TUCK questioned why the state imposed a prohibition on surface shipping crab when the fishermen/suppliers are responsible for their products.

REPRESENTATIVE KNOPP surmised the state sought to ensure crab were landed in Alaska in order to collect taxes, and also wanted to prevent tainted products from reaching markets.

REPRESENTATIVE TUCK asked if the bill requires shippers to use new methods of transportation. He suggested if not, current methods of surface transportation would continue to be used.

REPRESENTATIVE KNOPP said no. Shippers could opt to continue to use the previous methods.

REPRESENTATIVE TUCK asked for further information on the history of this issue and procedures related to the collection of fisheries taxes.

REPRESENTATIVE KNOPP expressed his understanding fish tickets are collected when crab are unloaded from the fishing vessel to the processor. He deferred to representatives of the fishing industry to provide more information.

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EDWARD POULSEN, member, GKC Holdings, informed the committee his company is involved in crab harvesting and processing operations in Dutch Harbor. He spoke in favor of the bill, noting the bill would allow all crab species to be shipped live by sea. During the past few years his company has transported live golden crab from Dutch Harbor to Seattle utilizing new containerized technology. Currently, Alaska Statutes allow for the shipment of golden king crab in this method, but not red king crab; in fact, the crab arrive in Seattle healthy enough to airship to destinations across the U.S. and to Europe and Asia. He pointed out air service to Dutch Harbor is unreliable due to limited infrastructure and weather. In additions, markets have shifted from buying cooked frozen crab to live crab, which can be provided by the Russian fishing industry to South Korea and China, and by the West Coast Dungeness crab industry. The market for live red crab is well-established and the market for bairdi crab would benefit if shipped live; in fact, interest in live Alaska crab by consumers and high-end chefs and restaurants is high, and high prices are paid for premium products. Mr. Poulsen concluded the bill would benefit crews, vessel owners, and processors, and the new containerized technology has been proven to allow remote Alaska ports to successfully ship live red and bairdi crab to markets by container ship.

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MR. POULSEN, in response to Representative Tuck, explained fish tickets are issued in accordance with the landing of vessels and at the time the crab are offloaded; dead loss is noted, and there are no fees paid for dead loss. The crab is held onshore and prepared for shipping after the harvester and taxes have been paid; neither the harvester nor the state loses revenue if there is additional mortality. Further, he pointed out the bill would not remove the opportunity for air transport when air transport is a viable option; however, the new technology is needed in remote communities such as Dutch Harbor and Kodiak.

REPRESENTATIVE RAUSCHER asked for a comparison of the dollar value of the present and new markets [for live crab].

MR. POULSEN said it is difficult to compare; bairdi crab is a larger and better product than snow crab. He described how in the live crab market, high-end chefs are always interested in something new to promote and will pay a premium price, but it is hard to quantify what the price could be. In addition, markets are seasonal and domestic markets are still developing. In further response to Representative Rauscher, he added the containerized technology is too new to define the potential of the market; however, it is known the process of cooking and freezing crab utilizes about 65 percent of the product, but selling a live crab monetizes 100 percent of the product.

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REPRESENTATIVE TUCK spoke in support of the bill and the provision requiring that the fish are reported on a fish ticket at landing and prior to transportation. He directed attention to the bill [on page 1, beginning on line 12, and continuing to page 2, line 1, which read:

(b) Notwithstanding (a) of this section, live [DUNGENESS] crab [, SPECIES CANCER MAGISTER,] may be taken, shipped, transported, or sent from the state by means of surface transportation only if the crab are taken at a time and location in the state for which the Department of Environmental Conservation does not require seafood processors to test [DUNGENESS] crab for the presence of marine toxins.

REPRESENTATIVE TUCK surmised [under existing statute] DEC may require testing only on Dungeness crab and asked whether the bill allows for testing of all species of crab when required by DEC.

REPRESENTATIVE KNOPP agreed. Currently, only Dungeness crab are tested for paralytic (PSP) poisoning and the bill provides that every species is subject to testing should DEC wish to do so.

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FRANCES LEACH, executive director, United Fishermen of Alaska (UFA), informed the committee UFA represents 34 commercial fishing groups ranging from geoduck divers in Southeast Alaska to Bering Sea crabbers. Ms. Leach said members of UFA unanimously support HB 203 because limiting surface transportation limits marketability for

many species of crab, such as red king, Dungeness, and bairdi. New surface shipping technology successfully transports live crab, with minimal dead loss, in response to consumers' preference for live crab over previously frozen, even at a premium price. Passage of the bill would allow Alaska to compete with Russian suppliers - who seek to rebrand Alaska crab as their own - and she urged the committee to support the bill and thereby, the seafood industry.

REPRESENTATIVE HANNAN observed Southeast crabbers cannot take their catch directly to market in Seattle, but must offload in Alaska and obtain a fish ticket. She questioned whether crabbers in Southeast might travel with their catch south, or if they would utilize a separate vessel equipped with the new containerized tanks for transportation.

MS. LEACH has not heard of any Southeast fishermen who plan to transport their crab, although their vessels are equipped with recirculating pumps, and she expressed her belief fishermen would utilize processors for transportation to market.

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JEREMY WOODROW, executive director, Alaska Seafood Marketing Institute (ASMI), paraphrased from the following written statement in support of HB 203 [original punctuation provided]:

Alaska's crab species are known worldwide as premium products from an unrivaled ocean environment. Alaska crab species - king, opilio (snow), bairdi (Tanner) and Dungeness -on an annual basis, represent 12 percent of the total value of all commercially harvested Alaska seafood species, despite accounting for just one percent of the total catch. The first wholesale value of all crab species combined exceeds \$300 million annually. Live crab sales, however, account for less than 1 percent of this total, which can be attributed to several factors including shipping limitations. Alaska's crab is enjoyed by consumers both domestically and abroad. However, in every market where Alaska crab is available, a comparable species of crab harvested from a different region in the world is available as well. Often, Alaska crab species are undercut by cheaper foreign crab with more favorable trade terms. Increased competition and lower competitor prices negatively impact the market position of one of Alaska's most prized seafood species. Transportation technology for seafood has made vast improvements in recent years. As such, the ability to ship live crab via surface now exists

as it never had before. This new technology means that more crab can be delivered fresh at a lower cost to the seafood company with less financial risk than associated with shipping live crab via air. Currently, the majority of Alaska crab is sold in the form of frozen or cooked products. However, at market, live crab is sold for a significantly higher price. HB 203 will correct Alaska Statute 16.10.240 and allow Alaska processors the ability to capitalize on the newfound shipping technology by expanding markets for the highest value product forms. HB 203 supports Alaska's largest private direct employer by providing the seafood industry with the tools necessary to compete in the global market.

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JAMIE GOEN, executive director, Alaska Bering Sea Crabbers, paraphrased from the following written testimony [original punctuation provided]:

The Alaska Bering Sea Crabbers (ABSC) is a non-profit trade association representing the harvesters of king, opilio (snow), and bairdi (Tanner) crab in the Bering Sea and Aleutian Islands. We are actively involved in fisheries management, policy development, scientific research, and marketing. ABSC would like to offer our support for HB 203 (Transportation of Live Crab). Allowing the transport of all commercial species of live crab via surface transport in addition to air transport would increase flexibility and market opportunities for Alaska's crab fisheries and communities. For some ports where crab are landed, air transport cannot handle live crab shipments in larger volume, or it may not be economical. Allowing surface transport would increase opportunities for some ports and fishermen to bring live, fresh crab into markets. Currently, all crab may be sent via air transport but only live golden king crab, opilio, and Dungeness (with some exceptions) may be sent via surface transport from Alaska. This bill would extend live crab surface transport to bairdi and other king crab species (red and blue), as well. In other words, all commercial crab species could be shipped live via surface or air transport after being landed in the state and recorded on a fish ticket. Providing diversity in product forms and the opportunity for increased market value benefits Alaska's economy and communities. Given variability in crab stocks, fishermen look for ways to increase the value

of their product, especially in times of lower catch levels. The option to also transport any commercial crab species live via surface transport, in addition to air transport, provides options for fishermen. This position is in alignment with the United Fishermen of Alaska (UFA), of which ABSC is a Board member.

[1:39:09 PM](#)

FRANK KELTY, research fisheries consultant, City of Unalaska, expressed his personal support for HB 203 and provided a personal history of his experience working in crab fisheries. He said he also recommended that the City of Unalaska support the bill and opined the bill maximizes economic benefits to harvesters, quota shareholders, and communities, from a low-volume, high-market species. Mr. Kelty agreed the technology has improved from 30-40 years ago, and the shipment of live crab species would increase the value of the product and develop new export markets in a time of closures and declining catch. In fact, the Bering Sea crab fisheries have been in decline for many years and some fisheries have been closed, or opened for minimal seasons, creating economic hardship for all. Further, Mr. Kelty pointed out in [3/20] the Board of Fisheries, ADFG, will review the bairdi fisheries management plan and changes made therein may increase Tanner crab deliveries for the Asian market. He restated several reasons supporting the passage of HB 203.

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CO-CHAIR TARR opened public testimony on HB 203. After ascertaining no one wished to testify, public testimony was closed.

HB 203 was held over.

HB 137-LIMIT NONRESIDENT TAKING OF BIG GAME

[1:46:00 PM](#)

CO-CHAIR TARR announced the final order of business would be HOUSE BILL NO. 137, "An Act relating to the taking of big game by nonresidents; and providing for an effective date."

[1:46:28 PM](#)

REPRESENTATIVE TUCK, speaking as the sponsor of HB 137, paraphrased from the following written sponsor statement [original punctuation provided]:

House Bill 137: Limit Nonresident Taking of Big Game
Sponsor Statement

House Bill 137 makes a simple one-word change to state law to help ensure that Alaska residents are given a preference to hunt big game over nonresidents during times of shortages. By approving the bill, the Alaska Legislature would mandate that Alaskans be first in line for the opportunity to hunt big game while still allowing nonresident hunters the opportunity to participate in a permit system for hunting opportunities.

Under current law, when game populations decline and restrictions to resident hunters are necessary, the Alaska Board of Game may limit the taking of big game by nonresidents so that resident needs are met. HB 137 changes the more permissive word "may" to the more stringent word "shall," so that the Board of Game would be required to place the burden of new hunting restrictions on nonresidents when faced with a shortage of game.

HB 137 does not change the authority of the Board of Game to make wildlife allocation decisions, and the bill would leave in place the current allocation of nonresident hunting opportunities available for all big game hunts across Alaska.

REPRESENTATIVE TUCK pointed out the Alaska Department of Fish and Game (ADFG) has attached an indeterminate fiscal note [Identifier: HB173-DFG-DWC-2-14-20] and a zero fiscal note [Identifier: HB137-DFG-BBS-2-14-20]. He said the issue is whether the state should have a policy to provide a preference to Alaska residents for hunting opportunities when there is a shortage of game.

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CO-CHAIR LINCOLN moved to adopt the committee substitute (CS) for HB 137, labeled 31-LS0879\M, Klein, 2/12/20 [Version M], as the working document.

CO-CHAIR TARR objected for discussion purposes.

REPRESENTATIVE TUCK explained Version M changed the effective date [from 1/1/20 to 1/1/21].

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The committee took a brief at-ease.

CO-CHAIR TARR removed her objection, and there being no further objection, Version M was before the committee.

[1:51:08 PM](#)

MARK RICHARDS, executive director, Resident Hunters of Alaska (RHAK), informed the committee RHAK represents over 2,300 members who are in support of HB 137 and [Alaska's] constitutional mandate for a resident hunting priority. Mr. Richards said the primary example of why HB 137 is needed is related to the decline of the Central Arctic Caribou herd, which was followed by restrictions placed by the Board of Game (BOG), ADFG, on resident and nonresident hunters. In 2017, ADFG reported the Central Arctic Caribou herd, an intensive management (IM) prey population, declined from 52,000 animals to 22,000, thus falling below the IM population objective of 28,000 and restrictions were placed on hunting to sustain and re-grow the herd. The Board of Game took action based on bag limits from ADFG and set limits allocating a projected 43 percent of the harvest to nonresident hunters and 57 percent by resident hunters. However, the projections were "off" and in the following year nonresidents harvested 55 percent, and in [2018 and 2019] nonresidents took one-half of the Central Arctic Caribou herd harvest. Mr. Richards pointed out BOG was not following the intent of AS 16.05.256 or of Alaska's IM law, AS 16.05.255 (f), which read:

(f) The Board of Game may not significantly reduce the taking of an identified big game prey population by adopting regulations relating to restrictions on harvest or access to the population, or to management of the population by customary adjustments in seasons, bag limits, open and closed areas, methods and means, or by other customary means authorized under (a) of this section, unless the board has adopted regulations, or has scheduled for adoption at the next regularly scheduled meeting of the board regulations, that provide for intensive management to increase the take of the population for human harvest consistent with (e) of this section ...

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MR. RICHARDS pointed out BOG did not adopt regulations nor schedule a meeting to adopt regulations that would provide IM of the Central Arctic Caribou herd. Thus HB 137 is necessary because, with the Central Arctic Caribou herd far below its intensive management objective, BOG severely restricted resident hunting opportunities for hunters who depend on the herd to feed their families, but

allocated nearly one-half of the harvest to nonresidents. He restated this example is why HB 137 is needed. He directed attention to the [2019-2020 Alaska Hunting Regulations], on page 7, which read [in part][original punctuation provided]:

Nonresidents are allowed to hunt when there is enough game to allow everyone to participate. When there isn't enough game, nonresident hunters are restricted or eliminated first. If more restrictions are necessary, seasons and bag limits may be reduced or eliminated for some residents.

MR. RICHARDS stated BOG often does not abide by the aforementioned statement, and HB 137 would require BOG to do so. He expressed surprise by the opposition to the bill from the hunting guide industry, noting opponents mistakenly state the bill would end the guiding industry and would severely decrease revenue to the Division of Wildlife Conservation (DWC), ADFG, because the bill seeks to limit nonresident hunters who provide funding to DWC; however, he offered to propose "many ways" to recover any funding shortfall. Mr. Richards opined the bill should have a zero fiscal note because BOG's task is "When there isn't enough game for everyone, nonresidents are restricted or eliminated first," as stated in the hunting regulations. He said Alaska's wildlife cannot be managed based on special interests, but instead on doing what is right and what is in the constitution. Returning attention to the Central Arctic Caribou herd, Mr. Richards stated had HB 137 been in effect in 2017, approximately 100 nonresident hunters would have been affected, and would have had the opportunity to hunt elsewhere in the state. A differing example is of the Nelchina caribou herd, also an IM population, for which BOG has adopted regulations that there shall be no nonresident hunting unless the herd population is above the IM population objective. He stated RHAK is in agreement with this decision and questioned why the Central Arctic Caribou herd is different. He stressed HB 137 would not require draw permits for nonresidents in certain circumstances, but refers to a permit system, which could be a registration permit for a limited number of animals, by the discretion of BOG. In conclusion, Mr. Richards said HB 137 is prospective in nature and would apply when game populations decline or restrictions on all hunters are needed, and nonresidents bear the brunt of the restrictions; not affected are current hunts, hunt structures, Kodiak brown bear permits, moose permits, nonresident sheep hunters, and bag limits. He urged the committee to review the state constitution and pointed out there is support for resident fishing preference.

[2:00:42 PM](#)

REPRESENTATIVE HANNAN asked for the hunting ratios in the Central Arctic Caribou herd prior to the decline in 2017.

MR. RICHARDS explained prior to 2017, there were twice the number of residents as nonresident hunters; resident hunters were allowed five caribou, which was about 25 percent of the harvest. Residents had an unlimited cow harvest, which was lost after the decline, and the season was shortened, thus residents lost about 75 percent of their opportunity and nonresidents lost to a lesser degree.

REPRESENTATIVE HANNAN noted RHAK supports other BOG decisions and questioned whether RHAK's only concern is BOG inaction, since 2017, regarding the Central Arctic Caribou herd.

MR. RICHARDS said no. Another example of RHAK's concern is a proposal put before BOG related to brown bear hunting; 80 percent of trophy brown bears on the Alaska Peninsula are taken by nonresident guided hunters, and after complaints by members, RHAK proposed an early hunt for residents to provide more opportunity for residents. However, due to conservation concerns, biologists recommended season restrictions and closures. Even though 80 percent of the harvest was by nonresidents, BOG restricted hunting seasons for everybody. Mr. Richards said resident hunters did not need to be restricted and BOG should have limited only nonresidents. In response to conservation concerns, RHAK wants BOG to restrict nonresident hunters first.

[2:05:24 PM](#)

REPRESENTATIVE HANNAN surmised BOG holds broad authority to regulate - with direction from agencies - to prevent allocations from becoming political decisions; however, there will always be some unhappiness with BOG decisions. She asked whether the problem is with one allocative decision or with BOG's overreaching authority.

MR. RICHARDS agreed the Board of Fisheries and BOG should have broad authority to regulate and allocate, as board members are knowledgeable and trusted; however, during the last 15 years, BOG has not followed the constitution and the hunting regulations. For another example of RHAK's concern, he said BOG created new "must-be-guided species," which are in conflict with AS 16.05.407-408, to benefit guides regarding moose draw permits, that resulted in a 50 percent moose allocation to nonresident hunters. He strongly urged the committee to closely review decisions made by BOG that are detrimental to resident hunters.

REPRESENTATIVE RASMUSSEN asked for the ratio of the number of licensed guides who are Alaskans.

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MR. RICHARDS said 88 percent of contracting guides in Alaska are residents.

CO-CHAIR LINCOLN asked for clarification of the IM target population for the Central Arctic Caribou herd.

MR. RICHARDS said the IM target population is 28,000 to 32,000 animals and the population dropped to 22,000. In further response to Co-Chair Lincoln, he said the herd was never part of the IM program because BOG was supposed to direct ADFG to recommend an IM plan but failed to do so.

REPRESENTATIVE HOPKINS asked whether there is still a subsistence preference after an IM population drops and a management policy is recommended for a herd.

MR. RICHARDS said yes. The IM law is specifically designed for subsistence; in fact, all Alaskans are subsistence users. He remarked:

The way it works is that there is a hierarchy where subsistence comes first, sport recreational, which is considered us, even though we're subsistence, and then nonresidents. That's supposed to be the hierarchy where the board regulates hunters. Look out for subsistence first, sport recreational next, nonresident after that.

REPRESENTATIVE HOPKINS observed within fishing regulations and limits there are personal use areas specifically for Alaska residents, but not for game, thus game populations and fish populations are managed differently regarding access for Alaskans.

MR. RICHARDS said article 8 of the Alaska State Constitution is supposed to mandate a preference, but [hunting] preference is not in statute. He said, "Many of you here who support a resident fishing priority, but it's something else to me why you don't support a resident hunting priority. It doesn't seem to make sense, it's the same thing, we depend on those animals to feed our families." In further response to Representative Hopkins, Mr. Richards said the bag limit on the Nelchina caribou herd is one [caribou].

2:13:04 PM

REPRESENTATIVE HOPKINS surmised guides and residents follow all the same rules and currently there is no separate access for residents.

MR. RICHARDS said correct and pointed out caribou is not a must-be-guided species.

CO-CHAIR TARR noted some members of the public believe BOG is influenced by the guiding industry; however, some controversial decisions made by BOG are unanimous.

MR. RICHARDS reported the decision in 2017 was 5-2; he gave an example of a decision made for the benefit of a BOG board member.

CO-CHAIR TARR questioned whether BOG actions are appropriate.

MR. RICHARDS said RHAK agrees it is important to have a guide serving on BOG because guides are knowledgeable and provide valuable information; however, guides should not show bias towards decisions that hurt resident hunters. Another problem occurs in national refuge areas such as Kodiak: nonresident hunters are not required to use the permit system that is required of residents; residents must apply for a permit in November or December, but a guide on refuge land is allocated certain permits for client hunters. He characterized this process as a 100 percent guarantee of a hunt for nonresidents and a 2-3 percent chance for residents.

CO-CHAIR TARR surmised the aforementioned circumstances apply to federally managed refuges.

MR. RICHARDS stressed BOG has management authority throughout Alaska and allocates permits on refuge land.

CO-CHAIR TARR questioned whether the issue relates to guide concessions on federal land.

CO-CHAIR LINCOLN observed BOG has supported reestablishment of state managed guide concessions for over 10 years. He asked:

What's your perspective on a concession program on state lands that, rather than trying to inaccurately manage take by season and bag limit, ... having some more precise control in the form of, like, permits that would go to guides as part of a concession area?

MR. RICHARDS provided a brief history of the problems with sheep hunters in ADFG Game Management Unit 20A. Over ten years ago RHAK

proposed before BOG a request that all nonresident sheep hunters receive draw permits; BOG refused, stating that the problem is not too many nonresident hunters, but too many guides. Mr. Richards disagreed, noting that the Big Game Commercial Services Board (BGCSB), Division of Corporations, Business and Professional Licensing, Department of Commerce, Community and Economic Development, regulates guides, and BOG regulates hunters. The problem is not too many guides but unlimited hunting opportunities for nonresident hunters who are required to hire a guide. Furthermore, RHAK did not believe the Department of Natural Resources (DNR) was capable of successfully managing a concession program.

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CO-CHAIR LINCOLN advised there are negative aspects regarding draw permits in terms of advance planning [for guides and clients]. He asked whether a permit system, such as a concession program, could more accurately control nonresident hunters in certain areas.

MR. RICHARDS has been told guides would accept draw permits for exclusive guide-use areas. He described problematic aspects of a draw permit system - pointing out BOG has instituted draw permits in certain areas of the state and affected guides are still in business - and further described successful aspects of a draw permit process.

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ROD ARNO, executive director, Alaska Outdoor Council (AOC), stated AOC has informed the regulatory process of game management since before statehood and speaking from his personal experience, total happiness does not equate with the allocation of public resources. The Alaska Outdoor Council has 10,000 members who, along with the Alaska Safari Club International, oppose HB 137. Although some hunters want more, BOG was tasked by the legislature to decide allocations of fish and game. He spoke of his personal participation in the election of state officials and the confirmation of appointees, which are matters of a working public process. Further, AOC supports the BOG process throughout its 40 years of managing conservation issues. He acknowledged allocation of resources is "tough." Mr. Arno said there is not a large influx of nonresidents hunters in the state; in 1970, 12,602 big game tags were sold; in 2019, 13,272 big game tags were sold to nonresidents. He cautioned that the legislature does not want to tie the hands of BOG. He referred to [AS 16.05.255. Regulations of the Board of Game; Management Requirements], which authorized BOG to adopt its duties and regulations to manage for sport hunting and subsistence

hunting as needed for conservation first, and for development and utilization of the game. He opined there is nothing in the statute regarding a special priority. Also, regulations adopted under [AS 16.05.258(a)], the only harvest priority in statute, are followed by "the taking of ungulates, game animals, moose, deer, elk, and caribou, for residents for personal or family consumption has preference over taking by nonresidents." He pointed out the legislature established seven criteria regarding fish, and a 1991 decision by the Board of Fisheries was upheld by the Alaska Supreme Court in [Peninsula Marketing Association vs. STATE, 1991]. He read from regulations [document not provided], and concluded BOG chooses from any factors it wishes and votes accordingly.

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REPRESENTATIVE RASMUSSEN asked for the difference in the subsistence definition as it is applied to fish and game.

MR. ARNO said he was reading from the allocation criteria factors after subsistence and there is no difference between BOF and BOG regarding subsistence; subsistence comes first, as is clear by regulations for BOG and BOF.

REPRESENTATIVE RASMUSSEN further questioned what differentiates subsistence hunting from sport or recreational hunting.

MR. ARNO said there are no definitions for sport hunting; in fact, there is only subsistence hunting and general hunting. He acknowledged BOG struggles to mesh subsistence law, IM law, and in some circumstances, federal law, to allocate resources in each case.

REPRESENTATIVE RASMUSSEN related some Alaskans hunt regularly but do not rely on hunting to feed their families; other Alaskans depend on game for food and survival; guides rely on hunting by nonresidents to earn their living. She said all Alaskans should have the opportunity to provide for their families and inquired as to how to differentiate from three alternate methods to do so.

MR. ARNO said the state provides a \$5.00 low-income license which may help to identify subsistence users, of which 7,000 come from urban areas; another 13,000 come from [rural] areas, and these numbers could be one criterion. Further, 6,000 Alaskans get a free license because of their old age. He said the [differing factors] cannot be racial or, because of [the 1989 Alaska Supreme Court decision in McDowell v. STATE], based on the location of residency; however, federal law grants a priority on federal land for harvesting fish and game after one year of residence. Mr. Arno

argued the guide industry and nonresidents are not taking game meat away from Alaskan subsistence users, based on his personal experience that moose and caribou meat [taken by nonresident trophy hunters] is distributed to local communities.

CO-CHAIR LINCOLN directed attention to AS 16.05.258 (4)(B) which read:

- (B) distinguish among subsistence users, through limitations based on
 - (i) the customary and direct dependence on the fish stock or game population by the subsistence user for human consumption as a mainstay of livelihood;
 - (ii) the proximity of the domicile of the subsistence user to the stock or population; and
 - (iii) the ability of the subsistence user to obtain food if subsistence use is restricted or eliminated.

CO-CHAIR LINCOLN said state law distinguishes that the broad category of subsistence users includes some Alaskans who rely on subsistence more than others due to their location and ability to obtain food.

MR. ARNO pointed out no has defined "mainstay of livelihood."

CO-CHAIR LINCOLN asked if Mr. Arno agreed with the facts of the population and resident and nonresident hunting quotas regarding the Central Arctic Caribou herd during 2016-2019, as presented by Mr. Richards.

MR. ARNO said the appointed [BOG] board members thoroughly deliberate issues such as accessibility, and in [the case of the Central Arctic Caribou herd] made a decision about continuing opportunities for nonresident hunters because BOG has sufficient leeway; he cautioned against the bill "tying the hands" of BOG and forcing board members to make certain decisions.

CO-CHAIR LINCOLN restated his question about the accuracy of the IM population level of the Central Arctic Caribou herd at 28,000-32,000.

MR. ARNO responded:

Absolutely, and those numbers are just as made up as anything else that we work on based on past data, but there's plenty of other factors as to what the carrying

capacity is, the habitat is at that time and those are factors that come to that board. So when, you know, they're looking at that and want to get that herd, you know, built back up, and do what they can, cause intensive management then requires the board to look at control, predator control programs, so as much as a factor as anything else ... they have to look about the funding. I mean, can they actually pull it off if they put it in intensive management ...?

CO-CHAIR LINCOLN pointed out his question relates to a game population that was critical for subsistence users, and that was well under established IM populations - and one would expect there would have been an effort to revive the population - yet 40-50 percent of the take was by nonresident hunters. He asked if these circumstances were inherently out of balance.

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MR. ARNO opined the decision was not any more out of balance than numerous other BOG decisions that were based on its criteria and the board process.

CO-CHAIR LINCOLN said, "I wasn't asking if it was more or less out of balance than other decisions. ... That doesn't seem problematic to you, that, you know, half the take was from nonresident hunters?"

MR. ARNO said he couldn't answer the question further.

REPRESENTATIVE HANNAN recalled there is a mid-winter moose hunt in Lower Yukon that is not utilized by guided trophy hunters and asked whether there are similar winter hunts that garner 99 percent resident hunters.

MR. ARNO said he couldn't answer.

[2:44:06 PM](#)

CO-CHAIR TARR opened public testimony on HB 137.

[2:44:48 PM](#)

SAM ROHRER, president, Alaska Professional Hunters Association (APHA), informed the committee he is a lifelong Alaskan living on Kodiak Island and has been a hunting guide for 21 years. He said APHA opposes HB 137; APHA has represented the big game guiding industry in Alaska for over 50 years. Big game guiding is an

honorable and historical profession in Alaska and is the original value-added tourism industry in Alaska that is approximately 90 percent Alaskan-owned. Many guides live in rural Alaska and over 50 percent of \$52 million in guiding income stays in rural Alaska; APHA's mission is to support the conservation of wildlife in Alaska, enhance the value of Alaska's wildlife resources, and to sustainably provide jobs and income for guiding businesses. He said APHA opposes HB 137 for several reasons: the bill would reduce funding for wildlife conservation because nonresident hunters represent less than 13 percent of hunters and pay 72 percent of "the bill" through license fees and tags; if HB 137 were to pass, there would be a large drop in nonresident opportunity and a large drop in license and tag fees. In addition, BOG currently has the ability to promote resident priority by adjusting seasons, limiting methods and means, imposing a subsistence priority and controlled use areas, and implementing draw hunts if necessary. Mr. Rohrer said HB 137 would force BOG to instead mandate a hunt structure most harmful to the guide industry and that would reduce funding for conservation, be harmful to small guide businesses, and won't work. He urged the committee to oppose the bill.

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REPRESENTATIVE TUCK observed BOG has various options [when making its decisions]; he noted the bill [makes a change in statute] from "may" to "shall," but surmised BOG could establish some sort of preference on very a minimal level.

MR. ROHRER explained HB 137 would require BOG to review every hunting regulation and to define "reasonable resident opportunity" for each hunting season and bag limit. Currently, BOG reviews individual proposals and uses many options, such as shortening seasons, in response.

REPRESENTATIVE RASMUSSEN asked when nonresidents typically book guides and hunts.

MR. ROHRER said clients book well-known operators two to four years in advance; most hunters book more than one year in advance.

CO-CHAIR LINCOLN asked for a breakdown, by species, relative to guiding operations, revenue to guides, and revenue to the state.

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MR. ROHRER offered to provide an economic study. In response to Co-Chair Lincoln's earlier question about the Central Arctic Caribou

herd, he gave an example that if 50 percent of an allocation is going to nonresidents, it is not because of an allocation decision by BOG, but because the hunts are open to all hunters "and that's just who is showing up, but other people can show up for it as well, other residents."

CO-CHAIR LINCOLN recognized BOG uses many options; however, its decision [on the Central Arctic Caribou herd] was based upon a projection of 40 percent. He remarked:

I imagine when they're going through their deliberations on the tools that they do have, that they have some of target in mind, some sort of ... a projection that wasn't met and that in fact, the majority of the animals taken at a time where the population was substantially less than the IM target. ... The point of that question is trying to get at ... if there is a game population at that level, under that, that level of stress, and it's as important as it is to Alaskans, for their food, does it strike you as being like a reasonable balanced sort of distribution, if not an allocation, it's still a projection around 40-45 percent of the take goes to nonresidents ... as an Alaskan, how do you feel about that?

MR. ROHRER acknowledged the aforementioned numbers didn't sound good; however, one must look at the location of the hunt area, who is participating, whether there are villages nearby, and what the means of access are, all of which would "shed some light" on why the [Central Arctic Caribou herd] nonresident number is so high.

REPRESENTATIVE RASMUSSEN reported 230,000 pounds of game meat was shared with Alaska residents in 2015 from guided nonresident hunters [document not provided].

[2:56:39 PM](#)

SAM FEJES expressed his opposition to HB 137. He said he is a lifelong Alaskan with three children and is a commercial pilot and holds a master U.S. Coast Guard license. Mr. Fejes has served on the APHA board of directors for nine years and holds a master guide license. Currently, Mr. Fejes operates two lodges, one near Yakutat and one on Kodiak Island, and he has been guiding for 39 years. Further, he is one of three guides in Alaska who applied for a commercial guide lease in 1986; the guide lease process required a substantial investment in his property. Mr. Fejes provided brief personal background. As a professional guide, he has clients from all walks of life and noted the most important is the client who

saves all his life to go hunting or fishing in Alaska. All clients are appreciative of the beauty of Alaska and how the state manages its resources. He said HB 137 would most likely end his profession, lead to a downturn in tourism, and reduce funding for wildlife management programs. He said the BOG process works and restated his opposition to the bill.

CO-CHAIR LINCOLN inquired as to the species guided by Mr. Fejes.

MR. FEJES said he guides fishing, hunting, ecotourism, and all kinds of tourism. In summer, he operates a fishing and bear viewing lodge in Kodiak; in fall and spring he guides hunting and fishing. In further response to Co-Chair Lincoln, he said the big game hunted are moose, brown bear, goat, and black bear.

CO-CHAIR LINCOLN questioned whether any of the big game animals currently fall under any hunting restrictions.

MR. FEJES said in some areas there are restrictions. He said he conducts surveys of goat, moose, and fish for the state. For example, goat surveys can cover 100 miles in one day; and from the extensive counts, biologists determine how many animals can be taken in specific areas. He pointed out hunting areas are open to resident and nonresident hunters; however, in certain areas, resident hunters are seldom found.

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REPRESENTATIVE TUCK stressed the bill only applies in times of game shortages; he asked how the bill would put Mr. Fejes out of business.

MR. FEJES opined resources belong to everyone, including those from outside Alaska. Returning to Representative Tuck's question about the effect of [a change from "may" to "shall"], he said he has learned to voice his opinion. Moose were transplanted "down there" in the '50s and now there is a big herd with a lot of subsistence hunters. He expressed his belief subsistence should be for those who live off the land and not for those who use their \$40,000 airboat to hunt moose.

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HB 137 was held over with public testimony open.

[3:07:34 PM](#)

ADJOURNMENT

There being no further business before the committee, the House Resources Standing Committee meeting was adjourned at 3:07 p.m.