

**ALASKA STATE LEGISLATURE  
SENATE RESOURCES STANDING COMMITTEE**

March 4, 2020

5:13 p.m.

**MEMBERS PRESENT**

Senator Peter Micciche, Chair  
Senator John Coghill, Vice Chair  
Senator Click Bishop  
Senator Joshua Revak  
Senator Jesse Kiehl

**MEMBERS ABSENT**

Senator Cathy Giessel  
Senator Scott Kawasaki

**COMMITTEE CALENDAR**

PRESENTATION: THE STATE OF ALASKA'S OUTDOOR INDUSTRY: UNSUNG ECONOMIC POWERHOUSE BY THE ALASKA ALLIANCE

- HEARD

SENATE BILL NO. 130

"An Act relating to a seafood product development tax credit; providing for an effective date by repealing secs. 32 and 35, ch. 61, SLA 2014; and providing for an effective date."

- BILL HEARING CANCELED

SENATE BILL NO. 189

"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."

- BILL HEARING CANCELED

**PREVIOUS COMMITTEE ACTION**

No previous action to record

**WITNESS REGISTER**

LEE HART, Executive Director  
Alaska Outdoor Alliance  
Anchorage, Alaska

**POSITION STATEMENT:** Provided an overview of the Alaska Outdoor Industry.

DON STRIKER, Superintendent  
Denali National Park  
National Park Service  
U.S. Department of Interior  
Anchorage, Alaska

**POSITION STATEMENT:** Discussed the national parks in Alaska.

MICHELE STEVENS, President  
Petersville Community Non-Profit  
Petersville, Alaska

**POSITION STATEMENT:** Provided an overview of the Snowmobile Trails Advisory Council (SnowTRAC) program.

CHRIS BECK, Board Member  
Alaska Trails  
Anchorage, Alaska

**POSITION STATEMENT:** Provided an overview on the Alaska Statewide Trails Initiative.

DIANA RHOADES, Director of Community Engagement  
Anchorage Park Foundation  
Anchorage, Alaska

**POSITION STATEMENT:** Provided an overview of the Anchorage Park Foundation's work with the Municipality of Anchorage to fund parks and trails.

JEN LEAHY, Alaska Field Representative  
Theodore Roosevelt Conservation Partnership  
Seward, Alaska

**POSITION STATEMENT:** Provided an overview on conservation partnership topics related to adequate funding for sportsmen, wildlife, and recreation issues.

TERESA WHIPPLE, Bear Viewing Guide  
Juneau, Alaska

**POSITION STATEMENT:** Provided an overview of the commercial bear viewing economy in Alaska.

## ACTION NARRATIVE

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**CHAIR PETER MICCICHE** called the Senate Resources Standing Committee meeting to order at 5:13 p.m. Present at the call to order were Senators Revak, Kiehl, Bishop, Coghill, and Chair Micciche.

**PRESENTATION: The State of Alaska's Outdoor Industry: Unsung Economic Powerhouse by the Alaska Alliance**

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CHAIR MICCICHE announced that the only order of business would be a presentation by the Alaska Outdoor Alliance.

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LEE HART, Executive Director, Alaska Outdoor Alliance, Anchorage, Alaska, said the Alaska Outdoor Alliance (AOA) delegation would provide updated information and new perspectives around the original premise of strengthening the state's economy, stimulating rural economic development, and improving daily life through outdoor recreation. It is AOA's belief that outdoor recreation should be a priority.

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MS. HART began her presentation with the slide, The Numbers Speak for Themselves, Outdoors Means Business. She displayed the following outdoor recreational data from the University of Alaska Center for Economic Development (CED) and the U.S. Bureau of Economic Analysis (BEA):

- 7th largest outdoor recreation economy
  - Outdoor Recreation Value Added: Percentage of State GDP, 2017
    1. Hawaii: 5.4
    2. Montana: 5.1
    3. Maine: 4.8
    4. Vermont: 4.5
    5. Wyoming: 4.4
    6. Florida: 4.3
    7. Alaska: 4.2
- Nature Tourism Growing Fast
  - Nature-Based Recreation
    - GDP \$424 million
    - \$50 million since 2012

- Other Recreation
    - GDP \$269 million
    - \$11 million since 2012
- Outdoor recreation spending in Alaska
  - \$3.2 billion
- Outdoor recreation growing faster than overall economy
  - Outdoor recreation: +19 percent
  - State of Alaska economy: -9 percent
- Outdoor Recreation versus Construction
  - Outdoor Recreation: \$3.2 billion
  - Construction: \$1.8 billion
- Percentage of Alaskans/other Americans who participate in outdoor recreation
  - 81 percent/48 percent
- Visitors who engaged in at least one outdoor activity
  - 61 percent
- Alaskans say "opportunities for outdoor activities" are a reason they live here.
  - 58 percent

MS. HART reported that in March 2019, CED released an outdoor industry study that showed the outdoor recreational industry contributes \$3.2 billion in spending in Alaska. Eighty-one percent of Alaskans participate in outdoor recreation compared to the national average of 48 percent.

She detailed that in 2019, BEA released data showing that the gross domestic product (GDP) for the state from outdoor recreation totals 4.2 percent. She said that makes Alaska the seventh largest outdoor recreation economy of the U.S., but she believes the state can do better than that.

MS. HART pointed out that while the state's economy declined between 2012-2017, the outdoor recreation sector gained 19 percent. The data shows that outdoor recreation is a bit recession proof and the industry can weather various economic storms.

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MS. HART displayed the slide, Impacts by Sector Add Up. She pointed out that the state's outdoor recreation industry is a

big tent that represents summer and winter recreation ; motorized and nonmotorized interests; hunters, anglers, and wildlife watchers; makers and sellers; stewards and allies in health care and education. AOA works to change the conversation and have a seat at the table to talk about natural resource development in Alaska. She emphasized that there is no reason Alaska should not be number one in the nation for investing in outdoor recreation sectors.

She said AOA continues to look at opportunities for research data to better inform the legislature. AOA communicates with CED and the Institute of Social and Economic Research (ISER) to establish baseline data to measure against in future years.

MS. HART summarized that investing in Alaska's outdoor recreation sector should be a no-brainer. Outdoor recreation is an economic powerhouse that has proven capacity to deliver jobs, attract visitors who bring cash into the state's businesses and communities, and improve health and educational outcomes for Alaskans.

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MS. HART displayed a slide showing the variety of key players that have engaged and partnered with AOA to strengthen the outdoor recreational sector. AOA has attracted key players in the tourism industry; local, state, and federal land managers; enthusiast groups; conservation-minded organizations, and others.

She said the outdoor recreation industry in Alaska is rooted in a passion for sports, favorite places, and the gateway communities that are basecamps for adventure. The industry puts roofs over Alaskans' heads, sends kids to school, and keeps manpower dollars in-state to make communities stronger and better. The industry provides individuals lucky enough to work in the sector with an excellent work-life balance.

MS. HART concluded her comments saying the AOA delegation will share their perspectives on why it makes sense to invest in outdoor recreation.

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DON STRIKER, Superintendent, Denali National Park, National Park Service, U.S. Department of Interior, Anchorage, Alaska, said the National Park Service (NPS) is big business for Alaska. It represents a \$2 billion industry throughout the state with 15 parks and 3 million visits a year. NPS parks represent many of

the tourism magnets in Alaska, particularly Glacier Bay National Park and Preserve and Denali National Park and Preserve with the Denali Park Road.

He noted that there were misleading reports recently about the Denali Park Road closure due to wetter summers. He clarified that the park would remain open for a good experience regardless of short-term, temporary road closures.

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MR. STRIKER detailed that his previous park assignment was in West Virginia where a bad relationship existed between NPS and its neighbors. He said he tried to fix the situation by focusing on common areas of interest. The NPS worked with the governor and the delegation to develop a harnessed-walk over the state's 876-foot-high bridge above the New River Gorge. The collaboration put the southern area of West Virginia on the map and resulted in the Boy Scouts of America establishing a permanent jamboree site adjacent to the gorge with \$500 million in private investment. He said his intent is to help figure out how Alaska can capitalize on an effort like the one in West Virginia.

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MR. STRIKER conceded that there has been a history in Alaska of the NPS not necessarily being a good neighbor in addition to federal overreach perceptions. However, by focusing on commonality and actively seeking opportunities with Alaska's awesome resources, a delegation can work together to put together an agenda. Tools are available through infrastructure, transportation, and restorative legislation. He said the NPS is at the legislature's disposal in looking actively for opportunities to help advance the State's agenda and truly being good neighbors.

SENATOR BISHOP remarked that he floated the New River and was told it is the second oldest river in the world.

MR. STRIKER replied the New River probably is the second oldest river in the world. The Appalachian Mountains are much older than the Rocky Mountains and the river was there before the canyon formed. It used to flow north.

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MICHELE STEVENS, President, Petersville Community Non-Profit, Petersville, Alaska, explained that in 1997, the Snowmobile Trails Advisory Council (SnowTRAC) program was established under

Title 41 through the Division of Parks and Outdoor Recreation. Its mission is to fairly represent all Alaskans by advising the division on snowmobile issues such as funding, safety, registration, education, access, trail grooming, marking, development, and maintenance. The program was intended to provide economic support to local communities in the winter.

She noted that statutes authorize the Division of Motor Vehicles (DMV) to collect snowmobile and off-highway vehicle registration fees. While the statutory language does not state what the fees would go towards, the promise and understanding since inception has been for DMV to transfer all fees to the Division of Parks and Outdoor Recreation. The division established SnowTRAC to oversee expenditures on snowmobile trail grooming, education, and safety projects.

MS. STEVENS clarified that the funding for the SnowTRAC program is through a self-imposed user tax or snowmobile registration fee. The program is self-sustaining through the reoccurring registration fees collected from DMV. The program is revenue neutral that users ask for and fund with their registration dollars. Twelve percent of the funds cover the Division of State Parks and Outdoor Recreation administration costs.

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MS. STEVENS explained that when the SnowTRAC program started, there were few marked or maintained trails. This resulted in high accident rates, lost snowmobilers, and conflicts with private property owners. She said many years of surveying, mapping, brushing, and cutting trails has resulted in a successful SnowTRAC program. Communities that received SnowTRAC funding have succeeded in achieving all goals the program intended. People are getting to their cabins safely, they are buying and hauling fuel supplies, more land is being purchased, cabins are being built, and remote businesses are flourishing.

She noted that funding for the SnowTRAC program has declined in the past few years, primarily because people are not reregistering their snow machines. Since the previous administration, snowmobile clubs, businesses, and non-profits have had to fight for SnowTRAC fees to go to the program and not the general fund.

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MS. STEVENS explained that due to registration fees being only \$5 and a lack of enforcement, SnowTRAC funding has dropped from

\$250,000 to \$150,000 this year. House Bill 23 would increase annual registration fees to \$10.

She pointed out that snowmobilers spend hundreds of thousands of dollars in Alaska's winter economy which otherwise would be slow. Winter tourism is on the rise because of the groomed trails which provide responsible riding, safety, and winter highways. On average, a single snowmobiler spends \$50,000 in a season. A 2015 study by Earth Economics of the economic benefits of trails, parks, and open space in the Mat-Su Borough found that every dollar invested in open space returned \$5.31.

MS. STEVENS noted that if the SnowTRAC program does not continue, the result would devastate businesses, clubs, and outdoor activities in Southcentral Alaska. For example, the entire Mat-Su Valley has 16 clubs, 20 businesses, 39 lodges, 15 snowmobile dealers, 10 dog mushing events, Iditarod, Iditasport, 24 snowmobile events, 3 fat tire events, and more than 66,000 registered snowmobile owners.

She summarized that the SnowTRAC program is a one of a kind in the state and should be an example to other user groups for their service needs. SnowTRAC benefits all Alaskans and anyone who wants to enjoy all that Alaska has to offer in the winter. The groomed trails, signs, and maps have helped considerably in keeping Alaska's search and rescue costs to a minimum. SnowTRAC saves lives, promotes safety, stimulates the economy, and creates jobs.

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CHAIR MICCICHE commented that as an owner of a winter cabin that was built more than 30 years ago, and well before groomed trails, he knows the importance of the SnowTRAC program. He said the legislature must, at least, ensure that the program remains funded the way it has been in the past.

He said he annually pays his snowmobile renewal because that is what you are supposed to do. He admitted that people are less focused on things that they are supposed to do. He remarked that he does not know that people should pay double, but he will wait and see what happens with HB 23. He remarked that the State should enforce the current registration rules. He said the groups involved with SnowTRAC do a great job and he is glad the legislature returned the funding. He concurred that SnowTRAC experienced trimmed funding in the past.

SENATOR BISHOP commented that he does not have a problem increasing the fee because Alaska's growing season has extended on both ends. Longer growing seasons increases brush removal costs to keep the trails open. He noted that local utilities are having to outsource or get more contractors to keep their rights-of-way clear.

He said the legislature needs to apply the registration money because the user group came forward with the self-imposed fee. The program should go away if the funds do not go to their intended use.

MS. STEVENS agreed with Senator Bishop.

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SENATOR COGHILL said the snowmobile trails have been significant for search and rescue. He asked if there has been snowmobile trail activity on the northeast side of Fairbanks and the Richardson Highway area.

MS. STEVENS answered yes, there are some trails. However, there has not been a whole lot of interest in the northern region. Groomed trails exist in the Chena and Chatanika areas. There is a problem with registration. Some people in the northern region have applied for signage and marking grants but there are no groomed trails.

SENATOR COGHILL said trail signage is very important due to activities bumping up against each other such as skiing, trapping, and snowmobiling. He said SnowTRAC has done a very good job in the Mat-Su Borough. He said he did not realize that snowmobile signage started in the Chena area.

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SENATOR BISHOP commented that keeping trails for snowmobiles means less impact in Fairbanks on dog mushing trails within Creamer's Field.

SENATOR COGHILL remarked that there is trail work to do in the Fairbanks area.

MS. STEVENS noted that snowmobile trails in the Petersville and Denali Highway area are wide, groomed, and multi-use for dog sled teams and everybody. However, the snowmobilers pay for the trail. She detailed the 150-mile trail system in the Mat-Su Borough area to committee members.

SENATOR REVAK said he appreciates the groomed trails in the Willow area. They have benefitted communities and saved lives.

MS. STEVENS noted that lodges in the area that he referenced would not be open in the winter without the trail system.

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CHRIS BECK, Board Member, Alaska Trails, Anchorage, Alaska, said Alaska has amazing outdoor recreation resources, but the State has never made thoughtful effort to take full advantage of its resources through investments in infrastructure and planned maintenance. For example, the previous presentation addressed how to combine or split out dog mushing and snowmobiling.

MR. BECK said the Alaska Statewide Trails Initiative tries to address recreational opportunities. One striking opportunity is to look at the amount of spending that existing out-of-state visitors are doing when visiting Alaska. Visitors spend, on average, nine days in Alaska. If half of the visitors spend one more day in the state, an additional \$137 million in spending will occur. In New Zealand, a similar destination to Alaska, the average stay for visitors is 19 days. He suggested that pushing 9 days to 11 or 12 days equates to \$250 million to \$500 million in additional spending. In many ways Alaska is leaving money on the table by not making the kind of investments that competing destinations are making in trails, trailheads, boat launches, and all of the things that might give people a reason to stay one more day.

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MR. BECK displayed the following slide, Spring 2020 Trails Investment Strategy, Fairbanks to Seward Adventure Corridor:

- Recommendations for Priority Trails/Access Infrastructure - Draft in progress Reasons for "OMD" (One More Day in AK)
- Fairbanks North Star Borough - Pioneering Partnerships
  - Rosie Creek Trails/Timber Management project
  - Equinox Marathon loop
  - Other projects being identified
- Denali Borough - Front-country Alternatives
  - Bison Creek Parking/Trailhead & Trail - Phase 2
  - McKinley Village Bridge/Trailhead & Trail
  - Expanded winter rec opportunities, Denali Hwy and other locations

- Matanuska Susitna Borough - New/Improved Destinations
  - South Denali Visitor Center
  - Kesugi-Curry hut-to-hut & trail system
  - Traverse Trail - Skeetawk to Govt Peak Rec. Area
  - Independence Mine
  - Mat Su Visitor Center/Three- way Trails Hub
  - Knik River Valley trail systems
- Anchorage Bowl - "Destination Anchorage"
  - Chugach State Park - "Five Front Doors to the Alpine Front-country" plus new "signature trails".
  - "The Moose" - in town trail system
  - "Mountain to Sea" Trail Connector
- Seward - Anchorage - AK's Most Accessible Alpine Terrain
  - Fill key gaps the Iditarod & related trails
  - Whistle Stop hut to hut system
  - "Trail towns" - Girdwood, Cooper Landing, Seward
  - Turnagain Connector/Windy Corner - filling a critical gap in existing bike/hiking trails
- Not included: comparable, worthy projects in Southeast and Rural Alaska

MR. BECK said the strategy is to develop a more systematic and comprehensive investment approach. Part of what drives the Seward to Fairbanks corridor strategy is that the corridor is a major population area in the state.

He noted that there most likely will be a substantial investment in a new port facility in Seward. The Alaska Railroad is partnering with the Alaska Industrial Development and Export Authority (AIDEA) to invest \$100 million to \$150 million in building a new cruise ship terminal that would offer greater capacity. Seward is already receiving 400,000 visitors coming across the Gulf of Alaska and the new terminal would likely increase traffic.

He reiterated that the proposals might get people to spend an extra day or two. He clarified that the proposals are coming from each location. For example, Alaska Trails recently met in Fairbanks with the Economic Development Commission-North Star Borough, the borough's tourism organization, trail user groups, and several individual businesses to come up with a set of ideas. One idea is to find \$100,000 for a working landscape, the Tanana Valley State Forest, and to fix up deteriorating timber roads for trails.

MR. BECK noted that Alaska Trails is working in the Denali Borough to expand front-country opportunities because there is a limit on sending more people up the Denali Park Road. People would like to spend more time in the front country if there are things to do like ATV tours, horseback riding, hiking, or just hanging out.

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MR. BECK detailed that Alaska Trails is working with the Division of Parks and Outdoor Recreation in the South Denali, Hatcher Pass area. In Anchorage, the organization is trying to get new front doors into the Chugach State Park. The organization is working with the US Forest Service (USFS) at the Chugach National Forest to fill gaps with bridges in the Iditarod Trail. The potential through-trail from Seward to Girdwood would be something that could be recognized worldwide.

He conceded that the obvious issue is identifying where funding would come from to build the outdoor recreation projects. Alaska is increasingly stuck in a poverty mentality rather than evolving into an investment mentality. He said snapping fingers will not make investment happen, but the absence of investment means the State is leaving billions of dollars on the table.

He pointed out that funds are available via the federal government. However, the State has chosen not to take federal funds. Last year the State did not establish receipt authority to access \$2 million from the Land and Water Conservation Fund (LWCF). He noted that the LWCF requires a 50 percent match.

CHAIR MICCICHE for more detail on the LWCF.

MR. BECK explained that the LWCF is federal dollars derived from offshore oil and gas drilling. The Pittman-Robertson Act is another federal fund that generates money from the sales of guns and ammunition. He said he did not want to speak in pejorative terms about the Alaska Department of Fish and Game (ADF&G), but the department returns millions of dollars every year because it does not have the administrative capacity to take advantage of the act. He noted that a resolution passed last year to allow third parties to apply for those federal funds.

He emphasized that there are federal moneys available if the State were to switch to an investment mentality.

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MR. BECK said Alaska Trails hopes that there will be a national infrastructure bill. Having projects shovel-ready allows for front-of-the-line consideration the moment national infrastructure legislation passes.

He asked the legislature to begin to consider a capital budget. In lieu of a capital budget, Alaska Trails suggests the legislature look at general obligation bonds. He said they require an investment mentality to borrow money into the future.

MR. BECK summarized that outdoor recreation is growing when many areas are not. It provides a chance for children to have reasons to come back and live in Alaska, is good for communities, and allows the State to keep the things that are best about Alaska going while making money from that.

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CHAIR MICCICHE conceded that the State may have missed out on infrastructure that potentially would encourage more activity. He pointed out that Duluth, Minnesota has snowmobile trails through the middle of the city, whereas in Soldotna snowmobilers have to transport their machines four miles, which makes no sense.

He asked if the Alaska Statewide Trails Initiative is planning corridors throughout the state.

MR. BECK replied the comparison between Duluth and Soldotna is a great example of the kind of thing that the State could do better. He said a summer example is Bend, Oregon that went from a dying timber town to a phenomenally successful multi-season recreation destination because the trails come into town. Having snowmobile trails in cities like Talkeetna and Soldotna would be a huge thing to do. Alaska and its communities are not thinking as thoughtfully about how to take advantage of its recreation resources.

CHAIR MICCICHE remarked that there is an evolution with outdoor recreation. He noted that people were proud 40 or 50 years ago to not have the woods in their way, but they forgot about the value of having wooded corridors next to each other. He conceded that the gap is big, but not dealing with outdoor recreation now would result in eventual and permanent loss of opportunities.

MR. BECK commented that acting now is hard and acting later gets harder.

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DIANA RHOADES, Director of Community Engagement, Anchorage Park Foundation, Anchorage, Alaska, explained that the Anchorage Park Foundation (APF) is the non-profit partner to the Municipality of Anchorage Parks and Recreation Department. Founded in 2004, APF recognized that parks and trails required private funding sources to compliment federal, state, and local resources. She said APF has benefitted greatly from appropriations from the legislature over time to help develop Anchorage's natural resources.

She said APF misses the capital budget appropriations, but they recognized initially the need to advocate for municipal park bonds. They were not supported initially but 10 of the last 13 park bonds have passed with voters supporting the program 8 years in a row.

MS. RHOADES said there are willing voters who would support the legislature offering a general obligation bond to fill gaps in outdoor recreation and transportation infrastructures. She noted that the last general obligation bonds from the state level was in 2012 and 65 percent of the voters supported them. She suggested that the time might be right for the legislature to consider bonds for the future.

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MS. RHOADES stated that the other way APF advocates for increased infrastructure investment is through federal transportation dollars. The Fixing America's Surface Transportation (FAST) Act is the current authorization bill which sunsets in September 2020. She said now is the time to advocate for more federal dollars through two main programs: The Recreational Trails Program (RTP), and the Active Transportation Program (ATP).

She detailed that RTP is federal funding that comes to the Division of Parks and Outdoor Recreation and the division offers the funds as matching grants to local communities. APF is an organizational example within the state that helps provide matching funds to receive the RTP funds for investments in Alaska.

She explained that ATP is a program started by U.S. Representative Don Young. It is a successful program that passes through the Alaska Department of Transportation and Public Facilities (ADT&PF). In Anchorage, ATP funds pass through the Anchorage Metropolitan Area Transportation Solutions (AMTS)

[Metropolitan Planning Organization (MPO).] The ATP provides a way to build important multi-use trails.

MS. RHOADES detailed that Anchorage has investments in multi-use trails that includes the Tony Knowles Coastal Trail, Chester Creek Trail, Ship Creek Trail, and the Campbell Creek Trail. An exciting new project called The Moose Loop would connect the trails via a \$13 million bridge. The Moose Loop could host huge events and become a destination trail for Anchorage.

She reiterated that getting visitors to spend one more day in Alaska would leverage \$137 million to local economies. Anchorage has a gap project with the Moose Loop, but there are little projects across Alaska that need investment. She encouraged the legislature to think about developing and investing in the state's outdoor recreation economy, an act that would leverage a lot in the long term.

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JEN LEAHY, Alaska Field Representative, Theodore Roosevelt Conservation Partnership (TRCP), Seward, Alaska, stated that she works on behalf of hunters and anglers across the state. The TRCP focuses on federal policy that helps safeguard access to public land, ensures healthy wildlife habitat and clean water, and advocates for adequate funding for conservation programs. The TRCP focuses on federal policy benefits not just for hunters and anglers, but for the entire outdoor recreation and tourism industries as well.

She said by TRCP investing in her position for year-round presence in Alaska, TRCP is growing its capacity to support more federal land management efforts in the state. Wildlife is the heart of Alaska's cultural heritage and global brand. It provides recreation opportunities, nourishing food, and helps to fuel the state's economy. Both residents and visitors like interactions with wildlife.

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MS. LEAHY said ADF&G commissioned a study several years ago that helped determine the economic importance of wildlife for Alaska. She detailed the following:

- Residents and visitors spent \$3.4 billion on activities related to hunting and wildlife viewing, excluding fishing.

- The spending generated a \$4.1 billion economic return throughout the state, which was 8 percent of the state's overall output.
- The spending supported 28,000 jobs, \$1.4 billion in labor income, and \$340 million in government revenue.
- Fishing, recreational personal use and subsistence sectors generated \$200 million in the state.

MS. LEAHY said all the economic activity is dependent on continuing public access to healthy wildlife habitat and fisheries which is why conservation funding is so important. Hunters and anglers pay their way through excise taxes and license purchase, a user-pay-user-benefit model. Hunters and anglers pay for things like hunter education programs, special projects in refuges, wildlife health and disease surveillance, and fish cleaning tables.

She concurred with Mr. Beck that taking advantage of federal funds to support wildlife and fish restoration is important. Alaska receives more money through the Pittman-Robertson Act and the Dingell-Johnson Sport Fish Restoration Act for wildlife and habitat activities than all other state but Texas. For ADF&G to receive federal funds, the State needs to contribute a 25-percent match which hunters and anglers typically cover through hunting and license purchases.

MS. LEAHY noted that in 2019, hunters and anglers spent more than \$30 million in license fees in Alaska. The governor vetoed a \$300,000 allocation as part of the State's match for funds from the Pittman-Robertson Act, but the match was thankfully reallocated by the legislature.

MS. LEAHY summarized that programs supporting healthy wildlife and fisheries are important to not just sportsmen, but Alaska's entire outdoor and tourism sectors. Hunters and anglers pay their own way and the State should not leave federal money on the table.

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TERESA WHIPPLE, Bear Viewing Guide, Juneau, Alaska, said commercial bear viewing is economically significant in the state, especially in Southcentral Alaska.

She explained that her bear viewing advocacy is a 12-month commitment with 8 months spent as a guide and 4 months educating

people about bears. Black, brown, and white bears are her life, passion, and source of her entire annual income.

MS. WHIPPLE said the reason Alaska has such good commercial bear viewing is due to amazing bear habitat, especially in Katmai National Park and Preserve, Lake Clark National Park and Preserve, Bristol Bay, Western Cook Inlet, and the Tongass National Forest. She said bears are iconic in Alaska and noted that the artwork in the committee room featured bear imagery.

She said it's important to remember commercial bear viewing as an outdoor recreational activity when considering the competing uses for natural resources in good bear habitat areas. In Southcentral Alaska, including Katmai, Lake Clark, and McNeil River, commercial bear viewing operations reported sales in 2017 of over \$34 million. She also pointed out that when polled, 70 percent of visitors who come to Alaska do so with the goal of viewing or photographing a wild bear.

She summarized that bear viewing is a growing and thriving industry that needs protection, conservation, and habitat preservation.

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SENATOR REVAK asked if a typical bear viewing customer comes to Alaska specifically to view bears.

MS. WHIPPLE answered yes. Typical bear viewing clientele combine a bear-specific trip with a visit to Denali or Glacier Bay national parks. She noted that in 2017, commercial bear viewing surpassed sport fishing which historically had always been Alaska's number-one outdoor recreation moneymaker.

SENATOR COGHILL said thank you for making commercial bear viewing your business because most people who see a bear do so without guides to make their experience safe. He noted that he has friends who watch the Katmai bears online.

MS. WHIPPLE noted that the bear cam at Brooks Falls in Katmai National Park and Preserve has millions of online viewers.

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CHAIR MICCICHE said in his area there are longstanding companies that have safely operated bear viewing opportunities. However, due to commercial bear viewing growth, newcomers are not as conscientious and have created conflicts that have become

dangerous. He asked if bear viewing newcomers should learn how to operate responsibly to avoid conflicts.

MS. WHIPPLE replied that her company, Urus Major LLC, provides bear training and consulting. She suggested that Alaska should standardize bear view guiding certification with assistance from companies like hers.

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CHAIR MICCICHE remarked that Alaska needs to further develop expectations for wildlife guides. He pointed out that master hunting guide certification is extensive.

MS. WHIPPLE agreed and noted that the bear viewing community views good bear habitat promotion and protection as an important issue to take care before moving forward with standardized bear guide training.

CHAIR MICCICHE said standardizing bear guide training is good news because some people are worried about individuals hiring a bear guide who has no idea of what safety looks like, especially when flying into bear viewing areas.

MS. WHIPPLE explained that ADF&G, USFS, NPS, or any combination of regulatory agencies historically regulate bear viewing areas. However, in bear viewing locations without official status there is no agency taking the educational and regulatory responsibility and that results in wild-west areas. Private and non-profit organizations are taking on the project of standardizing bear training.

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SENATOR COGHILL said being born and raised in Alaska, there is a balance. The state has gone from a survival and wonder mode to an organized approach on accessibility and awareness. People must be aware of moose, bear, high speed snowmobiles, and search and rescue to enjoy the adventure of Alaska. Guiding must take all of that into consideration. When looking at more public funding for outdoor recreation, awareness must go with it. Attracting people to Alaska for high value experiences comes with liability. He thanked Ms. Whipple for her work.

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SENATOR KIEHL asked what constitutes bear viewing guiding and where do the guiding standards need to be for safety. He asked how bear viewing guiding draws distinctions between the Pack

Creek Bear viewing area versus the Mendenhall Glacier Visitor Center.

MS. WHIPPLE explained that a bear viewing guide at Pack Creek generally manages the bears around the person whereas the [USFS] created protocols at the Mendenhall Glacier Visitor Center to manage the large numbers of people coming into bear habitat.

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CHAIR MICCICHE thanked all the presenters and admitted that the committee barely scratched the surface of an outdoor economy in the state of Alaska. When the rest of the state was floundering in a self-imposed recession, tourism fired on all revenue stream cylinders. There are amazing things happening all year long that the State is not taking advantage of, he said.

He said the committee supports outdoor recreation and asked the presenters to advance their ideas.

MS. HART stated that AOA encourages the legislature to consider the following:

- Balance the budget and get fiscal policies and practices sustainable to allow for conversations on how to make Alaska shine as the world class destination that it deserves to be renowned for.
- Please tackle the ferry question. In addition to being a lifeblood for Southeast Alaska, the ferries bring independent travelers to communities that are not part of the big cruise ship industry.
- Pass House Joint Resolution 25 (HJR 25) for the Denali Park Road, a valuable asset.
- After getting the budget under control, catch up on a \$60 million deferred maintenance budget in Alaska's state parks to help those assets shine for the economies in gateway communities.
- Do not leave money on the table. The State can tap into \$50 million in federal funding with receipt authority and matching funds.
- Support user-funded programs like SnowTRAC.

- Support next-level research to provide the legislature with the tools to make good decisions.
- Expand the definition of what resource development means so that maximum use consistent with the public interest also considers outdoor recreation in the equation.
- Address the issue on transportation infrastructure for outdoor recreation.

MS. HART summarized that in coming sessions, AOA will hopefully bring forward concepts that remove barriers and obstacles to grow the outdoor recreation industry. She asked the committee to always vote for the outdoors any time they make a decision that affects the outdoor recreation sector.

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There being no further business to come before the committee, Chair Micciche adjourned the Senate Resources Standing Committee meeting at 6:21 p.m.