

ALASKA STATE LEGISLATURE
SENATE RESOURCES STANDING COMMITTEE

April 26, 2021

3:32 p.m.

MEMBERS PRESENT

Senator Joshua Revak, Chair
Senator Peter Micciche, Vice Chair
Senator Click Bishop
Senator Natasha von Imhof
Senator Jesse Kiehl
Senator Scott Kawasaki

MEMBERS ABSENT

Senator Gary Stevens

COMMITTEE CALENDAR

SENATE BILL NO. 110

"An Act relating to liability of an electric utility for contact between vegetation and the utility's facilities; and relating to vegetation management plans."

- HEARD & HELD

SENATE BILL NO. 125

"An Act relating to the transferability of hunts awarded by drawing; and providing for an effective date."

- MOVED CSSB 125 (RES) OUT OF COMMITTEE

SENATE BILL NO. 113

"An Act extending the fishery resource landing tax credit for certain taxpayers that harvest fishery resources under the provisions of a community development quota; providing for an effective date by amending the effective date of sec. 36, ch. 61, SLA 2014; and providing for an effective date."

- MOVED SB 113 OUT OF COMMITTEE

SENATE BILL NO. 59

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

- HEARD & HELD

COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 79(FIN)

"An Act relating to sport fishing operators and sport fishing guides; requiring the Department of Fish and Game to prepare and submit a report; and providing for an effective date."

- BILL HEARING CANCELED

COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 80(FSH)

"An Act relating to sport fishing operators and sport fishing guides; requiring the Department of Fish and Game to prepare and submit a report; and providing for an effective date."

- BILL HEARING POSTPONED

PREVIOUS COMMITTEE ACTION

BILL: SB 110

SHORT TITLE: ELECTRIC UTILITY LIABILITY

SPONSOR(S): SENATOR(S) MICCICHE

03/19/21 (S) READ THE FIRST TIME - REFERRALS
03/19/21 (S) RES
04/26/21 (S) RES AT 3:30 PM BUTROVICH 205

BILL: SB 125

SHORT TITLE: HUNTING PERMITS: TRANSFERABILITY

SPONSOR(S): SENATOR(S) VON IMHOF

04/16/21 (S) READ THE FIRST TIME - REFERRALS
04/16/21 (S) RES
04/26/21 (S) RES AT 3:30 PM BUTROVICH 205

BILL: SB 113

SHORT TITLE: EXTEND FISHERY RESOURCE LAND. TAX CREDIT

SPONSOR(S): SENATOR(S) OLSON

03/29/21 (S) READ THE FIRST TIME - REFERRALS
03/29/21 (S) RES, FIN
04/26/21 (S) RES AT 3:30 PM BUTROVICH 205

BILL: SB 59

SHORT TITLE: SALTWATER SPORTFISHING OPERATORS/GUIDES
SPONSOR(s): RULES BY REQUEST OF THE GOVERNOR

01/29/21 (S) READ THE FIRST TIME - REFERRALS
01/29/21 (S) RES, FIN
04/26/21 (S) RES AT 3:30 PM BUTROVICH 205

WITNESS REGISTER

EMMIE JACKSON, Staff
Senator Peter Micciche
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Introduced SB 110 on behalf of the sponsor.

CRYSTAL ENKVIST, Executive Director
Alaska Power Association (APA)
Anchorage, Alaska

POSITION STATEMENT: Testified on SB 110 by invitation.

TRAVIS MILLION, Chief Executive Officer
Copper Valley Electric Association
Glennallen, Alaska

POSITION STATEMENT: Testified on SB 110 by invitation.

JOHN BURNS, President and Chief Executive Officer
Golden Valley Electric Association
Fairbanks, Alaska

POSITION STATEMENT: Testified on SB 110 by invitation.

JIM BUTLER, Counsel
Homer Electric Association
Homer, Alaska

POSITION STATEMENT: Testified on SB 110 by invitation.

LYN ELLIOT Assistant Vice President
State Government Relations
American Property Casualty Insurance Association
Denver, Colorado

POSITION STATEMENT: Raised concern about SB 110.

ANDY LEMAN, General Counsel
Alaska Power Association
Anchorage, Alaska

POSITION STATEMENT: Answered questions related to SB 110.

INTIMAYO HARBISON, Staff

Senator Natasha von Imhof
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Introduced SB 125 on behalf of the sponsor.

NATALIE WEBER, Program Coordinator II
Division of Wildlife Conservation
Alaska Department of Fish and Game (ADF&G)
Palmer, Alaska

POSITION STATEMENT: Answered questions related to SB 125.

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

POSITION STATEMENT: Answered questions related to SB 125.

WADE BOWERSON, representing self
Anchorage, Alaska

POSITION STATEMENT: Testified in support of SB 125.

DANIELLE CAMPOAMORE, representing self
Brooklyn, New York

POSITION STATEMENT: Testified in support of SB 125.

AARON TRENT, representing self
Anchorage, Alaska

POSITION STATEMENT: Testified in support of SB 125.

KELLY TRENT, representing self
Anchorage, Alaska

POSITION STATEMENT: Testified in support of SB 125.

DOUGLAS VINCENT-LANG, Commissioner
Alaska Department of Fish and Game
Anchorage, Alaska

POSITION STATEMENT: Answered questions related to SB 125.

JEFF TRENT, representing self
Anchorage, Alaska

POSITION STATEMENT: Testified in support of SB 125.

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

POSITION STATEMENT: Testified in support of SB 125.

TERESA CAMPOAMORE, representing self

Anchorage, Alaska

POSITION STATEMENT: Testified in support of SB 125.

SENATOR DONNY OLSON

Alaska State Legislature

Juneau, Alaska

POSITION STATEMENT: Sponsor of SB 113.

KEN TRUITT, Staff

Senator Donny Olson

Alaska State Legislature

Juneau, Alaska

POSITION STATEMENT: Provided an overview of SB 113.

NORM VAN VACTOR, President and Chief Executive Officer

Bristol Bay Economic Development Corporation

Dillingham, Alaska

POSITION STATEMENT: Testified in support of SB 113.

JENNIFER WILLIAMS

Government Affairs

Yukon Delta Fisheries Development Association

Anchorage, Alaska

POSITION STATEMENT: Testified in support of SB 113.

HEATHER MCCARTY, representative

Central Bearing Sea Fishermen's Association

Juneau, Alaska

POSITION STATEMENT: Testified in support of SB 113.

ANGEL DROBNICA, representative

Aleutian Pribilof Island Community Development Association

Juneau, Alaska

POSITION STATEMENT: Testified in support of SB 113.

DOUGLAS VINCENT-LANG, Commissioner

Alaska Department of Fish and Game

Anchorage, Alaska

POSITION STATEMENT: Introduced SB 59 on behalf of the administration.

RACHEL HANKE, Legislative Liaison

Alaska Department of Fish and Game

Anchorage, Alaska

POSITION STATEMENT: Presented the sectional analysis for SB 59.

ACTION NARRATIVE

[3:32:57 PM](#)

CHAIR JOSHUA REVAK called the Senate Resources Standing Committee meeting to order at 3:32 p.m. Present at the call to order were Senators von Imhof, Kiehl, Micciche, and Chair Revak. Senator Kawasaki arrived soon thereafter and Senator Bishop arrived during the course of the meeting.

He reviewed the agenda.

SB 110-ELECTRIC UTILITY LIABILITY

[3:34:04 PM](#)

CHAIR REVAK announced the consideration of SENATE BILL NO. 110 "An Act relating to liability of an electric utility for contact between vegetation and the utility's facilities; and relating to vegetation management plans."

[3:34:26 PM](#)

SENATOR PETER MICCICHE, speaking as sponsor of SB 110, stated he was carrying the bill by request. It is about an electric utility's liability when something occurs that is outside its control. He cited a forest fire as an example. He deferred to Ms. Jackson for further introduction.

[3:36:21 PM](#)

SENATOR KAWASAKI joined the committee meeting.

[3:36:34 PM](#)

EMMIE JACKSON, Staff, Senator Peter Micciche, Alaska State Legislature, Juneau, Alaska, introduced SB 110 reading the following sponsor statement into the record:

Senate Bill 110 will protect Alaska's electric utility ratepayers from increased rates by clarifying in statute when electric utilities are and are not legally liable for damages caused by contact between vegetation and electric infrastructure.

Under the provisions in SB 110, a utility would not be liable for damages caused by vegetation outside its easement contacting electric facilities. For vegetation inside an easement, a utility would be liable for damages if the utility did not adhere to its vegetation management plan.

SB 110 does not eliminate all liability from electric utilities. Liability would still apply if a utility was found to have failed to follow its own vegetation management plan or if a utility causes vegetation outside the easement to contact electric facilities. The legislation better defines in statute when damages are applicable, setting clear expectations that utilities will implement and follow vegetation management plans or face liability.

SB 110 protects electric utilities from being held liable for the cost of damages caused by vegetation that they either cannot control or were not permitted to maintain. This also protects Alaska's electric ratepayers from having to bear the brunt of those costs through their rates, in a State where electric utility service costs are already high

[3:38:22 PM](#)

CHAIR REVAK turned to invited testimony.

[3:38:48 PM](#)

CRYSTAL ENKVIST, Executive Director, Alaska Power Association (APA), Anchorage, Alaska, stated APA is a statewide association that represents electric utilities in Alaska. Member companies provide power to more than 0.5 million Alaskans from Utqiaġvik to Unalaska, through the Interior and Southcentral, and down the Inside Passage. On behalf of APA, she stated strong support for SB 110, which will protect Alaska ratepayers from increased costs. It provides clear rules about when utilities are liable for damage caused by vegetation coming too close to electric facilities.

MS. ENKVIST reported that utility lines are most often located in easements or rights of way across private or public property. They are wide enough to accommodate the lines and allow access for maintenance and repairs, generally 15-20 feet. She opined that wider easements would burden property owners and restrict other uses of that property. She explained that utilities clear vegetation inside these corridors to minimize contact with the electric facilities. She pointed out that vegetation outside the corridor can grow high enough to contact an electric utility's facility, but if the utility cuts this tree or other vegetation, it could be liable for treble damages to the property owner. She described the vegetation outside the easement or right of way as an uncontrollable risk to both the electric utility and its ratepayers.

MS. ENKVIST said SB 110 clarifies that utilities are only liable for vegetation outside the utility corridor if the utility itself causes the vegetation to hit the power lines. They control vegetation inside the utility corridor by following their comprehensive vegetation management plan. Each is tailored to the utility's unique circumstances. SB 110 also clarifies that utilities are only liable for damages from vegetation inside the easement or right of way contacting their facilities if they do not have a vegetation management plan or do not follow the plan. She restated the point to emphasize that SB 110 does not eliminate liability. She concluded, "As factors that cause wild fires increase - hotter dryer summers, invasive insects, and longer growing seasons, it is imperative that SB 110 pass to protect Alaska electric utility ratepayers."

3:43:02 PM

TRAVIS MILLION, Chief Executive Officer, Copper Valley Electric Association, Glennallen, Alaska, delivered a presentation on vegetation management and utility rights of way. He explained that it is a utility's legal obligation to manage the vegetation within the bounds of the utility right of way. Responsible vegetation management helps to ensure the safety of the public. A tree that comes in contact with a line may cause a wildfire or sag the line to the ground in wintertime and become a hazard for those driving on the rights of way on snow machines.

MR. MILLION directed attention to the graph on slide 3 and explained that the width of the right of way is measured on either side of the utility pole, and it is utility specific. Distribution line rights of way are 15 feet on either side of the center of the pole for three-phase lines and 10 feet on either side for single-phase lines. The larger transmission lines typically have a 50 foot right of way on either side of the center line or pole. He clarified that the utility does not own the land inside the right of way. Rather, the state, federal, or private property owner has given the utility an easement for access to the land. The utility cannot legally go outside such easements.

3:45:36 PM

MR. MILLION directed attention to slides 4 and 5 that illustrate the mechanical means typically employed to clear rights of way in Alaska. These methods include the use of a bucket truck and telescoping chainsaw that can be used to clear branches of trees outside the right of way that encroach inside the right of way and may contact the utility line. Copper Valley and other

utilities also use sky trims or drafts for clearing purposes. These vehicles have a telescoping arm with a radial arm saw blade at the end so limb trimming can be done from the ground. Importantly, the utility easement allows clearing from ground to sky so limbs inside the easement may be trimmed. Trees growing outside the ROW cannot be cut down. An additional clearing method is to use a brush hog to mow and chip all limbs and other vegetation, which can then be left to cover the ground in the right of way.

[3:47:24 PM](#)

MR. MILLION pointed to the image on the left side of slide 6 that shows a utility right of way that is very green. He said wildfires are not the primary concern in these situations. Rather, the risk is from trees outside the right of way and/or people traveling in the right of way coming in contact with the lines. He said the picture on the right shows a 100-foot transmission line ROW that is cleared from ground to sky. All vegetation in the ROW has been cut, chipped, and is used as mulch. He directed attention to slide 7 and explained it is an example of a 30-foot distribution ROW before, during, and after clearing. He said the final slide shows a typical distribution line after the vegetation has been cleared ground to sky within the ROW. He said what is important to note is that any of the 80-100-foot trees on either side just outside the ROW could fall and easily contact the utility line.

[3:50:04 PM](#)

MR. MILLION began his prepared testimony. He stated strong support for SB 110, which would clarify in statute that an electric utility may not be held liable for property damage, death, or personal injury that results from contact between vegetation outside a utility's ROW and the utility infrastructure. This protects ratepayers, which in Alaska most often are the member owners of an electric cooperative that serves a municipality. He emphasized that CVEA has been very aggressive in the last five years to reestablish and maintain their ROWs. This is legally and morally the utility's responsibility, but it can be hard work in areas such as Southeast and Valdez where the vegetation grows as fast as it is cleared.

MR. MILLION reported that CVEA has developed a comprehensive vegetation management plan that describes the width of ROW that can be cleared for both distribution and transmission lines, the mechanical and hand methods to clear the ROW, and the rotation and frequency for clearing feeders in any given year. He

reported that CVEA has reestablished nearly the entire length of its 106-mile transmission line since 2016, despite it running through some of the roughest terrain in Alaska. He opined that if the utility is doing due diligence to follow its vegetation management plan, it does not seem right to hold it responsible if a tree outside the ROW were to come into contact with the lines and cause a fire. The utility does not have the legal right to remove such trees.

MR. MILION pointed out that remotely isolated utilities face the risk of having to shut down the power system if a lawsuit were to bankrupt the utility. In these situations, the member owners have the most to lose, not the stakeholders like in a for-profit electric utility. He maintained that without SB 110, there are few cost-effective options for a utility to mitigate these risks without passing the burden on to the member owners. He noted the increasing risk of wildfires and urged the committee to pass SB 110 to protect Alaska electric utilities and their member owners.

[3:53:19 PM](#)

SENATOR KAWASAKI asked if CVEA works with property owners to mitigate the risk from leaning trees that are outside the ROW.

MR. MILLION answered CVEA has notified member owners that the utility will clear dangerous trees free of charge that the property owner has identified. Further, if the utility is in the area and sees a tree that may endanger the line, they will work with the property owner to remove the tree.

[3:54:23 PM](#)

JOHN BURNS, President and Chief Executive Officer, Golden Valley Electric Association, Fairbanks, Alaska, stated GVEA is a not-for-profit electric cooperative serving Interior Alaska communities from Cantwell to Delta Junction, including Fairbanks and North Pole. This 5,973 square mile service area has about 2,600 miles of right of way easement that the utility is responsible for clearing. This is done on a 7-year rotating cycle, so about 370 miles is cleared every season, consistent with the established vegetation management plan. He reported that GVEA spends about \$3 million every year on these clearing efforts.

MR. BURNS described SB 110 as vital to protect the interests of all Alaska ratepayers from increased costs associated with wildfires and other damages caused by vegetation outside the ROW easements, and over which GVEA and other utilities have no

control. He said GVEA has some of the highest electric rates in the Railbelt, and lawsuits for damages caused by vegetation outside the ROW and outside GVEA's right to control would further raise costs for ratepayers. He reiterated that SB 110 is important to protect all electric ratepayers from bearing additional costs resulting from lawsuits related to things outside the utility's control. He confirmed previous testimony that a utility is not allowed to enter property outside the legal ROW without the consent of the property owner. Doing so exposes the utility to liability for trespass. Reason dictates that a utility should not be liable for that over which it does not have control he said. It is neither fair nor just to impose liability on an electric utility for damage caused by vegetation outside the ROW that falls into or otherwise makes contact with the utility infrastructure.

MR. BURNS said SB 110 clarifies in statute that electric utilities would not be liable for damages caused by vegetation outside the easement that contacts the utility facilities. Inside the easement, the electric utility would only be liable if it had not followed its established vegetation management plan. Importantly, he said SB 110 does not eliminate liability for electric utilities; it simply clarifies when liability does and does not apply when damage arises from vegetation contacting electric infrastructure. He described increased maintenance challenges attributed to climate change and urged the committee to pass SB 110 and provide electric utilities with a modicum of protection.

[3:59:58 PM](#)

JIM BUTLER, Counsel, Homer Electric Association (HEA), Homer, Alaska, said the previous testimony did a good job of outlining the rationale and importance of SB 110. He related that HEA is a nonprofit electric utility that is governed by an elected board that is held accountable by the paying members. HEA's service area covers nearly 32,000 miles from east of Sterling, north to Nikiski, and down to and across Kachemak Bay. The utility represents 24,338 member owners.

MR. BUTLER reported that HEA has just over 2,700 miles of energized line; there are about 1,400 miles of overhead distribution line, 1,000 miles of underground distribution line, and 300 miles of transmission line. In general, homeowners tend to own the land under distribution lines and the state or federal government owns the land below transmission lines.

MR. BUTLER said HEA has had a right of way management plan for many years, and they value the input of landowners when clearing the more than 1,500 miles of ROW. This maintenance is important to prevent damage to the electric facilities and to ensure that work crews are able to quickly and safely access lines that may be down due to seasonal weather events or other causes and restore power to the consumers.

[4:02:45 PM](#)

SENATOR BISHOP joined the committee meeting.

MR. BUTLER advised that HEA notifies member owners when they are clearing the ROW and they have found that with the infestation of spruce bark beetles, people are interested in HEA's support to take down dangerous and dead trees. He clarified that HEA works collaboratively with the landowners, but is not in the position to assume the landowner's responsibility of monitoring and managing hazardous trees on private property. He reported that HEA spends from \$1.2 million to \$1.6 million each year to implement its right of way management plan. The board is briefed on the areas that will be cleared according to the revolving plan and they support the expenditure when they approve the annual budget.

MR. BUTLER echoed previously stated reasons to support SB 110 and added that it provides an incentive for utilities to adopt best practices and develop ROW vegetation management plans that are unique to the service area. Hopefully, landowners are also incentivized to be aware that this is a shared responsibility. He said it is also important to understand that more than liability itself, the arguments over liability can cause a utility to incur significant expense. He emphasized the importance of clarifying the rules of engagement, incentivizing best practices, and working with member customers to mitigate hazards of not only fire but also for those who use rights of way in the winter.

[4:07:23 PM](#)

CHAIR REVAK opened public testimony on SB 110.

[4:07:46 PM](#)

LYN ELLIOT, Assistant Vice President of State Government Relations, American Property Casualty Insurance Association (APCIA), Denver, Colorado, stated APCIA represents about 50 percent of the property casualty insurance market in Alaska as well as family, communities, and businesses in the state. She said APCIA appreciates the importance of having robust policies

on wildfire mitigation practices, but they have a concern with granting immunity when the state does not have a specified standard for vegetation management plans. She said APCIA sees a need for compliance with such plans as a condition for partial immunity. This will strike a balance that takes into account the needs of the utilities, the property owners, and the insurers. SB 110 does not achieve this balance, she said.

[4:09:36 PM](#)

CHAIR REVAK found no one else who wished to comment, and closed public testimony on SB 110.

[4:10:04 PM](#)

SENATOR KIEHL mentioned the importance of having a robust vegetation management plan and expressed interest in learning what those standards look like. He also asked if homeowner's insurance generally covers an [electrical] fire that is the result of a tree falling on the house or if the homeowner would be uncovered and without the utility to look to.

[4:11:11 PM](#)

ANDY LEMAN, General Counsel, Alaska Power Association, Anchorage, Alaska, offered his understanding that the reason for having homeowner's insurance is to cover property damage caused by fires, whether it is vegetation in contact with a power line or the myriad of things that can lead to a fire.

MS. ELLIOT agreed that insurance policies generally are in place to protect the homeowner or business owner in the event of loss. She said one concern with SB 110 is that without an established standard for a vegetation management plan, the insurers could lose their subrogation rights. She explained this is the ability to recover costs on behalf of the homeowner or property owners who are insured by an insurance company.

SENATOR KIEHL asked if the property owner is liable for damages from any tree that is rooted on their property

[4:13:41 PM](#)

MR. BURNS answered that the property owner whose tree falls on a neighbor's fence is responsible for that fence. Thus, the homeowner would typically be responsible for damages from a tree that falls into the utility line from outside the ROW. The utilities' concern is being faced with defending against a situation over which it had no control to begin with. This bill does not shift responsibility to the property owner because the property owner already has the responsibility of maintaining

their own property. SB 110 makes it very clear the circumstances under which a utility would have liability and when it would not have liability. He said it is a clear demarcation.

[4:15:23 PM](#)

SENATOR MICCICHE related the experience of his insurance company saying the healthy tree on his property that fell during a windstorm was an act of God. The insurance company said he was not responsible for the tree but the damage it caused was not covered.

He offered his view that SB 110 only clarifies what a utility is responsible for when damage that occurs is beyond the utility's control. He described this as a matter of fairness and said he intended to reach out to Ms. Elliot and the other testifiers to find a solution that fairly protects both property owners and utilities.

[4:18:26 PM](#)

CHAIR REVAK announced he would hold SB 110 in committee for future consideration.

SB 125-HUNTING PERMITS: TRANSFERABILITY

[4:18:38 PM](#)

CHAIR REVAK announced the consideration of SENATE BILL NO. 125 "An Act relating to the transferability of hunts awarded by drawing; and providing for an effective date."

[4:19:07 PM](#)

SENATOR NATASHA VON IMHOF, speaking as sponsor of SB 125, explained the legislation is in response to a constituent, Chase Bowerson, who was awarded a 2021 moose tag about a month after his tragic death. His mother and the executor of the estate contacted the Alaska Department of Fish and Game (ADF&G) to let them know of Chase's death and request the tag be transferred to a proxy to do the hunt in his honor. The request was denied because current statute does not allow a proxy in this situation. SB 125 changes that part of the statute. She deferred further introduction to Mr. Harbison.

[4:20:36 PM](#)

INTIMAYO HARBISON, Staff, Senator Natasha von Imhof, Alaska State Legislature, Juneau, Alaska, read the following sponsor statement for SB 125 into the record:

Senate Bill 125 would allow a hunting permit awarded by drawing to be transferred to another qualified hunter should the original permit holder die before completing the hunt.

It is the intent of this bill to put an end to the trauma faced by many families when, after having lost a family member, they are further denied subsistence rights which their deceased family member applied for, paid for, and were awarded.

This bill pertains exclusively to the transfer of draw hunting permits and would not impact any other license, tag, or sport fishing vessel registration.

[4:21:31 PM](#)

SENATOR KIEHL asked if there was a specific reason that the bill did not also include registration permits and Tier 1 permits.

MR. HARBISON replied the bill was specifically to address the issue that draw permit tags may not be transferred to a proxy from a tag holder who is deceased.

SENATOR VON IMHOF asked Senator Kiehl to restate the question.

SENATOR KIEHL said he wondered if she had thought about the universe of other situations where someone might pass away before they complete a hunt for which they had received a tag.

SENATOR VON IMHOF replied this is what ADF&G recommended when she brought the issue forward. She offered to look into adding registration permits.

[4:23:25 PM](#)

MR. HARBISON noted a department representative was online and available for questions.

[4:23:46 PM](#)

NATALIE WEBER, Program Coordinator II, Division of Wildlife Conservation, Alaska Department of Fish and Game (ADF&G), Palmer, Alaska, stated that no other types of permits were included because the original question was whether the bill only covered the intent of the drawing permits. The answer to that question is yes. She noted Ms. Henke may have further information because she coordinated more closely with the sponsor's office.

[4:24:25 PM](#)

RACHEL HANKE, Legislative Liaison, Alaska Department of Fish and Game (ADF&G), Juneau, Alaska, stated that the idea initially was to solve the constituent issue, which was for a drawing permit only. There was no discussion about including other types of registration permits. She offered to look into it if that was the wish of the committee.

[4:25:06 PM](#)

CHAIR REVAK opened public testimony on SB 125.

[4:25:17 PM](#)

WADE BOWERSON, representing self, Anchorage, Alaska, stated support for SB 125. He said he wanted to make sure that no other family had to endure the double trauma his family had to endure. He said it was unjust to deprive the family of the hunt after they had lost their brother and son. He understands this has happened to more than just his family. He related that the bill focused on a draw tag because those are different than registering for a hunt.

[4:26:46 PM](#)

DANIELLE CAMPOAMORE, representing self, Brooklyn, New York, said when she heard that her family was not able to hunt the tag by proxy in her cousin Chase's honor, she began advocating for a change in statute. She agreed with previous testimony that other bereaved families have been similarly affected. She urged the committee to make this simple and commonsense change in the law.

[4:30:38 PM](#)

AARON TRENT, representing self, Anchorage, Alaska, stated he was Chase's older brother, and was calling in support of SB 125. He opined that passing the bill will impact hundreds to thousands of Alaskans physically and emotionally. This would have been his little brother's first big game hunt and he was excited to become part of the family tradition. Passing SB 125 will honor his memory and speak volumes for the men and women who put in the work to ensure fairness and justice. He expressed optimism that the bill would pass.

[4:32:12 PM](#)

KELLY TRENT, representing self, Anchorage, Alaska, said she was Chase Bowersson's mom. She described her youngest child as a dynamic, outdoor-loving young man who grew up hunting, fishing, and camping with his family. She said they always shared the bounty with family and friends. Most recently the family members each applied for a 2021 moose tag for the same area in hopes one

would be successful. Chase applied for his tag on December 14. It was his 26th birthday and he knew it would bring him luck in getting a tag. Three weeks later, her son was murdered. She described it as the worst day of her life. A month after that the results of the drawing were published, and Chase was a winner. When she was told that the tag could not be transferred to a family member she said she was stunned. "I couldn't understand how everything in his estate is ours to handle, but the one and only thing we can't have is his opportunity to get a moose."

MS. TRENT said she expects her family will continue to have some dark days as they continue to deal with their loss. The 2021 moose hunt would have been a way to honor Chase and help the family heal. If the hunt was successful, the meat would have helped feed his grandparents, his parents, his siblings, and his many nieces and nephews. She said she understands that it is too late for the law to change in time for the fall hunt, but she would like to know that hers is the last family that this happens to. She said her son Chase always believed in righting any wrong and she believes this is something he would have liked to see made right. It is within the legislature's power to do so.

[4:35:28 PM](#)

CHAIR REVAK asked Commissioner Vincent-Lang whether the department could issue the tag to the family, or anybody else who was awarded a tag but died before it was used, if the committee conceptually amended the bill and made it retroactive.

[4:36:02 PM](#)

DOUGLAS VINCENT-LANG, Commissioner, Alaska Department of Fish and Game, Anchorage, Alaska, answered he was sure the department could make that happen if the legislature were to pass the bill with a retroactivity clause.

[4:36:35 PM](#)

JEFF TRENT, representing self, Anchorage, Alaska, stated support for SB 125. He said their son Chase embodied the spirit of Alaska. He was developing five acres of homestead land and he loved bringing home the wild bounty of Alaska and sharing with those who were unable to harvest for themselves. He was always ready to stand up and speak out for what he believed, he helped those who were less fortunate, and was always ready to try to right wrongs. He asked the committee to support SB 125 in his son's spirit.

[4:38:05 PM](#)

MARK RICHARDS, Executive Director, Resident Hunters of Alaska, Fairbanks, Alaska, stated support for the intent of SB 125 and extended condolences to the Bowerson family and friends. He said his reason for testifying was to make two points. The first point is that the Board of Game and/or the commissioner already has authority under 5 AAC 92.050 to transfer certain permits. He added that he would be happy to help the Bowersons draft and submit a proposal to the Board of Game that asks the board to exercise its authority to make the transfer.

MR. RICHARDS said the second point is that the proposed amendment to AS 16.05.420(c) in Section 2 is unnecessary. It applies to a locking tag that a deceased hunter had purchased, and it only applies to some brown bear and musk ox hunts.

He thanked Senator von Imhof for sponsoring SB 125.

[4:40:20 PM](#)

TERESA CAMPOAMORE, representing self, Anchorage, Alaska, said the Bowersons are family and they all spoke eloquently about Chase and his love of Alaska. She said it was difficult when Chase's mother received the news her son had been killed. Then when she received the news that the hunting permit could not be transferred, it was another blow. She thanked the sponsor and the committee for considering the bill.

[4:41:47 PM](#)

CHAIR REVAK, after discerning no one else wished to comment, closed public testimony on SB 125.

CHAIR REVAK offered his understanding that a legislative fix was necessary and advised that he spoke with the sponsor about offering a conceptual amendment to make the bill retroactive.

[4:42:32 PM](#)

At ease

[4:44:35 PM](#)

CHAIR REVAK reconvened the meeting.

[4:44:41 PM](#)

SENATOR VON IMHOF moved conceptual Amendment 1 that states the following:

This bill will be retroactive to apply to draw permits awarded for the 2021 hunting season.

[4:44:53 PM](#)

CHAIR REVAK found no objection and conceptual Amendment 1 passed. Finding no further amendments, questions, or comments, he solicited a motion.

[4:45:20 PM](#)

SENATOR BISHOP moved to report SB 125, work order 32-LS0626\B as amended, from committee with individual recommendations and attached fiscal note(s).

[4:45:39 PM](#)

CHAIR REVAK found no objection and CSSB 125(RES) was reported from the Senate Resources Standing Committee.

[4:45:50 PM](#)

At ease

SB 113-EXTEND FISHERY RESOURCE LAND. TAX CREDIT

[4:47:39 PM](#)

CHAIR REVAK reconvened the meeting and announced the consideration of SENATE BILL NO. 113 "An Act extending the fishery resource landing tax credit for certain taxpayers that harvest fishery resources under the provisions of a community development quota; providing for an effective date by amending the effective date of sec. 36, ch. 61, SLA 2014; and providing for an effective date."

[4:48:00 PM](#)

SENATOR DONNY OLSON, Alaska State Legislature, Juneau, Alaska, sponsor of SB 113, explained the bill extends the termination date of the fishery resource tax credit. This will allow the Western Alaska Community Development Quota (CDQ) Program to continue its essential function to many of Alaska's rural coastal villages. The program is based on the landing tax credit for fish, which provides economic development in Western Alaska. He reminded members that they heard and passed an identical bill last year, but it did not make it through the process before the legislature adjourned due to the COVID-19 pandemic. The sunset was in 2020 and SB 113 seeks to revive and extend the program to 2030. He noted who was available to speak on the bill and deferred further introduction to Mr. Truitt.

[4:49:15 PM](#)

KEN TRUITT, Staff, Senator Olson, Alaska State Legislature, Juneau, Alaska, stated the bill last year was a sunset extension

bill. This year SB 113 is identical in form, and it extends the Western Alaska Community Development Quota Program to December 31, 2030.

[4:49:51 PM](#)

SENATOR VON IMHOF described SB 113 as fairly simple and a good bill. She paraphrased the final paragraph of the sponsor statement that read as follows:

The Department of Revenue and Legislative Finance Division states that the legislative intent has been met and recommended continuation of the program (January 2019 Indirect Expenditure Report, page 14). The estimated Revenue Impact for FY2013- FY2017 was an average of \$553,558.60, while no revenue is foregone by the state. This tax credit program continues serving its purpose by attracting donations each year to Alaska nonprofit corporations that are dedicated to continually improving our fisheries.

[4:50:09 PM](#)

CHAIR REVAK opened public testimony on SB 113.

[4:50:37 PM](#)

NORM VAN VACTOR, President and Chief Executive Officer, Bristol Bay Economic Development Corporation (BBEDC), Dillingham, Alaska, thanked the sponsor for introducing SB 113 to extend the sunset date for the fisheries landing tax credit for taxpayers that harvest resources under the provisions of the Community Development Quota Program. He related that BBEDC was one of the six Alaska CDQ corporations; it represents 17 coastal communities.

MR. VAN VACTOR stated the CDQ Program provides Alaska communities along the Bering Sea coast with harvest quotas in the federal water fisheries of the exclusive economic zone (EEZ). The returns are invested in the fisheries, fisheries programs, and regional development programs to provide employment and educational opportunities for community residents.

MR. VAN VACTOR explained that BBEDC's for-profit fishing partners who are harvesting the CDQ quota are eligible to participate in the tax credit program. BBEDC relies on this program to supplement the Bristol Bay Science and Research Institute and BBEDC's collaborative work with ADF&G. He said these efforts are critical in providing stable research funding

that directly benefits the state, region, and health of the salmon resource. Extending the program to 2030 would provide stability for long term planning in the region and further solidifies the collaborative work with ADF&G and other members of the Bristol Bay collaborative.

[4:52:58 PM](#)

JENNIFER WILLIAMS, Government Affairs, Yukon Delta Fisheries Development Association (YDFDA), Anchorage, Alaska, stated the YDFDA is the CDQ entity that represents 3,400 residents from six communities in the Yukon Delta. The CDQ program provides fishery and economic benefits to resident fishermen, their families, and the entire region, which is one of the most economically challenged in the U.S. She related that YDFDA uses the Fishery Resource Landing Tax Program to offset the amounts spent annually to support fishery research and monitor studies on the Yukon River in collaboration with ADF&G. Area residents are employed to every extent possible. She described the different test fishing and monitoring activities on the Lower Yukon that the credits help pay for and noted the data from these test fisheries are used to predict both commercial and subsistence openings. She emphasized the value of this scientific information to both ADF&G and the economic wellbeing of the region. She expressed appreciation for this well-administered program and urged the legislature to extend the sunset date.

[4:56:04 PM](#)

HEATHER MCCARTY, representative, Central Bering Sea Fishermen's Association (CBSFA), St. Paul, Alaska, stated CBSFA is one of the six CDQ groups and the one that represents St. Paul in the Pribilof Islands. She said the community depends on both the small boat halibut fishery and the crab fishery in the Bering Sea, and has relied heavily on the program since inception. She related that CBSFA has not only conducted a great deal of research on both halibut and crab, they also have been able to fund a college scholarship program. She stated hearty support for SB 113 and the extension of the tax credit program.

[4:57:13 PM](#)

ANGEL DROBNICA, representative, Aleutian Pribilof Island Community Development Association (APICDA), Juneau, Alaska, stated APICDA represents six remote communities in Southwest Alaska and is one of the six CDQ entities whose mission is to increase direct participation in the Bering Sea and Aleutian Islands fisheries, and help develop a sustainable fisheries-based economy. She explained APICDA uses the revenue generated from its quota holdings and fisheries investments to create

jobs, build infrastructure, provide scholarships and workforce training, and help support a range of local initiatives and projects with grant programs to eligible community entities. She stated support for SB 113 and the continuation of the Resource Landing Tax Credit Program. Under this program, APICDA's harvest partners have the opportunity to attribute a portion of their landing tax liability from the harvest of the CDQ quota for Pacific fisheries investments. She said this has been a very meaningful program and APICDA encourages the committee to advance the bill.

[4:58:38 PM](#)

CHAIR REVAK discerned that no one else wished to comment, and closed public testimony on SB 113.

CHAIR REVAK found no questions or comments and asked the will of the committee.

[4:59:06 PM](#)

SENATOR VON IMHOF moved to report SB 113, work order 32-LS0719\A, from committee with individual recommendations and attached fiscal note(s).

[4:59:21 PM](#)

CHAIR REVAK found no objection and SB 113 moved from the Senate Resources Standing Committee.

SB 59-SALTWATER SPORTFISHING OPERATORS/GUIDES

[5:00:03 PM](#)

CHAIR REVAK announced the consideration of SENATE BILL NO. 59 "An Act relating to salt water sport fishing operators and salt water sport fishing guides; and providing for an effective date."

[5:00:17 PM](#)

At ease

[5:00:51 PM](#)

CHAIR REVAK reconvened the meeting and asked for a motion to adopt the committee substitute (CS). He related that the CS makes no substantive changes; rather, it conforms the governor's bill to Legislative Legal Services drafting conventions.

[5:01:09 PM](#)

SENATOR BISHOP moved to adopt the work draft CS for SB 59, work order 32-GS1608\B, as the working document.

[5:01:26 PM](#)

CHAIR REVAK found no objection and version B was adopted.

[5:01:43 PM](#)

DOUGLAS VINCENT-LANG, Commissioner, Alaska Department of Fish and Game, Anchorage, Alaska, reminded the members that this committee heard the bill last year but did not act on it because the legislature adjourned early due to COVID-19. He explained that the bill reinstates the salt water licensing and reporting requirements, but does not reinstate the fresh water licensing and reporting requirements.

COMMISSIONER VINCENT-LANG explained that the legislature first adopted the sport fishing guide and operator licenses in 2003-2004 and these remained in effect until the sunset on December 31, 2014. Both fresh and salt water guides initially urged passage of the legislation as a means of professionalizing the industry. Just the salt water licensing and reporting requirements were reinstated during the 2015-2016 legislative session with a sunset of 2018. He said the bridge funding the legislature provided after the 2018 sunset is gone and there is no legislation in place to collect the fees to pay for the marine log book program. Nevertheless, the department has continued the log book program under the registration program that was adopted through the Alaska Board of Fisheries.

[5:04:21 PM](#)

COMMISSIONER VINCENT-LANG stated the log book data is critical to fulfill Pacific Salmon Treaty obligations and to inform decisions by the International Halibut Commission, the North Pacific Fishery Management Council, and the Board of Fisheries. The fees that are collected will be used to manage charter fisheries in Alaska that contribute more than \$1.5 million to the state's economy. He concluded that the department sees SB 59 as a necessary tool to fund and manage salt water fisheries.

[5:05:40 PM](#)

SENATOR KAWASAKI asked how the log book program was funded initially.

COMMISSIONER VINCENT-LANG explained that the program initially was funded through the legislation that licensed fresh water and salt water guides. When the program was reintroduced for just salt water, the guide and operator licensing fees paid for the log book program. When that was sunset in 2018, the legislature provided some bridge funding for the program. That funding ran

out and the department is now using department funds to continue the log book program.

5:06:30 PM

SENATOR KIEHL asked if there was any possibility that this applies to bare boat charters.

COMMISSIONER VINCENT-LANG answered not at this time.

CHAIR REVAK asked Ms. Hanke to walk through the sectional analysis.

5:06:56 PM

RACHEL HANKE, Legislative Liaison, Alaska Department of Fish and Game, Anchorage, Alaska, presented the sectional analysis for SB 59 [Original punctuation provided]:

Section 1:

Establishes license fees for saltwater guides and operators.

- Guide license-\$200
- Operator license-\$400
- Operator and guide combined license-\$400

Section 2:

AS 16.40.262-provides stipulations for the salt water operator license and defines the license type.

Section 3:

AS 16.40.272-provides stipulations for the salt water guides and combined license and defines both license types.

Section 4: AS 16.40.282-establishes reporting requirements for salt water guides and operators.

Section 5:

AS 16.40.292-establishes penalties for violations the chapter.

Section 6:

AS 16.40.301-defines "saltwater sport fishing guide" and "salt water sport fishing guide services."

Section 7:

Adds salt water sportfishing operator and guide license to AS 25.27.244(s)(2) which defines "license."

Section 8:

Effective date of January 1, 2022

[5:08:54 PM](#)

CHAIR REVAK announced he would hold SB 59 in committee for further consideration.

[5:09:15 PM](#)

There being no further business to come before the committee, Chair Revak adjourned the Senate Resources Standing Committee meeting at 5:09 p.m.