

ALASKA STATE LEGISLATURE
HOUSE SPECIAL COMMITTEE ON FISHERIES

February 27, 2024

10:20 a.m.

MEMBERS PRESENT

Representative Sarah Vance, Chair
Representative Kevin McCabe
Representative CJ McCormick
Representative Ben Carpenter
Representative Louise Stutes
Representative Rebecca Himschoot

MEMBERS ABSENT

Representative Craig Johnson

COMMITTEE CALENDAR

HOUSE BILL NO. 295

"An Act relating to salmon hatchery permits; and authorizing the sale of salmon to permitted persons for stocking lakes."

- HEARD & HELD

PREVIOUS COMMITTEE ACTION

BILL: HB 295

SHORT TITLE: SALMON HATCHERY PERMITS

SPONSOR(S): RULES BY REQUEST OF THE GOVERNOR

01/26/24	(H)	READ THE FIRST TIME - REFERRALS
01/26/24	(H)	FSH
02/06/24	(H)	FSH AT 10:00 AM GRUENBERG 120
02/06/24	(H)	Scheduled but Not Heard
02/20/24	(H)	FSH AT 10:00 AM GRUENBERG 120
02/20/24	(H)	-- MEETING CANCELED --
02/27/24	(H)	FSH AT 10:00 AM GRUENBERG 120

WITNESS REGISTER

SAM RABUNG, Director
Division of Commercial Fisheries
Alaska Department of Fish & Game
Juneau, Alaska

POSITION STATEMENT: Introduced HB 295 on behalf of the sponsor, House Rules, by request of the governor.

NANCY HILLSTRAND, Owner
Pioneer Alaskan Fisheries and Coal Point Seafood Company
Seldovia, Alaska

POSITION STATEMENT: Testified in opposition to HB 295.

LEONARDO WASSILIE, representing self
Nenana, Alaska

POSITION STATEMENT: Testified in opposition to HB 295.

JOSEPH FELKL, Legislative Liaison
Alaska Department of Fish & Game
Juneau, Alaska

POSITION STATEMENT: Provided information on the fish stocking program.

ACTION NARRATIVE

[10:20:07 AM](#)

CHAIR SARAH VANCE called the House Special Committee on Fisheries meeting to order at 10:20 a.m. Representatives McCabe, McCormick, Carpenter, Stutes, Himschoot, and Vance were present at the call to order.

HB 295-SALMON HATCHERY PERMITS

[10:20:37 AM](#)

CHAIR VANCE announced that the only order of business would be BILL NO. 295, "An Act relating to salmon hatchery permits; and authorizing the sale of salmon to permitted persons for stocking lakes."

[10:20:48 AM](#)

SAM RABUNG, Director, Division of Commercial Fisheries, Alaska Department of Fish & Game, introduced HB 295 on behalf of the sponsor, House Rules, by request of the governor. He explained that HB 295 would allow private nonprofit salmon hatcheries to sell live salmon to private persons or organizations for the limited purpose of stocking lakes in Alaska. This would also include several species of trout, including rainbow trout which are the primary hatchery product the state hatcheries use to stock lakes. Unfortunately, at this time, the state hatchery

facilities don't have enough surplus fish to sell because the current demand for stocking public access lakes exceeds production capacity. Additionally, state hatcheries are paid for with sport angler dollars and matched with federal Dingell-Johnson Act dollars, so the state must limit its stocking efforts to lakes that have the most benefit to all sport anglers. We use the publicly developed stocking plan to determine which lakes to stock. This bill would provide for additional recreational, food security, and economic opportunities by allowing the private nonprofit hatcheries to sell to individuals or groups under the Alaska Department of Fish & Game (ADF&G) permitting structure. Fish stocking is stringently regulated in Alaska.

MR. RABUNG continued his explanation by specifying that before purchasing any fish for stocking, the individual or group would be required to obtain a fish transport permit from the department. The requested species, stock, life stage, and stocking location would be evaluated and approved or denied through this permitting process. To reduce the potential for negative impacts on wild fish populations, the department uses sterile stocking fish when practical, and typically only permits the use of reproductively viable fish in lakes which are landlocked and where the fish cannot escape. This is a rigorous process and will ensure that live fish sold to the public will not adversely affect Alaska's wild fish population. There is no requirement for the private nonprofit hatcheries to do so. The bill could create new economic opportunities for hatchery operators; encourage Alaskans to engage in additional recreational activities; and provide greater access to a resource that is vital for food security. Because hatchery permitting processes are already in place, the department can absorb the additional workload for processing the fish transport permits. New regulations may need to be adopted for the implementation of this bill.

[10:25:26 AM](#)

REPRESENTATIVE MCCABE asked about the criteria for stocking lakes and whether the lakes had to have public access.

MR. RABUNG responded that a private lake can be stocked, but the owner would have to obtain the fish transport permit and pay for the fish. Currently the state only stocks public access locations.

[10:26:07 AM](#)

REPRESENTATIVE STUTES questioned whether this process is already being done. She asked if she could get a lake next to her house stocked.

MR. RABUNG replied that currently private nonprofit hatchery corporations can only sell to other private nonprofit hatchery permit holders or the state. The language of this bill would broaden that to include private lakes.

[10:26:55 AM](#)

REPRESENTATIVE HIMSCHOOT requested information on the oversight of the stocking program and where in the bill it specifies landlocked lakes.

MR. RABUNG replied that the oversight is part of the permitting process and that it would be part of the local area management biologist or staff. The staff would ascertain that the lake was landlocked and what species, number, life stage, and other details are reviewed and put into the permit. He explained that there are five lake categories, and each category has different restrictions regarding what can be stocked.

REPRESENTATIVE HIMSCHOOT asked what would be done to prevent the introduction of invasive species.

MR. RABUNG explained that the fish would be produced in a hatchery and would be provided to whoever has the permit to stock the lake. He doesn't see an opportunity for an invasive species to be introduced under that scenario.

REPRESENTATIVE HIMSCHOOT questioned what happens if the lake has other property holders, and the neighbors don't want it stocked.

MR. RABUNG responded that the division's definition of "private" means there is no public access. Part of the permitting process would be the ability for neighbors to contribute opinions.

REPRESENTATIVE HIMSCHOOT asked what the fish transporter permit does currently.

MR. RABUNG explained that ADF&G would not be changing its fish transport regulations at all for this. What is changing is the ability for a private nonprofit hatchery corporation to sell to someone who is not a private nonprofit hatchery permit holder or to the state. This includes fish or eggs.

REPRESENTATIVE HIMSCHOOT inquired about the process a hatchery currently has to go through.

MR. RABUNG described the rigorous permitting process that private nonprofit corporations go through in order to get a private nonprofit hatchery permit, a process that often takes two or more years. After they get the hatchery permit, they must get a transport permit.

[10:32:30 AM](#)

REPRESENTATIVE MCCABE asked about some of the requirements of transporting fish stock to keep the fish alive and what he would need if he wanted to stock his lake.

MR. RABUNG said that gets into the specifics of fish transport. The division stipulates everything including where the effluent can go. He explained that if someone is going to transport fry to a private lake, the method of transport depends on such factors as how many and what size. For example, if an individual wants to put 500 fingerlings in a lake, that person can do that with a backpack if the right equipment is being used. It is determined on a case-by-case basis.

[10:34:50 AM](#)

CHAIR VANCE requested clarification regarding whether the same standards would be applied to these situations as are applied to all other hatchery permits and asked whether all sales have oversight by the division.

MR. RABUNG answered that it is the same permit that would be issued to ADF&G, universities, or private nonprofit hatchery operators. He stipulated that the private nonprofits have additional scrutiny.

[10:35:43 AM](#)

REPRESENTATIVE CARPENTER asked what the impetus is for this bill.

MR. RABUNG explained that there is much more demand for lake stocking than the state sport hatchery system has capacity for. The state hatcheries do contract some of their work out to the private nonprofit hatcheries. There simply is more demand than there is product to stock lakes.

REPRESENTATIVE CARPENTER requested clarification regarding whether both private lakes and lakes with public access would be affected by HB 295. He was also interested in whether there was a business model which affected the increased number of lakes requesting stocked salmon.

MR. RABUNG responded that to his knowledge there was just pent-up demand. Salmon and trout are both in demand, but ADF&G has not been able to meet that demand with current resources especially in regard to private lakes.

[10:38:15 AM](#)

REPRESENTATIVE MCCORMICK inquired whether these hatcheries have to go through the regional planning team process.

MR. RABUNG replied in the affirmative.

[10:38:46 AM](#)

CHAIR VANCE opened public testimony on HB 295.

[10:38:59 AM](#)

NANCY HILLSTRAND, Owner, Pioneer Alaskan Fisheries and Coal Point Seafood Company, provided background about her experience in the Alaska seafood business. She explained that she did not support HB 295 in its current form and expressed concern about the level of oversight and monitoring. She explained there should be a more comprehensive approach to make sound policy decisions and then outlined several points that should be considered. She urged the committee to hold the bill until the issues are resolved.

[10:42:28 AM](#)

LEONARDO WASSILIE, representing self, explained that salmon is sacred to the people of Alaska and cautioned against stocking the lakes. The fisheries need to have really good oversight and people involved who really care rather than people who make a profit. He pointed out that the fisheries are currently stressed and strained, and work must be done to protect these resources.

[10:44:01 AM](#)

CHAIR VANCE, after ascertaining there was no one else who wished to testify, closed public testimony on HB 295.

10:44:20 AM

REPRESENTATIVE MCCABE asked Mr. Rabung for clarification that the salmon to be stocked were sterile and the lakes were to be landlocked.

MR. RABUNG explained that there are five categories of lakes ranging from unrestricted water where the fish can leave at any time to lakes which are landlocked. The ADF&G Division of Sport Fish cannot stock any system where the fish can leave. There are lakes with intermittent outlets when the water is flooding. Those would have a higher level of scrutiny and likely would be stocked with sterile fish which are more expensive. A fully landlocked lake might not need sterile fish.

10:46:13 AM

REPRESENTATIVE STUTES inquired about the number of requests the division has had for this type of transport permit.

MR. RABUNG responded that ADF&G issues hundreds of fish transport permits each year, because anyone who handles fish, whether it is for research or for production, including ADF&G, is required to have a transport permit.

REPRESENTATIVE STUTES asked how many transporter permits are from private individuals wanting to stock their own private lakes.

MR. RABUNG explained that he did not have that information with him, but the Division of Sport Fish would have that information.

10:48:14 AM

CHAIR VANCE requested a brief overview regarding the work of the ADF&G genetics department and its requirements on species as well as the strictness of the process.

MR. RABUNG explained that when a fish transport permit application is processed, there is a review by local area management biologists to see whether there is going to be an impact on fisheries. In certain areas, the information is reviewed by subsistence users. In addition to the reviews by the geneticists, the application is reviewed by the state fish

pathology laboratory. There is not a genetic concern when it is sterile stock because they can't pass on any genes. The main purpose is to make sure foreign genomes are not being introduced into the stock.

[10:49:52 AM](#)

JOSEPH FELKL, Legislative Liaison, Alaska Department of Fish & Game, explained that in addition to the stocking policy, ADF&G has a genetic policy. The genetic policy comes into play with the transporter requests. He emphasized that these requests go through the same level of scrutiny as the current permits. They also have a fish health policy which he can provide to the committee.

[10:50:32 AM](#)

REPRESENTATIVE CARPENTER questioned where the demand for stocking lakes comes from and whether the Division of Sport Fish can speak to the demand. In a follow-up question, he asked how much demand there is for stocking private lakes.

MR. RABUNG answered that the division can speak to what the demand is. It puts together the statewide fish stocking each year through the public process. There are always more lakes nominated for fish stocking than the division has the capacity for. Not everything makes the list every year. Certainly, any body of water that does not have public access will not make the list.

[10:52:24 AM](#)

REPRESENTATIVE MCCABE reiterated his understanding that HB 295 doesn't have anything to do with state hatcheries. What it does is allow private hatcheries to sell fish stock to someone with a private lake. For example, the Kodiak Regional Aquaculture Association would be able to sell to private individuals who have a private landlocked lake in addition to selling to its members.

MR. RABUNG agreed that all lake stocking is done either by the Division of Sport Fish using the William Jack Hernandez Sport Fish Hatchery or the Ruth Burnett Sport Fish Hatchery. The state can contract with private nonprofits (PNP) such as the Kodiak Regional Aquaculture Association to stock lakes on Kodiak Island as part of the statewide stocking program. The existing statute allows PNP hatcheries to do that for the state or for

other PNP permit holders. Under HB 295 lakes that do not make the stocking list, or which are privately owned could contract with private fisheries.

[10:54:11 AM](#)

MR. FELKL said he would contact the Division of Sport Fish to get information for the committee regarding what and how many stocking requests are not being met.

[10:54:28 AM](#)

REPRESENTATIVE HIMSCHOOT inquired about the process for public input when there are multiple landholders on a lake.

MR. RABUNG explained that he wasn't positive, but comments on stocking fish in a private lake would probably mimic the existing process used for a public body of water.

[10:55:46 AM](#)

CHAIR VANCE asked what the interface would be with the Department of Natural Resources (DNR).

MR. RABUNG replied that the fish stocking programs are not coordinated with DNR. He also commented that once the fish are released, they become common property and are not owned by the person who had the lake stocked. If there is public access, any member of the public has access to the fish as well.

CHAIR VANCE responded that it was an important clarification.

[10:56:52 AM](#)

MR. RABUNG, in response to a question from Representative Carpenter, described the process used by the Division of Sport Fish for stocking a lake. The process includes the work of the regional planning team, permitting, public comment, and oversight. The permit must be approved before the fish are produced. He did not think a public review process was in place for transporting the fish.

[10:59:13 AM](#)

REPRESENTATIVE MCCABE discussed the issue of who owns a lake and how it is common property. When the state owns the lake, it has

common use. In terms of stocking fish, it is most likely the same scenario.

REPRESENTATIVE HIMSCHOOT requested clarification about stocking a lake and whether a PNP could stock a private lake if it was in its plan. If ADF&G is unable to meet a person's request, a PNP could fulfill a contract for the fish.

MR. RABUNG answered that currently the answer is no, but HB 295 would allow a private pond or lake to be stocked.

[11:01:53 AM](#)

REPRESENTATIVE CARPENTER questioned where the unmet demand is which is driving the request for a policy change. He added that he could not imagine anyone being against a lake being stocked, but the legislators will get the calls if people are unhappy with increased traffic on a lake.

MR. RABUNG responded that the alternative would be to build another state hatchery, so HB 295 is viewed as a way to meet the demand for fish to stock lakes.

[11:03:04 AM](#)

CHAIR VANCE inquired about the process for a person who wishes to stock a lake.

MR. RABUNG explained that the process starts by a person getting a fish transport permit application which identifies where they want to stock, the purpose, and what kind of stock. The transport application is evaluated by the division, adding any "sideboards" that are needed, and either denied or approved. Then the person needs to go to a PNP salmon hatchery permit holder and ask if they will produce the stock. If the parties agree, the PNP will update its management plan and put it in the production planning where it will go into the public review process. After those steps are completed, the hatchery can produce the fish and transport them when they are the correct size and age.

CHAIR VANCE commented that the onus was on the person rather than the hatchery and followed with a question about who was responsible for the fish after the lake had been stocked.

MR. RABUNG explained that after the fish are released into the lake, they become common property fish, and they are subject to

any sport fishing regulations in the area including the need for a sport fishing license and adherence to limits.

[11:05:36 AM](#)

REPRESENTATIVE CARPENTER asked Mr. Rabung to clarify whether a landlocked lake could be stocked with trout that can reproduce.

MR. RABUNG replied that would be the case unless the lake was subject to occasional flooding, in which case it would be a category 4 lake and would be stocked with sterile fish.

REPRESENTATIVE CARPENTER discussed the concept of food security, commenting that an individual might wish to stock a private lake with fish as a food source.

MR. RABUNG reminded the committee that state policy currently does not allow an individual to stock a private lake because they would not match the qualifications for the statewide stocking plan. The provisions of HB 295 would enable private lake owners to stock fish.

[11:07:07 AM](#)

REPRESENTATIVE HIMSCHOOT reiterated the steps for stocking a lake, emphasizing that only someone with a fish transport permit could contract with a PNP hatchery to stock their lake. With the transport permit, the PNP can agree to sell fish stock to an individual. However, currently even if a person has a transport permit, they cannot stock a private lake.

MR. RABUNG clarified that the fish cannot be moved without a transport permit. The hatchery operator has their program in place, so if they are going to do something extra, they must plan for it. The person who is purchasing fish must be vetted and have a fish transport permit in hand, and then the PNP will build that request into its program. He reiterated that currently a person with a private lake will not be able to purchase fish stock from an Alaska hatchery.

[11:09:33 AM](#)

MR. FELKL pointed out that other statutes are also at play here that are not included in this bill. For example, the hatchery permit statutes and statutes that outline how fish, game, and marine products can be sold. He also reviewed how "person" is

defined in statute to include corporations and organizations as well as individuals.

[11:10:50 AM](#)

REPRESENTATIVE HIMSCHOOT referred to AS 16.05.671(g) which seems to say that the commissioner of ADF&G can make determinations about lake stocking. She asked whether the statute change in HB 295 is actually something that can currently be done by the commissioner.

MR. RABUNG explained that when the Department of Law drafted this update, it made an error and cited the wrong statute. That is for the transporter permit which is for fish that are harvested. He said what he is actually referring to is fish transport permits which are under Board of Fish authority, AS 16.05.251.

MR. FELKL said they did work with the Department of Law to draft an amendment.

[11:12:28 AM](#)

CHAIR VANCE expressed appreciation for the dialogue which is necessary to give the public an understanding of the purpose and intent of the legislation.

[11:12:47 AM](#)

CHAIR VANCE announced that HB 295 was held over.

[11:13:46 AM](#)

ADJOURNMENT

There being no further business before the committee, the House Special Committee on Fisheries meeting was adjourned at 11:13 a.m.