

**ALASKA STATE LEGISLATURE**  
**HOUSE SPECIAL COMMITTEE ON FISHERIES**

April 2, 2024  
10:03 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. 297

"An Act establishing the sport fishing angler access account; establishing the sport fishing angler access surcharge; and providing for an effective date."

- HEARD & HELD

HOUSE BILL NO. 294

"An Act relating to electronic monitoring of fishing vessels; and providing for an effective date."

- HEARD & HELD

HOUSE BILL NO. 195

"An Act relating to the powers of the Alaska Commercial Fisheries Entry Commission; relating to administrative areas for regulation of certain commercial set net entry permits; establishing a buy-back program for certain set net entry permits; providing for the termination of state set net tract leases under the buy-back program; closing certain water to commercial fishing; and providing for an effective date."

- MOVED CSHB 195 (FSH) OUT OF COMMITTEE

**PREVIOUS COMMITTEE ACTION**

BILL: HB 297

SHORT TITLE: SPORT FISHING ANGLER ACCESS ACCT/SURCHARG  
SPONSOR(s): RULES BY REQUEST OF THE GOVERNOR

01/26/24	(H)	READ THE FIRST TIME - REFERRALS
01/26/24	(H)	FSH, FIN
03/21/24	(H)	FSH AT 10:00 AM GRUENBERG 120
03/21/24	(H)	-- MEETING CANCELED --
04/02/24	(H)	FSH AT 10:00 AM GRUENBERG 120

BILL: HB 294

SHORT TITLE: ELECTRONIC MONITORING OF FISHING VESSELS  
SPONSOR(s): RULES BY REQUEST OF THE GOVERNOR

01/26/24	(H)	READ THE FIRST TIME - REFERRALS
01/26/24	(H)	FSH, FIN
03/21/24	(H)	FSH AT 10:00 AM GRUENBERG 120
03/21/24	(H)	-- MEETING CANCELED --
04/02/24	(H)	FSH AT 10:00 AM GRUENBERG 120

BILL: HB 195

SHORT TITLE: COOK INLET: NEW ADMIN AREA;PERMIT BUYBACK  
SPONSOR(s): RUFFRIDGE

05/08/23	(H)	READ THE FIRST TIME - REFERRALS
05/08/23	(H)	FSH, RES
02/06/24	(H)	FSH AT 10:00 AM GRUENBERG 120
02/06/24	(H)	Heard & Held
02/06/24	(H)	MINUTE(FSH)
02/13/24	(H)	FSH AT 10:00 AM GRUENBERG 120
02/13/24	(H)	Heard & Held
02/13/24	(H)	MINUTE(FSH)
02/27/24	(H)	FSH AT 10:00 AM GRUENBERG 120
02/27/24	(H)	<Bill Hearing Canceled>
03/14/24	(H)	FSH AT 10:00 AM GRUENBERG 120
03/14/24	(H)	-- MEETING CANCELED --
03/19/24	(H)	FSH AT 10:00 AM GRUENBERG 120
03/19/24	(H)	<Bill Hearing Canceled>
03/21/24	(H)	FSH AT 10:00 AM GRUENBERG 120
03/21/24	(H)	-- MEETING CANCELED --
03/26/24	(H)	FSH AT 10:00 AM GRUENBERG 120
03/26/24	(H)	Heard & Held
03/26/24	(H)	MINUTE(FSH)
04/02/24	(H)	FSH AT 10:00 AM GRUENBERG 120

**WITNESS REGISTER**

DOUG VINCENT-LANG, Commissioner

Alaska Department of Fish and Game  
Juneau, Alaska

**POSITION STATEMENT:** On behalf of House Rules by request of the governor, introduced HB 297 and HB 294.

JOE FELKL, Legislative Liaison  
Alaska Department of Fish and Game  
Juneau, Alaska

**POSITION STATEMENT:** On behalf of House Rules by request of the governor, gave the sectional analysis for HB 297 and HB 294.

ROBERT BALLINGER, Staff  
Representative Sarah Vance  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** On behalf of Representative Vance, answered committee questions on Amendment 5 to HB 195.

REPRESENTATIVE JUSTIN RUFFRIDGE  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** As the prime sponsor, answered committee questions on Amendment 5 to HB 195.

ALPHEUS BULLARD, Legislative Counsel  
Legislative Legal Services  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** Answered committee questions on Amendment 5 to HB 195.

GLEN HAIGHT, Commissioner  
Commercial Fisheries Entry Commission  
Juneau, Alaska

**POSITION STATEMENT:** Answered committee questions on Amendment 5 to HB 195.

#### **ACTION NARRATIVE**

[10:03:12 AM](#)

**CHAIR SARAH VANCE** called the House Special Committee on Fisheries meeting to order at 10:03 a.m. Representatives Carpenter, Himschoot, McCabe, and Vance were present at the call to order. Representatives McCormick and Stutes arrived as the meeting was in progress.

**HB 297-SPORT FISHING ANGLER ACCESS ACCT/SURCHARG**

[10:04:07 AM](#)

CHAIR VANCE announced that the first order of business would be HOUSE BILL NO. 297, "An Act establishing the sport fishing angler access account; establishing the sport fishing angler access surcharge; and providing for an effective date."

[10:04:24 AM](#)

DOUG VINCENT-LANG, Commissioner, Alaska Department of Fish and Game (ADF&G), on behalf of House Rules by request of the governor, introduced HB 297. He stated that the proposed legislation would establish a surcharge on sport fishing licenses for funds to go toward nonboating angler access. He explained the importance of access for Alaskans, stating that this surcharge would enable the department to fund services for anglers, including construction and maintenance of trails. He explained in detail why the proposed legislation would be necessary. He stated that the bill would create parity in angler access to fishing resources between shore access and motorized access.

[10:07:21 AM](#)

JOE FELKL, Legislative Liaison, Alaska Department of Fish and Game, on behalf of House Rules by request of the governor, paraphrased the sectional analysis on HB 297 [copy included in the committee packet], which read as follows [original punctuation provided]:

Section 1: amends Fish and Game Fund statutes by adding a new subsection creating a subaccount for the sport fishing angler access surcharge, referred to as the Sport Fishing Angler Access Account.

Section 2: conforming amendment to the Fish and Game license, permit, and tag fees statute that authorizes the Commissioner of Fish and Game to provide residents of the Yukon with nonresident sport fishing licenses and tags for the same fee as a resident license.

Section 3: amends Fish and Game license, permit, and tag fees statute to add a new subsection (1), creating the angler access surcharge.

Section 4: transition section to allow the Department of Fish and Game to adopt regulations necessary to implement the bill.

Section 5: immediate effective date for section 4.

Section 6: effective date of January 1, 2025, for all other provisions of the bill

MR. FELKL discussed the fiscal impact of the proposed legislation. He stated that by using a 5-year average of licensing sales, deducting 10 percent for the vendor commissions, the surcharge is estimated to be \$4.1 million annually. He stated that these funds will be deposited into the new angler-access sport fishing account, and there would be no added cost to the department. He asserted that this would allow nonboating angler-access projects not to compete with other work of the Division of Sport Fish. He noted that the user groups support a user-pay system.

[10:10:16 AM](#)

COMMISSIONER VINCENT-LANG gave the example of the Homer Spit access project. He noted that across the state boardwalks, fishing piers, canoe access, and kayak access would be added, along with guide and map publications of the nonboating access. He stated that this would provide legal access into areas that cannot support boating access.

[10:11:20 AM](#)

CHAIR VANCE questioned what the current license fees are and what the proposed change would be. She questioned whether the different fees would be impacted equally.

MR. FELKL responded that the proposed surcharge differs depending on the license type. For resident licenses, the surcharge amount would be \$4, and a nonresident surcharge would be anywhere from \$4 to \$40.

[10:12:36 AM](#)

REPRESENTATIVE HIMSCHOOT questioned how the collected funds would be distributed among projects.

COMMISSIONER VINCENT-LANG answered that ADF&G would use a similar model to the current boating-access model to distribute

funds. He noted that there would be a call for public proposals, and a five-year plan would be created to fund the projects. In response to a follow-up question, he explained that distributing the money proportionately would be difficult, as tracking the money would be hard. He emphasized that ADF&G would not short sight Southeast Alaska, as many lakes in the area need access. In response, he said that ADF&G could provide funding for increased opportunities for subsistence users as long as there was a sport fishery part of the funding package.

[10:14:32 AM](#)

REPRESENTATIVE MCCABE asked if the recent \$5 increase in bison tags has proven beneficial for the state. He postulated that in the future some areas may not agree that the sport fish funding was spent appropriately.

COMMISSIONER VINCENT-LANG responded that the proposed surcharge to license fees in HB 297 would be modeled after the surcharge to build fish hatcheries, and these sport fish funds would go into a subaccount. He expressed confidence that this process would not bring about any disagreements because of the subaccount.

REPRESENTATIVE MCCABE asked if there was a ranking system in place to choose which projects to fund first.

MR. FELKL answered that ADF&G prioritizes projects around the state based on need first, and then on the available funding.

[10:17:04 AM](#)

REPRESENTATIVE CARPENTER asked why ADF&G's cost estimate in the fiscal note does not include a dollar figure for future maintenance of the projects.

COMMISSIONER VINCENT-LANG answered that the cost estimate of HB 297 is modeled after a recent boating-access project, where partners take over the maintenance after the projects are constructed.

MR. FELKL added that the fiscal note relates to financial impacts directly from HB 297 and explained that the proposed legislation creates a surcharge, and it does not account for any future or proposed projects. He noted that coming up with the cost to maintain the projects would be challenging.

REPRESENTATIVE CARPENTER commented that it is always difficult to estimate the cost of future projects and said that it is the responsibility of the legislature to ensure tax dollars are being spent responsibly.

COMMISSIONER VINCENT-LANG expressed agreement with the comment. He reiterated that this would be modeled after the boating-access project. He expressed the hope that partners would help with the maintenance.

[10:19:33 AM](#)

CHAIR VANCE asked Commissioner Vincent-Lang about the timelines of any potential projects.

COMMISSIONER VINCENT-LANG gave his understanding that ADF&G could complete most of the proposed projects in a year or two once the funding becomes available.

MR. FELKL added that the timelines for each individual project would be on a case-by-case basis and offered to follow up with an answer.

[10:20:12 AM](#)

REPRESENTATIVE CARPENTER asked if there is a list of angler-access projects currently waiting funding.

MR. FELKL answered that there was a list provided to the committee prior to the meeting.

[10:20:52 AM](#)

The committee took an at-ease from 10:20 a.m. to 10:24 a.m.

[10:24:18 AM](#)

REPRESENTATIVE MCCABE asked for clarification regarding the nonresident surcharge.

COMMISSIONER VINCENT-LANG answered that the surcharge would be about a third of the fish hatchery surcharge.

CHAIR VANCE requested a full price list of the licenses so the full impact to anglers could be seen.

[10:26:38 AM](#)

REPRESENTATIVE CARPENTER asked if private employers or state employees would complete projects funded by grants.

COMMISSIONER VINCENT-LANG responded that there would be a combination of the two in any given project. He discussed this further.

[10:27:13 AM](#)

CHAIR VANCE announced that HB 297 was held over.

**HB 294-ELECTRONIC MONITORING OF FISHING VESSELS**

[10:27:37 AM](#)

CHAIR VANCE announced that the next order of business would be HOUSE BILL NO. 294, "An Act relating to electronic monitoring of fishing vessels; and providing for an effective date."

[10:27:49 AM](#)

DOUG VINCENT-LANG, Commissioner, Alaska Department of Fish and Game (ADF&G), on behalf of House Rules by request of the governor, introduced HB 294. He explained that HB 294 would authorize the Alaska Board of Fisheries to require electronic monitoring in fisheries, and it would grant the commissioner of ADF&G the authority to implement a program, as authorized by the Board of Fisheries. This would allow the technology to electronically capture fishing locations and catch, as there is no current law that allows for this. He pointed out that the current law only allows monitoring by observers. He explained that electronic monitoring would have the potential of reducing costs while improving accuracy, as data would be provided in real time as opposed to human observers. He added that electronic monitoring could also be used as an enforcement tool for bycatch. He emphasized that this would be a permissive statutory change, as any proposal to require electronic monitoring would have to go through a very involved Board of Fisheries approval process, and this would include a public notice process. He expressed the belief that HB 294 would be an extension of the constitutional obligation of ADF&G to manage fisheries sustainably in Alaska. He argued that electronic monitoring of fisheries would provide accurate and timely data. He discussed the problematic nature of having observers on board commercial fishing vessels. He informed the committee that new technologies are being developed that can identify species being

caught, and this would expand the possibilities of monitoring bycatch. Adopting this legislation now will help the department implement this technology in the future.

[10:32:31 AM](#)

JOE FELKL, Legislative Liaison, Alaska Department of Fish and Game, on behalf of House Rules by request of the governor, paraphrased the sectional analysis on HB 294 [copy included in the committee packet], which read as follows [original punctuation provided]:

Section 1: adds new language to the powers and duties statutes for the Commissioner of the Department of Fish and Game, providing the commissioner authority to implement an electronic monitoring program.

Section 2: adds new language to the statutory authority for the Board of Fisheries to adopt regulations, providing the board authority to require electronic monitoring in a fishery.

Section 3: defines electronic monitoring for the purposes of Fish and Game statutes.

Section 4: transition section to allow the Board of Fisheries and Department of Fish and Game to adopt regulations necessary to implement the bill.

Section 5: immediate effective date for section 4.

Section 6: effective date of January 1, 2025, for all other provisions of the bill.

MR. FELKL discussed the fiscal impacts of the proposed legislation. He stated that installing the electronic monitoring systems has shown to be cheaper than having human observers on vessels. These savings vary on the fishery's size and type, he said, with the manual review of video, data transmission, and data storage being the largest cost. As it is a permissive change, he said, there would be no direct costs of the bill. The bill would not require electronic monitoring, as this would be determined on the board level, along with community and public comment. He stated that the department already does this with the state shellfish program, with associated cost funded through the test fish revenue, federal funds, and payments from vessels. He suggested that the

electronic monitoring program could be funded similarly. He allowed that in the future funding might be needed to hire and train staff. He stated that if adopted, it could take the department up to two years to implement the program. He noted that the Board of Fisheries would have no authority over the program.

[10:36:32 AM](#)

REPRESENTATIVE STUTES argued that there would be a large fiscal note, with the first cost being to small boat owners and the second cost concerning the collection and interpretation of the information. She added that using test fisheries to pay for this would be "a red flag." To pay for this program, she argued that the state would be in competition with the small business owners. She expressed concern over the proposed legislation, as it would put small boat owners out of business.

COMMISSIONER VINCENT-LANG responded that currently the Board of Fisheries has the regulatory authority to delegate observers to smaller commercial fishing vessels, and this would be a cost to these vessels. He argued that electronic monitoring would be more cost neutral. He emphasized that currently the Board of Fisheries can only use onboard observers to keep track of fisheries. He pointed out that using onboard observers does not always work well with smaller vessels, and this would be an alternative.

REPRESENTATIVE STUTES opined that the Board of Fisheries is biased towards sport fisheries and shared the belief that because of this bias, the board would not be as accommodating to commercial fisheries.

[10:40:01 AM](#)

REPRESENTATIVE CARPENTER asked which fishery currently requires onboard monitoring.

COMMISSIONER VINCENT-LANG answered that crab fisheries currently are required to have onboard observer monitoring. In response to a follow-up question, he stated that he does not have the cost to vessels of having observers on board readily available, but he would report to the committee with this information.

REPRESENTATIVE CARPENTER requested clarification whether the proposed electronic monitoring would replace in-person monitoring or be in addition.

COMMISSIONER VINCENT-LANG said it would be on a case-by-case basis, as some fisheries would use both monitoring programs, while some would only use one or the other.

REPRESENTATIVE CARPENTER expressed the opinion that electronic monitoring may not be cheaper than physical observers.

COMMISSIONER VINCENT-LANG gave his understanding that electronic monitoring would give the Board of Fisheries more tools to enforce fisheries management.

REPRESENTATIVE CARPENTER asked if HB 294 would direct the commissioner of ADF&G to implement electronic monitoring as an either-or option.

COMMISSIONER VINCENT-LANG responded that the proposed bill would give the discretion to the Board of Fisheries. He further explained that the board has no spending authority, and if the program is implemented the department would be requesting the funds from the legislature.

[10:43:38 AM](#)

MR. FELKL added that the proposed bill does not limit a fishery to one monitoring system or the other.

REPRESENTATIVE MCCABE discussed "high grading" of fish, and he pointed out that it might be difficult to tell the size of a fish being thrown back from a camera image.

COMMISSIONER VINCENT-LANG answered that when there is a discharge prohibition, usually this would be on all sizes of the specific type of fish, and any fish thrown overboard would be detected.

[10:45:35 AM](#)

REPRESENTATIVE STUTES noted that the observer program is paid for by the industry. She questioned whether HB 294 would require more funding to facilitate the proposed electronic monitoring program.

COMMISSIONER VINCENT-LANG responded in the affirmative.

[10:46:29 AM](#)

CHAIR VANCE questioned the average cost of the equipment per vessel.

COMMISSIONER VINCENT-LANG responded that he does not have this information currently, but he would report this back to the committee. In response to a follow-up question, he explained that the National Marine Fisheries Service (NMFS) has electronic monitoring requirements for its fisheries. He expressed uncertainty concerning other fishing industries that require electronic monitoring.

CHAIR VANCE expressed the understanding that fishermen in Alaska are highly opposed to the idea of electronic monitoring. She questioned giving the regulatory authority to the Board of Fisheries, as opposed to ADF&G.

MR. FELKL clarified that HB 294 would grant regulatory authority to the commissioner of ADF&G to manage the program. He explained that the Board of Fisheries would have the authority to require implementation in a specific fishery.

COMMISSIONER VINCENT-LANG, in response, stated that the department chose to make this a board process. He expressed the understanding of the apprehension felt by fishermen, but he argued that electronic monitoring would be beneficial to them, as it gives more options. He continued that monitoring needs to happen to help sustain the fisheries.

CHAIR VANCE, concerning the expanded authority to the Board of Fisheries, opined that the board would be making management decisions versus allocation decisions, and this could become political. She expressed the concern that electronic monitoring could be used in a punitive manner. She asked if there would be a monitoring requirement for in-river sport fish guides.

COMMISSIONER VINCENT-LANG expressed the understanding that this would be applied to the commercial fishing statutes, but he indicated that he would further review the bill and follow up to the committee.

[10:51:24 AM](#)

REPRESENTATIVE STUTES asked what area of Alaska electronic monitoring would encompass.

COMMISSIONER VINCENT-LANG answered electronic monitoring would be available for the Board of Fisheries to utilize statewide.

He discussed its usage when there is a mandatory retention of bycatch in a fishery and gave examples of monitoring.

REPRESENTATIVE STUTES speculated that there is more going on "behind the scenes" that the public and legislature are not aware of.

[10:53:14 AM](#)

REPRESENTATIVE CARPENTER asked if ADF&G has plans to require observers in fisheries that do not currently require observers.

COMMISSIONER VINCENT-LANG shared his understanding that there is a possibility of new observers in the Area M fisheries. In response to a follow-up question, he stated that currently, because of statute, there is not the possibility of having electronic monitoring anywhere.

REPRESENTATIVE CARPENTER noted that currently observers are only required in a couple of fisheries in one part of the state. He questioned the impetus for the idea of electronic monitoring on some of the other fisheries.

COMMISSIONER VINCENT-LANG said that under current statute any fishery in the state could be in the observer program; however, only a couple of fisheries have this. He deduced that not all fisheries would be in the electronic monitoring program, but when the board decides a fishery should be monitored, this would allow another option other than the observer program.

REPRESENTATIVE CARPENTER expressed the agreement that electronic monitoring might be cheaper than having physical observers onboard vessels.

[10:55:44 AM](#)

CHAIR VANCE acknowledged concerns with the associated cost of \$17,000 for electronic monitoring equipment. She expressed the understanding that among vessel owners this is a concern.

COMMISSIONER VINCENT-LANG, in response to a series of questions from Representative Himschoot, explained that the proposed legislation was created because of the discussion about the need for monitoring Area M. He pointed out that there is currently no way to perform electronic monitoring in Alaska under current statute. Along with this statutory requirement, he explained that this is also in response to NMFS's electronic monitoring

program, as when vessels with NMFS's equipment are in state waters, a physical observer program must be implemented. He answered that the Board of Fisheries would have the authority to establish the regulations, while ADF&G would have authority over the specifics. He responded that if the proposed legislation goes through the Board of Fisheries, there would be a very robust public process. He expressed the opinion that this is a much better process for creating the regulatory structure than the department's process. He added that the public is very familiar with the board's process.

[10:58:51 AM](#)

COMMISSIONER VINCENT-LANG, in response to a series of questions from Representative Carpenter, explained that a small boat would be under 60 feet, as this is the legal size of a seine vessel. In response, he explained that there could be the possibility of electronic monitoring on small commercial vessels; however, he suggested that it is more likely this would be on medium and large vessels. He noted that the NMFS's program does not use electronic monitoring on smaller vessels. He responded that the Board of Fisheries could request the program from the legislature, but it was decided that the department would do this. He expressed the understanding that the board supports the program, but it has not written a letter regarding its support.

[11:00:54 AM](#)

COMMISSIONER VINCENT-LANG, in response to a question from Representative Stutes, clarified that the Board of Fisheries brought the idea for electronic monitoring forward.

REPRESENTATIVE STUTES reiterated the opinion that the board leans its support to the sport fishing industry. She asked if HB 294 has anything to do with the declining king and chum salmon fisheries in Alaska.

COMMISSIONER VINCENT-LANG explained that there were in-season harvest caps adopted by the Board of Fisheries that were not sufficient in Western Alaska, so the board recommended electronic monitoring.

[11:02:30 AM](#)

CHAIR VANCE asked what types of electronic monitoring are currently available. She asked how different types of electronic monitoring would be prescribed by regulation.

COMMISSIONER VINCENT-LANG explained that electronic monitoring would be done with small cameras and hard drives aboard the monitored vessel. In response to a follow-up question on whether the purpose of electronic monitoring would be data or enforcement, he responded that it is a combination of both.

MR. FELKL noted the document from NMFS made available to the committee. He stated that this details the information on the types of electronic monitoring, how data would be stored, who would watch the footage, and how cameras would be set.

CHAIR VANCE expressed the concern that ADF&G does not have the staff to properly install a new electronic monitoring system. She asked how ADF&G would properly operate and enforce a new monitoring system if it does not have the staff.

COMMISSIONER VINCENT-LANG answered that the board sees the purpose for the proposed program as protecting weaker stocks of fish in Alaska. He expressed the desire to keep these weaker fisheries as active as possible, and the department saw how NMFS was addressing this. He explained that it is simply a "tool in the toolbox" to keep the fisheries active, as now there are weak stocks.

CHAIR VANCE pointed out that the legislature needs to know the projected costs of an electronic monitoring program for both ADF&G and fishermen. She stated that currently the department is unable to do its mandated management with the staff it has. She requested a fiscal analysis from the department because there is the understanding that fishermen think this would cost too much and it could be punitive. She stressed that this would be a large program; therefore, the legislature needs to know the first steps. She noted that there needs to be observers and enforcement on the sport fish side of the fisheries, as there needs to be a fairness for every fisherman.

[11:08:09 AM](#)

REPRESENTATIVE CARPENTER asked if ADF&G has a plan for the collected data.

COMMISSIONER VINCENT-LANG, in response to Chair Vance, stated that ADF&G would come up with a cost analysis based on the

current observer programs. He acknowledged the need for a data analysis program related to electronic monitoring.

REPRESENTATIVE CARPENTER expressed the opinion that the need for fisheries data is not the driving force for electronic monitoring. He questioned the impetus for the request for electronic monitoring.

COMMISSIONER VINCENT-LANG, using the Area M example, explained that there are two reasons for mandatory retention. He stated that it allows for an accurate count of chum salmon, and it allows for the genetic sampling, as this helps to determine the distribution of the fish. He reiterated that the mandatory retention regulations are multipurposed.

[11:11:14 AM](#)

REPRESENTATIVE MCCABE expressed the understanding that the purpose of the proposed legislation is to give the Board of Fisheries the ability to say that electronic monitoring is the preferred method. He noted the costs concerning having observers onboard vessels, pointing out that electronic monitoring would be less intrusive.

COMMISSIONER VINCENT-LANG, in response to multiple questions from Representative McCabe, confirmed his understanding is correct that HB 294 would encourage the Board of Fisheries to adopt electronic monitoring and said that electronic monitoring would not be utilized on every vessel in Alaska. He expressed the opinion that electronic monitoring would only be put on vessels in fisheries that have specific requirements, like mandatory retention or fish sampling. He responded that since he has been commissioner there has not been a proposal to add new observers to fisheries. He stated that there is discussion about Area M, but he expressed the opinion that this would not be implemented across the state, but on a case-by-case basis. He expressed the opinion that fishermen would want the option of having either an observer or electronic monitoring.

[11:15:23 AM](#)

COMMISSIONER VINCENT-LANG, in response to a question from Representative Stutes, confirmed that the user groups would have to pay for the electronic monitoring equipment.

REPRESENTATIVE CARPENTER opined that the proposed electronic monitoring program is not a demand by the Board of Fisheries,

rather it is a demand by certain board members. He observed that if there was a consensus, a letter supporting this would be submitted from the Board of Fisheries.

[11:16:27 AM](#)

CHAIR VANCE announced that HB 294 was held over.

[11:16:55 AM](#)

The committee took an at-ease from 11:16 a.m. to 11:24 a.m.

**HB 195-COOK INLET: NEW ADMIN AREA;PERMIT BUYBACK**

[11:24:00 AM](#)

CHAIR VANCE announced that the final order of business would be HOUSE BILL NO. 195, "An Act relating to the powers of the Alaska Commercial Fisheries Entry Commission; relating to administrative areas for regulation of certain commercial set net entry permits; establishing a buy-back program for certain set net entry permits; providing for the termination of state set net tract leases under the buy-back program; closing certain water to commercial fishing; and providing for an effective date." [Amendments 1, 2, and 3 were adopted to HB 195 during the meeting on 3/26/24.]

[11:24:32 AM](#)

REPRESENTATIVE MCCABE moved to adopt Amendment 4 to HB 195, as amended, labeled 33-LS0807\A.1, Bullard, 3/4/24, which read as follows:

Page 6, line 24:  
Delete "200"  
Insert "300"

REPRESENTATIVE CARPENTER objected for the purpose of discussion.

CHAIR VANCE explained that Amendment 4 would change the number of permits in the current buyback program to 300. She stated that this puts the number of permits closer to the Commercial Fisheries Entry Commission (CFEC) number.

REPRESENTATIVE STUTES clarified that this would make the maximum number of permits 300.

11:25:33 AM

REPRESENTATIVE CARPENTER removed his objection. There being no further objection, Amendment 4 was adopted.

11:25:46 AM

REPRESENTATIVE MCCABE moved to adopt Amendment 5 to HB 195, as amended, labeled 33-LS0807\A.7, Bullard, 3/29/24, which read as follows:

Page 5, line 3, following "and":  
Insert "how"

Page 5, lines 3 - 4:  
Delete "to be offered"  
Insert "will be determined"

Page 6, lines 19 - 30:  
Delete all material and insert:  
"(b) Participation in the buy-back program established under this section is voluntary. Subject to appropriation and to this section, the commission shall buy back the unencumbered entry permit of an individual qualified under this section. A qualified individual may apply electronically on a form provided by the commission to have the individual's entry permit purchased under this section. If an applicant is disqualified from participation in the program under (c) of this section, elects not to participate in the buy-back program, fails to sign the contract of sale within a period specified by the commission, or fails to provide all of the information required under (a) of this section, the commission shall disapprove the individual's application and may not buy back the individual's entry permit under the program."

Page 6, line 31:  
Delete "whose name is selected in the lottery under this section"

Page 7, lines 12 - 13:  
Delete all material and insert:  
"(1) determine the amount for which to buy back an entry permit of an applicant by dividing the money allotted to the buy-back program established by this section among the qualified applicants after

(A) all appeals made under sec. 5 of this Act concerning the assignment of entry permits are resolved; and

(B) all timely received applications have been approved or disapproved by the commission under (b) of this section;

(2) buy back the entry permit of an applicant for an amount determined under (1) of this subsection, less administrative costs; and"

Renumber the following paragraph accordingly.

REPRESENTATIVE CARPENTER objected for the purpose of discussion.

11:26:00 AM

ROBERT BALLINGER, Staff, Representative Sarah Vance, Alaska State Legislature, on behalf of Representative Vance, answered committee questions on Amendment 5. He said that the primary purpose of Amendment 5 would be to make a modification to the dollar amount that was set for the buyback program, as this would help facilitate the program. He stated that this would make the buyback amount align with the funding available, and the funds would be distributed equally among participants.

CHAIR VANCE asked if Amendment 5 would address constitutional concerns related to HB 195.

MR BALLINGER explained that the issue with the buyback program dollar amount is that the value in the proposed bill is much higher than the appraised value of the permits, as the bill value includes the cost of the ability to fish. He suggested that Amendment 5 would change the amount to what could be paid.

CHAIR VANCE explained that Amendment 5 addresses the dollar amount, as at this point it is unknown how much funding would be allocated. She expressed the understanding that this is not meant to impact the state treasury, and she expressed the desire to not give "false promises" to fishermen, as the program should be equally available to those who choose to participate. She further explained that the amendment would remove the lottery so each participant would receive an equal amount based on the allocation. She acknowledged that the sponsor of the proposed legislation does not support the amendment, as he prefers the lottery option.

11:29:26 AM

REPRESENTATIVE MCCORMICK asked to hear from the sponsor of HB 195.

REPRESENTATIVE JUSTIN RUFFRIDGE, Alaska State Legislature, as prime sponsor, answered committee questions on Amendment 5 to HB 195. He explained that the intention of HB 195 is to establish an election and a lottery to enter the buyback program. He said HB 195 would create a framework for people who engage in the setnet fishery on the east side of Cook Inlet to enter voluntarily a buyback program. The fishermen would elect for themselves whether their permit would be put into the lottery to be selected. He stated that the amount of federal funding allocated for this has not been established. He added that HB 195, as is, would set a cap at \$60,000 per permit, but this is contingent on whether these funds are available. Per Amendment 5, he expressed concern on how permits would then qualify for the program. He stated that the purpose of the buyback program would be to establish a fishery that would sustain itself, but the amendment would remove the lottery and the price cap. He advised that this would create "nebulous components to a bill that is already setting a framework with some question marks: what is the dollar amount going to be and who is going to fund that." He expressed understanding of the impetus behind Amendment 5 but stated that the individual fishermen are not taking this stance. He expressed the understanding that the fishermen want to have a framework for a buyback program, so they can decide whether to have their permits in a lottery, leaving the remaining permits to participate in a sustainable fishery. He argued that the amendment would not help HB 195 accomplish the primary goals it aims to achieve.

[11:33:43 AM](#)

REPRESENTATIVE HIMSCHOOT asked if Amendment 5 would satisfy the constitutional concerns posed by HB 195.

[11:34:00 AM](#)

ALPHEUS BULLARD, Legislative Counsel, Legislative Legal Services, Alaska State Legislature, answered committee questions on Amendment 5 to HB 195. He expressed the understanding that the constitutional concern is whether paying \$260,000 for the permit would serve the public purpose. He recommended that Amendment 5 would provide a different process and alleviate any concerns raised by this. In response to a follow-up question, he stated that for the concern that a permit would be bought

back for a higher price than the market value, the proposed amendment would make each permit worth the same percentage value from the appropriated funds.

[11:36:14 AM](#)

GLEN HAIGHT, Commissioner, Commercial Fisheries Entry Commission, in response to a question from Representative Stutes on who would be affected by the proposed legislation, stated that there are around 340 current permit holders who hold from 405 to 450 permits registered to fish in the area in the last 10 years. He responded that multiple permit holders own more than one permit.

REPRESENTATIVE STUTES questioned whether the amendment should include a limit of the number of permits one individual can sell.

COMMISSIONER HAIGHT clarified that one individual can only hold two permits. He added that these fishermen will fish together in one operation, and in these operations multiple individuals hold either one or two permits. He explained that this could be misleading on how many permits one person can hold, as many permits can fish in one operation.

COMMISSIONER HAIGHT, in response to a question from Representative McCabe, he pointed out that per the CFEC's economic report from 2021, there were 453 permits registered to fish in 2016, with 407 permits registered to fish in 2020. For the eligibility years for the buyback, he said there were 428 permits registered to fish.

REPRESENTATIVE MCCABE clarified that based on these years there was around 430 permits, with around 300 permit holders.

[11:40:40 AM](#)

REPRESENTATIVE STUTES questioned the number of total permits, registered, or not registered to fish. If a permit was not registered to fish in the qualifying years, she questioned whether the permit would qualify for the buyback.

COMMISSIONER HAIGHT responded that in the Cook Inlet setnet fishery, these permits can fish in any subdistrict, but the permit holder must register for one district and stay in the district for the year. He expressed the understanding that these fishermen are stable, returning to the same subdistrict

every year; however, the ability to move districts would create a range of participants in the east side. He continued that it is difficult to show whether an individual actually participated in the fishery because when many fishermen fish in one operation, the fish may all be landed under just one of the permits in the operation. He suggested that if the permit were registered in a district, the individual is most likely fishing. He noted the other qualifications in the proposed legislation, such as having buoy tags and shore leases.

REPRESENTATIVE STUTES questioned whether a Cook Inlet setnet permit holder from another district could move to the east side in a following year.

COMMISSIONER HAIGHT responded that the permit holder could feasibly move; however, there is not much migration in this fishery. From a survey taken, it was understood that around four fishermen moved operations in around ten years. He described the equipment and land usage in this fishery, which tends to be difficult to move.

REPRESENTATIVE STUTES expressed the understanding that fishermen must be registered in certain years to qualify for buyback.

CHAIR VANCE concurred.

[11:45:36 AM](#)

REPRESENTATIVE HIMSCHOOT sought to clarify that the amendment would remove the lottery system and allow the available sum to be equally distributed to those who qualify and choose to participate.

CHAIR VANCE reiterated that under the amendment it would still be a voluntary program.

REPRESENTATIVE HIMSCHOOT questioned whether there would still be an election.

CHAIR VANCE requested an explanation of the effects of Amendment 5 versus the current language in the proposed legislation.

MR. BULLARD stated that the amendment would replace the lottery process and the amount each would receive. He stated that under the amendment there would still be an election where people would choose to participate; however, the participants would be

signing up to receive a percentage of the funds made available for the buyback.

[11:47:34 AM](#)

REPRESENTATIVE CARPENTER expressed concern that without the amendment, the bill would not meet the provision in Article VIII of the [Constitution of the State of Alaska], which provides just compensation for any individual who gives up his/her right to fish.

MR. BULLARD stated that because it is a voluntary process, no one would be divested of his/her right to fish. He stated that each permit holder would make the decision for himself or herself.

REPRESENTATIVE CARPENTER pointed out that commercial fishermen have not been able to fish the east side of Cook Inlet for a number of years, and they have not been compensated by the state for the inability to use the waters. He questioned whether the state policy is following the state's constitution.

MR. BULLARD expressed uncertainty whether HB 195 relates to the violation of this constitutional provision, as this would be a voluntary process.

REPRESENTATIVE CARPENTER pointed out that if the amendment is passed, 300 permits would be taken away. If the state still does not allow the remaining permit holders to fish, he questioned whether these permit holders would be losing any cause of action against the state.

MR. BULLARD stated that holding a CFEC permit does not provide a right to catch a certain percentage of fish or make a profit from doing so. He expressed the opinion that HB 195 would not relate to the provision referred to in the constitution.

REPRESENTATIVE CARPENTER expressed the understanding that fishermen in Cook Inlet feel that they have been divested of their right to fish, as they have not been allowed to fish and have not been compensated, yet the proposed legislation would compensate some permit holders. He expressed the opinion that this is "straying into some constitutionally murky water."

[11:54:05 AM](#)

CHAIR VANCE clarified that if Amendment 5 were adopted, there would be no cap on the number of permits.

MR. BULLARD concurred with this statement.

REPRESENTATIVE CARPENTER pointed out that Amendment 4 was just passed, and this would change the 200 permits to 300 permits. He suggested that passing Amendment 5 would override Amendment 4.

CHAIR VANCE explained that if Amendment 5 is adopted, anyone who has a permit can choose to participate, and the money would be distributed equally; otherwise, the current version of the bill has a lottery program with a cap on the permit participation of 300 permits.

[11:55:52 AM](#)

REPRESENTATIVE RUFFRIDGE, in response to a request from Representative Himschoot, explained that he opposes Amendment 5 because it would remove the lottery system and the cap that was passed in Amendment 4. He pointed out that the goal of the buyback is to have the number of participants be at a sustainable fishery level, which would be around 200 permits. He argued that Amendment 5 would create an open-ended system with a level of uncertainty on how the buyback would be administered. He suggested that the amendment would allow fishermen to wait until the amount of appropriated money is known before they consider the program. Once this happens, the number opting into the program would divide the amount. He clarified that the legislature would not be using state funds to fund the buyback. He stated that the funds would be either federal or private. He opined that this comes down to what should be first: the choice to be involved in the buyback or the determination of how much money is appropriated to the buyback.

[11:59:02 AM](#)

A roll call vote was taken. Representatives Stutes, Carpenter, Himschoot, and Vance voted in favor of adopting Amendment 5 to HB 195, as amended. Representatives McCormick and McCabe voted against it. Therefore, Amendment 5 was adopted by a vote of 4-2.

[12:00:11 PM](#)

REPRESENTATIVE STUTES moved to adopt Amendment 6 to HB 195, as amended, labeled 33-LS0807\A.6, Bullard, 3/26/24, which read as follows:

Page 7, line 13:

Delete "\$260,000"

Insert "\$13,500"

REPRESENTATIVE CARPENTER objected for the purpose of discussion.

REPRESENTATIVE STUTES stated that Amendment 6 is based on the value of the permits as reported by CFEC. This amount was reported at \$13,500 per permit. She argued that the buyback should be for the value of the permit and nothing else. She stated that the boats, houses, and equipment should not be included in the buyback.

CHAIR VANCE noted that the newly adopted Amendment 5 removed the dollar value of the permit. She questioned whether this would change the intent of Amendment 6.

REPRESENTATIVE STUTES responded in the negative.

[12:01:12 PM](#)

REPRESENTATIVE MCCORMICK requested that the bill sponsor speak to the amendment.

REPRESENTATIVE RUFFRIDGE stated that after the adoption of Amendment 5, this bill has become open ended with a vague framework. He suggested that a legal opinion should be sought on whether Amendment 6 and Amendment 5 could coexist.

[12:02:56 PM](#)

The committee took an at-ease from 12:02 p.m. to 12:03 p.m.

[12:03:15 PM](#)

REPRESENTATIVE STUTES withdrew Amendment 6. There being no objection, Amendment 6 was withdrawn.

[12:03:33 PM](#)

CHAIR VANCE requested closing comments.

REPRESENTATIVE MCCABE expressed support for the version of the proposed legislation before Amendment 5 was adopted, as now the buyback would be something that it was not designed to be, which could result in more legal issues.

REPRESENTATIVE CARPENTER expressed the understanding that there are 340 permit holders, but he expressed uncertainty on the number of eligible permits. He expressed the opinion that this would be unfair and unconstitutional if only a small portion receives compensation for not being able to fish. He argued that this is the main issue. He further discussed this, opining that state policy would be left to "chance" on who receives compensation. He pointed out that Amendment 5 would make this fair; however, the issue of the funding has not been addressed. He suggested that if this is state policy, the state should pay; however, leaving this to a lottery with an unknown funding source could have a negative effect with the fishermen in the area. He reiterated the argument on the unfairness of the lottery system.

[12:08:48 PM](#)

The committee took an at-ease from 12:08 p.m. to 12:12 p.m.

[12:12:43 PM](#)

REPRESENTATIVE STUTES clarified that the buyback program was not the state's idea, as it was the user group's idea. She suggested that Amendment 5 "leveled the playing field" for the user group.

CHAIR VANCE voiced that her job is to answer to her constituents and the state's constitution. She stated that the amendments brought forward addressed constitutional concerns, but still there is a high probability of litigation. She expressed the hope that the bill will reflect the constitution and the will of fishermen. She suggested that the proposed legislation would provide a tool that allows the fishermen to have their say. She thanked the committee members for the conversation. She expressed support for the bill because her constituents are in support of the bill.

REPRESENTATIVE CARPENTER clarified that by adopting Amendment 5, the fishermen would still have an election, and the maximum number can participate, if they so choose. He argued that otherwise only a certain number of fishermen would be allowed to participate.

12:16:04 PM

REPRESENTATIVE MCCABE moved to report HB 195, as amended, out of committee with individual recommendations and the accompanying fiscal notes. He granted Legislative Legal Services the authority to make technical and conforming changes as necessary. There being no objection, CSHB 195(FSH) was reported out of the House Special Committee on Fisheries.

12:16:39 PM

CHAIR VANCE made closing comments.

12:16:57 PM

**ADJOURNMENT**

There being no further business before the committee, the House Special Committee on Fisheries meeting was adjourned at 12:16 p.m.