

**ALASKA STATE LEGISLATURE
HOUSE RESOURCES STANDING COMMITTEE**

April 12, 2023

1:03 p.m.

MEMBERS PRESENT

Representative Tom McKay, Chair
Representative George Rauscher, Vice Chair
Representative Josiah Patkotak
Representative Kevin McCabe
Representative Dan Saddler
Representative Stanley Wright
Representative Jennie Armstrong
Representative Donna Mears
Representative Maxine Dibert

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

HOUSE BILL NO. 120

"An Act relating to hunting, trapping, and fishing licenses for certain nonresident postsecondary students; and providing for an effective date."

- HEARD & HELD

HOUSE BILL NO. 95

"An Act relating to designation of state water as outstanding national resource water; and providing for an effective date."

- MOVED HB 95 OUT OF COMMITTEE

HOUSE BILL NO. 125

"An Act relating to trapping cabins on state land; and relating to trapping cabin permit fees."

- MOVED CSHB 125 (RES) OUT OF COMMITTEE

HOUSE BILL NO. 143

"An Act relating to the Department of Environmental Conservation; relating to advanced recycling and advanced recycling facilities; relating to waste; and providing for an effective date."

- HEARD & HELD

PREVIOUS COMMITTEE ACTION

BILL: HB 120

SHORT TITLE: HUNT/FISH LICENSE FOR NONRESIDENT STUDENT

SPONSOR(s): REPRESENTATIVE(s) TOMASZEWSKI

03/17/23	(H)	READ THE FIRST TIME - REFERRALS
03/17/23	(H)	RES, FIN
04/03/23	(H)	RES AT 1:00 PM BARNES 124
04/03/23	(H)	-- MEETING CANCELED --
04/05/23	(H)	RES AT 1:00 PM BARNES 124
04/05/23	(H)	-- MEETING CANCELED --
04/12/23	(H)	RES AT 1:00 PM BARNES 124

BILL: HB 95

SHORT TITLE: NATL. RES. WATER NOMINATION/DESIGNATION

SPONSOR(s): REPRESENTATIVE(s) RAUSCHER

03/06/23	(H)	READ THE FIRST TIME - REFERRALS
03/06/23	(H)	FSH, RES
03/23/23	(H)	FSH AT 10:00 AM GRUENBERG 120
03/23/23	(H)	Heard & Held
03/23/23	(H)	MINUTE(FSH)
03/28/23	(H)	FSH AT 10:00 AM GRUENBERG 120
03/28/23	(H)	Moved HB 95 Out of Committee
03/28/23	(H)	MINUTE(FSH)
03/29/23	(H)	FSH RPT 4DP 2AM
03/29/23	(H)	DP: C.JOHNSON, MCCABE, CARPENTER, VANCE
03/29/23	(H)	AM: HIMSCHOOT, STUTES
03/29/23	(H)	RES AT 1:00 PM BARNES 124
03/29/23	(H)	Heard & Held
03/29/23	(H)	MINUTE(RES)
04/03/23	(H)	RES AT 1:00 PM BARNES 124
04/03/23	(H)	-- MEETING CANCELED --
04/05/23	(H)	RES AT 1:00 PM BARNES 124
04/05/23	(H)	-- MEETING CANCELED --
04/12/23	(H)	RES AT 1:00 PM BARNES 124

BILL: HB 125

SHORT TITLE: TRAPPING CABINS ON STATE LAND

SPONSOR(s): RESOURCES

03/20/23	(H)	READ THE FIRST TIME - REFERRALS
03/20/23	(H)	RES, FIN

03/27/23 (H) RES AT 1:00 PM BARNES 124
03/27/23 (H) Heard & Held
03/27/23 (H) MINUTE (RES)
03/29/23 (H) RES AT 1:00 PM BARNES 124
03/29/23 (H) Heard & Held
03/29/23 (H) MINUTE (RES)
04/03/23 (H) RES AT 1:00 PM BARNES 124
04/03/23 (H) -- MEETING CANCELED --
04/05/23 (H) RES AT 1:00 PM BARNES 124
04/05/23 (H) -- MEETING CANCELED --
04/12/23 (H) RES AT 1:00 PM BARNES 124

BILL: HB 143

SHORT TITLE: ADVANCED RECYCLING AND FACILITIES
SPONSOR(S): RESOURCES

03/27/23 (H) READ THE FIRST TIME - REFERRALS
03/27/23 (H) RES, L&C
04/05/23 (H) RES AT 1:00 PM BARNES 124
04/05/23 (H) -- MEETING CANCELED --
04/12/23 (H) RES AT 1:00 PM BARNES 124

WITNESS REGISTER

REPRESENTATIVE FRANK TOMASZEWSKI
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: As prime sponsor, presented HB 120.

MICHAELA ANDERSON, Staff
Representative Frank Tomaszewski
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: On behalf of Representative Tomaszewski, prime sponsor, gave a sectional analysis of HB 120 and answered questions.

MACKENZIE ENGLISHOE, Emerging Leader
Tanana Chiefs Conference
Chandalar Lake, Alaska

POSITION STATEMENT: Testified in opposition to HB 95.

AARON BRAKEL, Inside Waters Program Manager
Southeast Alaska Conservation Council
Juneau, Alaska

POSITION STATEMENT: Testified in opposition to HB 95.

JENNY-MARIE STRYKER, Political Director
The Alaska Center
Anchorage, Alaska

POSITION STATEMENT: Testified in opposition to HB 95.

JESSICA PLACHTA, Executive Director
Lynn Canal Conservation
Haines, Alaska

POSITION STATEMENT: Testified in opposition to HB 95.

TREVOR JEPSEN, Staff
Representative Tom McKay
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Provided a summary of the changes to the proposed committee substitute to HB 125, on behalf of the sponsor, the House Resources Standing Committee, on which Representative McKay serves as chair; gave a PowerPoint presentation, titled "Advanced Recycling," during the hearing on HB 143, on behalf of the sponsor, the House Resources Standing Committee.

PRAPTI MUHURI, Manager
Recycling and Recovery
American Chemistry Council
Washington, D.C.

POSITION STATEMENT: During the hearing on HB 143, answered questions about advanced recycling.

ACTION NARRATIVE

[1:03:12 PM](#)

CHAIR TOM MCKAY called the House Resources Standing Committee meeting to order at 1:03 p.m. Representatives Patkotak, Wright, Armstrong, Mears, Dibert, Rauscher, and McKay were present at the call to order. Representatives Saddler and McCabe arrived as the meeting was in progress.

HB 120-HUNT/FISH LICENSE FOR NONRESIDENT STUDENT

[1:04:04 PM](#)

CHAIR MCKAY announced that the first order of business would be HOUSE BILL NO. 120, "An Act relating to hunting, trapping, and fishing licenses for certain nonresident postsecondary students; and providing for an effective date."

[1:04:42 PM](#)

REPRESENTATIVE FRANK TOMASZEWSKI, Alaska State Legislature, as prime sponsor, presented HB 120. He stated that the proposed legislation would create a new hunting, fishing, and trapping license for nonresident students enrolled full- or part-time at an Alaska university.

MICHAELA ANDERSON, Staff, Representative Frank Tomaszewski, Alaska State Legislature, on behalf of Representative Tomaszewski, gave a sectional analysis of HB 120, [included in the committee packet], which read as follows [original punctuation provided]:

Section 1: Amends the section to include the new nonresident postsecondary student license.

Section 2: Adds a new subsection allowing for nonresident students who are enrolled half-time or part-time in postsecondary education to purchase a special nonresident postsecondary student license for sport fishing, hunting, or trapping at the same cost as a resident license.

Section 3: Provides uncodified law that allows the Department of Fish and Game to adopt regulations to implement to the new license.

Section 4: Provides for an effective date.

Section 5: Provides for an effective date.

MS. ANDERSON, reviewing the contents of HB 120, gave an example showing that if the legislation passes, students will save \$200 when purchasing a nonresident hunting, trapping, and fishing license. She also detailed that the proposed bill would not change the rules or cost for stamps and tags.

[1:07:33 PM](#)

MS. ANDERSON, in response to a question from Representative Mears, said that nonresident students would not be permitted to dip net.

[1:07:54 PM](#)

REPRESENTATIVE MCCABE asked about the estimated number of students who may be interested in a license.

MS. ANDERSON expressed uncertainty about this current number. She mentioned that, according to fiscal notes, there would be a zero fiscal note and not a major loss of revenue.

[1:08:43 PM](#)

REPRESENTATIVE RAUSCHER asked about the eligibility.

MS. ANDERSON replied that she would follow up to the committee with the exemptions.

REPRESENTATIVE RAUSCHER asked whether the students receiving the benefit would live in the dorms. He also asked about whether the license applied to moose and caribou.

MS. ANDERSON answered that the students would not necessarily need to live on campus or in a dorm. She stated that HB 120 is for all part-time and full-time students, and the license would not cover large game, like moose and caribou. If applicable, the students would need to purchase large game stamps or tags at the regular nonresident cost.

[1:10:31 PM](#)

REPRESENTATIVE TOMASZEWSKI clarified that all students enrolled in the University of Alaska system and other post-secondary schools within the state could benefit whether they live on or off campus.

CHAIR MCKAY questioned whether the Alaska Department of Fish and Game (ADF&G) would need to verify that the students are enrolled in a post-secondary school in Alaska.

MS. ANDERSON replied that students could use enrollment papers or student identification cards to show their status. She stated that she would speak to ADF&G for specifics concerning the documents needed. She assured the committee that store clerks have experience checking for the validity of military identification cards; therefore, these clerks are trained to determine the validity of identification cards.

[1:12:55 PM](#)

REPRESENTATIVE RAUSCHER asked whether the meat would be going outside of Alaska or utilized in the state.

MS. ANDERSON answered that meat leaving the state would likely be an uncommon exception.

[1:14:00 PM](#)

REPRESENTATIVE WRIGHT confirmed that a student identification card would be sufficient proof of enrollment when students apply for a license. He questioned the activities nonresident students are permitted to do at present.

MS. ANDERSON answered that they are currently treated as nonresident sportsman and can get a license for hunting and fishing; however, they must pay the nonresident fees and are not eligible for a trapping license.

[1:15:05 PM](#)

REPRESENTATIVE DIBERT commented on the training needed for nonresidents who are fishing and hunting.

REPRESENTATIVE TOMASZEWSKI said that ADF&G offers classes anyone can attend.

MS. ANDERSON said training is currently not a requirement.

[1:15:59 PM](#)

CHAIR MCKAY announced that HB 120 was held over.

HB 95-NATL. RES. WATER NOMINATION/DESIGNATION

[1:16:22 PM](#)

CHAIR MCKAY announced that the next order of business would be HOUSE BILL NO. 95 "An Act relating to designation of state water as outstanding national resource water; and providing for an effective date."

CHAIR MCKAY opened public testimony on HB 95.

[1:17:13 PM](#)

MACKENZIE ENGLISHOE, Emerging Leader, Tanana Chiefs Conference, read from a prepared testimony on behalf of the Tanana Chiefs

Conference in opposition to HB 95. She stated that she was born in the Village of Gwichyaa Zhee at Chandalar Lake. She shared that as a child she hunted, trapped, fished, and gathered for her survival. She said her family were the only people she had seen on the lands near her village. She reminisced about travelling over clean and clear waters in her canoe and said it was the "cleanest water I've ever seen in my life." She expressed the belief that people who have never been to the lands around her home should not have more power than the Native people who know the land.

[1:19:07 PM](#)

REPRESENTATIVE ARMSTRONG inquired as to Ms. Englishoe's preferred mechanism for the process of designating Tier III bodies of water.

MS. ENGLISHOE emphasized the necessity for the decisions to be made by people who have been in the area, such as [scientists and Native peoples], as opposed to people in offices who have not "set foot" in the area.

[1:19:56 PM](#)

REPRESENTATIVE MEARS offered to engage in tribal consultation.

REPRESENTATIVE DIBERT voiced that she looked forward to the Tribe's involvement.

[1:21:29 PM](#)

AARON BRAKEL, Inside Waters Program Manager, Southeast Alaska Conservation Council (SEACC), expressed opposition to HB 95. He advised that the Clean Water Act provides for certain waters to be designated as Outstanding National Resource Waters (ONRW), and this leaves the state with mechanisms to do so. He pointed out that, to this date, Alaska has not adopted an effective mechanism for designation of these bodies of water. He expressed the belief that HB 95 would turn the process of designating waters into "political football." He emphasized that under this bill, designation of Tier III bodies of water would be left in the "legislative arena." He asserted that SEACC supports the public's access to an administrative process for nomination and designation of ONRW, which would be a transparent, science-based process with public participation and a clear timeline for decisions. He recommended that HB 95 include clear and reasonable information requirements for

petitioning and provide for the consideration of important ecological, cultural, and subsistence values and uses. He suggested the proposed legislation should include requirements that the Department of Environmental Conservation (DEC) establish a deadline which finalizes the ONRW designation process and provide annual updates to the legislature on the progress of nominations.

[1:24:33 PM](#)

JENNY-MARIE STRYKER, Political Director, The Alaska Center, testified in opposition to HB 95. She stated that DEC already classifies Tier I and II bodies of water; therefore, DEC should classify Tier III bodies of water. She argued that the designation of Tier III waters should be determined by scientists with the state, instead of the state legislature. She expressed the opinion that if the designation process becomes part of the state legislature, lobbyists, politics, and money would have influence. She offered her understanding that the proposed legislation is an attempt to address the designation process; however, she opined that that the process should be through DEC.

[1:26:56 PM](#)

REPRESENTATIVE MCCABE questioned whether Ms. Stryker knew DEC did not want responsibility.

MS. STRYKER expressed awareness concerning DEC's stance on Tier III waters. She stated the preference would be to establish requirements and time limits for DEC, rather than risk the potential for the process to be politicized in the legislature.

[1:28:19 PM](#)

JESSICA PLACHTA, Executive Director, Lynn Canal Conservation, testified in opposition to HB 95. She said the state has failed to designate Tier III bodies of water thus far, and the proposed legislation "could make it all but impossible for any Alaska waters to be designated a Tier III water body." She warned that under the proposed legislation, designation would become a political decision instead of a science-based DEC decision. Because of their lack of scientific background, she asserted that there are very few representatives in the legislature qualified to make these decisions. She pointed out that not only does DEC work year-round, but it also employs experts in this field, making the organization a well-qualified entity.

She exemplified the Chilkat River which is located partially within the Alaska Chilkat Bald Eagle Preserve and has exceptional cultural, ecological, economical, and recreational importance to the Chilkat Tlingit and the community of Haines. She stated that Lynn Canal Conservation opposes HB 95 because it would restrict DEC from processing Tier III applications. She claimed that narrowing the opportunity to designate Tier III waters to just the legislature is not in the best interest of all Alaskans who depend on these exceptional water bodies. She urged the committee to listen to Alaska Native Tribes and honor their requests for Tier III designation.

[1:30:23 PM](#)

CHAIR MCKAY, after ascertaining that there was no one else who wished to testify, closed public testimony.

[1:30:45 PM](#)

REPRESENTATIVE MEARS moved to adopt Conceptual Amendment 1 to HB 95. She stated that the amendment would add tribal consultation as part of the process to nominate Tier III bodies of water.

REPRESENTATIVE SADDLER objected.

[1:31:09 PM](#)

The committee took an at-ease from 1:31 p.m. to 1:40 p.m.

[1:40:29 PM](#)

REPRESENTATIVE MEARS, noting that the amendment was not prepared, [moved to withdraw] Conceptual Amendment 1. She indicated she would save it for a future meeting.

[1:40:54 PM](#)

CHAIR MCKAY offered his support of HB 95 and stated that it creates consistency with the way the legislature designates state parks, game refuges, recreational sites, forests, and other special purpose sites. He stated that this is consistent with Article 8, Section 7, of the Alaska State Constitution, as it contemplates the legislature as the appropriate body to reserve state resources from the public domain. He remarked that Tier III water designation carries with it a high duty of care. The designation is, by its nature, a reservation from incompatible uses and an appropriation of a state resource. He

expressed agreement with the administration and the sponsor that the legislature is the correct body to make such decisions. He stated that the public currently does not have clear guidance on nominating Tier III bodies of water. He voiced the opinion that HB 95 is extremely prudent and necessary to avoid any further confusion regarding the nomination and consideration of bodies of water as ONWR.

[1:42:16 PM](#)

REPRESENTATIVE RAUSCHER highlighted the benefits of allowing the legislature to designate Tier III waters. He commented that the legislature could provide public input, as all Alaskans can contact their representatives to nominate and provide input to the designations. He contended that the legislature intends to work alongside DEC and will have access to scientific information through the department. He expressed assurance that there would be transparency because every committee meeting has the opportunity for public comment.

[1:44:39 PM](#)

REPRESENTATIVE PATKOTAK moved to report HB 95 out of committee with individual recommendations and the accompanying fiscal notes.

REPRESENTATIVE MEARS objected.

[1:45:08 PM](#)

REPRESENTATIVE MEARS spoke to her objection, emphasizing that the legislature is an inappropriate venue for designating Tier III waters because few legislators possess the type of experience necessary to adequately process applications based on science and process.

[1:46:11 PM](#)

A roll call vote was taken. Representatives McCabe, Patkotak, Rauscher, Saddler, Wright, and McKay voted in favor of moving HB 95 from committee. Representatives Armstrong, Mears, and Dibert voted against it. Therefore, HB 95 was reported out of the House Resources Standing Committee by a vote of 6-3.

[1:47:04 PM](#)

The committee took an at-ease from 1:47 p.m. to 1:50 p.m.

HB 125-TRAPPING CABINS ON STATE LAND

1:50:29 PM

CHAIR MCKAY announced the next order of business would be HOUSE BILL NO. 125, "An Act relating to trapping cabins on state land; and relating to trapping cabin permit fees."

1:50:57 PM

REPRESENTATIVE RAUSCHER moved to adopt the proposed committee substitute (CS) for HB 125, labeled, 33-LS0497\Y, Bullard, 03/28/23, as a working document.

CHAIR MCKAY objected for the purpose of discussion.

1:51:30 PM

TREVOR JEPSEN, Staff, Representative Tom McKay, Alaska State Legislature, on behalf of the sponsor, the House Resources Standing Committee, on which Representative McKay serves as chair, provided a summary of the changes for the proposed CS, Version Y, which read as follows [original punctuation provided]:

Change 1: Clarifies that the owner of a trapping cabin would have to authorize the use of their cabin by other individuals prior to the department issuing another permit for their cabin. (page 2, lines 15-16)

Change 2: Technical change to allow for consistency with section 2 of the bill. (page 2, line 18)

Change 3: Clarifies the acceptable uses of trapping cabins and that it may only be used for seasonal shelter. (page 3, lines 19-20)

Change 4: Grammatical correction, no substantive difference. (page 3, line 24)

Change 5: Reiterates that permit holders may not reside at a trapping cabin or on the state lands where the trapping cabin is located. (page 4, lines 10-12)

1:53:15 PM

CHAIR MCKAY removed his objection. There being no further objection, Version Y was before the committee.

[1:53:31 PM](#)

REPRESENTATIVE SADDLER moved to adopt Amendment 1 to HB 125, Version Y, labeled, 33-LS0497\Y.1, Bullard, 04/10/23, which read as follows:

Page 4, lines 8 -9:
Delete " , except as authorized by the commissioner,"

CHAIR MCKAY objected for the purpose of discussion.

REPRESENTATIVE SADDLER spoke to Amendment 1. He explained that he supports the bill in general; however, he expressed the concern that Version Y is too broad and could be misused.

[1:54:33 PM](#)

CHAIR MCKAY validified the concerns brought up by Representative Saddler and agreed that the committee should not enumerate in statute the variety of special conditions, such as weddings and funerals. He removed his objection.

REPRESENTATIVE MCCABE objected and questioned trapping-related activities, such as using an all-terrain vehicle to access cabins in the summer for the purpose of stocking it for winter use.

REPRESENTATIVE SADDLER voiced that his intention had not been to prohibit activities related to trapping, including provisioning and cabin maintenance. He voiced the intention to eliminate uses other than those which are specifically related to trapping.

REPRESENTATIVE MCCABE maintained his objection.

[1:57:12 PM](#)

A roll call vote was taken. Representatives McCabe, Patkotak, Rauscher, Saddler, Wright, Mears, and McKay voted in favor of Amendment 1. Representatives Dibert and Armstrong voted against it. Therefore, Amendment 1 was adopted by a vote of 7-2.

[1:58:33 PM](#)

REPRESENTATIVE RAUSCHER moved to report CSHB 125, labeled, 33-LS0497\Y, Bullard, 03/28/23, as amended, out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, CSHB 125(RES) was reported out of the House Resources Standing Committee.

[1:59:07 PM](#)

The committee took an at-ease from 1:59 p.m. to 2:02 p.m.

HB 143-ADVANCED RECYCLING AND FACILITIES

[2:02:16 PM](#)

CHAIR MCKAY announced that the final order of business would be HOUSE BILL NO. 143, "An Act relating to the Department of Environmental Conservation; relating to advanced recycling and advanced recycling facilities; relating to waste; and providing for an effective date."

CHAIR MCKAY explained that HB 143 would create a regulatory framework around a new industry known as "advanced recycling." This would take plastics which are not suitable for traditional recycling and convert them into high value products through various chemical processes. Without some regulatory processes governing the industry, these manufacturers are not able to evaluate the profitability of investing in Alaska. He mentioned that 23 other states have passed bipartisan legislation like HB 143, and this allows these emerging technologies to operate in their states. He stated that the proposed legislation would add Alaska to the list of states for manufacturers to consider when investing millions of dollars in advanced recycling.

[2:04:07 PM](#)

TREVOR JEPSEN, Staff, Representative McKay, presented HB 143 on behalf of the bill sponsor, the House Resources Standing Committee, on which Representative McKay serves as chair. He began a PowerPoint presentation, titled "Advanced Recycling" [hard copy included in the committee packet]. He directed attention to slide 2 and detailed that advanced recycling, also referred to as chemical recycling, is a relatively new industry that has been around for 10 years. He stated that advanced recycling takes discarded plastic and turns it into petroleum-based products. He mentioned that advanced recycling has been used in large scale commercial operations in the last 5 years.

He reiterated that legislation like HB 143 has passed in 23 other states.

MR. JEPSEN described the flowchart pictured on slide 3, which related that, using chemistry, post-use plastics can be converted to valuable products, and this extends the life of plastic. He suggested that using the basic building blocks of new chemicals, plastic feedstocks, and plastic additives, outputs can be asphalt roads, roofing, waxes, and lubricants.

[2:06:11 PM](#)

REPRESENTATIVE SADDLER asked if HB 143 would allow recycling centers to break down plastic to return it to its component parts.

MR. JEPSEN confirmed plastics can be broken down through a process called depolymerization and rebuilt into other materials.

[2:07:34 PM](#)

REPRESENTATIVE RAUSCHER, referring to slide 3, questioned which states are currently utilizing plastic additives to asphalt roads.

MR. JEPSEN deferred to Prapti Muhuri.

[2:08:21 PM](#)

PRAPTI MUHURI, Manager of Recycling and Recovery, American Chemistry Council, answered that advanced recycling is being used to produce additives in asphalt roads in other states, including Missouri.

REPRESENTATIVE RAUSCHER asked whether asphalt requires higher temperatures to lay.

MR. JEPSEN responded that many different products can be made from plastics through advanced recycling.

[2:09:44 PM](#)

REPRESENTATIVE MEARS mentioned that, because of a lack of critical mass and low population, recycling in Alaska is difficult to manage in remote communities. She questioned the

minimum critical mass needed to be recovered from the waste stream to make advanced recycling practical in Alaska.

MR. JEPSEN stated that an economic model later in the presentation would address the question. He continued his presentation with slide 4, addressing the process of advanced recycling. He stated that there are different processes used to break down plastic polymers into base chemical components, such as gasification, pyrolysis, and solvolysis. He further detailed that advanced recycling is non-combustive and should not be confused with incineration. He said that there are some air emissions associated with advanced recycling, and this is regulated in accordance with the Clean Air Act. It would also be subject to the Alaska Department of Environmental Conservation (DEC), just like any other manufacturing plant.

[2:12:02 PM](#)

MR. JEPSEN moved to slide 5 and detailed the advanced recycling processes. He stated that the primary product from gasification is synthetic gas or syngas. The primary product from pyrolysis is petroleum liquids, diesel, and naphtha. He pointed out the flowchart on slide 6 and said that plastics are first collected, washed, sorted, and shipped to an advanced recycling facility. He continued that naphtha is a precursor to plastics, and it is produced through pyrolysis. This can then be sent to a cracker producer or plastic resin producer to be thermally broken down into components which can be sent to various manufacturers. These manufacturers will eventually produce this into consumer goods.

[2:13:53 PM](#)

MR. JEPSEN, in response to a question from Representative Armstrong, explained that "cracker producers" are facilities which thermally break down naphtha.

[2:14:24 PM](#)

REPRESENTATIVE DIBERT asked where the nearest manufacturer is located.

CHAIR MCKAY, in continuation of Representative Dibert's question, asked whether all the steps pictured in the flow chart on slide 6 are meant to take place within Alaska.

MR. JEPSEN answered that slide 6 displays only a hypothetical example. He said this would depend on the economic activities that transpire as a result of the legislation.

MR. JEPSEN advanced to slide 7, which addressed whether advanced recycling is necessary. He pointed out that it is estimated that as little as 8.7 percent of recycled plastic is reused. He stated that China is no longer taking plastic recyclables. He remarked that, if the committee is concerned with efficiency in recycling, conserving landfill space, and creating relatively low greenhouse gas emissions [GHG], then it should be in support of advanced recycling.

[2:16:52 PM](#)

REPRESENTATIVE SADDLER noticed a discrepancy on slide 7.

MR. JEPSEN clarified that slide 7 is from a previous presentation and mentioned that some of the figures may not be precisely accurate; however, the estimates demonstrate that the amount of plastic currently being recycled is relatively low.

MR. JEPSEN described the concept of a circular economy on slide 8. He pointed out that advanced recycling would incentivize markets to reuse products and allow plastic waste to be returned to the economy to be used more efficiently. He expressed the opinion that the issue of conserving space for waste and using resources more efficiently transcends party lines. He added that the industry is economically sustainable without government subsidies, and advanced recycling would complement mechanical recycling, not replace it.

MR. JEPSEN moved to slide 9, which addressed the economic benefits of advanced recycling and recovery. He stated that one advanced recycling facility in the state could process 50 percent of the 59,700 metric tons of landfill plastics. He stated that these figures resulted from the use of the Impact Analysis for Planning (IMPLAN) economic modeling software. He explained that the 59,700 metric ton figure was calculated using 2020 census data with a weighing factor of 8.7 percent, which is the estimated recycling rate.

[2:20:42 PM](#)

REPRESENTATIVE SADDLER asked to clarify whether the nearly 60,000 metric tons is calculated or a real figure of how much plastic waste is produced.

MR. JEPSEN, in response, confirmed that the figure is just a calculated estimate, not a total measurement.

MR. JEPSEN, in response to Chair McKay, stated that Alaska currently does not have an advanced recycling center and the figures are based on IMPLAN. He continued, explaining the table on slide 9 and said that should an advanced recycling center be implemented in Alaska, the IMPLAN modeling analysis shows there is a potential for 100 new jobs with a total economic output of \$34.2 million. He explained that the downstream employment, or as seen on the chart as the "Indirect Effect," through business-to-business purchases within the supply chain would create [90 more jobs with \$6.7 million in payroll and \$24.7 million in output]. He explained that the "Induced Effect" on the chart is the value stemming from household spending [and is projected to create 60 jobs with a payroll of \$3.8 million and an output of \$11.3 million].

MR. JEPSEN addressed the earlier question concerning the minimum critical mass in Alaska and said it would be difficult for the House Resources Standing Committee to fully calculate the critical mass and doing so would be outside the scope of the bill. He said that HB 143 would only set up a regulatory framework, and the creation of an advanced recycling facility would involve a private enterprise which would conduct their own feasibility studies. He concluded that HB 143 sets up the regulatory framework for investors who may wish to start an advanced recycling facility within Alaska.

[2:23:19 PM](#)

REPRESENTATIVE SADDLER asked about the primary components of recycled plastics.

MR. JEPSEN responded that plastics are separated into 7 different categories. Types 1 and 2 can be mechanically recycled. The remaining 3-7 types of plastics can be used in advanced recycling. He offered, for clarity, to create a written document with information about the 7 types of plastic. In response to a follow-up question, stated that because plastic bottles are made from types 1 and 2 plastics, they are preferred for mechanical recycling.

[2:25:15 PM](#)

MR. JEPSEN, in response to a series of questions from Representative Armstrong, stated that the 59,700 metric tons figure on slide 9 assumes Alaska's share of landfill plastics throughout the country. He responded that plastics could be retrieved from a landfill, or diverted from going to a landfill, and brought to an advanced recycling facility for processing. In response to whether the success of an advanced recycling program would necessitate better consumer and corporate recycling programs, he expressed the belief that monetizing plastics would increase plastic recycling.

[2:27:03 PM](#)

REPRESENTATIVE MEARS asked about the program's feasibility. She gave her professional expertise in recycling and mentioned the possibility of a more practical method of diverting plastics from landfills in Alaska. She voiced concerns about the bill.

CHAIR MCKAY replied that HB 143 is only a discussion of the regulatory framework of advanced recycling. He continued that private entities interested in investing in advanced recycling would need to decide if it was economically feasible.

REPRESENTATIVE MEARS expressed her concern that HB 143 could harm existing industries.

[2:29:48 PM](#)

MR. JEPSEN, pointing out the value of advanced recycling on slide 10, stated it would be a low GHG process to create petroleum-based products, decrease landfill space taken up by plastics, greatly increase the percentage of recycled plastics, and bring economic benefits to Alaska. He reiterated that these benefits are contingent on the passage of HB 143. Concluding the presentation, he further outlined the contents of HB 143 on slide 11, which read as follows [original punctuation provided]:

- Delegates authority to the DEC to develop manufacturing regulations related to air emissions and water discharges from advanced recycling facilities
- Clarifies that advanced recycling facilities will be regulated as manufacturing facilities not as waste disposal facilities
- Clarifies that plastic feedstock and products will not be classified as industrial, solid, or other waste

- Defines terms

[2:31:18 PM](#)

MR. JEPSEN gave the sectional analysis of HB 143 [included in the committee packet], which read as follows [original punctuation provided]:

Sec. 1 Designates the Department of Environmental Conservation with the power to develop manufacturing regulations related to advanced recycling.

Sec. 2 - 6 Provides clarification that certain definitions currently in statute do not apply to advanced recycling materials, products, and facilities.

Sec. 7 Provides new definitions to define advanced recycling and the chemical processes associated with it.

Sec. 8 Provides for an effective date.

[2:32:01 PM](#)

REPRESENTATIVE ARMSTRONG questioned the difference between managing the regulations for a waste facility versus a manufacturing facility. She questioned whether there are other advanced recycling facilities classified as both a waste facility and a manufacturing facility.

MR. JEPSEN expressed the opinion that regulating advanced recycling as a manufacturing facility would make more sense, as this would be consistent with the regulation of these facilities in other states.

CHAIR MCKAY acknowledged Representative Mears' expertise on the topics presented in HB 143 and invited her to testify at the next meeting.

[2:33:30 PM](#)

CHAIR MCKAY announced that HB 143 was held over.

[2:33:47 PM](#)

ADJOURNMENT

There being no further business before the committee, the House Resources Standing Committee meeting was adjourned at 2:34 p.m.