

**ALASKA STATE LEGISLATURE
HOUSE RESOURCES STANDING COMMITTEE**

April 17, 2024

1:49 p.m.

MEMBERS PRESENT

Representative Tom McKay, Chair
Representative George Rauscher, Vice Chair
Representative Thomas Baker
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. 349

"An Act relating to leases of public land for renewable energy projects; and providing for an effective date."

- MOVED CSHB 349(RES) OUT OF COMMITTEE

CS FOR HOUSE BILL NO. 251(L&C)

"An Act exempting certain foods and drinks prepared in a person's uninspected home kitchen from state labeling, licensing, packaging, permitting, and inspection requirements; and permitting a person to acquire meat from a producer by way of an ownership share in an animal if certain conditions are met."

- MOVED CSHB 251(L&C) OUT OF COMMITTEE

HOUSE BILL NO. 396

"An Act establishing a big game guide concession area permit program on land in the state; relating to the duties of the Big Game Commercial Services Board, the Board of Game, the Department of Fish and Game, and the Department of Natural Resources; requiring the Board of Game to establish an initial big game guide concession area; and providing for an effective date."

- HEARD & HELD

CS FOR HOUSE BILL NO. 329(FSH)

"An Act relating to state tideland leases; and relating to aquatic farming or related hatchery operation site leases."

- MOVED CSHB 329(FSH) OUT OF COMMITTEE

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."

- SCHEDULED BUT NOT HEARD

HOUSE JOINT RESOLUTION NO. 22

Proposing an amendment to the Constitution of the State of Alaska relating to subsistence use of replenishable natural resources by state residents; and providing for an effective date for the amendment.

- BILL HEARING CANCELED

PREVIOUS COMMITTEE ACTION

BILL: HB 349

SHORT TITLE: RENEWABLE ENERGY PROJECT LEASES

SPONSOR(S): REPRESENTATIVE(S) GROH

02/20/24	(H)	READ THE FIRST TIME - REFERRALS
02/20/24	(H)	RES, ENE, FIN
03/08/24	(H)	RES AT 1:00 PM BARNES 124
03/08/24	(H)	Heard & Held
03/08/24	(H)	MINUTE(RES)
03/11/24	(H)	RES AT 1:00 PM BARNES 124
03/11/24	(H)	Heard & Held
03/11/24	(H)	MINUTE(RES)
03/22/24	(H)	RES AT 1:00 PM BARNES 124
03/22/24	(H)	<Bill Hearing Canceled>
03/25/24	(H)	RES AT 1:00 PM BARNES 124
03/25/24	(H)	<Bill Hearing Rescheduled to 03/27/24>
03/27/24	(H)	RES AT 1:00 PM BARNES 124

03/27/24 (H) Scheduled but Not Heard
 04/01/24 (H) RES AT 1:00 PM BARNES 124
 04/01/24 (H) Heard & Held
 04/01/24 (H) MINUTE(RES)
 04/05/24 (H) RES AT 1:00 PM BARNES 124
 04/05/24 (H) Scheduled but Not Heard
 04/08/24 (H) RES AT 1:00 PM BARNES 124
 04/08/24 (H) Scheduled but Not Heard
 04/09/24 (H) ENE AT 10:15 AM BARNES 124
 04/09/24 (H) -- MEETING CANCELED --
 04/11/24 (H) ENE AT 10:15 AM BARNES 124
 04/11/24 (H) -- MEETING CANCELED --
 04/15/24 (H) RES AT 1:00 PM BARNES 124
 04/15/24 (H) Scheduled but Not Heard
 04/16/24 (H) ENE AT 10:15 AM BARNES 124
 04/16/24 (H) -- MEETING CANCELED --
 04/17/24 (H) RES AT 1:00 PM BARNES 124

BILL: HB 251

SHORT TITLE: EXEMPTIONS FOR HOMEMADE FOODS

SPONSOR(s): REPRESENTATIVE(s) RAUSCHER

01/16/24 (H) PREFILE RELEASED 1/12/24
 01/16/24 (H) READ THE FIRST TIME - REFERRALS
 01/16/24 (H) L&C, RES
 02/02/24 (H) L&C AT 3:15 PM BARNES 124
 02/02/24 (H) <Bill Hearing Rescheduled to 02/05/24>
 02/05/24 (H) L&C AT 3:15 PM BARNES 124
 02/05/24 (H) Heard & Held
 02/05/24 (H) MINUTE(L&C)
 02/14/24 (H) L&C AT 3:15 PM BARNES 124
 02/14/24 (H) Scheduled but Not Heard
 02/21/24 (H) L&C AT 3:15 PM BARNES 124
 02/21/24 (H) -- MEETING CANCELED --
 03/15/24 (H) L&C AT 3:15 PM BARNES 124
 03/15/24 (H) -- MEETING CANCELED --
 03/27/24 (H) L&C AT 3:15 PM BARNES 124
 03/27/24 (H) Moved CSHB 251(L&C) Out of Committee
 03/27/24 (H) MINUTE(L&C)
 03/28/24 (H) L&C RPT CS(L&C) NEW TITLE 2DP 5NR
 03/28/24 (H) DP: RUFFRIDGE, SUMNER
 03/28/24 (H) NR: CARRICK, FIELDS, SADDLER, PRAX,
 WRIGHT
 04/08/24 (H) RES AT 1:00 PM BARNES 124
 04/08/24 (H) Heard & Held
 04/08/24 (H) MINUTE(RES)
 04/15/24 (H) RES AT 1:00 PM BARNES 124

04/15/24 (H) Heard & Held
04/15/24 (H) MINUTE(RES)
04/17/24 (H) RES AT 1:00 PM BARNES 124

BILL: HB 396

SHORT TITLE: DNR BIG GAME GUIDE PERMIT PROGRAM

SPONSOR(s): RESOURCES

04/10/24 (H) READ THE FIRST TIME - REFERRALS
04/10/24 (H) RES, FIN
04/17/24 (H) RES AT 1:00 PM BARNES 124

BILL: HB 329

SHORT TITLE: AQUATIC FARM AND HATCHERY LEASES

SPONSOR(s): VANCE

02/15/24 (H) READ THE FIRST TIME - REFERRALS
02/15/24 (H) FSH, RES
02/27/24 (H) FSH AT 10:00 AM GRUENBERG 120
02/27/24 (H) <Bill Hearing Canceled>
03/05/24 (H) FSH AT 10:00 AM GRUENBERG 120
03/05/24 (H) <Bill Hearing Canceled>
03/07/24 (H) FSH AT 10:00 AM GRUENBERG 120
03/07/24 (H) Heard & Held
03/07/24 (H) MINUTE(FSH)
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 Rescheduled to 03/21/24>
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) Moved CSHB 329(FSH) Out of Committee
03/26/24 (H) MINUTE(FSH)
03/28/24 (H) FSH RPT CS(FSH) NEW TITLE 6DP
03/28/24 (H) DP: C.JOHNSON, HIMSCHOOT, CARPENTER,
STUTES, MCCABE, VANCE
03/28/24 (H) FIN REFERRAL ADDED AFTER RES
04/08/24 (H) RES AT 1:00 PM BARNES 124
04/08/24 (H) Heard & Held
04/08/24 (H) MINUTE(RES)
04/15/24 (H) RES AT 1:00 PM BARNES 124
04/15/24 (H) Heard & Held
04/15/24 (H) MINUTE(RES)
04/17/24 (H) RES AT 1:00 PM BARNES 124

WITNESS REGISTER

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

POSITION STATEMENT: On behalf of Representative McKay, explained amendments to the proposed committee substitute to HB 349, Version R.

CRYSTAL KOENEMAN, Legislative Liaison
Office of the Commissioner
Department of Environmental Conservation
Juneau, Alaska

POSITION STATEMENT: Spoke to Amendment 1 to CSHB 251(L&C).

AZABEL ORDAZ, Staff
Representative Tom McKay
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: During the hearing on HB 396, gave a PowerPoint presentation, titled "HB 396 Big Game Guide Concession Area Permit Program," on behalf of the sponsor, the House Resources Standing Committee, chaired by Representative McKay.

JASON BUNCH, Chair
Big Game Commercial Services Board
Division of Corporations, Business and Professional Licensing
Department of Commerce, Community, and Economic Development
Kodiak, Alaska

POSITION STATEMENT: Provided invited testimony on HB 396.

JERRY BURNETT, Chair
Alaska Board of Game
Alaska Department of Fish & Game
Juneau, Alaska

POSITION STATEMENT: Provided invited testimony on HB 396.

SAM ROHRER, President
Alaska Professional Hunters Association
Kodiak, Alaska

POSITION STATEMENT: Provided invited testimony on HB 396.

ACTION NARRATIVE

[1:49:33 PM](#)

CHAIR TOM MCKAY called the House Resources Standing Committee meeting to order at 1:49 p.m. Representatives Mears, Armstrong, Dibert, McCabe, Rauscher, Baker, Wright, Saddler, and McKay were present at the call to order.

HB 349-RENEWABLE ENERGY PROJECT LEASES

[1:51:03 PM](#)

CHAIR MCKAY announced that the first order of business would be HOUSE BILL NO. 349, "An Act relating to leases of public land for renewable energy projects; and providing for an effective date." [Before the committee, adopted as a working document on 4/1/24, was the proposed committee substitute (CS) for HB 349, Version 33-LS1325\R, Bullard, 3/26/24 ("Version R").]

[1:52:04 PM](#)

CHAIR MCKAY moved to adopt Amendment 1 to HB 349, Version R, labeled 33-LS1325\R.1, Bullard, 4/2/24, which read as follows:

Page 5, lines 30 - 31:
Delete all material.

Reletter the following subsections accordingly.

Page 6, line 27:
Delete "AS 38.05.091(e)"
Insert "AS 38.05.091(d)"

REPRESENTATIVE MCCABE objected for the purpose of discussion.

[1:52:10 PM](#)

TREVOR JEPSEN, Staff, Representative Tom McKay, Alaska State Legislature, on behalf of Representative McKay, explained amendments to HB 349, Version R. He stated that Amendment 1 would delete the requirement for the Division of Mining, Land, and Water to conduct ongoing research to identify suitable energy projects on state lands. He stated that this is at the request of the Department of Natural Resources (DNR), as conducting ongoing research would be a "hefty responsibility" and could require a new program. He stated that the bill sponsor is supportive of the amendment.

[1:52:48 PM](#)

REPRESENTATIVE MCCABE removed his objection. There being no further objection, Amendment 1 was adopted.

[1:52:58 PM](#)

CHAIR MCKAY moved to adopt Amendment 2 to HB 349, Version R, as amended, labeled 33-LS1325\R.2, Bullard, 4/2/24, which read as follows:

Page 6, line 16:

Delete "identified by the commissioner under AS 38.05.091(b) and"

REPRESENTATIVE MCCABE objected for the purpose of discussion.

[1:53:04 PM](#)

MR. JEPSON explained that Amendment 2 contains conforming language to Amendment 1.

[1:53:33 PM](#)

REPRESENTATIVE MCCABE removed his objection. There being no further objection, Amendment 2 was adopted.

[1:53:41 PM](#)

CHAIR MCKAY moved to adopt Amendment 3 to HB 349, Version R, as amended, labeled 33-LS1325\R.3, Bullard, 4/3/24, which read as follows:

Page 9, line 24:

Delete "the commissioner preparing, or"

Page 9, line 25:

Delete "to the commissioner, a proposal"

Insert "a proposal to the commissioner"

Page 9, lines 28 - 29:

Delete "A prospective licensee may initiate the licensing process by submitting a proposal to the department."

Page 10, lines 6 - 8:

Delete all material.

Reletter the following subsections accordingly.

Page 10, line 19:
Delete "(d)"
Insert "(c)"

Page 11, line 14:
Delete "or (d)"

Page 11, line 17:
Delete "(f)"
Insert "(e)"

Page 11, line 25:
Delete "(f)"
Insert "(e)"

Page 11, line 29:
Delete "(f)"
Insert "(e)"

REPRESENTATIVE MCCABE objected for the purpose of discussion.

[1:53:48 PM](#)

MR. JEPSON explained that Amendment 3 also contains conforming language to Amendment 1.

[1:54:19 PM](#)

CHAIR MCKAY removed his objection. There being no further objection, Amendment 3 was adopted.

CHAIR MCKAY noted that Amendments 4 and 5 [would not be offered].

[1:54:37 PM](#)

CHAIR MCKAY moved to adopt Amendment 6 to HB 349, Version R, as amended, labeled 33-LS1325\R.6, Bullard, 4/3/24, which read as follows:

Page 11, line 18:
Delete "30"
Insert "120"

REPRESENTATIVE MCCABE objected for the purpose of discussion.

[1:54:46 PM](#)

MR. JEPSON stated that Amendment 6 would extend the time for licensees to accept or reject the issuance of a feasibility license. He explained that this would allow more flexibility for companies to have their finances ready for contracts. This extension would be from 30 days to 120 days.

[1:55:12 PM](#)

REPRESENTATIVE MCCABE removed his objection. There being no further objection, Amendment 6 was adopted.

[1:55:25 PM](#)

CHAIR MCKAY moved to adopt Amendment 7 to HB 349, Version R, as amended, labeled 33-LS1325\R.7, Bullard, 4/3/24, which read as follows:

Page 14, lines 28 - 29:

Delete "over a human, not a geological, time frame"

Insert "within a 100-year period"

Page 14, line 30:

Delete "power" in both places

Page 14, line 31:

Delete ", or from thermal inertia of the earth"

REPRESENTATIVE MCCABE objected for the purpose of discussion.

[1:55:37 PM](#)

MR. JEPSON stated that the first portion of Amendment 7 would remove the word "power", as it is not necessary. It would also change the language "over a human, not a geological time frame" to "within a 100-year period". He said that this would create more specificity. He stated that the amendment would also remove geothermal projects from the proposed legislation, as these are already dealt with in statute.

[1:56:33 PM](#)

REPRESENTATIVE MCCABE removed his objection. There being no further objection, Amendment 7 was adopted.

[1:56:42 PM](#)

CHAIR MCKAY moved to adopt Amendment 8 to HB 349, Version R, as amended, labeled 33-LS1325\R.9, Bullard, 4/13/24, which read as follows:

Page 7, line 17, following "licensee":

Insert ", including, as applicable, the possible costs of remediating oil or other minerals, fiberglass, microplastics, or other contamination"

Page 12, line 15, following "include":

Insert "(1)"

Page 12, line 18, following "lease":

Insert "; and

(2) bonding requirements the commissioner determines are sufficient to cover the costs to the department of the demolition and removal of project infrastructure and restoration of land affected by the lessee, including, as applicable, the possible costs of remediating oil or other minerals, fiberglass, microplastics, or other contamination"

REPRESENTATIVE MCCABE objected for the purpose of discussion.

[1:56:50 PM](#)

MR. JEPSON explained that [Amendment 8] would create bonding requirements for the conversion of a feasibility license to a lease. He explained that this is conforming language to Version R. He continued that Amendment 8 would also include specific language on contaminants, as DNR should be aware of this when considering bonding requirements.

REPRESENTATIVE SADDLER confirmed that Amendment 8 was labeled R.9.

[1:58:17 PM](#)

REPRESENTATIVE MCCABE removed his objection. There being no further objection, Amendment 8 was adopted.

[1:58:26 PM](#)

CHAIR MCKAY moved to adopt Amendment 9 to HB 349, Version R, as amended, labeled 33-LS1325\R.10, Bullard, 4/15/24, which read as follows:

Page 10, line 9:
Delete "30"
Insert "180"

REPRESENTATIVE MCCABE objected for the purpose of discussion.

[1:58:34 PM](#)

MR. JEPSON stated that Amendment 9 would extend DNR's timeframe for evaluating proposals and public notices. He stated that this was at the request of DNR, as a 30-day timeframe could accidentally "kill" proposals for larger projects.

REPRESENTATIVE SADDLER confirmed that Amendment 9 was labeled R.10.

[1:59:24 PM](#)

REPRESENTATIVE MCCABE removed his objection. There being no further objection, Amendment 9 was adopted.

[1:59:47 PM](#)

REPRESENTATIVE RAUSCHER moved to report CSHB 349, Version 33-LS1325\R, Bullard, 3/26/24, as amended, out of committee with individual recommendations and the accompanying fiscal notes and to give Legislative Legal Services the authority to make any necessary technical and conforming changes. There being no objection, CSHB 349(RES) was reported out of the House Resources Standing Committee.

[2:00:39 PM](#)

The committee took an at-ease from 2:00 p.m. to 2:04 p.m.

HB 251-EXEMPTIONS FOR HOMEMADE FOODS

[2:04:06 PM](#)

CHAIR MCKAY announced that the next order of business would be HOUSE BILL NO. 251, "An Act exempting certain foods and drinks prepared in a person's uninspected home kitchen from state labeling, licensing, packaging, permitting, and inspection

requirements; and permitting a person to acquire meat from a producer by way of an ownership share in an animal if certain conditions are met." [Before the committee was CSHB 251(L&C).]

[2:05:03 PM](#)

REPRESENTATIVE MEARS moved to adopt Amendment 1 to CSHB 251(L&C), labeled 33-LS0888\U.3, Bullard, 4/17/24. [Because of its length, Amendment 1 can be found at the end of the minutes for CSHB 251(L&C).]

REPRESENTATIVE WRIGHT objected.

[2:05:15 PM](#)

REPRESENTATIVE MEARS stated that Amendment 1 would address the Microenterprise Home Kitchen Operations [MEHKO] movement. She stated that this would expand opportunities for people making cottage foods. She stated that the idea came from an individual who has a commercial kitchen and leases out space. This individual has expressed concerns on temperature control and safe handling of homemade foods. She stated that the amendment would allow these foods to be made in home kitchens with licensing and an inspection from the Department of Environmental Conservation (DEC). She stated that this inspection and licensing could be done remotely.

[2:06:37 PM](#)

REPRESENTATIVE RAUSCHER deferred to DEC for an opinion.

[2:07:06 PM](#)

CRYSTAL KOENEMAN, Legislative Liaison, Department of Environmental Conservation, spoke to Amendment 1 to CSHB 251(L&C). She expressed the understanding that the amendment would allow for the home production of meat or meat products, which DEC does not regulate. She explained that the US Department of Agriculture (USDA) must inspect all meat products, or fall within a USDA exemption, and there would be no exemptions in this scenario. She stated that food-borne illnesses are often traced back to meat products. She noted botulism, listeria, and E. coli as concerns. She stated that DEC does not support the amendment, noting that inspections would present a challenge. She stated that this would concern the right to privacy for Alaskans, as DEC would have to go into private homes. She explained that some of DEC's food inspectors

have experienced harassment in establishments that were permitted. She also discussed the problem concerning appeals to this inspection process. She reiterated that DEC does not support the amendment for these reasons.

[2:10:03 PM](#)

REPRESENTATIVE RAUSCHER explained that the original intent of the proposed legislation was to allow the state, which is isolated from the Lower 48, to be self-sufficient from the USDA if there were an emergency. He expressed the opinion that unfortunately, the amendment would be "too big of a bite of the apple at this time" and thus, he is unable to support the amendment.

[2:11:02 PM](#)

REPRESENTATIVE SADDLER stated that the goal of CSHB 251(L&C) is laudable, as it is trying to increase the sources of available safe foods, while balancing this with public health concerns. He expressed opposition to the amendment.

[2:11:41 PM](#)

REPRESENTATIVE MEARS argued that there is already a place for inspected meats to be available in the market, and this would just be utilizing these meats. She stated that this is already happening in the state where tamales and lumpias are sold. She pointed out that this would allow for having certificates on food safety and food handling courses. She expressed the understanding that cottage food handlers endorse being able to produce these meat products legally and safely, and it would help expand their businesses.

[2:13:24 PM](#)

REPRESENTATIVE MCCABE objected.

[2:13:31 PM](#)

A roll call vote was taken. Representatives Mears, Dibert, and Armstrong voted in favor of Amendment 1 to CSHB 251(L&C). Representatives McCabe, Baker, Rauscher, Saddler, Wright, and McKay voted against it. Therefore, Amendment 1 failed to be adopted by a vote of 3-6.

[2:14:43 PM](#)

REPRESENTATIVE MCCABE moved to report CSHB 251(L&C) out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, CSHB 251(L&C) was reported out of the House Resources Standing Committee.

[Amendment 1 to CSHB 251(L&C), labeled 33-LS0888\U.3, Bullard, 4/17/24, reads as follows:]

Page 1, line 2, following "**requirements;**":

Insert "**relating to the permitting and regulation of home cooking operations;**"

Page 1, line 7, following ";":

Insert "**Home Cooking Operations;**"

Page 1, line 9:

Delete "17.20.338"

Insert "17.20.339"

Page 2, lines 28 - 29:

Delete "Department of Environmental Conservation"

Insert "department"

Page 3, line 14:

Delete "17.20.338"

Insert "17.20.339"

Page 3, following line 18:

Insert new sections to read:

"Sec. 17.20.333. Home cooking operations. (a) An individual may not maintain or operate a home cooking operation without a permit issued by the department under this section. Except as otherwise provided in AS 17.20.332 - 17.20.339, a home cooking operation permit authorizes an individual to operate a home cooking operation in the individual's home.

(b) A permit holder may not produce or sell

(1) food containing raw shellfish; or

(2) raw milk or raw milk products.

(c) A home cooking operation permit holder may only sell food that is ready for personal consumption without further washing, cooking, or other necessary preparation. Food produced by a home cooking operation may not be sold or used in a commercial food establishment. Food produced by a home cooking operation may be sold from a retail space, including a

space at a farmers' market or at the farm or residence where the home cooking operation is located.

(d) A home cooking operation permit holder shall prepare, cook, and serve food, or have food picked up for delivery, within an amount of time the department determines is safe based on the holding equipment capacity of the permit holder's home cooking operation. Food from a home cooking operation may be delivered to consumers by the permit holder, an employee or agent of the permit holder, or a third-party delivery service.

(e) A home cooking operation permit holder and an employee of a home cooking operation permit holder who works with unpackaged food, food equipment or utensils, or food contact surfaces in the home cooking operation must have the training, testing, and certification required of an individual who handles or prepares food under AS 17.20.005(1)(D).

(f) A permit, once issued, may not be transferred. A permit is only valid for the individual and location specified by the permit and, unless suspended or revoked for cause, for the amount of time indicated.

(g) An individual must apply for a home cooking operation permit on a form prescribed by the department. The department may require a home cooking operation permit holder to renew the permit periodically, but not more frequently than once each year.

(h) The department may require an applicant for a home cooking operation permit to submit a written copy of the standard operating procedures for the applicant's planned home cooking operation that includes the following:

(1) a list of all food types or products that will be handled;

(2) proposed procedures and methods of food preparation and handling;

(3) procedures, methods, and schedules for cleaning utensils and equipment and for the disposal of refuse;

(4) how food will be maintained at safe holding temperatures pending pickup by, or during delivery to, a consumer;

(5) information about the type of service, which may include consumer pickup and delivery, in-

home dining, instructional courses, or a combination of services; and

(6) a list of the areas within or outside the individual's home, which may include a porch or backyard with a barbecue, to be covered by the permit.

(i) The department shall issue a permit to an applicant for a home cooking operation who meets the requirements of this section if, after an initial inspection, the department determines that the proposed home cooking operation and its method of operation comply with AS 17.20.333 - 17.20.336. The department shall conduct the initial inspection of an applicant's proposed home cooking operation at a time mutually agreed to by the department and the applicant within one month after the department receives the application. The initial inspection is limited to the areas of the home listed on the permit application. The department may conduct an initial inspection remotely by videoconference technology.

(j) If the department denies the permit application, the department shall provide the applicant with

(1) notice of the specific reasons for the denial and an opportunity to cure the deficiencies; and

(2) notice of the applicant's right to appeal and an explanation of the process and time frame for an appeal that is provided in law.

(k) The department may charge a fee for a home cooking operation permit issued under this section. The department shall set the fee by regulation, and the fee must be based on the actual costs incurred by the department in administering the home cooking operation permit program.

(l) The department shall provide a home cooking operation permit holder the opportunity to update the food types, products handled, and service or delivery methods authorized by the permit without requiring the permit holder to submit a new permit application.

(m) A home cooking operation permit holder shall keep a copy of the home cooking operation permit onsite and make the permit available to a representative of the department upon request.

Sec. 17.20.334. Regulation of home cooking operations. (a) The department shall

(1) adopt, administer, and enforce regulations to carry out the provisions of AS 17.20.333 - 17.20.336, including regulations that

(A) establish home cooking operation permit requirements, including hygiene, safety, sanitation, approved sources of food, training, and record keeping;

(B) provide for investigations, inspections, warnings, and restrictions for home cooking operations; and

(C) provide for the issuance, renewal, suspension, and revocation of a home cooking operation permit issued under AS 17.20.333; and

(2) use officers and employees of the department to inspect facilities permitted under AS 17.20.333.

(b) Regulations adopted by the department under AS 17.20.333 - 17.20.336

(1) must

(A) apply only to the permitted operations of the home cooking operation and area of the home used for the home cooking operation;

(B) ensure that food may be safely prepared by a home cooking operation in an ordinary home kitchen;

(C) provide that any training content or examination provided or required by the department under AS 17.20.333 - 17.20.336 is available in languages other than English that are commonly spoken in the state as a primary language;

(2) may not

(A) require a home cooking operation to have or use facilities or equipment not ordinarily used in a private home kitchen;

(B) prohibit an individual who lives in the home or a guest of an individual who lives in the home from accessing and being present in the permitted area where food for the home cooking operation is stored, handled, prepared, or packaged, unless the individual

(i) has a symptom of an acute gastrointestinal illness; or

(ii) is infected with a disease that is transmissible through food;

(C) require that a home cooking operation permit holder or individual working in a home cooking operation obtain food safety training and certification beyond the training and certification

required under AS 17.20.005(1)(D) of an individual who works in a commercial kitchen or restaurant;

(3) may require that a home cooking operation comply with sanitation regulations applicable to retail food establishments, to the extent that the regulation meets the requirements of (1)(B) and (2)(A) of this subsection and does not otherwise conflict with AS 17.20.333 - 17.20.336.

(c) After a home cooking operation is initially inspected under AS 17.20.333(i), the department may only inspect the home cooking operation in the following circumstances:

(1) conduct a routine inspection not more than once in a 12-month period of the home cooking operation for the purpose of observing the home cooking operation permit holder engaged in the usual activities of the home cooking operation, including active food preparation;

(2) when there is cause, which may include a credible consumer complaint, to suspect that the home cooking operation adulterated or otherwise produced unsafe food or that the home cooking operation permit holder otherwise violated AS 17.20.333 - 17.20.336; or

(3) in an emergency if there is cause to believe that the home cooking operation poses a serious hazard or immediate threat to public health, limited to the facts prompting the inspection.

(d) Before conducting an inspection under (c)(1) or (2) of this section, the department shall provide notice to the home cooking operation permit holder and conduct the inspection at a mutually agreeable date and time. However, before conducting an emergency inspection under (c)(3) of this section, the department must only provide the home cooking operation permit holder with advance notice of the inspection to a reasonable extent under the circumstances. In conducting an inspection under this section, the department may only inspect permitted areas of the home cooking operation for the purpose of enforcing or administering AS 17.20.333 - 17.20.336.

(e) The department may decline to issue or renew a home cooking operation permit and may suspend or revoke a home cooking operation permit after due notice and opportunity for hearing if the department determines that

(1) an applicant for a home cooking operation permit, or home cooking operation permit holder, provided false or misleading information in a permit application; or

(2) a home cooking operation permit holder

(A) does not have the facilities or equipment necessary to safely produce food or is not maintaining or operating the home cooking operation in a manner necessary to safely produce food;

(B) has produced adulterated food or has produced food in a manner that it is likely to result in adulterated food;

(C) has failed to produce a record or provide information reasonably requested by the department that is necessary to the administration and enforcement of AS 17.20.333 - 17.20.336; or

(D) has failed to comply with AS 17.20.333 - 17.20.336 or a regulation adopted under AS 17.20.333 - 17.20.336.

(f) Except in circumstances posing an imminent, serious risk to public health, before the department seeks an administrative remedy or penalty, the department shall

(1) issue a warning letter or notice of violation to a home cooking operation permit holder the department finds to be in violation of AS 17.20.333 - 17.20.336 or a regulation adopted under AS 17.20.333 - 17.20.336;

(2) provide the home cooking operation permit holder a reasonable opportunity to cure the violation.

Sec. 17.20.335. Municipal regulation of home cooking operations. (a) A municipality may not require a home cooking operation permitted under AS 17.20.333 to comply with requirements that are different from, or in addition to, the requirements of and regulations adopted under AS 17.20.333 - 17.20.336.

(b) A municipality may not prohibit the operation of, require a permit to operate, other than a business license issued under AS 43.70.020 and the permit issued under AS 17.20.333, require a rezone of or levy any fees on the property, or impose any other restrictions on a home cooking operation in any residential dwelling for zoning purposes.

(c) This section does not supersede or otherwise limit the power of a municipality to investigate and

enforce the authority of a municipal nuisance ordinance.

(d) The use of a residence for a home cooking operation permitted under AS 17.20.333 may not constitute a change of occupancy for purposes of the state housing laws or municipal building or fire codes. A residence containing a home cooking operation is considered a residence for purposes of state and local building and fire codes.

(e) Lawful operation of a home cooking operation may not be grounds for eviction of a home cooking operation permit holder from a leased residence unless the use of the premises for a home cooking operation violates the lease.

Sec. 17.20.336. Collection and reporting of information on home cooking operations. (a) The department shall annually collect and publicly report aggregate data on the number of home cooking operation permit applications received, the number of home cooking operation permits issued, the numbers and types of violations found by the department in enforcing AS 17.20.333 - 17.20.336 and regulations adopted under AS 17.20.333 - 17.20.336, and the numbers and types of enforcement actions taken by the department to enforce AS 17.20.333 - 17.20.336 and regulations adopted under AS 17.20.333 - 17.20.336.

(b) The department shall maintain a publicly available list on the department's Internet website of the business name, permit numbers, and location of all home cooking operations permitted under AS 17.20.333."

Page 3, line 19:

Delete "**Sec. 17.20.334**"

Insert "**Sec. 17.20.337**"

Page 4, lines 19 - 20:

Delete "Department of Environmental Conservation"

Insert "department"

Page 4, line 22:

Delete "**Sec. 17.20.336**"

Insert "**Sec. 17.20.338**"

Delete "17.20.338"

Insert "17.20.339"

Page 4, line 23:

Delete "Department of Environmental Conservation"

Insert "department"

Page 4, line 31:

Delete "17.20.338"

Insert "17.20.339"

Page 5, line 8:

Delete "**Sec. 17.20.338**"

Insert "**Sec. 17.20.339**"

Delete "17.20.338"

Insert "17.20.339"

Page 5, following line 8:

Insert a new paragraph to read:

"(1) "adulterated food" has the meaning given in AS 17.20.020;"

Reorder the following paragraphs accordingly.

Page 5, line 15:

Delete "17.20.338"

Insert "17.20.339"

Page 5, following line 18:

Insert a new paragraph to read:

"(5) "department" means the Department of Environmental Conservation;"

Reorder the following paragraphs accordingly.

Page 5, following line 24:

Insert a new paragraph to read:

"(8) "home cooking operation"

(A) means an enterprise in a private home that is operated by an individual residing in the home to store, handle, prepare, package, serve, and sell or otherwise provide food to consumers;

(B) does not include an uninspected kitchen where homemade food may be produced under AS 17.20.332, food processing plant, food service establishment, temporary food service establishment, caterer, educational institution, or residential group home, assisted living, or health care facility;"

Reorder the following paragraphs accordingly.

Page 6, following line 16:

Insert a new bill section to read:

"* **Sec. 2.** The uncodified law of the State of Alaska is amended by adding a new section to read:

TRANSITION; REQUIREMENT FOR PUBLIC NOTICE OF HOME COOKING OPERATION PERMIT REQUIREMENTS. (a) Within six months after the effective date of sec. 1 of this Act, the Department of Environmental Conservation shall post the requirements for a home cooking operation permit issued under AS 17.20.333, added by sec. 1 of this Act, on the department's Internet website.

(b) The home cooking operation permit requirements that must be posted under (a) of this section must be written in a manner that is clear, concise, and easily readable. At the discretion of the department, the department may make the home cooking operation permit requirements available in a language other than English."

[2:15:24 PM](#)

The committee took an at-ease from 2:15 p.m. to 2:19 p.m.

HB 396-DNR BIG GAME GUIDE PERMIT PROGRAM

[Contains brief mention of SB 253.]

[2:19:19 PM](#)

CHAIR MCKAY announced that the next order of business would be HOUSE BILL NO. 396, "An Act establishing a big game guide concession area permit program on land in the state; relating to the duties of the Big Game Commercial Services Board, the Board of Game, the Department of Fish and Game, and the Department of Natural Resources; requiring the Board of Game to establish an initial big game guide concession area; and providing for an effective date."

[2:19:53 PM](#)

CHAIR MCKAY paraphrased the sponsor statement [copy included in the committee packet], which read as follows [original punctuation provided]:

For years, overcrowding of commercial hunting operations on state lands have resulted in decreasing incentives for guides to act as stewards of our public trust resources. While federally managed lands in

Alaska have successful hunting guide concession programs, there is no process by which the commercial use of state land is allocated and no limits on the number of commercial hunting guide operations that can operate in these areas. The current unregulated situation incentivizes guides to aggressively "race for the game" thereby decreasing quality of experience for guided clients, increasing conflicts between commercial users, and disadvantaging resident hunters and subsistence hunters.

This bill seeks to solve a long-standing problem on state lands by implementing a constitutionally sound concession program to limit the number of commercial hunting guide operations on state lands in Alaska. The key features of the program include a competitive process that ensures qualified individuals and new entrants to the market are selected, a 10-year concession duration that requires all applicants (including incumbents) to compete for each concession area on an even playing field; transferability conditions; heightened ability for state enforcement of wildlife laws; and an equitable fee structure that will allow the state to adequately maintain the program.

I urge my colleagues to support this legislation which will put in place a proven mechanism to improve the quality of hunting on state lands to the benefit of all Alaskans.

[2:22:30 PM](#)

AZABEL ORDAZ, Staff, Representative Tom McKay, Alaska State Legislature, on behalf of the sponsor, the House Resources Standing Committee chaired by Representative McKay, gave a PowerPoint presentation, titled "HB 396 Big Game Guide Concession Area Permit Program" [hard copy included in the committee packet]. On slide 2, she discussed the economic impacts of the guiding industry on the private sector. She noted that the economic output of the guiding industry in 2019 was \$91 million, and this included direct spending and wages. She pointed out the data on the industry's spending in rural and remote areas in the state. She noted that 1,380 individuals were directly employed by the guiding industry, with most of these individuals being Alaskan residents. She further

discussed the guide industry's spending in rural and remote areas in the state.

MS. ORDAZ moved to slide 2 and discussed the guiding industry's economic benefits to the public sector. She noted the number of resident and nonresident licenses issued, along with the revenue from these licenses. She stated that nonresident licenses generate more revenue than do resident licenses. She moved to the next slide and discussed the nonmonetary community benefits from the guiding industry. She stated that the guide industry shared 223,500 pounds of game meat with Alaskans, with 166,000 pounds of this shared with rural residents.

[2:25:55 PM](#)

MS. ORDAZ moved to slide 5 and discussed the guide industry's history in Alaska, and the lawsuit that struck down the Guide Licensing and Control Board's program on joint use areas and exclusive use areas. She continued that after this, federal programs implemented guide concession programs, while the state did nothing. She moved to slide 6 and addressed the current guide situation. She stated that currently there is no process by which the commercial use of state land can be allocated among commercial big game hunting guides, and this has caused an unlimited number of commercial hunting guide operations on state lands. She explained that this has led to overcrowding, overutilization of wildlife resources, and [guide companies] conflicting with resident and subsistence hunters. She stated that without a limit of commercial guides in certain units, big game is being exploited. She further discussed this exploitation and its effects.

[2:29:54 PM](#)

MS. ORDAZ moved to slide 7 and pointed out that the Big Game Commercial Services Board (BGCSB) created the [Big Game Commercial Services Board Guide Concession Program Workgroup] in December 2022 to address the problem. This workgroup was setup to examine complaints received by the public regarding poor wildlife conservation practices, conflicts, overcrowding, and overutilization of hunting. She stated that the workgroup conducted a comprehensive process that included public meetings, a review of numerous past proposals, and a review of the federal concession programs. She stated that the workgroup also had public consultations with licensed guides, residents, other stakeholders, and various state agencies. She stated that the

concession program proposed by HB 396 is modeled after the workgroup's recommendations.

MS. ORDAZ moved to slide 8 and slide 9, stating that HB 396 would direct the Board of Game to establish a big game guide concession area in a single game management unit or subunit, which would expand to another unit after three years. After taking public comment and consultation with the Alaska Department of Fish & Game (ADF&G), BGCSB, and the Department of Natural Resources (DNR), a determination would be made on a guide concession area. She stated that the board would determine the number of permits in the concession area, with full and limited big game guide concession area permits issued in an open, public, and competitive process. She added that guides would be limited to three concession permits, which would be valid for 10 years. She continued laying out the provisions in the proposed legislation, as seen on the slides.

MS. ORDAZ moved to slide 10 and discussed the benefits of the proposed legislation, which include: promotes improvement of wildlife conservation; reduces conflict between commercial hunting operations and subsistence and resident hunters; strengthens and unifies collaboration between ADF&G, Board of Game, BGCSB, and DNR; provides for stable Alaska business and employment; and provides an open, public, and competitive process for new entry.

[2:34:43 PM](#)

MS. ORDAZ presented the sectional analysis [copy included in the committee packet], which read as follows [original punctuation provided]:

Sec. 1 Authorizes the Big Game Commercial Services Board to coordinate and consult with the Board of Game and the Department of Natural Resources to fulfill the duties of each under AS 16.05.262 and AS 38.05.022.

Sec. 2 Establishes big game guide concession areas and designates the Board of Game to oversee the process of determining which game management units or subunits will adopt a big game guide concession area permit program.

Sec. 3 Designates the commissioner of the Department of Natural Resources to administer the implementation of the big game guide concession area permit program.

Grants the Department of Natural Resources or their designee the authority to enforce the terms of this program and authorizes the commissioner to keep any proprietary, commercial, and financial information provided by concession permit applicants confidential. Clarifies the conditions for permits that must be included in regulations and provides definitions.

Sec. 4 Establishes the initial big game guide concession area and permit program under Board of Game. Provides definitions for permits and game management unit.

Sec. 5 Adds transitional language allowing the big game guide concession area program to extend to new game management units and subunits after the first concession area has been implemented for at least three (3) years.

Sec. 6 Provides an immediate effective date.

[2:37:00 PM](#)

JASON BUNCH, Chair, Big Game Commercial Services Board, Division of Corporations, Business and Professional Licensing, Department of Commerce, Community, and Economic Development (DCCED), provided invited testimony on HB 396. He stated that in the interest of the state's wildlife resources, BGCSB was established to regulate activities by licensees. He stated that BGCSB has five main considerations, with the first and foremost being the conservation of the state's natural resources. He continued that the other considerations are stewardship, continued resident opportunities, economic value to the state, and the viability of small businesses. He stated that the solution to the state's problem with big game would be to find a balance of these five criteria.

MR. BUNCH stated that there have been formal complaints from [the public and the guiding industry] about congestion, a decrease in game populations, stress by guide businesses, decisions by the Board of Game, and a decrease in law enforcement. He stated that to address these complaints, the Big Game Commercial Services Board Guide Concession Program Workgroup was formed, of which he chaired. He stated that there was first an investigation on BGCSB's spending, and it was found that the bulk of its spending was for investigations on state land users but not federal land users. He noted that the

difference is federal lands have concession programs that are competitive. He listed the entities that are affected by big game commercial services, which include ADF&G, the Board of Game, DCCED, and DNR. He stated that the workgroup was comprised of representatives from these entities along with a member from the public.

MR. BUNCH stated that the workgroup educated itself on the current federal concession programs by speaking with the National Park Service and the US Forest Service. He disclosed that he is a big game guide and has a permit on federal land, and he noted that he understands the differences in the concessions by these two federal entities.

[2:41:59 PM](#)

MR. BUNCH stated that to address the hurdles, the workgroup followed the proposed DNR concession plan of 2013, which had had five years of effort. He noted the workgroup's decision had been based on BGCSB's five considerations. He continued that 16 public meetings were held in 10 months, with the results being the recommendations under HB 396. He stated that this is similar to the federal concession programs, and it would be a four-step public process. He stated that once there is a proposal for an area, it would go to the Board of Game, and the board would alert the other entities of this. From here there would be a public hearing and an advisory committee set up to look at the details.

[2:45:36 PM](#)

CHAIR MCKAY questioned the final result of the workgroup.

[2:45:45 PM](#)

MR. BUNCH responded that the result is HB 396, which BGCSB fully supports.

[2:46:17 PM](#)

MR. BUNCH, in response to a question from Representative Saddler, stated that the public member of the workgroup was Ted Spraker. He provided Mr. Spraker's qualifications, including that he had been a biologist for ADF&G. In response to a follow-up question, he stated that this was a public seat, as Mr. Spraker is retired.

[2:48:06 PM](#)

JERRY BURNETT, Chair, Alaska Board of Game, Alaska Department of Fish and Game, expressed support for HB 396 on behalf of the board.

[2:49:13 PM](#)

SAM ROHRER, President, Alaska Professional Hunters Association (APHA), spoke in support of HB 396. He stated that members of APHA are statewide, as they guide on state, federal, and Native lands. He discussed the history of hunting guides in the state, noting that guiding has been an important economic driver for rural Alaska. He noted the 1988 court decision that rendered the state guide system unconstitutional. In response to this lawsuit, he said, federal agencies had created their own guide [concession] programs, and he expressed the opinion that they work very well. He continued with the opinion that the lack of a state guide system is the most urgent single issue facing the profession. He explained that the problem has become one of entitlement, as anyone who holds a guide license can access state land. He stated that APHA believes the unlimited use of this land is failing, as the land should be managed by resource stewardship.

MR. ROHRER expressed the opinion that the problem of the unlimited use of DNR land was successfully addressed by the BGCSB's workgroup in its public meetings. He noted that the workgroup addressed statewide implementation, transferability, the collaboration of involved entities, the entry of new guides, and limited concessions. He expressed support for the workgroup's conclusions, as its proposal would benefit residents, subsistence users, and rural communities, and it would put conservation of the resource as its primary goal. He suggested that without putting a state program in place, there would be no future for guiding.

[2:54:01 PM](#)

REPRESENTATIVE SADDLER questioned how the proposed concession program would benefit the public.

MR. ROHRER answered that if there were a concession program on state land, when a resident hunter goes into the field the hunter would know who is in the field. Currently on state lands, there could be an unlimited number of guides and no way

to know who else is in the field. He said that in this scenario it is difficult to avoid each other.

[2:55:23 PM](#)

REPRESENTATIVE RAUSCHER questioned whether SB 253, the Senate's current version of the legislation, is similar to HB 396.

MR. BUNCH expressed the understanding that these bills are exactly the same.

[2:56:06 PM](#)

REPRESENTATIVE BAKER stated that he has multiple questions. He asked whether he could send these to the sponsor's office.

CHAIR MCKAY agreed that this would be the best, as the meeting was out of time.

[2:57:22 PM](#)

CHAIR MCKAY announced that HB 396 was held over.

[2:57:28 PM](#)

The committee took an at-ease from 2:57 p.m. to 2:58 p.m.

HB 329-AQUATIC FARM AND HATCHERY LEASES

[2:58:07 PM](#)

CHAIR MCKAY announced that the final order of business would be HOUSE BILL NO. 329, "An Act relating to state tideland leases; relating to geoduck seed transfers; and relating to aquatic farming or related hatchery operation site leases." [Before the committee was CSHB 329(FSH).]

[2:58:50 PM](#)

REPRESENTATIVE RAUSCHER moved to report CSHB 329(FSH) out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, CSHB 329(FSH) was reported out of the House Resources Standing Committee.

[2:59:39 PM](#)

ADJOURNMENT

There being no further business before the committee, the House Resources Standing Committee meeting was adjourned at [2:59] p.m.