

**ALASKA STATE LEGISLATURE**  
**SENATE RESOURCES STANDING COMMITTEE**

March 11, 2024

3:31 p.m.

**MEMBERS PRESENT**

Senator Click Bishop, Co-Chair  
Senator Cathy Giessel, Co-Chair  
Senator Bill Wielechowski, Vice Chair  
Senator Scott Kawasaki  
Senator James Kaufman  
Senator Forrest Dunbar  
Senator Matt Claman

**MEMBERS ABSENT**

All members present

**COMMITTEE CALENDAR**

SENATE BILL NO. 164

"An Act making certain veterans eligible for a lifetime permit to access state park campsites and facilities without charge; and providing for an effective date."

- HEARD & HELD

SENATE BILL NO. 199

"An Act relating to access roads; relating to state land; relating to contracts for the sale of state land; relating to the authority of the Department of Education and Early Development to dispose of state land; relating to the authority of the Department of Transportation and Public Facilities to dispose of state land; relating to the authority of the Department of Natural Resources over certain state land; relating to the state land disposal income fund; relating to the sale and lease of state land; relating to covenants and restrictions on agricultural land; and providing for an effective date."

- HEARD & HELD

SENATE BILL NO. 210

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

- HEARD & HELD

**PREVIOUS COMMITTEE ACTION**

BILL: SB 164

SHORT TITLE: STATE PARK PERMITS FOR DISABLED VETERANS

SPONSOR(s): SENATOR(s) BJORKMAN

01/16/24 (S) PREFILE RELEASED 1/8/24  
01/16/24 (S) READ THE FIRST TIME - REFERRALS  
01/16/24 (S) RES, FIN  
03/11/24 (S) RES AT 3:30 PM BUTROVICH 205

BILL: SB 199

SHORT TITLE: STATE LAND: DISPOSAL/SALE/LEASE/RESTRICT

SPONSOR(s): RULES BY REQUEST OF THE GOVERNOR

01/22/24 (S) READ THE FIRST TIME - REFERRALS  
01/22/24 (S) TRA, RES, FIN  
02/13/24 (S) TRA AT 1:30 PM BUTROVICH 205  
02/13/24 (S) Heard & Held  
02/13/24 (S) MINUTE(TRA)  
02/20/24 (S) TRA AT 1:30 PM BUTROVICH 205  
02/20/24 (S) Moved CSSB 199(TRA) Out of Committee  
02/20/24 (S) MINUTE(TRA)  
02/21/24 (S) TRA RPT CS 1DP 4NR NEW TITLE  
02/21/24 (S) DP: KAUFMAN  
02/21/24 (S) NR: KIEHL, WILSON, MYERS, TOBIN  
02/21/24 (S) RES AT 3:30 PM BUTROVICH 205  
02/21/24 (S) Heard & Held  
02/21/24 (S) MINUTE(RES)  
03/01/24 (S) RES AT 3:30 PM BUTROVICH 205  
03/01/24 (S) Heard & Held  
03/01/24 (S) MINUTE(RES)  
03/11/24 (S) RES AT 3:30 PM BUTROVICH 205

BILL: SB 210

SHORT TITLE: SALMON HATCHERY PERMITS

SPONSOR(s): RULES BY REQUEST OF THE GOVERNOR

01/26/24 (S) READ THE FIRST TIME - REFERRALS  
01/26/24 (S) RES  
02/21/24 (S) RES AT 3:30 PM BUTROVICH 205  
02/21/24 (S) Scheduled but Not Heard  
03/01/24 (S) RES AT 3:30 PM BUTROVICH 205  
03/01/24 (S) <Bill Hearing Canceled>  
03/11/24 (S) RES AT 3:30 PM BUTROVICH 205

**WITNESS REGISTER**

SENATOR JESSE BJORKMAN, District D  
Alaska State Legislature  
Juneau, Alaska  
**POSITION STATEMENT:** Sponsor of SB 164.

RAYMIE MATIASHOWSKI, Staff  
Senator Jesse Bjorkman  
Alaska State Legislature  
Juneau, Alaska  
**POSITION STATEMENT:** Presented the sectional analysis for SB 164.

RICKY GEASE, Director  
Division of Parks and Outdoor Recreation  
Department of Natural Resources (DNR)  
Anchorage, Alaska  
**POSITION STATEMENT:** Answered questions related to SB 164.

CHRISTY COLLES, Director  
Division of Mining, Land and Water (DMLW)  
Department of Natural Resources (DNR)  
**POSITION STATEMENT:** Answered questions related to SB 199.

DOUG VINCENT-LANG, Commissioner  
Alaska Department of Fish and Game (ADFG)  
Anchorage, Alaska  
**POSITION STATEMENT:** Presented SB 210 on behalf of the  
administration.

SAM RABUNG, Director  
Division of Commercial Fisheries  
Alaska Department of Fish and Game  
Anchorage, Alaska  
**POSITION STATEMENT:** Answered questions related to SB 210.

**ACTION NARRATIVE**

3:31:36 PM

**CO-CHAIR CLICK BISHOP** called the Senate Resources Standing Committee meeting to order at 3:31 p.m. Present at the call to order were Senators Wielechowski, Kawasaki, Dunbar, Claman, and Co-Chair Giessel and Co-Chair Bishop. Senator Kaufman arrived thereafter.

**SB 164-STATE PARK PERMITS FOR DISABLED VETERANS**

[3:32:12 PM](#)

CO-CHAIR BISHOP announced the consideration of SENATE BILL NO. 164 "An Act making certain veterans eligible for a lifetime permit to access state park campsites and facilities without charge; and providing for an effective date."

[3:32:36 PM](#)

SENATOR JESSE BJORKMAN, District D, Alaska State Legislature, Juneau, Alaska, sponsor of SB 164.

[Original punctuation provided.]

**SENATE BILL 164  
SPONSOR STATEMENT  
State Park Permits for Disabled Veterans**

I am excited to introduce Senate Bill 164, which will allow disabled veterans who have honorably served our country to have a lifetime of access to our state parks free of charge. This bill will allow them to apply for a lifetime pass to Alaska State Parks and waive the fees. They will have access to developed campsites and parking. I believe that those who have served their nation in the military deserve the utmost respect and have earned the right to enjoy the beauty of our great state that they have defended and sacrificed for. As it currently stands, disabled veterans do not qualify for a free pass, however it is set in statute as an annual pass system. By moving it to a lifetime pass, it will be a simpler system for our veterans to take advantage of the opportunities presented to them. In addition, there is currently no provision for them to be able to park during the day if they simply want to enjoy the beautiful sights around our great state. This bill will provide for greater access to our parks if they simply want to sit and enjoy the view or take a hike through some beautiful country. I respectfully ask for your support of this legislation for the benefit of our disabled veterans. They deserve our respect and access to the beauty of our great State.

SENATOR BJORKMAN stated that SB 164 aims to provide permanent access for disabled veterans to state parks, campgrounds, and parking areas on a permanent basis. He noted confusion regarding

the permit renewal frequency, with varying reports of renewals every other year, every three years, or every five years as described in the fiscal note. He expressed a desire for disabled veterans, who have sacrificed significantly in service to the country, to receive permanent, free access to state parks, including free parking and camping. He emphasized that SB 164 seeks to offer a permanent pass that would not require renewal and includes both camping and parking privileges.

[3:35:02 PM](#)

RAYMIE MATIASHOWSKI, Staff, Senator Jesse Bjorkman, Alaska State Legislature, Juneau, Alaska, presented the sectional analysis for SB 164:

[Original punctuation provided.]

**SB 164 Version S**  
**Sectional Analysis**  
***"State Park Permits for Disabled Veterans"***

**Section 1: Amends AS 41.21.026(d)**, to move from giving disabled veterans an annual state park developed campsite permit to a lifetime permit with access to developed campsites, restroom facilities, and parking.  
**Section 2 Provides for an effective date** of July 1, 2024.

[3:35:46 PM](#)

SENATOR KAWASAKI asked if residency is required for a disabled veteran being considered for a state park permit.

[3:35:52 PM](#)

MR. MATIASHOWSKI replied no.

[3:36:01 PM](#)

SENATOR KAWASAKI asked if there are different permit requirements for residents and non-residents to enter state parks.

[3:36:21 PM](#)

MR. MATIASHOWSKI replied that there is no difference; statute specifies a disabled veteran of the country.

[3:36:38 PM](#)

SENATOR CLAMAN asked him to explain why the state has not yet implemented the provision to include state park permits for disabled veterans.

[3:36:56 PM](#)

RICKY GEASE, Director, Division of Parks and Outdoor Recreation, Department of Natural Resources (DNR), Anchorage, Alaska, answered questions related to SB 164. He stated that the provision has not been implemented because it needs to be established in statute. While the camping pass has already been implemented, parking access has not yet been established.

[3:37:20 PM](#)

SENATOR CLAMAN asked for confirmation of his understanding that the state currently offers a lifetime camping pass for disabled veterans but does not provide a lifetime parking pass.

[3:37:32 PM](#)

MR. GEASE confirmed that the state has a lifetime camping permit for disabled veterans. For data tracking purposes, the permit is renewed every five years to maintain an accurate count of people who use it.

[3:37:56 PM](#)

SENATOR CLAMAN asked if lifetime passes for state parks are provided to any other groups.

[3:38:06 PM](#)

MR. GEASE replied no. He said that the lifetime camping permit for disabled veterans is the only pass of its kind provided by the state.

[3:38:18 PM](#)

CO-CHAIR BISHOP asked how many veteran campsite permits are currently being utilized.

[3:38:35 PM](#)

MR. GEASE explained that currently, the state issues five-year permits for disabled veterans, with permits for 2023 through 2027 being the latest period. New applicants will apply for permits, and existing permit holders will be asked to renew, receiving new stickers for the next period (2028 through 2032). As of December 31, 2023, 1,781 people signed up for the five-year permit.

[3:39:19 PM](#)

CO-CHAIR BISHOP asked him to repeat the number of people who have signed up for the current five-year permit.

[3:39:20 PM](#)

MR. GEASE reiterated that 1,781 people signed up.

[3:40:07 PM](#)

SENATOR WIELECHOWSKI asked how many non-residents currently take advantage of or are expected to take advantage of the permit.

[3:40:24 PM](#)

MR. GEASE acknowledged that he does not currently have the detailed information but can obtain it. He mentioned that while the permanent home address is requested, all verification details are handled through Veterans Affairs (VA). He noted that the permit is not based on residency status and committed to tracking down and providing the information to the committee.

[3:40:58 PM](#)

SENATOR CLAMAN asked Senator Bjorkman if SB 164 would revoke the five-year renewal period.

[3:41:33 PM](#)

SENATOR BJORKMAN explained that SB 164, as drafted, would eliminate the need for permit renewals. He expressed interest in creating a system akin to the permanent hunting and fishing licenses available to senior citizens, which do not require renewal. He asked how state parks use data on the number and value of permits in circulation and suggested that data could be collected through campsite inspections or other methods, especially with the transition to electronic payment for camping and parking. A lifetime pass could simplify tracking usage as electronic payment systems become more prevalent.

[3:41:39 PM](#)

SENATOR KAUFMAN joined the meeting.

[3:42:43 PM](#)

SENATOR DUNBAR asked Mr. Gease about the fiscal note indicating a potential loss of 4,000 annual parking permits compared to 1,750 active passes. He inquired about how the disabled veteran parking permit system operates, whether it involves a hangtag or a license plate, and how it is monitored to prevent misuse. He expressed concern about the possibility of a veteran obtaining multiple permits for vehicles in their extended family and requested clarification on measures to ensure the parking pass is used appropriately by the veteran it was issued to.

[3:43:59 PM](#)

MR. GEASE replied explained that currently, campground passes are issued on a first-come, first-served basis. Campgrounds have

a host who provides the pass, which can be shown to the host and then attached to the vehicle as a coupon or receipt indicating zero fees. Reservations are handled informally, and data tracking is not precise, relying on estimates. For a potential annual parking pass, he suggested that it could be displayed on the vehicle's window, similar to existing annual passes. This approach would allow for accurate tracking of usage. The pass could either be kept separate or combined with the campground pass, with the combined pass being affixed to the vehicle.

[3:45:27 PM](#)

SENATOR DUNBAR asked for confirmation of his understanding that the plan is to have one parking pass issued per permanent park pass.

[3:45:42 PM](#)

MR. GEASE explained that the two systems are currently tracked separately. DNR could issue a permanent annual parking pass that affixes to the windshield and provide a separate card for disabled veterans to show to the campground host, or they could combine them into a single pass. He suggested that a parking pass should ideally be a sticker affixed to the windshield, as this would make compliance checks easier and better align with how parking is accounted for.

[3:46:36 PM](#)

SENATOR DUNBAR stated that as someone who will be a veteran in the future, he is aware of potential abuse of benefits afforded to veterans. He expressed support for the bill and appreciation for Senator Bjorkman's efforts but emphasized the need to ensure that the system does not become susceptible to fraudulent use. He referenced past issues with property tax exemptions in Anchorage, where benefits continued to be claimed after the eligible person passed away or moved away, until audits were conducted. He urged Mr. Gease to remain vigilant and recommended the creation of a system that prevents abuse.

[3:47:37 PM](#)

SENATOR CLAMAN requested clarification from Mr. Gease. He noted that currently, annual parking passes are displayed in the car window and change in color each year. He asked whether, if SB 164 passes, a different pass would be issued specifically for disabled veterans or if a mechanism will be created to provide disabled veterans with the same annual pass used by others. He expressed uncertainty about how this would be approached.

[3:48:25 PM](#)

MR. GEASE explained that if a system were created requiring the annual mailing of passes to an estimated 4,000 people, it could be managed. He anticipated more interest in the parking pass than camping pass. However, he said he prefers maintaining the five-year permit system. Under this system, a batch of camping permits would be printed and remain valid for five years, with renewals only required once every five years. This approach would reduce administrative effort and align with statewide comprehensive outdoor recreation planning efforts, allowing data collection every five years. He envisioned that adopting a five-year system under SB 164 would reduce 80 percent of the effort required to manage parking passes.

[3:50:11 PM](#)

SENATOR WIELECHOWSKI asked for confirmation of his understanding that the proposed system involves a disabled veteran applying for a pass, receiving a sticker to place on their car, and using it for the next five years, with reapplication only required after the five-year period.

[3:50:34 PM](#)

MR. GEASE confirmed that under the proposed system, veterans would receive a new five-year sticker every five years. If a veteran has an older sticker in 2028, the new sticker could be issued on the spot, mailed to them, or picked up by the veteran.

[3:51:05 PM](#)

SENATOR WIELECHOWSKI asked if only one sticker is provided for each disabled veteran.

[3:51:29 PM](#)

MR. GEASE replied that currently, one annual pass is issued per vehicle regardless of the number of people within the vehicle.

[3:51:53 PM](#)

SENATOR WIELECHOWSKI asked if one pass is issued per vehicle or per disabled veteran.

[3:52:03 PM](#)

MR. GEASE replied that the proposed system would issue one annual parking pass per disabled veteran. However, if the program were expanded to allow multiple vehicles per veteran, such as three, the system could accommodate that by issuing three passes. He noted that current annual passes are funded through general fund program receipts, and the number of permits issued would be tracked to calculate the cost of reimbursement.

from the state to cover lost revenue in the general fund program receipts as noted in the fiscal note.

[3:53:13 PM](#)

SENATOR WIELECHOWSKI asked how the system would handle situations where a veteran passes away after receiving the pass and whether the family would be responsible for returning the pass or removing it from the vehicle.

[3:53:35 PM](#)

MR. GEASE replied that DNR would rely on the good intentions of the family to remove the sticker from the vehicle.

[3:53:50 PM](#)

SENATOR KAWASAKI described a situation in Fairbanks where each vehicle needs its own permit for the Salcha River boat takeout, which led him to receive a question from a caller about whether multiple permits were required for multiple vehicles. He asked whether this situation was impacting disabled Alaska veterans, noting that the fiscal note seemed to suggest this but lacking the full context of the statute. He sought confirmation on whether the proposed system would apply to any disabled veteran, regardless of residency.

[3:54:44 PM](#)

SENATOR BJORKMAN replied with his understanding that current statute applies to any disabled veteran regardless of residency status.

[3:55:05 PM](#)

SENATOR KAWASAKI asked if the proposed system for disabled veterans would differ from the eligibility criteria for permanent senior resident licenses for hunting and fishing, where residency is a requirement.

[3:55:15 PM](#)

SENATOR BJORKMAN replied that is correct.

[3:55:24 PM](#)

SENATOR DUNBAR urged maintaining a one-to-one ratio for parking passes per disabled veteran to avoid potential misuse. He referenced instances where similar provisions have been exploited by individuals who were not considered disabled veterans. He inquired whether there would be penalties or enforcement mechanisms if a vehicle with a disabled veteran's pass is sold and the pass is misused, essentially constituting low-level fraud.

[3:56:38 PM](#)

MR. GEASE explained that the disabled veterans' camping pass is non-transferable. If the qualifying veteran's vehicle is sold, the pass must be removed. If the windshield is damaged or replaced, the pass needs to be scraped off and sent in for a replacement. The proposed system applies to all veterans, regardless of residency status.

[3:57:18 PM](#)

SENATOR DUNBAR reiterated his question about enforcement measures. He asked whether there would be penalties for fraudulently displaying a disabled veteran's parking sticker if someone who is not a disabled veteran uses it after purchasing a vehicle.

[3:57:35 PM](#)

MR. GEASE stated that he would follow up on what triggers enforcement actions for fraudulent use of a disabled veteran's parking sticker. Park rangers do scan vehicles, but because disabilities can vary and may not always be obvious, law enforcement would follow up if fraud is discovered. However, he expressed uncertainty about the priority level of such enforcement and suggested that tightening up the system could be more effective than relying solely on law enforcement.

[3:58:22 PM](#)

SENATOR DUNBAR agreed and reiterated his support for a one-to-one pass per disabled veteran ratio.

[3:58:35 PM](#)

CO-CHAIR GIESSEL redirected committee members to language under SB 164, noting that the original language of the statute specifies that the department shall issue, free of charge, an annual state park pass to disabled veterans of this country.

[3:58:56 PM](#)

SENATOR WIELECHOWSKI asked if proposed usage of the pass would also include cabin access.

[3:59:16 PM](#)

MR. GEASE clarified that, as he reads proposed language under SB 164, it does not apply to public use cabins. The pass is limited to camping and parking.

[3:59:38 PM](#)

SENATOR WIELECHOWSKI asked for a general sense of revenue generated from parking fees in state parks on state lands.

[4:00:01 PM](#)

MR. GEASE explained that the general fund program receipts range between \$4 million to \$5 million, coming from various sources such as public use cabins, daily and annual parking, and campground fees. Most campground fees are around \$20, annual passes are \$60, and parking fees range between \$5 to \$7. Currently, annual passes account for about \$1 million, which is over 20 percent of the total revenue. Parking revenue, generating between \$500 to \$700, contributes a significant portion. If 4,000 people signed up for the parking pass, it would generate approximately \$240,000, equating to about five percent of the general fund program receipts. These funds along with vehicle rental taxes (VRT) are used primarily for field operations, and payroll.

[4:01:30 PM](#)

CO-CHAIR BISHOP asked for confirmation of his understanding that VRT is defined as 'vehicle rental taxes.'

[4:01:37 PM](#)

MR. GEASE replied that is correct.

[4:01:45 PM](#)

SENATOR DUNBAR acknowledged that Senator Wielechowski has worked to ensure Hmong veterans receive similar benefits. He noted that while the language of the bill specifies veterans of this country, Hmong veterans also fought for the country but may lack formal federal acknowledgments. Given the large Hmong community in Anchorage and their interest in parks, he inquired whether they would be able to access the same benefits.

[4:02:36 PM](#)

MR. GEASE stated that, currently, verification of disability determination documents comes through the VA, which handles the verification for veterans who served in the United States.

[4:03:02 PM](#)

SENATOR CLAMAN expressed concerns about the current limitation of one sticker per veteran, noting that it might discourage proper use. He mentioned that some veterans use larger vehicles like motor homes or trailers for camping, which are not suitable for day-use parking spots. He suggested considering the issuance of a different sticker or allowing two stickers per veteran to

better accommodate their needs and ensure appropriate use of parking spaces.

[4:04:16 PM](#)

SENATOR BJORKMAN noted that the bill will not include rental facilities, boat launch access, or other services beyond camping and parking spaces. He emphasized that, given the limited access to boat launches, it's important to keep those separate from the bill to avoid overwhelming demand. He noted that while there's interest from constituents for boat launch access, maintaining separate fees for those services is preferable to ensure adequate access and space.

[4:05:26 PM](#)

CO-CHAIR BISHOP held SB 164 in committee.

**SB 199-STATE LAND: DISPOSAL/SALE/LEASE/RESTRICT**

[4:05:45 PM](#)

CO-CHAIR BISHOP announced the consideration of CS FOR SENATE BILL NO. 199(TRA) "An Act relating to access roads; relating to state land; relating to contracts for the sale of state land; relating to the authority of the Department of Education and Early Development to dispose of state land; relating to the authority of the Department of Transportation and Public Facilities to dispose of state land; relating to the acceptance of gifts, donations, and grants by the Department of Natural Resources; relating to accounting for certain program receipts; relating to the authority of the Department of Natural Resources over certain state land; relating to the state land disposal income fund; relating to the sale and lease of state land; relating to covenants and restrictions on agricultural land; and providing for an effective date."

[4:06:21 PM](#)

CHRISTY COLLES, Director, Division of Mining, Land and Water (DMLW), Department of Natural Resources (DNR), answered questions related to SB 199. She addressed concerns expressed about SB 199 and clarified bill provisions. Section 17 of SB 199 outlines a new program for leasing and selling state land for collection development. The Alaska State Constitution and statutes require the department to manage state lands for multiple uses, including retaining land for habitat and recreational opportunities, while balancing this with the mandate to develop state land resources. She noted that she provided committee members with a flow chart to illustrate the components of Section 17, which proposes the creation of a new

statute, AS 30.05.086. This statute identifies eligible lands for commercial leases and sales within a qualified opportunity zone, either by nomination or identification by the commissioner.

[4:08:18 PM](#)

At ease

[4:08:26 PM](#)

CO-CHAIR BISHOP reconvened the meeting.

[4:08:31 PM](#)

MS. COLLES spoke to step two of the flow chart. She explained the next steps following the identification of lands. She noted that step two involves determining the suitability of these lands for lease and sale for commercial purposes. A "best interest finding" would be drafted to assess whether the identified lands serve the state's interests. This process, governed by AS 38.05.035, includes public notice as required under AS 38.05.945. The process also involves considering the reclassification of lands to settlement, with the DNR Commissioner having the authority to classify and reclassify lands under AS 38.04.065 and AS 38.05.300 that requires a robust decision making public process. For current land sale projects, classification actions occur approximately 40 percent of the time, and reclassification actions occur around 25 percent of the time. Lands within legislatively designated areas, such as park systems, state forests, and special use areas, are not eligible for reclassification for sale as part of the best interest finding process. During this process, DNR seeks comments from agencies and the public on the proposed action. These comments are considered and may lead to modifications or disapproval of the lease or sale due to issues such as third-party interests, mining activity, critical habitat, recreation, water resources, cultural resources, or other values identified. The reasons for any modification or disapproval are discussed in the best interest finding. Public notice is required under AS 38.05.945, mandating a minimum 30-day public comment period. Notices are posted on the online public notice system and may also be published in statewide and local newspapers, announced via public service announcements, posted in conspicuous locations near the proposed action, or sent to potentially affected parties. Additionally, notifications are sent to relevant municipalities, ANCSA regional and village corporations within 25 miles, postmasters of communities outside of a borough within 25 miles, and nonprofit community organizations. The

comments received are summarized and addressed in the final best interest finding.

[4:11:33 PM](#)

CO-CHAIR BISHOP asked for confirmation of his understanding that there are two best interest findings.

[4:11:38 PM](#)

MS. COLLES clarified that step two involves a decision for suitability through a best interest finding and a potential classification action. These processes can occur simultaneously, resulting in one or two decision documents being prepared. Public notice is issued at the same time to ensure that people understand these processes go hand in hand. This approach helps the public stay informed and provides transparency in the decision-making process.

[4:12:07 PM](#)

SENATOR KAWASAKI asked when dealing with state land adjacent to municipalities, what considerations are necessary regarding municipal boundaries.

[4:12:24 PM](#)

MS. COLLES responded that DNR would collaborate with the municipality in a similar manner to the public process. They would provide public notice of the project to the municipality and adhere to any zoning requirements set by the municipality for any development on the property.

[4:12:49 PM](#)

SENATOR WIELECHOWSKI asked if the best interest finding is appealable.

[4:12:53 PM](#)

MS. COLLES replied yes.

[4:12:58 PM](#)

SENATOR WIELECHOWSKI asked which section of the statute AS 38.05.035 is located in.

[4:13:07 PM](#)

MS. COLLES asked him to clarify his question.

[4:13:14 PM](#)

SENATOR WIELECHOWSKI asked her to specify which section under references the best interest finding.

[4:13:09 PM](#)

MS. COLLES replied that it is located under AS 38.05.035(e).

[4:13:38 .PM](#)

MS. COLLES described the third step as the request for proposals (RFP). After completing the agency and public process and issuing a final best interest finding that deems nominated or commissioner-identified lands eligible and best suited for proposed commercial activities, the Commissioner will issue a public notice of the RFP for at least 30 days. Proposals must include a development plan detailing the type of development, location, description of activities, size of the parcel, and other requirements determined by regulation, including how the proposed activities would stimulate economic development in the area. Proposals will be vetted to ensure they meet program requirements, and any that do not will be rejected. If two or more suitable proposals exist for the same land, a public auction will be held, limited to those who submitted proposals.

[4:14:33 PM](#)

MS. COLLES outlined that step four involves a second decision point for the department. The proposed statute requires completing a second best interest finding under AS 38.05.035(e) and issuing public notice under AS 38.05.945. This process mirrors the rigorous steps previously described to assess whether the proposals received for lease and sale are in the best interest of the state.

[4:15:04 PM](#)

SENATOR KAWASAKI asked whether a best interest finding made under AS 38.05.035(e), even if deemed in the best interest of the state, would still be subject to appeal by a local government or local government body.

[4:15:22 PM](#)

MS. COLLES replied yes. She said anyone who participates in the public notice process, including agencies that comment or are affected by the decision, has the right to appeal the decision.

[4:15:37 PM](#)

SENATOR KAWASAKI asked where the final authority lies if the commissioner determines that a proposal is in the best interest of the state, but a nearby local municipality disagrees. He inquired whether the matter would ultimately be resolved in court.

[4:15:57 PM](#)

MS. COLLES replied yes, the matter would need to go through the court system at that point, which would stay the decision. Any disposal of state land remains on hold if it is appealed, meaning the department cannot proceed with the action until the court has made a final determination.

[4:16:14 PM](#)

SENATOR KAWASAKI noted that he was considering situations where a municipality seeks to expand its borough or boundaries, mentioning that similar issues have occurred in the North Star Borough and with the city. He pointed out that there have been disagreements between the borough and city sides in such cases.

[4:16:43 PM](#)

SENATOR DUNBAR inquired about the process regarding the second proposal that triggers an auction. He asked at what point a second proposal could be submitted, specifically whether it could come in after the public notice for the first proposal.

[4:17:01 PM](#)

MS. COLLES explained that DNR envisions having a set timeframe for submitting all proposals. Similar to programs like aquatic farming, where applications are accepted within a specific period and then reviewed collectively, DNR would close the submission period once it ends. This approach ensures that all applications are considered at once, allowing DNR to address any competing interests.

[4:17:30 PM](#)

SENATOR DUNBAR asked why, from the state's perspective of maximizing value, the process doesn't involve taking the first proposal, setting it as a floor price, and then conducting a public auction for every parcel. He noted that people might miss the initial proposal window but could be willing to offer more through an auction. He inquired about the downside of setting the proposal price as the floor and then holding a public auction.

[4:17:59 PM](#)

MS. COLLES replied that the current process involves receiving a lease application and then soliciting additional interest if necessary. She noted that some companies have concerns about this approach, as they may develop a great idea and then face the risk of someone else coming in, outbidding them, and taking the opportunity. To address this, DNR aims to provide applicants the chance to propose their ideas without immediately exposing them to competitive bids, allowing them to present their plans

and potentially stimulate the economy without the fear of losing their proposal to others who might simply outbid them.

[4:18:42 PM](#)

SENATOR DUNBAR expressed concern about the potential for sweetheart deals or reduced value for the state if decisions are made quietly and swiftly, despite public notice. They argued that, while addressing immediate concerns, it is crucial to consider the long-term impact on maximizing value for the state and ensuring transparency.

[4:19:13 PM](#)

MS. COLLES that the requirement to pay fair market value for the parcel prevents sweetheart deals. They explained that appraisals are conducted and reviewed by a certified licensed appraiser on staff to ensure accuracy and compliance with market standards.

[4:19:42 PM](#)

MS. COLLES spoke to step four on the flow chart. She outlined the lease process for land development, stating that if a proposal is deemed in the state's best interest, the lessee may begin development in line with lease restrictions and regulations. At a minimum, the lease must include an annual fee for an initial five-year term, with an optional five-year renewal. The department will assess the lessee's performance and may terminate the lease for breach of terms or if renewal is not in the state's best interest. During the lease, lessees in good standing may apply to purchase all or part of the leased land, with the parcel surveyed and appraised at the lessee's expense. The purchase price will be the appraised fair market value minus lease payments. Leases may be assigned only at the director's discretion and can be terminated for breaches, including improper land use. Additionally, the bill mandates the reservation of easements and rights of way for established trails used for commerce, recreation, transportation, or traditional outdoor activities. All departmental decisions are appealable to the commissioner under AS 44.37.011 and 11 AAC 02, including classification actions and government authority expansions.

[4:21:37 PM](#)

CO-CHAIR BISHOP asked for a definition of commercial use.

[4:21:51 PM](#)

MS. COLLES described the ideal lessee as someone with a development plan that includes creating jobs, contributing to the local economy, and offering services, tourism, or industry

that benefits the community. They emphasized that the development should ideally impact the local tax base if situated within a borough or municipality. The focus is on lessees with substantive plans that contribute goods or services, rather than those seeking the land for recreational use.

[4:22:33 PM](#)

MS. COLLES continued speaking to the fourth step. She addressed concerns about expanding government authority to dispose of public lands. SB 199 proposes removing the Department of Natural Resources (DNR) from certain lease and disposal processes, thereby granting the Department of Education and Early Development (DEED) the authority to sell land to private parties, beyond just government agencies. This includes decommissioned BIA school sites, which pose safety risks as they deteriorate. With this authority, DEED could transfer these properties to native village corporations, allowing the land to be used productively before it becomes hazardous. Currently, DEED can only dispose of land to state entities or remove facilities, leaving remaining land dormant. Additionally, CSSB 199 allows the Department of Transportation and Public Facilities (DOT&PF) to dispose of excess land or land rights after first offering it to DNR for disposal.

[4:23:55 PM](#)

MS. COLLES addressed concerns about the impact of increasing lease terms to 10 years and its effect on revenue. She said the bill extends the maximum term for land sale contracts, which is separate from leasing, from 20 to 30 years, allowing purchasers of high-value land to spread out payments and reduce monthly costs. This change applies to land sale contracts, not leases, and does not affect how purchase prices or interest rates are determined. While a longer contract term might result in higher total interest paid to the state, purchasers are not required to use the full term and can pay off their contract early without penalty. Additionally, under existing AS 30.05.05, the director of lands can reduce the purchase price to 70 percent of fair market value, a provision unchanged by the bill, which has historically been used for unsold parcels after a significant period of time. SB 199 does not alter the current authority for DNR to issue leases for up to 55 years.

[4:25:37 PM](#)

CO-CHAIR BISHOP said he believes the intent of SB 199 is good.

[4:26:02 PM](#)

CO-CHAIR BISHOP held SB 199 in committee.

## SB 210-SALMON HATCHERY PERMITS

[4:26:18 PM](#)

CO-CHAIR BISHOP announced the consideration of SENATE BILL NO. 210 "An Act relating to salmon hatchery permits; and authorizing the sale of salmon to permitted persons for stocking lakes."

[4:26:53 PM](#)

DOUG VINCENT-LANG, Commissioner, Alaska Department of Fish and Game (ADFG), Anchorage, Alaska, presented SB 210 on behalf of the administration. He explained that state hatchery facilities currently lack the surplus to meet the demand for stocking public lakes, as these facilities are funded by sport angler dollars and federal Dingell-Johnson funds, which restrict their use to the most beneficial lakes for sport fishing. SB 210 would create additional recreational and economic opportunities by enabling private nonprofit hatchery operators to sell fish under the existing Department of Fish and Game permitting structure. This process would ensure that all fish sales and stocking are regulated to prevent negative impacts on wild fish populations. Operators would need to obtain a fish transport permit, and the species, life stage, and stocking locations would be evaluated and approved to minimize risks. ADFG employs sterile stocking methods when possible and typically approves the use of reproductively viable fish only in landlocked lakes or those where fish cannot escape. The bill does not mandate the sale of fish but provides an option for hatchery operators and could enhance food security by allowing communities to stock their lakes, particularly highlighted during the COVID-19 crisis when rural communities faced food security challenges. The department can manage the additional workload for processing applications with minimal fiscal impact, as the fish transport permit process is already in place. This change is expected to offer new revenue opportunities for hatchery operators and increase access to fishing resources for Alaskans.

[4:30:26 PM](#)

CO-CHAIR BISHOP inquired about the process for stocking a 10-acre, landlocked lake. He asked for a detailed explanation of the steps involved, including how to initiate contact with ADFG, the timeline for application review, any necessary inspections, and the overall duration of the process from application to stocking.

[4:30:41 PM](#)

SAM RABUNG, Director, Division of Commercial Fisheries, Alaska Department of Fish and Game (ADFG), Anchorage, Alaska, answered

questions related to SB 210. He explained that the process for stocking a 10-acre, landlocked lake involves several key steps. First, an individual would need to contact ADFG or submit an application online for a fish transport permit. The department evaluates the application based on the lake's type, its capacity to support fish, and the species to be stocked. This review and permit issuance typically take one to two months. Once the permit is granted, the individual would then need to work with a nonprofit hatchery to produce and stock the fish. It's important to note that fish cannot be obtained by simply picking them up at a hatchery; the entire process requires pre-approval and proper permits. The individual would contract with the hatchery to carry out the stocking, following the same procedures as if the state were managing the program.

[4:32:18 PM](#)

CO-CHAIR BISHOP asked if there is any follow-up with the landowner after receiving approval and arranging for a private nonprofit hatchery to stock the lake. Specifically, he inquired whether ADFG conducts any further inspections or evaluations one year later or if there are additional follow-up procedures.

[4:32:43 PM](#)

MR. RABUNG responded that there is an annual reporting requirement for activities involving stocked lakes. The Department of Fish and Game would review these reports at the end of each year. However, aside from this reporting, there is generally no additional follow-up. The projects are typically "put and take" operations, meaning the fish are introduced with the intent of being harvested rather than reproducing. In landlocked lakes, the habitat is usually not conducive to fish reproduction. If the fish are harvested and the landowner wishes to restock, they would need to repeat the application process.

[4:33:39 PM](#)

SENATOR KAWASAKI asked if there are any locations in Alaska that currently do that.

[4:33:47 PM](#)

MR. RABUNG explained that the state currently handles lake stocking, primarily in the Railbelt region, due to the need for public access and the limited fish production capacity of state facilities. Stocking is prioritized based on public access and use, so remote areas are less likely to be stocked. He added that while there is no private nonprofit hatchery (PNP) in Southeast Alaska dedicated to lake stocking, fish are supplied to the state under contract, and the state uses its fish

transport permit for distribution. The proposed change would enable individuals to purchase these fish directly for stocking, rather than relying on the state to manage the process.

[4:34:25 PM](#)

MR. VINCENT-LANG added that currently, no private nonprofit hatchery (PNP) is producing fish in Southeast Alaska specifically for lake stocking programs. Instead, fish are provided to the state of Alaska under contract, and the state uses its fish transport permit to distribute them. The proposed change would allow individuals to purchase these fish directly for stocking, rather than relying on the state to handle the process.

[4:34:45 PM](#)

MR. RABUNG explained that the state contracts with private nonprofit hatcheries to handle some of the lake stocking work, particularly in areas where there are no state hatcheries. He noted that this practice is employed in both Southeast Alaska and Kodiak, where state facilities are not available.

[4:35:07 PM](#)

SENATOR KAWASAKI pointed out that the Ruth Burnett Fish Hatchery, located in the heart of downtown Fairbanks, is a key facility. He raised a question about the proposed changes, noting that it represents a significant shift from a public process to a more private one. He expressed a concern regarding whether this new approach aligns with the current fin fish farming legislation under Title 16, which governs fish farming practices.

[4:36:00 PM](#)

MR. RABUNG clarified that the proposed change is not related to fish farming but rather pertains to lake stocking for sports fishing. He explained that the process of issuing fish transport permits for stocking lakes would remain the same as it currently is. The key difference is that the Department of Fish and Game (DFG) does not have the capacity to stock all the lakes that people request. The new approach would provide an additional option for stocking more lakes if the proposal is passed.

[4:36:31 PM](#)

MR. VINCENT-LANG acknowledged that remote and less accessible lakes may not rank high for state-sponsored stocking due to limited public access and the need to prioritize sport fishing opportunities. However, if individuals wish to stock such lakes with rainbow trout for events or to provide a local food source,

they would have the option to purchase fish from a nonprofit hatchery. This approach supports food security and offers opportunities for local fishing, even if these lakes may not otherwise receive state-funded stocking efforts.

[4:37:15 PM](#)

SENATOR KAWASAKI inquired about the challenges of stocking public lakes, particularly in cases where there is a shortage of fish. He noted that certain species, such as grayling, have been difficult to produce, leading to discontinuation of their stocking. He asked what happens if a private entity requests to stock a personal lake with fish that might otherwise be allocated to public lakes, given the limited supply.

[4:37:49 PM](#)

MR. VINCENT-LANG replied that ADFG would not stock a private lake with the existing Fairbanks or anchorage hatcheries, because they were paid for with sport dollars, and they were and they have Dingle Johnson money going to it, so they have to have some reasonable access for everybody else. This would allow an individual, for instance, maybe own some gravel pits in the Thermax area in your district that wants to stock some of those gravel pits for running their clients some opportunity to catch fish in those gravel pits. They could buy those from a PMP hatchery, where ADFG would not sell them to them, because, again, there's no public access for the general public.

[4:38:25 PM](#)

CO-CHAIR BISHOP asked if the state uses aircraft to propagate lakes.

[4:38:38 PM](#)

MR. VINCENT-LANG replied that some lakes are stocked by aircraft and gave an example of a lake stocked by aircraft in the Anchorage area.

[4:38:48 PM](#)

SENATOR WIELECHOWSKI expressed concern about the opposition and concerns raised by biologists regarding similar bills, including those related to geoducks and the transfer of wild salmon. He sought clarification on whether all the fish being transferred under this proposal are sterile and incapable of reproducing.

[4:39:22 PM](#)

MR. VINCENT-LANG replied that ensuring fish are sterile and unable to reproduce would be a requirement under the fish transport permit (FTP) process. He explained that the Department

of Fish and Game (ADFG) would stipulate this condition to prevent non-sterile fish from escaping in a flood event or other circumstances. This stipulation would be part of the permit requirements for stocking a lake.

[4:39:36 PM](#)

SENATOR WIELECHOWSKI wondered if the sterilization requirement should be put in statute.

[4:39:45 PM](#)

MR. RABUNG explained that the lake stocking policy, which is available online and possibly on the board's website, categorizes lakes into five categories based on their characteristics, such as being landlocked or having an open outlet. For landlocked lakes where there is no risk of fish escaping, the policy allows for stocking with viable fish. However, for lakes where there is a chance of fish escaping, the policy requires the use of sterile fish to mitigate any potential impact.

[4:40:22 PM](#)

SENATOR WIELECHOWSKI asked if there have been any concerns expressed by biologists or scientists at ADFG.

[4:40:30 PM](#)

MR. VINCENT-LANG replied he has not heard any concerns expressed by the department.

[4:40:46 PM](#)

SENATOR WIELECHOWSKI asked whether "Atlantic salmon" should be defined as "Alaskan salmon."

[4:41:07 PM](#)

MR. VINCENT-LANG commented that he would not be opposed to that suggestion.

[4:41:12 PM](#)

MR. RABUNG replied that it is not illegal to have Atlantic salmon in Alaska.

[4:41:25 PM](#)

SENATOR WIELECHOWSKI asked for confirmation of his understanding that the prohibition of salmon sales is prohibited by Alaskan hatcheries.

[4:41:39 PM](#)

MR. RABUNG replied that there is a prohibition of the importation of live fish to Alaska, so it must occur within Alaska.

[4:41:49 PM](#)

SENATOR WIELECHOWSKI asked whether any attorneys have been consulted regarding potential constitutional issues with the bill, specifically concerning the sustained yield provision or any other provisions of the Alaska Constitution.

[4:42:01 PM](#)

MR. VINCENT-LANG replied that Alaska Department of Law (DOL) has not raised any concerns.

[4:42:16 PM](#)

SENATOR KAUFMAN asked if SB 210 would have any implications for micro-aquaculture projects, such as those involving small-scale hydroponic systems where fish like rainbow trout are grown in refrigerated tanks. He noted that these systems create a self-regenerating nitrogen cycle, providing high yields from both the fish and the hydroponic plants with minimal inputs. Senator Kaufman inquired whether this bill would facilitate or hinder such innovative practices in Alaska and sought more information on how it might affect these types of projects.

[4:43:42 PM](#)

MR. RABUNG replied that the type of micro-aquaculture described would be considered fish farming, which is prohibited in Alaska. Therefore, this bill would not provide an opportunity to support or that practice.

[4:43:53 PM](#)

SENATOR KAUFMAN expressed agreement with his statement.

[4:44:02 PM](#)

SENATOR DUNBAR asked whether the bill refers to the colloquial term "salmon," which typically includes the five species of salmon, or if it encompasses the broader family of salmonids, which includes other types of freshwater fish.

[4:44:37 PM](#)

MR. RABUNG explained that internally, the Department of Fish and Game (ADFG) has discussed the taxonomy, and trout are included in the broader family of salmonids. Since most of the stocking under the bill will involve rainbow trout, referring to them as "salmon" is considered adequate. However, clarifying the

terminology to specifically include trout would not cause any issues.

[4:45:01 PM](#)

MR. VINCENT-LANG added that if a private nonprofit hatchery (PNP) were to pursue this route, they would likely adopt the technologies and innovations already established by the state of Alaska's hatchery programs. He suggested that it would be more practical for them to focus on species that have already been successfully managed in the state, rather than starting entirely new programs with species that have not been as successful.

[4:45:22 PM](#)

SENATOR DUNBAR said the law may be difficult to interpret. There could be clarifying language.

[4:45:53 PM](#)

SENATOR WIELECHOWSKI acknowledged that while hatcheries are sophisticated, the average person might not realize that "salmon" in the bill includes trout, given common perceptions. He suggested that there might be a need for clarifying language to ensure that the bill's terminology is clear and understandable to the public, although he stated that did not feel strongly about this issue.

[4:46:26 PM](#)

MR. VINCENT-LANG clarified that the department would not issue a permit for stocking fish in a lake with an inflow or outflow due to the associated issues. Therefore, he suggested that the term "enclosed" might not be necessary in the context of the bill, as these situations are already covered under the existing fish transport permit process.

[4:46:49 PM](#)

MR. RABUNG explained that private nonprofit hatcheries are currently limited to working with salmon, which includes trout due to their classification within the same genus. Although trout and salmon were not always classified together, this changed in the 1990s. If there is interest in including other species, statutory revisions would be required.

[4:47:24 PM](#)

CO-CHAIR BISHOP inquired about the fish size for sales.

[4:47:30 PM](#)

MR. VINCENT-LANG replied that it depends upon the lake.

CHAIR BISHOP asked about fish that weigh two pounds.

[4:47:47 PM](#)

MR. RABUNG said it could take a while depending on water temperature and the food supply.

[4:47:57 PM](#)

CO-CHAIR BISHOP acknowledged that it takes a long time for species like pike, sheefish, and whitefish to reach adult size. He emphasized the need for alternative protein sources, especially if wild stocks do not recover to their necessary levels. He noted that these conversations explore ways to address this issue and provide additional protein sources.

[4:48:28 PM](#)

CO-CHAIR BISHOP held SB 210 in committee.

[4:49:00 PM](#)

There being no further business to come before the committee, Co-Chair Bishop adjourned the Senate Resources Standing Committee meeting at 4:49 p.m.