

**SB**

**16**



Official Business

# ALASKA STATE LEGISLATURE

## SENATE RESOURCES COMMITTEE

State Capitol  
Juneau, AK 99801

Chairman: Senator Rick Halford  
Vice Chair: Senator Lyda Green  
Senator Loren Leman  
Senator Bert Sharp  
Senator Robin Taylor  
Senator John Torgerson  
Senator Georgianna Lincoln

**AGENDA**  
3:30 TO 5:00 p.m.  
Monday, April 7, 1997

**HB 25: Fish and Game: Licenses & Residency**  
Rep. Ogan, sponsor

Expected Witnesses:  
Rep. Ogan to present the bill

**SB 16: Use of Fish & Game fund/Commissioner's powers**  
Senator Taylor, sponsor

Expected Witnesses:  
Senator Taylor to present the bill

**NEXT MEETING**  
Wednesday, April 9

SB 52 - Fishery business tax credits

\* Bills previously scheduled

**ADJOURN**

# Alaska State Legislature

*Chairman,*  
Judiciary Committee

*Member,*  
Resources Committee  
Rules Committee  
Committee on Committees



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*Senator Robin L. Taylor*

SENATE BILL 16

## SPONSOR STATEMENT

Since statehood Alaskan sportsmen and women have paid over 350 million dollars into Alaska's Fish and Game Fund with the trust that those funds would be used for the enhancement of Alaska's wildlife populations and provide high levels of human harvest on a sustained yield basis as required by Alaska's Constitution.

While other states routinely harvest 30 - 60% of their big game each year, harvest in Alaska has fallen to a point where currently Alaskans are harvesting less than 3% of the harvestable surplus of moose, caribou and sheep. Though Alaskans universally desire increased wildlife populations and a return to abundance, legislative attempts to institute widespread programs of active wildlife management have been ignored.

Upon close examination of the Alaska Department of Fish and Game, it seems clear that the department has adopted a philosophy which is now opposed to managing Alaska's wildlife for a return to abundance. Unlike all other state agencies however, the Department of Fish and Game sport-fish and game divisions are funded solely by license sales, user fees and self imposed taxes paid by consumptive users. This legislation would recognize the public trust for the use of these funds and prohibit the use of these funds for any activity other than projects which directly increase wildlife and sport fish populations or directly benefit license purchasers.

No longer will Alaska's sportsmen tolerate the usurpation and siphoning of their dollars for the management of non-game species, routine administration, or projects on lands where access to and/or consumptive uses have been restricted.

This legislation is urgently needed because of the documented misuse of these funds and the actual misappropriation of funds provided by the legislature during previous years. The department has violated the public trust by shifting \$900,000 earmarked specifically for increasing wildlife populations under intensive management projects and improperly redirecting those funds for payment of employee salaries

Alaska license holders are further outraged by the department's adoption of a preservationist philosophy which opposes consumptive uses. At the fall 1995 Board of Game meeting, the department urged the board to close 236 square miles to Alaska's hunters. The department's biologists testified that there was no biological problem, nor justification nor actual conflict among user groups in the

area. The department's director admitted that the only issue was one based solely on a misperception resulting from purposeful misinformation and disinformation promulgated by animal rights extremists.

The department's unprecedented betrayal of Alaska's consumptive users, the previously mentioned misappropriation of legislative funds and the department's violation of the public trust have negated any legitimacy it may have once had to decide how funds are expended.

This legislation would require that all money deposited in the Fish and Game Fund would be prohibited from any use other than reintroduction, restocking, transplantation, habitat manipulation, intensive management, predator removal, public access and the restoration of sport fish and game resources or other project that directly benefit Alaska's consumptive users.

# SENATE COMMITTEE REPORT

## First Committee of Referral

DATE: 1/13/97

FURTHER: Finance

Date of 5-Day Notice: 2/6/97  
(in accordance with Uniform Rule 23)

DATE TURNED  
IN TO OFFICE: 4/7/97

Resources Committee considered      SENATE BILL NO. 16

"An Act restricting the use of certain funds deposited in the fish and game fund; and relating to the powers and duties of the commissioner of fish and game."

and recommends:

- be replaced with \_\_\_\_\_ CS \_\_\_\_\_ (\_\_\_\_\_)
- adopt previous \_\_\_\_\_ CS \_\_\_\_\_ (\_\_\_\_\_)
- attached amendment(s)
- adopt Letter of Intent by \_\_\_\_\_ Committee
- further referral to the \_\_\_\_\_ Committee

- Senate Bill:**
- same title
  - new title
- House Bill:**
- same title
  - technical title
  - new: SCR# \_\_\_\_\_

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>Adrian L. Taylor</i>	✓	<i>Loren D. Sena</i>	✓		
		<i>Lynne Green</i>			✓
		<i>Bob McRae</i>			✓
<b>CHAIR:</b>		<i>Chair: Rick Halford</i>	✓		

**NEW FISCAL NOTE(S):**

Department	Date	Zero	Fiscal
<i>FISH GAME / SPORT FISH</i>	<i>2/8</i>		X
<i>F&amp;G / WILDLIFE FUNDS</i>	<i>2/10</i>		X
<i>F&amp;G / ADMIN</i>	<i>2/13</i>		X
<i>DPS / F&amp;W PROTECTION</i>	<i>2/7</i>	X	
<i>LAW / CIVIL</i>	<i>2/12</i>		X

**PREVIOUS FISCAL NOTE(S):\***

Department	Date	Zero	Fiscal

APPROPRIATION -- no fiscal note

\*Include fiscal notes accompanying Governor's bill

# FISCAL NOTE

**STATE OF ALASKA**  
**1997 LEGISLATIVE SESSION**

**BILL NO: SB 16**

Revision Date: \_\_\_\_\_ Dept. Affected: Public Safety  
 Title: An Act restricting the Commissioner of Fish and Game's use of moneys in the F&G fund BRU: Fish and Wildlife Protection  
 Component: Detachments  
 Sponsor: Senator Taylor  
 Requestor: S. Resources COMPONENT SERIAL NO. 0490

**EXPENDITURES/REVENUES: (Thousands of Dollars) (inflation not included)**

OPERATING	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	-0-	-0-	-0-	-0-	-0-	-0-
<b>CAPITAL</b>	-0-	-0-	-0-	-0-	-0-	-0-
<b>CHANGE IN REVENUES ( )</b>	-0-	-0-	-0-	-0-	-0-	-0-
Revenue Code						

**FUNDING: (Thousands of Dollars)**

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program						
1006 GF/MHTIA						
Other						
<b>TOTAL</b>	-0-	-0-	-0-	-0-	-0-	-0-

Estimate of current year (FY 97) impact: \$ \_\_\_\_\_ -0-

**POSITIONS:**

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

**ANALYSIS: (Attach a separate page if necessary.)**

This Bill would limit the State's ability to manage fish and game stocks in their entire range and would preclude FWP from requesting enforcement funding in areas closed to "consumptive uses", but where illegal hunting and fishing may still occur. The Bill is inconsistent with department objectives.

Prepared By: Lt. Joel L. Hard Phone: 269-5409  
 Division: Fish and Wildlife Protection Date: February 7, 1997  
 Approved by Commissioner: *Joel Smith* Date: 2/10/97  
 Agency: Ronald L. Otte, Department of Public Safety

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# FISCAL NOTE

STATE OF ALASKA  
1997 LEGISLATIVE SESSION

BILL NO. SB 16

Revision Date: \_\_\_\_\_ Dept. Affected: Fish and Game  
 Title: Use of Fish & Game Fund/Comm'r's Powers BRU: Sport Fish  
 Component: Sport Fish  
 Sponsor: Senator Taylor  
 Requester: Senate Resources COMPONENT SERIAL NO. 464

**Expenditures/Revenues** (Thousands of Dollars)

OPERATING EXPENDITURES	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
PERSONAL SERVICES	163.2	166.5	169.8	173.2	176.6	180.2
TRAVEL	2.0	2.0	2.0	2.0	2.0	2.0
CONTRACTUAL	2.0	2.0	2.0	2.0	2.0	2.0
SUPPLIES	2.0	2.0	2.0	2.0	2.0	2.0
EQUIPMENT	16.0	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>185.2</b>	<b>172.5</b>	<b>175.8</b>	<b>179.2</b>	<b>182.6</b>	<b>186.2</b>

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
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CHANGE IN REVENUES (1004)	1,648.7	1,648.7	1,648.7	1,648.7	1,648.7	1,648.7
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts	see note (1)	see note (1)	see note (1)	see note (1)	see note (1)	see note (1)
1003 GF Match						
1004 GF	1,648.7	1,648.7	1,648.7	1,648.7	1,648.7	1,648.7
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Fish and Game Fund 1024)	see note (1)	see note (1)	see note (1)	see note (1)	see note (1)	see note (1)
<b>TOTAL</b>	<b>1,648.7</b>	<b>1,648.7</b>	<b>1,648.7</b>	<b>1,648.7</b>	<b>1,648.7</b>	<b>1,648.7</b>

Estimate of any current year (FY97) cost: \$ 0.0

**POSITIONS**

FULL-TIME	4	4	4	4	4	4
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

**ANALYSIS:** (Attach a separate page if necessary)

Assumptions used in analyzing SB 16: (1) Although there are changes in the amount of Federal Receipts (\$-1,519.1) and Fish and Game Fund (\$-241.7) money that the Division of Sport Fish will be allowed to use with enactment of SB 16, the revenues in these fund sources will not change. The money not used from the Fish and Game Fund will remain in the account, however, the money left in the Federal Aid to Fish Restoration (DJ/WB) account will eventually revert and not be available to the state. (2) Division of Sport Fish will operate all projects at proposed FY 98 levels. (3) General Funds will be provided to offset loss of Fish and Game Fund and Federal revenues. (4) Federal Aid apportionment and license/tag revenues will remain constant for foreseeable future. (5) A large number of frivolous law suits filed against Fish and Game employees during the execution of their duties can be expected. This will require Dept of Law to prepare a fiscal note outlining the cost of defense against these suits. (6) The division would require 4 new full-time administrative assistants to help track budgets under this legislation. (7) This bill prohibits the use of Fish & Game Fund and Federal Aid funding for the following projects: Headquarters - Aquatic Education and Public Communications (RSA to Commissioner's Office); Research and Technical Services (RTS) - Reporting, Statewide Economics, Responsive Management, Public Communications and 50% of Information Management; Region I (Southeast) - Reduce all projects under Resident Species P2 by 75%; Region II (Southcentral) - Angler Outreach/Education, Karluk Steelhead, Bristol Bay RT Pop. Studies, Willow Creek Rainbow Trout and Kenai River Dolly Varden; Region III (Interior) - Piledriver/Badger Grayling Studies, Chena Grayling Studies and Chena River Grayling.

Continued on attached page.

Prepared by: Kevin Delaney Phone: 465-4180  
 Division: Sport Fish Date: 2/8/97  
 Approved by Commissioner: Frank Rue Date: 2/10/97  
 Agency: Fish and Game

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Bill Number SB 16

Title: Use of Fish & Game Fund/Comm'r's Powers

(8) To continue to provide these services, general funds (\$1,648,700) will have to compensate for the loss of current revenue sources. (9) Costs associated with administration of projects within the Division of Sport Fish are allowable, however, those costs of project administration which currently occur outside our Division (ie Division of Administration or Department of Administration) are now limited. Under the 10% limitation clause found in Section 2(a)(2)(C) of this legislation, Fish and Game Fund money may be used to pay Division of Administration the 6% overhead charged on federal funds expended. (10) A table outlining current funding sources and funding shifts if SB 16 were enacted follows.

**Current FY 98 Funding Sources and Funding Sources With Senate Bill 16**

FY 98 Sport Fish Projects		Current Funding Sources				Funding Sources With SB 16					
Project #/Title	Total \$	F&G*	Fed*	Prog*	CIP*	F&G*	Fed*	Prog*	CIP*	GF*	Total \$
54 Headquarters	1,532.3	1,385.1	132.2	15.0	0.0	1,320.4	16.1	15.0	0.0	180.8	1,532.3
64 Boating Access	370.8	39.2	110.4	0.0	221.2	39.2	110.4	0.0	221.2	0.0	370.8
55 RTS	2,075.6	1,154.8	920.8	0.0	0.0	836.1	764.9	0.0	0.0	474.6	2,075.6
56 SE Supervision	1,295.6	1,295.6	0.0	0.0	0.0	1,295.6	0.0	0.0	0.0	0.0	1,295.6
57 SE Salmon	1,698.5	424.6	1,273.9	0.0	0.0	424.6	1,273.9	0.0	0.0	0.0	1,698.5
58 SE Resident Sp	534.1	133.5	400.6	0.0	0.0	31.9	95.6	0.0	0.0	406.6	534.1
63 SE Shellfish &	18.0	18.0	0.0	0.0	0.0	18.0	0.0	0.0	0.0	0.0	18.0
64 SE Access	61.2	15.3	45.9	0.0	0.0	15.3	45.9	0.0	0.0	0.0	61.2
91 SE Hatcheries	1,151.2	395.8	533.6	221.8	0.0	395.8	533.6	221.8	0.0	0.0	1,151.2
59 SC Supervision	2,254.0	1,940.3	313.7	0.0	0.0	1,923.2	262.4	0.0	0.0	68.4	2,254.0
60 SC Salmon	3,090.2	1,336.7	1,753.5	0.0	0.0	1,336.7	1,753.5	0.0	0.0	0.0	3,090.2
61 SC Resident Sp	367.2	91.8	275.4	0.0	0.0	13.7	41.0	0.0	0.0	312.5	367.2
62 SC Shellfish &	543.5	276.3	267.2	0.0	0.0	276.3	267.2	0.0	0.0	0.0	543.5
64 SC Access	103.9	26.0	77.9	0.0	0.0	26.0	77.9	0.0	0.0	0.0	103.9
90 SC Hatcheries	1,754.5	429.6	1,288.9	36.0	0.0	429.6	1,288.9	36.0	0.0	0.0	1,754.5
69 INT Supervision	994.6	994.6		0.0	0.0	994.6	0.0	0.0	0.0	0.0	994.6
70 INT Salmon	181.3	45.3	136.0	0.0	0.0	45.3	136.0	0.0	0.0	0.0	181.3
71 INT Resident Sp	875.5	218.9	656.6	0.0	0.0	181.5	544.5	0.0	0.0	149.5	875.5
64 INT Access	38.4	9.6	28.8	0.0	0.0	9.6	28.8	0.0	0.0	0.0	38.4
92 INT Hatcheries	88.3	22.1	66.2	0.0	0.0	8.0	24.0	0.0	0.0	56.3	88.3
<b>Total</b>	<b>19,028.7</b>	<b>10,253.1</b>	<b>8,281.6</b>	<b>272.8</b>	<b>221.2</b>	<b>9,621.4</b>	<b>7,264.6</b>	<b>272.8</b>	<b>221.2</b>	<b>1,648.7</b>	<b>19,028.7</b>
Admin Overhead**	502.1		502.1			390.0					390.0
<b>Grand Total</b>	<b>19,530.8</b>	<b>10,253.1</b>	<b>8,783.7</b>	<b>272.8</b>	<b>221.2</b>	<b>10,011.4</b>	<b>7,264.6</b>	<b>272.8</b>	<b>221.2</b>	<b>1,648.7</b>	<b>19,418.7</b>

\* F&G is the Fish and Game Fund; Fed is Federal Funds; Prog is Program Receipts; CIP is Capital Improvement Project Funds; GF is General Funds.

\*\* Fees paid to Department of Fish and Game, Division of Administration for overhead related to federal funding.

# FISCAL NOTE

STATE OF ALASKA  
1997 LEGISLATIVE SESSION

BILL NO. SB 16

Revision Date:	Dept. Affected: <u>Fish and Game</u>
Title:	BRU: <u>Wildlife Conservation</u>
	Component: <u>Wildlife Conservation</u>
Sponsor:	<u>Senator Taylor</u>
Requester:	<u>Senate Resources</u>
	COMPONENT SERIAL NO. <u>473</u>

**Expenditures/Revenues**

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
PERSONAL SERVICES	96.7	98.6	100.6	102.6	104.6	106.7
TRAVEL	1.0	1.0	1.0	1.0	1.0	1.0
CONTRACTUAL						
SUPPLIES	2.0	2.0	2.0	2.0	2.0	2.0
EQUIPMENT	12.0	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>111.7</b>	<b>101.6</b>	<b>103.6</b>	<b>105.6</b>	<b>107.6</b>	<b>109.6</b>

<b>CAPITAL EXPENDITURES</b>	0.0	0.0	0.0	0.0	0.0	0.0
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<b>CHANGE IN REVENUES (1024)</b>	0.0	0.0	0.0	0.0	0.0	0.0
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**FUND SOURCE**

(Thousands of Dollars)

1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match						
1004 GF	240.0	240.0	240.0	240.0	240.0	240.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other -- F&G Fund (1024)	(128.3)	(138.4)	(136.4)	(134.4)	(132.4)	(130.4)
<b>TOTAL</b>	<b>111.7</b>	<b>101.6</b>	<b>103.6</b>	<b>105.6</b>	<b>107.6</b>	<b>109.6</b>

Estimate of any current year (FY97) cost: \$ 0.0

**POSITIONS**

FULL-TIME	2	2	2	2	2	2
PART-TIME	1	1	1	1	1	1
TEMPORARY	0	0	0	0	0	0

**ANALYSIS:** (Attach a separate page if necessary)

Assumptions: (1) To maintain department services and programs at existing levels, General Funds will be provided to offset funding cuts in Fish & Game Fund revenues. (2) Federal Aid apportionments and license/tag revenues will remain constant for foreseeable future. (3) The regulatory process (\$713.3) and data processing programs (\$1,042.9) are assumed to directly benefit consumptive users and will continue to be funded by federal aid and Fish & Game Fund revenues. (4) The 10% limit on administrative costs of projects (Sec. 2) applies to Dept. Admin. and F&G Div. Admin only. (5) Costs of defending department personnel from frivolous lawsuits (Sec. 4g) will be borne by Dept. Law.

This bill prohibits use of Fish & Game Fund and Federal Aid funding for nongame conservation, marine mammals endangered species, construction, interpretive programs, wildlife education, and non-hunting related programs. To continue to provide these services, general funds (\$240.0) will have to compensate for the loss of current revenue sources.

The division would need to hire 2 full-time administrative assistants and 1 part-time accounting clerk to help track budgets under this legislation. These positions would be in Wildlife Conservation and be paid from the F&G Fund.

Prepared by: Diana Ground, Administrative Officer *DG*  
Division: Wildlife Conservation

Phone: 465-6194  
Date: 2/10/97

Approved by Commissioner: Gerard Bruner *GB*  
Agency: Alaska Department of Fish and Game

Date: 2/10/97

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# FISCAL NOTE

**STATE OF ALASKA**  
**1997 LEGISLATIVE SESSION**

**BILL NO. SB 16**

Revision Date: \_\_\_\_\_ Dept. Affected: Department of Law  
 Title: "... restricting the use of certain funds  
deposited in the fish and game fund; . . ." BRU: Civil Division  
 Sponsor: Senator Taylor Component: General Legal Services  
 Requester: Senate Resources Committee COMPONENT SERIAL NO. 2087

**Expenditures/Revenues (Thousands of Dollars)**

OPERATING EXPENDITURES	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
PERSONAL SERVICES	107.5	107.5	107.5	107.5	107.5	107.5
TRAVEL	6.4	6.4	6.4	6.4	6.4	6.4
CONTRACTUAL	56.0	56.0	56.0	56.0	56.0	56.0
SUPPLIES	2.1	2.1	2.1	2.1	2.1	2.1
EQUIPMENT	6.5					
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>178.5</b>	<b>172.0</b>	<b>172.0</b>	<b>172.0</b>	<b>172.0</b>	<b>172.0</b>

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ( )						
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**FUND SOURCE (Thousands of Dollars)**

1002 Federal Receipts						
1003 GF Match						
1004 GF	178.5	172.0	172.0	172.0	172.0	172.0
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
<b>TOTAL</b>	<b>178.5</b>	<b>172.0</b>	<b>172.0</b>	<b>172.0</b>	<b>172.0</b>	<b>172.0</b>

Estimate of any current year (FY97) cost: \$ 0.0

**POSITIONS**

FULL-TIME	1.0	1.0	1.0	1.0	1.0	1.0
PART-TIME						
TEMPORARY						

**ANALYSIS:** (Attach a separate page if necessary)

This bill would restrict the uses of certain funds deposited in the fish and game fund. In addition, the bill would permit individuals to bring a civil action against a state agency or public official for an injunction to compel compliance with the restrictions or correct the consequences of a violation of the restrictions.

The language in the bill is unclear as to whether damages would be an available remedy. Assuming that they are, the department believes that there would be approximately five to six lawsuits filed over these provisions per year, with at least two requiring full trial preparation. These matters will require more attorney time than typical challenges to statutes or regulations. The department estimates the services of one full-time equivalent attorney position would be required. In addition, any suits under this bill over spending of funds would involve complex factual issues and will require extensive discovery, depositions, and reliance on expert testimony (accountants, auditors, budgetary experts, and possibly legal experts on the requirements of federal law).

The department's weighted cost for an attorney position is \$127,000 per year, plus \$6,500 for one-time new

Prepared by: Joan M. Kasson *Joan M. Kasson* Phone: 465-5370  
 Division: Administrative Services Division Date: 2/12/97  
 Approved by Commissioner: Bruce M. Botelho, Attorney General Date: 2/12/97  
 Agency: Department of Law

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ANALYSIS CONTINUATION:

position equipment. The weighted cost includes clerical support, communications, space, supplies, data processing, and all other normal overhead expenses. It does not include direct, out-of-pocket case costs such as experts, court reporters, and case travel. We have included \$5,000 for direct case travel costs, and \$40,000 for expert witnesses.

If the bill is amended to make it clear that damages are not available, or the court determines that damages are not a remedy, and the only relief available is injunctive, the fiscal impact is expected to be reduced to one-half an attorney position. In that event, the department would expect no more than two or three cases per year, almost all to be resolved by summary judgment. The department would then expect its costs to be \$86,000 per year, with an additional \$6,500 for FY98 one-time equipment purchases (\$63,500 for one-half an attorney position, \$2,500 for direct case costs, and \$20,000 for expert witnesses). The department anticipates that most challengers would be granted "public interest litigant" status. This would add to the cost to the state, because public interest litigants, if they lose, cannot be required to pay costs and fees, and if they win, receive full costs and fees. This additional cost is speculative at this point, however, and is not included as part of the department's estimated fiscal impact.

All legal costs would be paid from the general fund as use of fish and game funds for legal defense would be precluded by this bill.

# FISCAL NOTE

STATE OF ALASKA  
1997 LEGISLATIVE SESSION

BILL NO. SB 16

Revision Date: \_\_\_\_\_ Dept. Affected: Fish and Game  
 Title: An Act restricting the use of certain funds BRU: Administration and Support  
deposited in the fish and game fund Component: Administrative Services  
 Sponsor: Senator Taylor  
 Requester: Senate Resources COMPONENT SERIAL NO. 479

**Expenditures/Revenues** (Thousands of Dollars)

OPERATING EXPENDITURES	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ( 1002 )	(1,084.1)	(1,084.1)	(1,084.1)	(1,084.1)	(1,084.1)	(1,084.1)
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts	(1,084.1)	(1,084.1)	(1,084.1)	(1,084.1)	(1,084.1)	(1,084.1)
1003 GF Match						
1004 GF	1,084.1	1,084.1	1,084.1	1,084.1	1,084.1	1,084.1
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
<b>TOTAL</b>	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY97) cost: \$ 0

**POSITIONS**

FULL-TIME						
PART-TIME						
TEMPORARY						

**ANALYSIS:** (Attach a separate page if necessary)

To maintain department services and programs at existing levels, general funds will be necessary to offset the decrease in federal funding.

Federal receipts are currently collected as indirect overhead to fund statutorily required functions, such as accounting services, personnel and payroll services, budgeting services, procurement and contracting services, and data processing services.

Prepared by: Kevin Brooks Kevin Brooks, Director  
 Division: Administrative Services

Phone: 465-5999  
 Date: 2/13/97

Approved by Commissioner: Garon Bruce  
 Agency: Fish and Game

Date: 2/13/97

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# LEGAL SERVICES

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## MEMORANDUM

April 3, 1997

**SUBJECT:** Sectional Summary of SB 16; An Act restricting the use of certain funds deposited in the fish and game fund; and relating to the powers and duties of the commissioner of fish and game.

**TO:** Senator Robin Taylor

**FROM:** George Utermohle *GU*  
Legislative Counsel

You have requested a sectional summary of SB 16; An Act restricting the use of certain funds deposited in the fish and game fund; and relating to the powers and duties of the commissioner of fish and game.

As a preliminary matter, please note that a sectional summary of a bill is not an authoritative interpretation of the bill. The bill itself is the best statement of its contents.

Section 1 of the bill amends the powers and duties of the commissioner of fish and game under AS 16.05.050 to allow the commissioner to cooperate with sportsmen's organizations and other organizations to increase game populations and to introduce new populations into suitable habitat.

Section 2 of the bill repeals and reenacts AS 16.05.130(a). Revenue received by the state from sport fishing, hunting, and trapping licenses, permits, and tag fees may only be expended as provided by legislative appropriation. The revenue may be only used for intensive management projects; for propagation, reintroduction, restocking, transplantation, habitat manipulation, predator removal, hunter education, access to hunting and sport fishing areas, and restoration of game and sport fish resources; for certain types of projects that directly benefit purchasers of sport fishing, hunting, and trapping licenses, permits, and tags; for construction and preservation of shooting ranges; or for administration of the fish and game licensing function. The revenue may not be used for projects in areas where consumptive use of sport fish and game are not allowed, used for a purpose not permitted under this subsection, expended for certain personnel and administrative costs, or expended for certain kinds of construction projects.

Section 3 of the bill amends AS 16.05.130(b) by changing the uses for which revenue derived from the waterfowl conservation tag fee may be used.

Senator Robin Taylor

April 3, 1997

Page 2

Section 4 of the bill adds new subsections to AS 16.05.130. Federal monies received under the federal sport fish and wildlife restoration programs may only be used for certain kinds of projects. The Department of Fish and Game shall prepare an annual report of expenditures from the fish and game fund and provide the report to members of the legislature. A person may bring a civil action in the courts to enforce the requirements of AS 16.05.130. The terms "harvestable surplus", "high level of human harvest", "intensive management", and "maximum sustained yield" are defined.

Section 5 of the bill repeals AS 16.05.130(d) (relating to the use of hunting, fishing, and trapping license revenues and federal sport fish and wildlife restoration monies) and AS 16.05.340(a)(17)(B) (relating to exemptions from the waterfowl conservation tag requirement).

GU:jdr

97-239.jdr

# License revenue intended to benefit wildlife, those who buy licenses

By LYNN E. LEVENGOOD

If the headlines read "School tax revenue to fund wildlife," I am sure it would generate legitimate uproar. Why? Don't many property owners enjoy watching wildlife? The answer is simply that the law requires property taxes collected for our schools to be spent on schools.

Alaska law also provides that the license revenue generated by the purchase of hunting and fishing licenses must be placed in a dedicated fund (the Alaska Fish & Game Fund) and that these monies cannot be diverted from purposes other than projects intended to benefit the license purchasers!

Until a few years ago the Alaska Department of Fish & Game received significant general fund revenue, which was not restricted. ADF&G utilized these general funds for many projects which had no intended benefit to license purchasers. Marine mammals, endangered species and non-game bird projects are examples.

Two years ago our Legislature decided, without any objection from the non-hunting public, to fund the Alaska Department of Fish & Game almost exclusively from the Alaska Fish & Game fund and federal tax funds from taxes on firearms and ammunition. In response to this major funding shift, ADF&G did not curtail any of its many programs not intended to benefit consumptive users. Instead, this bureaucracy viewed the license revenues as an endowment to be used in any manner they chose.

Simultaneous to this funding shift came large closures of land to hunting and increased restrictions on hunters and fishermen. Alaska's hunters became concerned because they harvest less than 3 percent of Alaska's big

## Guest Opinion

game, a percentage so small that it ranks among the bottom of all states where big game hunting is allowed. Alaska's harvest is so small that the amount of animals harvested for Alaska's tables is statistically insignificant to the health of our big game populations. Notwithstanding these facts, restrictions on human harvest continued while efforts to satisfy Alaska's intensive management statute (which included predator management) were stopped.

Responding to this crisis, the AWCA sought legislative appropriations which would benefit wildlife by enhancing big game populations. These efforts, aimed at increasing the total abundance of wildlife, would benefit all Alaskans.

Last year the Legislature responded by providing nearly \$1 million for intensive management aimed at the enhancement of big game populations. Additionally, the Legislature reduced funding for certain divisions within ADF&G, in response to the restricted funding base and in an effort to make ADF&G more responsive to the license purchasers who now provided 100 percent of its funding.

Ignoring this legislative direction, ADF&G diverted over \$2 million. Commissioner Rue diverted funds away from the game management and into selfish research. He diverted hundreds of thousands of dollars into the other functional areas which were purposefully not funded by the Legislature. Most significantly, the entire \$1 million intended for intense management projects was diverted to routine use. Outraged, Alaska's wildlife

Conservation Association, and others quickly discovered these diversions. Numerous meetings, letters, and warnings from various legislators to the governor and the commissioner of Fish & Game were sent indicating that ADF&G was going to be held fiscally accountable for every dollar which was diverted.

When this year's Legislature designed ADF&G's budget, be assured, it was no surprise to ADF&G that their budget reflected their diversion of funds. This legislative attempt to make this bureaucracy fiscally responsible and accountable for the over \$2 million diverted and/or mis-spent dollars is welcome news. ADF&G's claim that they were unaware why they were facing budget reduction is baloney! AWCA has copies of multiple letters informing the department that they were going to be held accountable for their misuse of funds. Perhaps it's time for an audit to find out just what license revenue is, and has paid for?

Notwithstanding, the AWCA, whose sole goal is to return Alaska to an abundance of wildlife, remains concerned about initiating and funding wildlife enhancement projects. While reviewing the administration's proposed 1997 budget, we quickly discovered that the governor's budget contained many bankrupt policy programs. Examples include raiding the Alaska's Fish & Game Fund to fund a Denali Park road access study and the publishing of pamphlets for non-consumptive users.

Responding to this budget challenge, AWCA developed and recommended budgetary appropriations for a dozen specific wildlife programs aimed at one simple goal, the enhancement of Alaska's wildlife resources. These

our requested enhancement projects and projects requested by the governor and ADF&G is the intended benefit. Our projects were intended to benefit all Alaskans by increasing wildlife populations. This is in contrast to the non-consumptive users who have been crying for the spending of hunter's funds for projects aimed to benefit, not wildlife, but people. Their projects include fixing old buildings, making boardwalks, viewing stands, and interpretative signs. While these may be worthwhile projects, they do not benefit wildlife populations or license holders and should be paid for by the viewers.

It is inconceivable why hunters should bear the burden for the administration of, and research in areas where non-consumptive users have exclusive use and where hunters cannot utilize their licenses.

I have yet to see a letter to the editor that advocates a \$1 per pound tax on birdseed or creating a \$55 viewing license (which is the cost of a hunting, fishing, trapping license). Hunters and fishermen justifiably oppose additional taxes on "camping equipment" because that would amount to triple taxation.

The truth is that Alaska's consumptive users pay for Alaska's wildlife management, and, by law, are required to be the direct beneficiaries of the expenditures of their funds—yes, their license revenues. Unless you purchase a hunting or fishing license, big game tag, waterfowl stamp, a personal use fishery permit, salmon stamp and/or a host of user fees placed on Alaska's consumptive users, then you have no legitimate argument on how these funds should be spent.

Lynn E. Levengood is executive director

# Wolf kill debate erupts

## Legislators tackle hunting issues

By DIRK MILLET  
Associated Press Writer

JUNEAU—State biologists and wildlife activists say Alaska lawmakers are getting too involved in wildlife management—trying to force the state to kill wolves in areas where game populations are low.

Lawmakers, though, say they are only involved because the state has not been managing game with hunters in mind. "We want to get the Department of Fish and Game acting like a Department of



Fish and Game and base its decisions on good science," said Sen. Robin Taylor. "The department failed to request one thin dime to do wolf control in this (year's) budget."

Bills have been filed that would allow the state Board of Game to approve a bounty on wolves in some areas and another that would call for intensive management to ensure hunters get about a third of the surviving game born each year in specific areas.

Taylor, a Wrangell Republican, has filed a bill that would restrict the use of money from hunting, fishing and trapping licenses and fees from being used on wildlife viewing projects and other non-consumptive uses.

Two other bills would require the state to open up three times the acreage elsewhere whenever Alaska lands are closed to hunting. Another measure would change the name of the state wildlife conservation division back to the division of game.

Wayne Regelin, state wildlife conservation director, said the political activity is keeping him and deputy director Ken Taylor busy at the Capitol.

"They're trying to legislate wolf control," Regelin said. See HUNTING, Page A-8

Fairbanks Daily News-Miner, Sunday, March 17, 1996

## HUNTING: Legislators introduce bills

Continued from Page A-1  
"What I tell them is it's not a solution."

Wildlife official Taylor said wolf control might help in a couple of places in Alaska where game populations are down. In the McGrath area, the state believes wolves are keeping the numbers of moose low. And wolves preying on young caribou are keeping the Fortymile herd near Tok and Eagle at a level far below what the land could support, the deputy director said.

A joint Canada, Alaska task force put together a management plan on how to increase the Fortymile herd. The plan calls for

sterilization of dominant wolves and relocation of other wolves from the calving grounds. None of that would start until next year, though.

Just about all sides in the debate concede that public concern over wolf control is a problem. Gov. Tony Knowles halted a controversial wolf-control program last year when photos of a hunter killing a wolf several times ignited headlines across the nation's papers.

Knowles says the state won't run any wolf-control programs until a study by the National Academy of Sciences on the issue is complete.

But hunting groups are not willing to wait.

"They are currently moni-

toring Alaska wildlife, they are not actively managing anything," said Lynn Levensood, a Fairbanks attorney who is involved with the Alaska Wildlife Conservation Association, a hunting organization. "They are doing nothing to increase wildlife populations."

Levensood said none of the bills mandate wolf control but some do give the state Board of Game the option of killing wolves to increase game populations.

Eddie Grasser of the Alaska Outdoor Council said the legislation is driven by hunters' frustration at game management in Alaska.

"Over the last 15 years, the department has gotten away from the traditional role of managing wildlife," said Grasser, the council's Juneau lobbyist. "It's entered a phase where they more or less are managing people."

Grasser said hunters and trappers figure they pay for the division's payroll with their fees and taxes. But they are not happy with the way their money is being spent.

Regelin said only a small percentage of the division's budget is spent on strictly non-hunting projects.

# Hunting bill puts burden on state Fish and Game

By DOUGLAS FISCHER  
Staff Writer

Alaska would see "no net loss" in hunting opportunity should a measure before the Senate Resources Committee become law.

The bill calls for the Alaska Department of Fish and Game to manage game animals "solely ... for maximum biological sustained yield by human harvest" and ease some hunting restrictions.

Further, the bill directs the Alaska Board of Game—if any area should be closed to hunting for any species—to mirror that closure by opening an area at least five times the size of the closed area to the same sort of hunting activity.

"These restrictions are being adopted in lands which sportsmen ... set aside and whom exclusively pay for the maintenance, management and administration of these lands," said Sen. Mike Miller, R-North Pole, the bill's sponsor.

Under the measure, which must have a second hearing be-

fore the committee releases it, Fish and Game officials could not spend money raised from hunting tags and licenses on "lands where consumptive uses have been eliminated or restricted."

It would also allow citizens to sue state agencies or officials who fail to comply with the measure.

Supporters insist the bill is neither a predator control nor a subsistence bill, but detractors aren't so sure.

"This has nothing to do with the issue, but it does affect it," said Director Wayne Regelin of Fish and Game's Division of Wildlife Conservation. "It does have an impact on how we manage lands primarily for subsistence."

For example, the department could no longer spend money on subsistence users without allowing other hunters a shot, he said.

Regelin said the department already spends 96 percent of its \$14.5 million budget on hunters and hunting programs.

Legislation that forces Fish and Game officials to manage wildlife only for hunters turns "non-hunters into anti-hunters.

"Hunters have to realize that they're not the only ones that own the wildlife," Regelin testified before the committee. "I am really afraid that to say the 'only and best use of wildlife' is for human use and consumption has damaging long-term affects."

Lynn Levengood, executive director of the Alaska Wildlife Conservation Association, which supports the bill, said this measure would have "absolutely no effect" on Tier II restrictions and other subsistence issues.

"This would take less land out of consumptive use," he said, testifying in Fairbanks at the teleconferenced hearing. "More land for consumptive use benefits subsistence users."

Mike Tinker, who also testified in Fairbanks, thought the measure offered state wildlife officials comprehensive management objectives.

## Some \$318,500 advice

So the National Academy of Sciences is studying Alaska's past wolf control programs. A panel of 13 "experts" has been convened. The state will spend \$318,500 for their opinions. The intent is to answer the governor's question about whether wolf control is scientifically sound.

The governor could get his question answered, for free, at the local library by the only experts he needs. In fact, the answer has been there for more than a decade.

Dr. David Mech, considered by most biologists to be the world's leading wolf authority, offered his opinion in the February-March 1985 edition of *National Wildlife*, the magazine of the National Wildlife Federation:

"There is little disputing the results of a recent, well-controlled experiment in central Alaska. Some 38 to 60 percent of the wolves were removed each year from a test area while wolves were not controlled in several adjoining areas. Moose and caribou calves and yearlings increased two- to four-fold where wolves had been taken compared with their numbers before wolf control and were consistently higher than in the areas with no wolf control. Actual moose and caribou herd sizes followed the same trends.

"What would have happened if wolves had not been controlled? Because the herds had been declining before the experiment, I expect that they either would have continued to decrease, would have remained stable but low, or might have increased only slowly. Meanwhile... wolf pups would have starved to death, wolf productivity would have declined and adult wolves would have killed each other. Control programs allowed recovery of both prey and wolves so that more of each could live over a longer period...

"When prey herds are low for whatever reason, wolf control is often proposed as a ready means of relieving pressure on them. The non-hunting public then usually responds with cries of indignation. It looks like wolves are being used as scapegoats. Because many of these people view wolf-prey systems as constantly in balance, they fail to understand how wolf control can aid prey recovery."

Someone send that man a check. Maybe Mech could split it with the state biologists who did the studies he cites. Those studies, also available at the library for free, were reviewed by numerous experts before publication in prestigious scientific journals.

Wolf control may pose problems, but they aren't of a scientific nature. We know it works.

The real problems surrounding wolf control are political, moral and budgetary. How bad will it make Alaska look to a public that "fails to understand?" Is it right for the state to kill these animals? Is it worth it to spend hundreds of dollars per dead wolf? These are legitimate questions to debate.

However, no panel of experts, no matter how well-paid, can answer them any more legitimately than Alaskans working through their political system.

## Estimated Operating Costs by Year and Activity

(Dollars x 1000)

ACTIVITY	Alternative 1 (No Change)					Alternative 2 (Team Proposal)					Alternative 3 (Aggressive Action)				
	1996	1997	1998	1999	2000	1996	1997	1998	1999	2000	1996	1997	1998	1999	2000
Monitor Caribou Harvest	6.5	6.8	6.7	6.8	6.9	5.6	5.7	5.8	5.9	6.0	5.6	5.7	5.8	5.9	6.0
Wolf Population Estimate	3	3.1	3.2	3.3	3.4	5.0	5.1	3.2	3.3	3.4	5.0	3.1	3.2	3.3	3.4
Wolf Sterilization	0	0	0	0	0	0	0	26.5	3.5	3.5	0	0	0	0	0
Wolf Relocation	0	0	0	0	0	0	0	70.0	12.0	11.1	0	0	0	0	0
Wolf Radio Surveys	0	0	0	0	0	0	0	2.5	2.6	2.7	0	0	0	0	0
Caribou Surveys	8.5	8.5	8.6	8.7	8.8	8.5	8.5	8.6	8.7	8.8	8.5	8.5	8.6	8.7	8.8
Caribou Research	63.0	37.0	37.0	37.0	37.0	63.0	37.0	63.0	63.0	63.0	63.0	37.0	63.0	63.0	63.0
Informational Newsletters	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Team Meetings	0	0	0	0	0	5.0	5.0	5.0	5.0	5.0	0	0	0	0	0
Lethal Wolf Removal	0	0	0	0	0	0	0	0	0	0	98.0	38.5	38.5	38.5	38.5
Grizzly Bear Relocation	0	0	0	0	0	0	0	0	0	73*	0	0	0	0	0
<b>TOTAL ANNUAL COST</b>	<b>84.0</b>	<b>58.2</b>	<b>58.5</b>	<b>58.8</b>	<b>59.1</b>	<b>90.1</b>	<b>64.3</b>	<b>187.8</b>	<b>107.0</b>	<b>179.5</b>	<b>183.1</b>	<b>95.8</b>	<b>122.1</b>	<b>122.4</b>	<b>122.7</b>

\* If required

<b>Additional Cost over 5 years, Compared to the No Change Alternative</b>	<b>318.6</b>	<b>309.9</b>	<b>327.5</b>
<b>Estimated Number of Caribou in 5 years</b>	22,000 to 28,000	28,000 to 36,000	35,000 to 45,000

**Appendix D. Comparison of Operating Costs**