

HB

204

SENATE COMMITTEE REPORT

DATE: 3/24/00

FURTHER: Finance

DATE TURNED IN TO OFFICE: 4/12/00

Resources Committee considered

CS FOR HOUSE BILL NO. 204(RES)

"An Act relating to elk farming."

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>[Signature]</i>	✓				
<i>[Signature]</i>	✓				
<i>[Signature]</i>	✓				
<i>[Signature]</i>	✓				
<i>[Signature]</i>	✓				
CHAIR: <i>[Signature]</i>	✓	CHAIR:			

NEW FISCAL NOTE(S):

Department	Date	Zero	Fiscal
DF & G	3/28/00		(1.3)

PREVIOUS FISCAL NOTE(S):*

Department	Date	Zero	Fiscal
DF & G	4/1/00	 	(1.5)
DNR	3/16/00		1.5
DEC	3/3/00	✓	

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill



ALASKA STATE LEGISLATURE
REPRESENTATIVE JOHN HARRIS
STATE CAPITOL 110, JUNEAU, ALASKA 99801-1182 (907) 465-4859

Sponsor Statement

HB 204

"An Act relating to elk farming."

There is great potential for farming elk in Alaska, and more ranchers would get involved in this endeavor if regulation of elk farming can be transferred to the division of agriculture from ADF&G.

Currently, ADF&G regulates elk as a game animal, and the department's adaptation of game management regimes to domesticated, privately-owned elk creates unnecessary burdens and roadblocks for elk farmers.

HB 204 seeks to remedy this problem by transferring the oversight responsibilities for domestic elk breeding and farming from ADF&G to the division of agriculture. This will lower the risk of health problems and animal escape concerns, as well as enhance the opportunities for commercial success.

This change makes sense in that elk are currently allowed to be raised and bred as domestic stock for commercial purposes under fish and game statutes. The division of agriculture has the authority and mission to administer domestic animal programs, while ADF&G's authority is limited to public wildlife management. In fact, the responsibilities for ADF&G to license and approve fencing plans for elk farms lack regulatory authority. Licensing is administered under provisions intended for game mammals, while fencing standards are not administered under any existing regulation. The division of agriculture, on the other hand, has authority in both of these areas, and would continue to refer changes in such policies to ADF&G for its review and comment.

Alaska's climate and location are ideal for the propagation of elk, which produce a lean, mild meat for which there is a growing demand on world markets. The statutory changes proposed in HB 204 would help to enable the elk farming business to grow to its potential in Alaska.

FISCAL NOTE

STATE OF ALASKA
1999 LEGISLATIVE SESSION

BILL NO. CSHB 204 (RES)

Revision Date (Note if correction) 3/24/00 correction Dept. Affected: Fish and Game
 Title Elk Farming BRU Wildlife Conservation
 Component Wildlife Conservation
 Sponsor Representative Harris
 Requester (H) Resources Component Serial No. 473

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 00	FY 01	FY 02	FY 03	FY 04	FY 05
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
CHANGE IN REVENUES (1024)	(1.3)	(1.3)	(1.3)	(1.3)	(1.3)	(1.3)

FUND SOURCE (Thousands of Dollars)

FUND SOURCE	FY 00	FY 01	FY 02	FY 03	FY 04	FY 05
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other -- F&G Fund (1024)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY99) cost: 0.0

POSITIONS

POSITIONS	FY 00	FY 01	FY 02	FY 03	FY 04	FY 05
Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

The department currently sells 5 biennial elk farming licenses annually and deposits the money in the Fish and Game Fund. If HB 204 becomes law, this funding will no longer be available to the department. For the purposes of this bill analysis, we assume that no General Fund monies will be appropriated to compensate for the revenue lost to the Fish and Game Fund.

Note: Although the department would no longer issue elk farming licenses or inspect elk farms, these functions were performed incidentally by staff whose primary duties involve other functions. Those staff will continue to perform their primary duties, and there will be no reduction in expenditures. This is reflected in the fiscal note by no identification of reductions in department expenses.

Prepared by Phil Koehl, Wildlife Biologist *PK* Phone 465-6198
 Division Wildlife Conservation Date 03/24/00
 Approved by Frank Rue, Commissioner *Frank Rue* Date 3/28/00
 Agency Alaska Department of Fish and Game

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE

For further distribution information, call the Governor's Legislative Office

FISCAL NOTE

Bill Version: CSHB 204 (RES)

BIL (H) Publish Date: 3/20/00

**STATE OF ALASKA
2000 LEGISLATIVE SESSION**

Revision Date: 16-Mar-00

Dept Affected: Natural Resources

Title: An Act relating to elk farming.

BRU: Agricultural Development

Component: Agricultural Development

Sponsor: Rep. Harris

Requestor: (H)RES

Component Serial No. #455

Expenditures/Revenues (Inflation not included unless otherwise noted below)

(Thousands of Dollars)

OPERATING EXPENDITURES	FY2001	FY2002	FY2003	FY2004	FY2005	FY2006
PERSONAL SERVICES	1.0	1.0	1.0	1.0	1.0	1.0
TRAVEL	0.5	0.5	0.5	0.5	0.5	0.5
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	1.5	1.5	1.5	1.5	1.5	1.5

CAPITAL EXPENDITURES						
----------------------	--	--	--	--	--	--

CHANGE IN REVENUES (fund code)						
--------------------------------	--	--	--	--	--	--

FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts	1.5	1.5	1.5	1.5	1.5	1.5
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	1.5	1.5	1.5	1.5	1.5	1.5

Estimate of any current year (FY00) cost: \$ none

POSITIONS

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS:

(Attach a separate page if necessary)

Nine elk farms have permits currently. Travel for inspections would be incorporated into other staff functions to minimize costs. Modest growth is expected in permit issuance.

\$1,500.00 in FY2001 (receipts from license fees) should cover the additional inspection costs.

Prepared by: Robert Wells *[Signature]* Phone: 745-7200
 Division: Agriculture Date: 16-Mar-00
 Approved by Commissioner: John Shively *[Signature]* Date: _____
 Agency: Natural Resources

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE
 For further distribution information call the Governor's Legislative Office

COMMITTEE COPY

FISCAL NOTE

No: 1

B. Version: CSHB 204 (RES)

(H) Publish Date: 3/8/00

**STATE OF ALASKA
2000 LEGISLATIVE SESSION**

Revision Date/Time (Note if correction) _____	Dept. Affected <u>Environmental Conservation</u>
Title <u>Elk Farming</u>	BRU <u>Environmental Health</u>
	Component <u>Food Safety and Sanitation</u>
Sponsor <u>Harris</u>	
Requester <u>House Resources</u>	Component No. <u>2343</u>

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0
CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2000) cost: 0.0

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 has no fiscal impact on the Department.

Prepared by: <u>Janice Adair, Director</u>	Phone <u>269-7644</u>
Division <u>Environmental Health</u>	Date/Time <u>3/3/00 11:41 AM</u>
Approved by Commissioner <u><i>K. S. ...</i></u>	Date _____
Agency <u>Department of Environmental Conservation</u>	

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE

For further distribution information, call the Governor's Legislative Office

STATE OF ALASKA

TONY KNOWLES, GOVERNOR

DEPT. OF ENVIRONMENTAL CONSERVATION

500 S. ALASKA STREET
PALMER, ALASKA 99645

(907) 745-3236

FAX (907) 745-8125

<http://www.state.ak.us/dec>

DIVISION OF ENVIRONMENTAL HEALTH ANIMAL INDUSTRIES

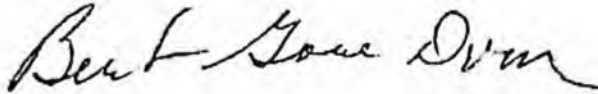
February 9, 2000

Mr. Bill Ward
PO Box 1087
Delta Junction, AK 99737

Dear Mr. Ward:

I have reviewed HB# 204 and have no problem with it's content. Currently, three state agencies are involved with elk farming. This bill will leave the animal health regulations in DEC and move all other functions to DNR. Excluding Kodiak Island, all existing elk farms are on the road systems and inspections of new and existing facilities could be accomplished concurrently with other agricultural inspections.

Sincerely,



Bert Gore
State Veterinarian

BG/da(EH\eh-a\ah-dairy\corres\hwrd28001tr)

STATE OF ALASKA

DEPARTMENT OF FISH AND GAME

DIVISION OF WILDLIFE CONSERVATION

TONY KNOWLES, GOVERNOR

P.O. BOX 25526
JUNEAU, ALASKA 99802-5526
PHONE: (907) 485-4190
FAX: (907) 465-6142

February 9, 2000

The Honorable John Harris
Alaska State Legislature
State Capitol, Room 110
Juneau, AK 99801-1182

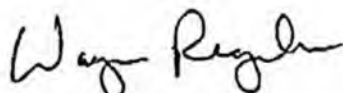
Dear Representative Harris:

Pete Fellman recently provided us with a copy of the proposed committee substitute for HB 204, which incorporated language we proposed regarding inspections of elk farming facilities.

Thank you for amending your bill to address our concerns. The Division of Wildlife Conservation is comfortable supporting the elk farming bill (CSHB 204 (RES)) as currently written.

Please let me know, if I can provide further assistance with this matter.

Sincerely,



Wayne Regelin
Director

**THE FOLLOWING PAGES MAY
NOT FILM LEGIBLY BECAUSE OF
THE POOR QUALITY OF THE ORIGINAL**

STATE OF ALASKA

TONY KNOWLES, GOVERNOR

DEPARTMENT OF FISH AND GAME
DIVISION OF WILDLIFE CONSERVATION

P.O. BOX 25526
JUNEAU, AK 99802-5526
PHONE: (907) 465-4190
FAX: (907) 465-6142

MEMORANDUM

TO: Pete Fellman
Legislative Assistant
Office of Rep. Harris

FROM: Wayne Regelin *wregelin*
Director

DATE: January 26, 2000

SUBJECT: Elk Farming (HB 204)

Thanks for faxing the current copy of Representative Harris' legislation on elk farming.

Because of our department's responsibility for protecting wildlife populations from potential problems that could result from interactions with livestock, our primary concern with this bill is that the requirement for "facilities for maintaining elk under positive control" be adequate and enforced.

Years ago, the regulation of fur farms was transferred from our department to DNR. In the mid-1980s, however, due to a lack of financial resources, the commissioner instructed the state veterinarian to stop inspecting and permitting fur farms. We don't question DNR's competence or resolution to comply with all the provisions of HB 204. We are concerned, however, that circumstances might force that agency to give up its responsibilities to periodically inspect elk farm fencing for the same reasons they no longer inspect or permit fur farms.

To help prevent such an occurrence, we suggest the following amendment to Representative Harris' bill. On page 2, line 6, after the word "amended" add the following sentence: "Before an elk farming license may be issued or renewed, a representative of the department will physically inspect the elk farming facilities of the applicant to ensure that they are in good repair and meet or exceed the fencing standards established by the commissioner for maintaining elk under positive control." We believe that this amendment will force inspections by prohibiting permit renewals without them. Because the Department of Fish and Game has area offices throughout the state, we would be happy to cooperate with the DNR and act as that agency's representative for inspecting facilities whenever DNR staff are unable to visit a facility in person.

If this amendment is added, the department will feel comfortable supporting HB 204.

Please give me a call, if you want to discuss this matter.

House Bill 204
"An Act relating to elk farming"

Fact Sheet

Elk in private ownership are clearly defined by statute as domestic stock and elk farming does not conflict or interact with the public management of wildlife by ADF&G.
Ref: AS 16.05.331(A) Elk may be raised and bred as domestic stock for commercial purposes....."

The DNR-Division of Agriculture has the proper statute and regulatory authority to administer elk farming. Department of Fish & Game's authority is limited to public wildlife management.

Ref: AS Title 3 - Agriculture & Animals - AS03.05.010(6) regulate the farming of elk in a manner similar to the manner in which the commissioner regulated domestic animals and livestock.."

The duties for licensing and fencing of elk farms presently assigned to DF&G lacks regulatory authority. Elk farms are being licensed under a ADF&G game mammal license which is intended for wildlife animals, not domestic agriculture animals. The fencing standards are administered by "policy" because F&G has no regulations to govern fencing. The DNR, Division of Agriculture has authority to provide for both licensing and fencing requirements of elk farming.

Ref: AS 03.30 Agriculture & Animals - Fencing

There is a greater opportunity for commercial success and a lower risk of health problems or animal escape concerns when the administration of elk farming is maintained by an agriculture agency. It is a matter of record that most states and Canadian provinces are delegating administrative authority for elk farming to their agriculture departments.

Ref: USDA, AgCanada, & NAEBA joint state & province review -1997.

The USDA is modifying their Uniform Standards to include privately owned elk as livestock subject to their inspection process. Elk will be subject to interstate shipment standards and slaughter inspection similar to other agriculture livestock.

Prior to this legislative initiative, a joint meeting occurred between the Director of Agriculture, Director of F&G Wildlife Conservation, State Veterinarian, and industry members to consider the actions proposed by this legislation. There was a concurrence of all parties that it would be appropriate for the administration of elk farming to be held by the DNR, Division of Agriculture.

This legislation will have no cost impact to the state and should carry no fiscal note. The existing fees for administering the license and fencing inspection are being transferred to the Division of Agriculture.

Ref: HB 204\G page 2, line 2

The requests of ADF&G have been incorporated into HB 204. The licensing and fencing standards will continue to be referred to the F&G for their review.

Ref: HB204\G page 1, line 14 & 15 - page 2, line 3-6



The Alaska Farm Bureau

P O Box 2410 • Palmer, AK 99645
Fax 745-2727



January 18, 2000

Representative John Harris
Alaska Legislature
State Capitol Bldg, 110
Juneau, Ak. 99801

Re: HB 204

Dear Representative Harris,

House Bill 204, "An Act relating to elk farming" is a good piece of legislation worthy of support and passage. This legislation will consolidate the administration of elk farming under a single agency, the Division of Agriculture. It will help the farmers to have one agency to work with and at the same time make administration efficient and help lower the cost of state government.

On a federal level, the U.S. Department of Agriculture has been consolidating offices nationwide to create the "one stop" approach for farmers to deal with USDA agencies. It has been demonstrated that there is a greater level of compliance to regulations and more of a cooperative relationship when farmers work with fewer offices of government. I believe that the same approach will work with state government, be it for elk farmers and other agriculture enterprises or for Alaska business in general.

The resolution platform adopted by the general membership of the Alaska Farm Bureau states in part that administration of elk farming should belong within the statute authority (AS03) of DNR. This legislation helps bring the administrative oversight for elk farming under one agency and this will help agriculture to contribute to the Alaskan economy. I request your support for HB 204.

Sincerely,

Robert Franklin - pres.

STATE OF ALASKA

DEPARTMENT OF NATURAL RESOURCES

DIVISION OF AGRICULTURE

TONY KNOWLES, GOVERNOR

CENTRAL OFFICE
1800 GLENN HIGHWAY, SUITE 12
PALMER, ALASKA 99645-6736
PHONE: (907) 745-7200
FAX: (907) 745-7112

NORTHERN REGION OFFICE
3700 AIRPORT WAY
FAIRBANKS, ALASKA 99709-4699
PHONE: (907) 451-2780
FAX: (907) 451-2751

PLANT MATERIALS CENTER
HCO4 BOX 7440
PALMER, ALASKA 99645-9706
PHONE: (907) 745-4469
FAX: (907) 746-1568

April 5, 1999

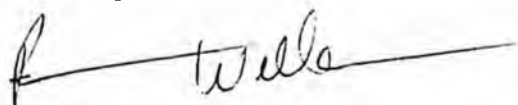
Representative John Harris
State Capitol, Room 110
Mailstop 3100
Juneau, AK 99801-1182

Dear Representative Harris:

I understand that you have been working with the elk ranching community to draft legislation that would shift inspection duties from Department of Fish and Game to Department of Natural Resources, Division of Agriculture.

It is also my understanding that you have incorporated Department of Fish and Game's concerns into the draft of the bill, as well as our request for receipt authority for the fees that would result from these inspections. With these issues addressed, the division has no objection to the concept. I look forward to reviewing the final version. Please contact me if I can be of assistance.

Sincerely,



Robert Wells
Director

RW/ss

Misty Mountain Farm

HC 60 Box 4140

Delta Junction, AK 99737

Phone (907) 895-6208/5022

January 19, 2000

To: Members of the Legislature

Re: HB 204 "An act relating to elk farming"

I would like to voice my support of HB 204. Our family has been farming in the Delta area since 1981 and raising cattle has been the main enterprise of our operation. In the fall of 1997 we expanded into the elk farming business. We have found elk to be a very good fit to this climate and are very excited about the future potential this "alternative livestock" offers Alaskan agriculture. Elk require much less feed and management than do beef cattle and the economic returns look much better also.

I would like to see the licensing authority and fencing oversight transferred to DNR, Division of Agriculture, as HB 204 would do. Being specifically involved in agricultural issues and promotion, it seems a logical agency to foster commercial success of the industry. I would appreciate your support and passage of HB 204.

Sincerely,

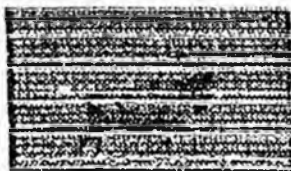


Scott R. Miller

HC 60 Box 4140

Delta Jct., AK 99737

(907) 895-6208/5022



Ward Farms

P.O. Box 1087 - Delta Junction, Alaska 99737 - Phone (907) 895-5415 Fax 895-5416

January 18, 2000

To: Members of the Legislature

Re: HB 204 "An Act relating to elk farming"

I would request your review and approval of HB 204. Elk farming was authorized in 1989 and since then the industry has expanded to ten elk farms in Alaska. The owners of these farms are increasing their herd sizes and contributing to the rural Alaska economy by selling meat, live animals, tourism, and velvet antler. The "alternative livestock" industry is being viewed as one of the bright spots in agriculture and the raising of naturally adapted species, like elk, is considered a logical choice for an arctic environment like Alaska.

House Bill 204 does not change the basics of elk farming in Alaska. It simply transfers the licensing authority and fencing oversight from ADF&G to DNR, Div. of Agriculture. It is intended as housekeeping legislation to streamline government and to facilitate the growth of a private industry subject to agency oversight.

When this legislation was originally passed, administration was given to both Agriculture and Fish & Game because elk were considered wildlife at the time even though there was a clear definition in statute of privately and lawfully owned elk being domestic livestock. This occurred in other states as well but there were problems caused either by the wildlife agencies lack of an understanding of agriculture or a prejudice against the private ownership of elk. Authority has been transferred solely to agriculture in most states and it has been demonstrated that the potential problems of disease control, animal escaping, and poaching was reduced by this action. There is a greater level of trust and interaction resulting in fewer problems when an industry is governed by an informed and advocacy agency.

While we have not had significant problems in Alaska by joint administration, both the Director of F&G, Wildlife Conservation, Wayne Regelin and the Director of Agriculture, Rob Wells recognize the advantages of single administration and support the intent of this action. There should be no cost impact to the state since the fees to cover the administrative cost of licensing and fencing inspection are being transferred from F&G to Agriculture.

I would appreciate your support and passage of HB 204.

Sincerely,

Bill D. Ward