

HB

452

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

DATE: 5/7/04

FURTHER:

REPORTED OUT

MAY 08 2004

SENATE FINANCE
COMMITTEE

DATE TURNED
IN TO OFFICE: 8 May 2004

Finance Committee considered CS FOR HOUSE BILL NO. 452(FIN) am

HB 452 GUIDED SPORT FISHING/ ADFG & CFEC RECORDS

"An Act relating to licensing and regulation of sport fishing operators and sport fishing guides; authorizing the Department of Fish and Game and the Alaska Commercial Fisheries Entry Commission to release records and reports to the Department of Natural Resources and the Department of Public Safety; and providing for an effective date."

and recommends:

be replaced with _____ CS _____ (_____)

adopt previous S CS CS HB 452 (RES)

attached amendment(s)

adopt Letter of Intent by _____ Committee

further referral to _____ Committee

Senate Bill:

- Same Title
- New Title

House Bill:

- Same Title
- Technical Title Change
- New Title w/ SCR # _____

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero.	FN#

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#
F&G Sport	3/16/04	345.6			#2
DPS	4/1/04			✓	#3
F&G Commr. Fish. Entry	5/6/04	✓		✓	#4

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	Do PASS	Do NOT PASS	No REC	AMEND
<i>[Signature]</i>			✓	
<i>[Signature]</i>			✓	
<i>[Signature]</i>				✓
COCHAIR: <i>[Signature]</i>			✓	
COCHAIR: <i>[Signature]</i>	✓			

MAY 08 2004

SENATE FINANCE
COMMITTEE

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: 3
Bill Version: CSHB 452(JUD)
(H) Publish Date: 4/5/04

Revision Date/Time (Note if correction): _____ Dept. Affected: Public Safety
Title Act relating to lic. and reg. of sport fishing operators RDU Alaska State Troopers
Component Alaska Bureau of Wildlife Enforcement
Sponsor Rep. Heinze
Requester (H) Judiciary Component No. 2746

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
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 ()						
------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2004) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

CSHB 452(JUD) relates to licensing and regulation of sport fishing services operators and fishing guides. Certain provisions of the bill will allow Wildlife Enforcement Troopers to check additional documents during the course of contact with fishing guides, but such activity will occur in the normal course of business.

Section 2 of this proposal would allow the Department of Public Safety access for law enforcement purposes to records maintained by the Alaska Department of Fish & Game to facilitate more timely and complete investigations.

No fiscal impact is anticipated to the Alaska State Troopers as a result of passage of this bill.

Prepared by: Lt. Al Storey Phone 907-269-4532
Division Alaska State Troopers Date/Time 4/1/04 8:42 AM
Approved by: Commissioner William Tandeske Date 4/1/2004
Agency Department of Public Safety

MAY 08 2004

SENATE FINANCE
COMMITTEE

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: 2
Bill Version: CSHB 452(L&C)
(H) Publish Date: 3/22/04

Revision Date/Time (Note if correction): _____ Dept. Affected: Fish & Game
Title: Guided Sport Fishing RDU: Sport Fisheries
Component: Sport Fisheries
Sponsor: Representative Heinze
Requester: House Labor and Commerce Component No.: 464

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Personal Services	246.8	246.8	246.8	246.8	246.8	246.8
Travel	10.0	10.0	10.0	10.0	10.0	10.0
Contractual	65.0	65.0	65.0	65.0	65.0	65.0
Supplies	6.5	6.5	6.5	6.5	6.5	6.5
Equipment	17.3	5.0	5.0	5.0	5.0	5.0
Land & Structures	0.0	0.0	0.0	0.0	0.0	0.0
Grants & Claims	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	345.6	333.3	333.3	333.3	333.3	333.3

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
-----------------------------	------------	------------	------------	------------	------------	------------

CHANGE IN REVENUES (1024)	355.6	359.1	362.7	366.4	370.0	373.7
----------------------------------	--------------	--------------	--------------	--------------	--------------	--------------

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Fish and Game Fund)	345.6	333.3	333.3	333.3	333.3	333.3
TOTAL	345.6	333.3	333.3	333.3	333.3	333.3

Estimate of any current year (FY2004) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

POSITIONS

Full-time	4	4	4	4	4	4
Part-time	1	1	1	1	1	1
Temporary						

ANALYSIS: (Attach a separate page if necessary)

The operating expenditures reflect the hiring of four new full-time employees and one new part-time employee necessary to collect and process the data generated annually from licenses sold and reporting requirements. Other expenses associated with the issuing of licenses and collection of data include office supplies, computers, and postage. We assume higher costs in the first year of implementation due to the one-time purchase of equipment such as computers.

We have assumed that the revenues generated by passage of this legislation will increase roughly 1% each year as the number of guides and operators increases from year to year.

(Continued on Page 2)

Prepared by: Kelly Hepler, Director Phone 267-2195
Division: Sport Fish Date/Time 3/16/04 2:31 PM
Approved by: Commissioner Kevin Duffy Date 3/16/2004
Agency: Alaska Department of Fish & Game

FISCAL NOTE #2

STATE OF ALASKA
2004 LEGISLATIVE SESSION

BILL NO. CSHB 452(L&C)

ANALYSIS CONTINUATION

Revenues generated by the sale of licenses will be deposited into the Fish and Game Fund and will be used to issue licenses and collect information per the reporting requirements stipulated by the proposed law.

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: 4
Bill Version: SCS CSHB 452(RES)
(S) Publish Date: 5/7/04

Revision Date/Time (Note if correction): _____ Dept. Affected: Fish and Game
Title Guided Sport Fishing/Vessel Licensing/ RDU Comm. Fish Entry Commission
ADFG & CFEC Records Component Commercial Fisheries Entry
Sponsor Representative Heinze Commission _____
Requester _____ Component No. 471

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
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 ()	(92.0)	(92.0)	(92.0)	(92.0)	(92.0)	(92.0)
-------------------------------	---------------	---------------	---------------	---------------	---------------	---------------

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
1156 Receipt Supported Services						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2004) cost: 0.0
Mark this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)
See attached page.

Prepared by: Shirley Penrose, Administrative Officer Phone 907-790-6960
Division Commercial Fisheries Entry Commission Date/Time 5/6/04 10:39 AM
Approved by: Mary McDowell, Commissioner Date 5/6/2004
Agency Commercial Fisheries Entry Commission

FISCAL NOTE #4

STATE OF ALASKA
2004 LEGISLATIVE SESSION

BILL NO. SCS CSHB 452(RES)

ANALYSIS CONTINUATION

Elimination of the requirement that vessels used for guided sportfishing (sport charter) obtain a commercial vessel license is estimated to result in a loss of CFEC revenue of at least \$92.0 annually.

In 2003, 3083 vessel licenses were issued for vessels licensed ONLY for guided sport, generating \$92.0 in total fees. Additionally, in 2003, CFEC issued vessel licenses to 959 vessels that applied to participate in BOTH sport charter AND commercial fisheries (only one license per vessel is currently required, but both charter and commercial vessel license applications are submitted to obtain endorsements to participate in both fisheries). Those "dual-use" vessel licenses generated \$38.2. This fiscal note assumes that ALL of those vessels will continue to license for commercial fishing after passage of this bill. However, if that is not true, and some opt to no longer license for commercial fishing, the loss of revenue to CFEC could be higher than \$92.0.

CFEC is entirely funded by Receipt Supported Services(RSS) revenue. A number of factors in recent years, including reduced permit fees due to the Carlson class action and the downturn in salmon fisheries, have resulted in a significant decline in the amount of revenue generated by CFEC receipts. The agency is now very close to not generating enough revenue to fund its own budget. The additional loss of revenue due to the elimination of charter vessel license fees under this bill, could result in revenues being insufficient to cover CFEC's authorized budget. CFEC and the legislature will need to work together to address this problem in the near future, perhaps through a change in funding source, amendments to statutorily established fee structures, or both.

Although CFEC is concerned about the impact on its declining revenues, we support HB452 and the effort to consolidate all licensing of charter operators and vessels within ADF&G. Additionally, elimination of charter vessel licensing responsibilities will allow CFEC's very small licensing staff to more efficiently serve the licensing needs of commercial fishermen.

CURRENT SALTWATER AND FRESHWATER GUIDE REPORTING REQUIREMENTS

SALTWATER GUIDE REQUIREMENTS:

- 1) Number of fish harvested (by species)
- 2) Fishing Location (general location, not specific)
- 3) Number of clients
- 4) Number of hours fished by each client

SALTWATER AND FRESHWATER GUIDE REPORTING REQUIREMENTS AFTER PASSAGE OF HB 452

REGULATIONS AFTER PASSAGE OF HB 452:

SALTWATER AND FRESHWATER GUIDE REPORTING REQUIREMENTS:

- 1) Number of fish harvested (by species), and amount of fishing effort.
- 2) General locations fished
- 3) The name and licence number of each vessel used in providing sport guide services.

FRESHWATER GUIDE REQUIREMENTS:

NO REPORTING REQUIREMENTS*

**Except in the Kenai River Special Management Area (SEE ATTACHED)*

Alaska State Legislature



Representative Cheryll Heinze Sponsor Statement HB 452

“An Act relating to licensing and regulation of sport fishing operators and sport fishing guides; authorizing the Department of Fish and Game and the Alaska Commercial Fisheries Entry Commission to release records and reports to the Department of natural Resources; and providing for an effective date.”

Currently Alaska lacks a unified set of standards for sport fish guiding. This makes it difficult to protect fish habitats and ensure the maximum utilization of Alaska's resources. HB 452 is intended to legitimize and protect the sport fishing industry by establishing professional standards and ensuring accurate reporting of guiding activity throughout the state. This legislation will enhance public confidence in the guided sport fishery and the data upon which management decisions are made. HB 452 will establish licensing and reporting requirements for businesses and guides providing sport fishing guide services in fresh and salt waters of Alaska.

The bill establishes two types of licenses: a sport fishing services operator license and a fishing guide license, and establishes minimum requirements and fees for obtaining each license. Under the provisions of the bill, sport fishing service operators must meet licensing, insurance, and other requirements established by the Board of Fisheries. It requires that fishing guides operate under the authority of a sport fishing service operator license, either by holding that license themselves or by being employed by, or under contract with, a holder of a fishing service operator license. The bill also requires that the licensed guide be certified in first aid, have applicable U.S. Coast Guard vessel licenses, and meet other requirements adopted by the Board of Fisheries.

HB 452 establishes reporting requirements, including where guided sport fishing activities are conducted and the quantity of fish harvested. The bill ensures that sensitive information will be kept confidential. I urge you to support this bill.

HB 452 TALKING POINTS
(as of 2-19-04)

This bill is intended to legitimize and protect the sport fishing industry by establishing professional standards and ensuring accurate reporting of guiding activity throughout the state.

This legislation will enhance public confidence in the guided sport fishery and the data upon which management decisions are made.

The bill establishes two types of licenses; a sport fishing services operator license and a fishing guide license; and establishes minimum requirements and fees for obtaining each license.

The number of guide businesses has remained nearly constant. The average number of registered guide businesses from 1998 through 2003 is 2,135 and has ranged from 2,065 to 2,242.

The number of fishing guides is increasing. The average number of registered guides from 1998 through 2003 is 4,559 and has ranged from 3,823 to 4,826.

The average percentage of guide businesses owned by Alaska residents from 1998 through 2003 is 90% and has ranged from 89% to 91%.

The percentage of nonresident fishing guides is increasing. The average percentage of guides who are Alaska residents from 1998 through 2003 is 72% and has ranged from 70% to 76%.

This bill establishes mandatory reporting requirements for all sport fishing businesses and sets license fees that cover the cost of the licensing program and reporting requirements.

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

(907) 465-3867 or 465-2450
FAX (907) 465-2029
Mail Stop 3101

State Capitol
Juneau, Alaska 99801-1182
Deliveries to: 129 6th St., Rm. 329

MEMORANDUM

April 21, 2004

SUBJECT: CSHB 452(FIN); Reporting requirements established for sport fishing guides and sport fishing operators by the Department of Fish and Game and the Board of Fisheries (Work Order No. 23-LS1619\U)

TO: Representative Cheryl Heinze
Attn: Jon Bittner

FROM: George Utermohle *GU*
Legislative Counsel

You have asked whether CSHB 452(FIN) requires that the Department of Fish and Game or the Board of Fisheries adopt uniform reporting requirements through out the state for sport fishing guides and sport fishing operators.

The answer to your question is no.

The bill does not require that the department or the board adopt any regulations regarding reporting requirements for sport fishing guides and sport fishing operators. The bill provides under sec. 16.40.280(a) [sec. 3 of the bill] that the department may collect information from sport fishing guides. In this context, the term "may" is discretionary. The department has the power to decide whether or not it will require reports of sport fishing guides. The department also has the discretion to determine where in the state information is to be collected and what information is to be reported. The listing of information that the department may collect under sec. 16.40.280(a) [sec 3 of the bill] is merely illustrative of the information that the department may require. There is no requirement that the department collect any the information described in that section.

The authority of the Board of Fisheries to require reports of sport fishing guides or sport fishing operators arises under AS 16.05.251(a) which sets out the broad general powers of the board. See, AS 16.05.251(a)(12). There is nothing in AS 16.05.251(a) which requires that the board establish uniform reporting requirements throughout the state or that the board collect any specific information from guides and operators. The exercise of the authority of the board under AS 16.05.251(a) to require reports of sport fishing guides and sport fishing operators is discretionary with the board.

If I may be of further assistance, please advise.

GU:lmb
04-119.lmb

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

(907) 465-3867 or 465-2450
FAX (907) 465-2029
Mail Stop 3101

State Capitol
Juneau, Alaska 99801-1182
Deliveries to: 129 6th St., Rm. 329

MEMORANDUM

April 15, 2004

SUBJECT: CSHB 452(FIN), An Act relating to licensing and regulation of sport fishing operators (Work Order No. 23-LS1619U)

TO: Representative Cheryll Heinze
Attn: Jon Bittner

FROM: George Utermohle *GU*
Legislative Counsel

This memorandum is in response to your inquiry as to the effect of the amendments made to HB 452 by the House Finance Committee on April 14, 2004.

The House Finance Committee adopted two changes to the bill. First, the committee added a new sentence to Sec. 16.40.280(b) [found in sec. 3 of the bill] that authorizes the Department of Fish and Game and the Board of Fisheries to adopt regulations requiring timely submission of reports required by the department or board. Second, the committee added language to Sec. 16.40.290(c) [found in sec. 3 of the bill] to provide that the penalty for failing to submit required reports in a timely manner is a violation for the first offense during a three year period and is a class B misdemeanor for a second or subsequent offense within a three year period. Before this change was made by the committee, the failure to file required reports in a timely manner was punishable as a class A misdemeanor under Sec. 16.40.290(a) [found in sec. 3 of the bill].

If I may be of further assistance, please advise.

GU:med
04-410.med

Fact Sheet on H.B. 452 – Guided Sport Fishing

Executive Summary

Alaska is a world class destination for sport fishing. Alaska's sport fishing guide industry provides access to fishery resources for those who might not otherwise be able to access them. This industry provides significant economic benefits to Alaskans by creating jobs and bringing tourism dollars into Alaska's communities. It is our goal to enhance this industry and increase the benefits that it provides to Alaskans, tourists, and our economy.

Reporting

ADF&G and the BOF have very little information regarding the operation of sport fish guides. Although freshwater and saltwater guides are required to register with ADF&G (free of charge), only saltwater guides are required to report information back to ADF&G. This legislation would, based upon need, establish flexible reporting requirements for all fresh and saltwater guides across Alaska. (Provisions in this bill assure that proprietary business information remains confidential.) With better information on where, when, and to what extent sport fish guides operate, ADF&G will be better able to effectively and efficiently manage Alaska's resources for sustained yield and ensure that the industry is regulated fairly.

Licensing

Currently, anyone can become a sport fish guide in the State of Alaska. Although many guides already have insurance, know first aid, and have fishing licenses, none of these items are required by the State of Alaska. (These items are already required by the Coast Guard to obtain a six-pack license.) This bill levels the playing field within the industry by establishing minimum professional standards that both fresh and saltwater sport fish guides must meet before obtaining a license. By establishing these standards, this legislation protects consumers, while further professionalizing and legitimizing the sport fish guide industry, thereby assuring its continued viability.

Benefits to the Industry

The sport fish guide industry will benefit from passage of this legislation. Since there are no existing reporting requirements, decisions regarding the regulation of this industry (and its clients) are often made in the absence of detailed information. Upon passage of this bill, the information gathered by the reporting requirements will be used to adopt regulations based on accurate information on guiding activities and to assure that stocks are managed for the continued benefit of sport fishermen. This information will also be useful in demonstrating the sport fish industry's economic value to the state.

Administrative

This legislation is cost-neutral to the state. ADF&G will use the revenues generated by the license fees to administer the licensing and reporting program. The bill includes a sunset provision for January 1, 2010. This provision will give the Legislature an opportunity to review the benefits of the program to both the industry and the state.

Fact Sheet on H.B. 452 – Guided Sport Fishing

Bill Summary

Licensing - Currently, sport fish guides are only required to register (free of charge) with ADF&G.

- This bill allows ADF&G to license sport fish guides and operators by creating three new licenses:
 - Guide license for \$50
 - Operator license for \$100
 - Operator/guide license for \$100
- Criteria to obtain a sport fishing operator license:
 - Hold current business license
 - Proof of minimum insurance coverage
 - Pay license fee mentioned above
- Criteria to obtain a sport fishing guide license:
 - Citizen of U.S., Canada, or Mexico
 - Certified in first aid
 - Holds appropriate license from Coast Guard
 - Holds a current sport fishing license
 - Pay license fee mentioned above

Reporting – This bill allows ADF&G to collect information from sport fishing guides including catch and general locations fished. ADF&G does not currently have a method by which to collect this information for guides in freshwater. This information will assist us in effectively and efficiently managing Alaska's resources for sustained yield.

- The BOF will custom tailor reporting requirements by area so that reporting is not burdensome or onerous. For example, the BOF may ask for year-end reporting on the Kuskokwim River, but may ask for bi-weekly in-season reports on the Kenai River. We do not want (or intend) to ask for information on all species/locations in Alaska.
- Saltwater guides already have to submit logbooks containing similar information to ADF&G. If this legislation is signed into law, the saltwater regulations will be repealed and replaced by new reporting regulations, so that there is only one set of reporting requirements for saltwater.

Confidentiality - All sport fishing guide reports are considered confidential. They will be available to the owner of the guiding company upon request. All other requests for records of any individual guiding business will be denied. The department will only release reporting information when the data is combined for at least four or more guiding businesses, to protect the rights of individual owners. The fish ticket program has been very successful at protecting the confidentiality of information for commercial fishing businesses and has been successfully defended in court cases several times in the past.

Penalties – Penalties/fines in the bill are consistent with penalties/fines for other similarly licensed occupations. In fact, the bill has been amended to soften the penalty for failure to submit timely reports from a class A misdemeanor (carrying a penalty of up to 1 year in jail and a \$10,000 fine) to a violation (which carries a penalty of up to \$500 fine with no jail time or permanent record).

Fiscal/Administrative – Revenues generated by this bill will be deposited into the Fish & Game fund and will be used to administer these new licensing and reporting requirements. Although the fiscal note reflects the hiring of four new full-time employees and one new part-time employee, four of these employees are already employed with ADF&G and are working on the saltwater logbook program. These employees will be reassigned to work on both salt and freshwater reporting/licensing and will be paid out of the revenues generated by the sport fishing guide/operator license fees.

Sunset – This legislation will sunset on January 1, 2010.

DEPARTMENT OF FISH AND GAME COMMENTS

ON GUIDE LICENSING BILL HB 452

Representative Heinze introduced HB 452 on February 16. This bill would require sport fishing business owners and guides to be licensed with the State. The bill is based on an earlier bill developed by a Board of Fisheries Guide Licensing Task Force in the mid-1990s and introduced by Representative Austerman in 1997.

After discussing HB 452 with department staff, fellow legislators, and hearing comments from various sport fishing charter/guide groups and individuals from around the state the Representative made several changes to the original bill. These changes were incorporated into CS (Committee Substitute) HB 452 which is dated February 27, 2004.

The four major areas affected by the language changes in CSHB 452 are:

1. The reporting provisions that required fishing guides to record the names of their clients on a daily basis, along with their sport fishing license number, the number of fish they harvested, and associated confidentiality provisions have been removed.
2. Sport fishing outfitters and transporters have been removed from the provisions of this bill. The CS language only speaks to licensing sport fishing guide businesses (lodges, charter vessel companies, etc.) and sport fishing guides that provide direct assistance and personal direction to their clients.
3. Businesses and guides that only assist personal use or subsistence fishermen in their fishing activities have been removed from the provisions of this bill. The CS language only speaks to licensing those businesses and guides that provide services of direct assistance and personal direction to sport anglers.
4. The definitions have been modified to only include sport fishing guide businesses and guides. Definitions of outfitters, transporters, and fishing clubs have been removed. A definition of a sport fishing guide was added.

The department has received a number of comments from sport fish guide groups and individuals in Southeast and Southcentral Alaska pertaining to both the original bill language and the CS language. We would like to respond to some of these comments so everyone has the same understanding on various aspects of this licensing bill.

1. Some guides believe that if the guide licensing program is administered by the Division of Sport Fish it will clearly designate the guided sport fishery as a sport fishery, not a commercial fishery.

We agree with this concept. The Board of Fisheries has received numerous proposals and testimony over the years that the guided sport fishery is a commercial fishery and should be regulated as such. Having a sport guide licensing program administered by the Division of Sport Fish will designate that these fisheries are sport fisheries.

2. Some guides believe that if this bill passes the Board of Fisheries will have to make separate allocations for all species to this new user group.

We do not agree with this idea. First of all the Board already has the authority to regulate guided sport fisheries differently than unguided sport fisheries. Secondly, this bill would not change the makeup of the various guided sport fisheries, it would only require them to be licensed and to report on their guiding activities.

3. Some guides believe that if the Division of Sport Fish administers the guide licensing program, they will become "allocative advocates" for this user group at Board of Fisheries meetings.

This is not true. Both fisheries divisions are tasked with providing the board and the public the most accurate and complete information regarding fishing issues. However, both divisions are strictly prohibited from entering into allocation discussions or debates. The Division of Sport Fish will continue to operate in this manner regardless of whether we administer the guide licensing program or not.

4. Some guides believe that the funds generated from the license fees associated with this bill will go into the General Fund or will be viewed as just another source of revenue by the Division of Sport Fish.

This is not true. All funds generated by this bill's license fees will go into the dedicated Fish and Game Fund, just like funds from the sale of sport fishing licenses and king salmon tags. These funds will be used to administer the provisions of the licensing bill including the reporting requirements.

The Division of Sport Fish is currently spending \$80,000 per year to operate the existing business and guide registration and saltwater charter vessel logbook programs, which have no fees associated with them. We estimate that this bill would generate approximately \$356,000 and we would expend \$346,000 to administer the licensing and reporting programs.

5. Some guides are requesting higher license fees for nonresident sport fishing business owners and fishing guides.

Due to a recent court ruling, the department has been advised by the Department of Law that the State must be able to prove that it is more costly to administer the licensing program for nonresident owners or guides than it is for residents before we can increase costs for nonresidents. Based on an analysis of such costs, there does not appear to be significant differences between the two groups to merit a differential fee structure.

The department welcomes any comments you may have on CSHB 452 and its provisions. Please contact:

Rob Bentz
Deputy Director
Division of Sport Fish
at: rob_bentz@fishgame.state.ak.us



Deep Creek Charterboat Association

P.O. Box 423—Ninilchik, AK 99639

Board of Directors

President
Tim Evers
567-3631
injevvers@alaska.com

Vice President
(Vacant)

Secretary/Treasurer
Perry Flore
Phone/Fax 262-7631
arctictern@alaska.com

Member-at-Large
M. Erickson
202-2980
gamefish@alaska.net

Member-at-Large
Marc Smith
567-4368
aomni@gci.net

Member-at-Large
John Baker
567-3393
info@afishhunt.com

March 29, 2004

Representative Cheryll Heinze
State Capital, Room 108
Juneau, AK 99801-1182
907-465-4930
800-331-4930
fax: 907-3834

Dear Representative Heinze,

The Deep Creek Charterboat Association is a trade association of 50 paid member Companies that represent over 70 charter boats that operate in Ninilchik, AK. The DCCA supports CSHB452 as it is now written. This legislation is long over due and will now legitimize the Professional Sport Fish Guiding Industry in Alaska. Our organization is familiar with many of the measures in the bill as we have participated in these measures for the last few years. Applying these industry standards statewide is essential. This bill will provide the Department of Fish & Game, the Board of Fish and many other organizations much needed data to better manage our resources and some extra funding to do so.

Thank you for your time & support of CSHB452. If we can be of assistance in any manner please feel free to contact us.

Sincerely,

Tim Evers
President, Deep Creek Charterboat Association

Cc: Senator Gene Therriault
Representative Pete Kott
Senator Tom Wagoner
Representative Mike Chenault

THE
FOLLOWING
DOCUMENT(S)
ARE
POOR
ORIGINAL
COPIES



Kenai River Sportfishing Association, inc.

PO Box 1228 • 224 Kenai Avenue, Suite 102

Soldotna, Alaska 99669

907.262.8588 phone 907.262.8582 fax

www.kenairiversportfishing.org • kenairiv@ptialaska.net

Dedicated to preserving the greatest sportfishing river in the world, the Kenai.

March 31, 2004

Kenai River Sportfishing Association
PO Box 1228
Soldotna, AK 99669

The Honorable Cheryl Heinze
Alaska State Legislature
State Capitol, Room 108
Juneau, AK 99801-1182

Dear Representative Heinze:

The Kenai River Sportfishing Association promotes responsible sportfishing in the state of Alaska. We strongly support HB 452, which would license and regulate sportfishing service operators and fishing guides in the state of Alaska.

We support this bill for the following reasons:

1. Since 1985, the sportfishing service operators and fishing guides on the Kenai River have had such regulation, which provides minimum requirements for the industry, provides assurance to clients of minimum standards and has not proved to be an undo burden on businesses.
2. The bill will provide statewide regulation for the sportfishing industry, bringing the rest of the state up to standards followed by the Kenai River Special Management Area, the state's most popular sportfishing region.
3. The bill is the right step in having legitimate statewide standards for the sportfishing industry, on par with the big game guide industry, where clients have recourse when minimum standards are not met.

We urge you to pass HB 452 and bring the rest of the state up to the professional standards set by the Kenai River Special Management Area. The bill assures minimum standards for the sportfishing industry, and will be beneficial for both businesses and clients.

Thank you for your consideration on this important bill.

Sincerely,

Ron Rainey, Board Chair
Kenai River Sportfishing Association

Ricky Gease, Executive Director
Kenai River Sportfishing Association

SESSION

State Capitol, Room 416
Juneau, Alaska 99801-1182
(907) 465-4930 Tel
(907) 465-3834 Fax

INTERIM

716 W. Fourth Ave.
Anchorage, Alaska 99501-2133
Tel (907) 269-0174
Fax (907) 269-0177

Alaska State Legislature
REPRESENTATIVE CHERYLL BOREN HEINZE
Chair: Economic Development; International Trade & Tourism

*Spread on
the Journal = U*

April 5th, 2004

Dear Representative Gara,

You recently asked me a question in the House Judiciary Committee regarding HB 452's effect on the state's ability to limit guides. I would like to reaffirm my earlier statement that nothing in this bill shall limit the state's ability to decide the number of guides to allow in any particular area of the state. I hope that this letter will address the concerns you had on this matter. I would also like to take this opportunity to thank you for your help in getting HB 452 passed out of committee. If you have any further comments or concerns please don't hesitate to bring them to my attention.

Sincerely,


Representative Cheryll Boren Heinze

**SPREAD ON THE HOUSE JOURNAL
APRIL 23, 2004**

SENATE FINANCE COMMITTEE

SIGN-IN

HB 452-GUIDED SPORT FISHING/ ADFG & CFEC RECORDS

✓ NAME: Jim Preston Subject/Bill No: HB 452
Co./Dept./Title: _____ Phone: 789-0088
Address: Po Box 210328 Auk Bay 99821 Zip: _____
Do you wish to testify? Yes No Respond To Questions

✓ NAME: Rob Bentz Subject/Bill No: HB 452
Co./Dept./Title: ADFG; Deputy Dir, Sport Fish Phone: 465-6187
Address: ADFG Zip: _____
Do you wish to testify? Yes No Respond To Questions

✓ NAME: SARAH GILBERTSON Subject/Bill No: M.B. 452
Co./Dept./Title: ADFG, SPECIAL ASSISTANT TO COMMISSIONER Phone: X6137
Address: ADFG Zip: _____
Do you wish to testify? Yes No Respond To Questions

NAME: Mary McDowell Subject/Bill No: HB 452
Co./Dept./Title: Commercial Fisheries Entry Commission Phone: 790-6936
Address: Juneau Zip: 99801
Do you wish to testify? Yes No Respond To Questions

SENATE COMMITTEE REPORT

DATE: 04/26/04

FURTHER: Finance

DATE TURNED
IN TO OFFICE: 5-6-04

Resources Committee considered CS FOR HOUSE BILL NO. 452(FIN) am

HB 452 GUIDED SPORT FISHING

"An Act relating to licensing and regulation of sport fishing operators and sport fishing guides; authorizing the Department of Fish and Game and the Alaska Commercial Fisheries Entry Commission to release records and reports to the Department of Natural Resources and the Department of Public Safety; and providing for an effective date."

and recommends:

- be replaced with S CS CSHB 452 (RES)
- adopt previous _____ CS _____ (_____)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to _____ Committee

Senate Bill:
 Same Title
 New Title

House Bill:
 Same Title
 Technical Title Change
 New Title w/ SCR # 27

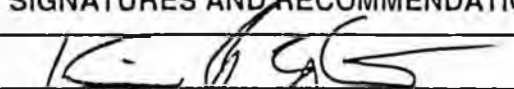
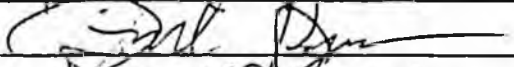
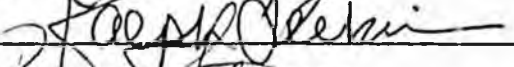
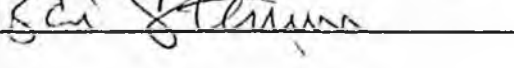
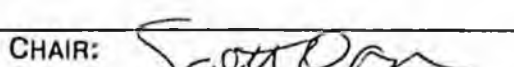
NEW FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#
<u>FIG</u>	<u>5/6/04</u>	<u>✓</u>			<u>4</u>

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#
<u>PURSAJ</u>	<u>4/1/04</u>			<u>✓</u>	<u>3</u>
<u>FIG</u>	<u>3/16/04</u>	<u>✓</u>			<u>2</u>

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	DO PASS	DO NOT PASS	NO REC	AMEND
<u>Elton</u> 	<u>✓</u>			
<u>Dyson</u> 			<u>✓</u>	
<u>Seelins</u> 	<u>✓</u>			
<u>Bskiers</u> 	<u>X</u>			
<u>CHAIR:</u> 			<u>✓</u>	