

ALASKA LEGISLATURE COMMITTEE FILES | 1983 - 1984 86 / 2

2776 HRES SB 138 - SB 151

for shipping to its destination for the purpose of human consumption. If the meat is delivered to a person other than the person who took the animal, a signed and dated statement or receipt stating the kind and quantity of meat received in approximate pounds or named portions of the carcass must be obtained from the recipient and presented upon request to any officer authorized to enforce this chapter. (Eff. 6/28/74, Reg. 50)

Authority: AS 08.54.050

**12 AAC 38.120. COOPERATION WITH OFFICIALS.** Failure on the part of a guide to assist the Departments of Fish and Game and Public Safety in determining the truth of any statements reported in accordance with 12 AAC 38.030 - 12 AAC 38.180 is considered a violation of ethical conduct. (Eff. 6/28/74, Reg. 50)

Authority: AS 08.54.050

**12 AAC 38.130. REQUIREMENT FOR AN ASSISTANT GUIDE LICENSE.** Repealed 5/12/79.

**12 AAC 38.140. REQUIREMENTS FOR A REGISTERED GUIDE LICENSE.** In addition to the requirements of AS 08.54.110, to be qualified for a registered guide license, a person must

(1) demonstrate to the board that he has spent 90 days in the field acting as an assistant guide as certified by the master or registered guides who employed him;

(2) not have violated a federal or state sport fish, game or guide statute or regulation or engaged in unethical activity, unsafe activity or activity which adversely affects the natural resources of the state for the preceding five years. (Eff. 6/28/74, Reg. 50)

Authority: AS 08.54.050  
AS 08.54.110(12)

**12 AAC 38.150. REQUIREMENTS FOR A MASTER GUIDE.** In addition to the requirements of AS 08.54.100, to be qualified for a master guide license a person must have acted as a registered guide for 12 consecutive years. (Eff. 6/28/74, Reg. 50)

Authority: AS 08.54.050  
AS 08.54.100(5)

**12 AAC 38.155. REQUIREMENTS FOR MARINE MAMMAL GUIDE LICENSE.** (a) To help provide economic opportunity for residents of rural coastal Alaska who engage in subsistence uses of marine mammals, the board will, in its discretion, issue a marine mammal guide license to an applicant who meets the following criteria:

(1) is at least 21 years old;

(2) has legally hunted marine mammals during each of at least 10 years, in a manner directly contributing to his experience and competency as a marine mammal guide;

(3) is physically able to perform the services of a marine mammal guide;

(4) demonstrates to the board sufficient standards of competence and ethical conduct and has not been convicted of a crime of moral turpitude;

(5) passes a qualification examination approved by the board and administered by the board or its agent, which covers the following areas:

(A) fishing, hunting, and guiding regulations;

(B) relevant characteristics of marine mammals;

(C) relevant characteristics of the ice, ocean, currents, and weather;

(D) field preparation of trophies;

(E) care of meat;

(F) firearms safety;

(G) practical first aid;

(H) photography; and

(I) booking and contracting guided hunts.

(b) A marine mammal guide will be authorized only to contract for and conduct guided hunts for species of marine mammals and in geographic areas of the state designated by the board.

(c) No marine mammal guide may contract for, or guide, more than two hunters in the field on any one hunt.

(d) A marine mammal guide must comply with AS 08.54 and 12 AAC 38. (Eff. 10/15/82, Reg. 84)

Authority: AS 08.54.040(a) and (b)  
AS 08.54.050

**12 AAC 38.156. REQUIREMENTS FOR ASSISTANT MARINE MAMMAL GUIDE LICENSE.** (a) To help provide economic opportunity for residents of rural coastal Alaska who engage in subsistence uses of marine mammals, the board will, in its discretion, issue an assistant marine mammal guide license to an applicant who meets the following criteria:

- (1) is at least 19 years old;
- (2) has legally hunted marine mammals during each of at least seven years, in a manner directly contributing to his experience and competency as an assistant marine mammal guide;
- (3) is physically able to perform the duties of an assistant marine mammal guide; and
- (4) demonstrates to the board sufficient standards of competence and ethical conduct and has not been convicted of a crime of moral turpitude.

(b) No assistant marine mammal guide may

- (1) book or contract for a guided marine mammal hunt;
- (2) conduct a guided hunt for marine mammals; or
- (3) guide for a marine mammal, unless under the immediate supervision of a licensed marine mammal guide. (Eff. 10/15/82, Reg. 84)

Authority: AS 08.54.040(a) and (b)  
AS 08.54.050

**12 AAC 38.160. IMPROPER CERTIFICATION.** No master or registered guide may improperly certify that a person has met the qualifications for a guide license. (Eff. 6/28/74, Reg. 50)

Authority: AS 08.54.050

**12 AAC 38.170. IMPROPER REPORTING.** No guide may knowingly falsify any information required to be set out on any form required by the Alaska Department of Fish and Game or the Guide Licensing and Control Board. (Eff. 6/28/74, Reg. 50)

Authority: AS 08.54.050

**12 AAC 38.175. EMPLOYMENT AND SUPERVISION OF ASSISTANTS.** A registered or master guide may employ an unlimited number of registered, master, or class A guides to assist in his guiding operation; a registered or master guide may employ or have under his supervision an unlimited number of employees and helpers who hold assistant guide licenses, but not more than three employees may act in the capacity of, or be employed as, assistant guides at the same time by the same registered or master guide. No assistant guide employed or acting in a capacity other than as assistant guide may count any period of such other employment toward qualification for a registered, master or class A guide license. (Eff. 6/15/80, Reg. 74)

Authority: AS 08.54.210(a)(6)  
AS 08.54.050  
AS 08.54:040(a)(2)

**12 AAC 38.180. GUIDING ETHICS.** Unethical activity includes, but is not limited to

- (1) not fully cooperating with state and federal wildlife officials or not abiding by and advising clients and personnel of all applicable conservation and game laws and regulations or condoning their violation;
- (2) misrepresenting or not clearly defining rates, accommodations and services to prospective clients prior to booking and acceptance of deposit, or otherwise misleading prospective clients through false or fictitious advertising;
- (3) being unwilling or incapable of making financial restitution to a client for any breach of

DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT  
POSITION PAPER


HB 273: "An Act continuing the Guide Licensing and Control Board, and authorizing the board to license marine mammal guides; and providing for an effective date."

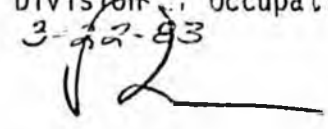
The Department of Commerce and Economic Development supports the continuation of the Guide Licensing and Control Board and the addition of licensing and regulating functions for marine mammal guides to the board.

In 1982, legislation to continue the board was passed by the Legislature and was subsequently vetoed by the Governor. The veto was due to language that "violated the constitutional separation-of-powers doctrine and determined to violate Article III, sections 1, 16 and 24 of the Alaska Constitution by infringing upon the inherent authority of the Guide Board to adopt interpretative regulations to execute AS 08.54." (Letter from Governor Hammond to Senate President Jalmar Kerttula, dated June 24, 1982.) This language is not in SB 138.

The board has responsibly addressed issues that concern licensed professional guides and the protection of resources. Two major issues which involved the board were land withdrawals under D2 and their effects on the guiding industry, and the preparation of a licensing program in anticipation of the Federal Government returning marine mammal protection and management to State jurisdiction. A marine mammal guide licensing program, including an examination (both oral and written), has been formulated and administered on a trial basis. The board held meetings in Western Alaska, and worked with Native representatives from the Arctic villages to establish the program.

The Alaska Professional Hunters Association also supports continuation of the Guide Licensing and Control Board.

  
Harry D. Seager, Director  
Division of Occupational Licensing  
3-22-83

  
Richard A. Lyon, Commissioner  
Department of Commerce and  
Economic Development

3/22/83

GUIDE LICENSING AND CONTROL BOARD STATISTICS

I. NUMBER OF CURRENT LICENSEES BY TYPE OF LICENSE - 12/31/82

|                         |          |              |
|-------------------------|----------|--------------|
| Assistant Guide         |          | 666          |
| Class A Assistant Guide |          | 122          |
| Registered Guide        |          | 346          |
| Master Guide            |          | 41           |
|                         | Subtotal | <u>1,175</u> |
| Transporter             |          | 75           |
|                         | Total    | <u>1,250</u> |

II. HEARINGS FOR LICENSE VIOLATIONS AND AREA NONUSE (FY '82)

|           | <u>Lic.</u> | <u>Area</u> |
|-----------|-------------|-------------|
| Pending   | 4           | 17          |
| Opened    | 6           | 44          |
| Held      | 9           | 49          |
| Completed | 8           | 46          |
|           | 5 Revoked   |             |
|           | 1 Suspended |             |
|           | 1 Denied    |             |
|           | 1 Approved  |             |
|           | <u>8</u>    |             |

III. NUMBER OF LICENSES ISSUED BY FISCAL YEAR BY TYPE OF LICENSE

| <u>YEAR</u> | <u>MASTER</u> | <u>REGISTERED</u> | <u>CLASS A</u> | <u>ASSISTANT</u> | <u>TRANSPORTER</u> |
|-------------|---------------|-------------------|----------------|------------------|--------------------|
| 1973        | 11            | 397*              | 126*           | 735*             | ---                |
| 1974        | 17            | *                 | *              | *                | ---                |
| 1975        | 1             | *                 | *              | *                | ---                |
| 1976        | 3             | 11                | 40             | 202              | ---                |
| 1977        | 4             | 18                | 23             | 109              | 6**                |
| 1978        | 4             | 18                | 18             | 112              | 47                 |
| 1979        | 2             | 18                | 9              | 135              | 24                 |
| 1980        | 2             | 16                | 12             | 151              | 15                 |
| 1981        | 2             | 21                | 11             | 123              | 32                 |
| 1982        | <u>1</u>      | <u>26</u>         | <u>6</u>       | <u>124</u>       | <u>26</u>          |
| TOTALS      | 47            | 525               | 245            | 1,691            | 150                |

\* Figures for 1973-5 merged

\*\* Licensing of transporters began in FY '77

IV. EXCLUSIVE AREAS

There are 466 exclusive areas statewide.

# STATE OF ALASKA

## DEPARTMENT OF PUBLIC SAFETY

*DIVISION OF FISH & WILDLIFE PROTECTION*

BILL SHEFFIELD, GOVERNOR

ROBERT J. SUNDBERG  
COMMISSIONER

P. O. BOX 6188, ANNEX  
ANCHORAGE, ALASKA 99502

February 4, 1983

Paul Conger  
Legislative Aide  
Department of Public Safety  
450 Whittier Street  
Juneau, Alaska 99801

Dear Paul:

This is in response to the request by the House Resource Committee for information on the hunting and fishing guides in the State of Alaska.

In regards to fishing guides we have numerous individuals who provide charter and commercial fishing trips throughout the state, however, there is only one area within the state that has specific regulations relating to sport fishing guides, and that is on the Kenai River, located on the Kenai Peninsula. I am enclosing a copy of the codification of Register 82, 5 AAC 56.036, Kenai River Guiding Requirements. The sport fish guides on the Kenai River are required to maintain logs and provide information on their trips, however, reporting of monetary remuneration is not required.

It is estimated that a guided sport fish trip on the Kenai River costs approximately \$80.00 to \$100.00 per person.

The following information pertains to the sport fish guides who registered with the Department of Fish and Game in 1982, the first year of the regulation being in effect.

- 207 Sport fish guides who registered and were issued log books
- 43 Did not actually fish - no logs
- 56 Sport fish guides who took 50 or more clients
- 125 Separate sport fish guide business, with one or more guides employed
- 179 Boats registered by guides

There were approximately 24,880 man days of sport fishing efforts by the guides and clients on the Kenai River in 1982.

It is a requirement for game guides to submit a statement of financial remuneration report that does reflect the name of the client(s) who was/were guided. Enclosed is a blank statement of a financial remuneration form that shows the required information that must be submitted on all guided hunts.

There is no requirement that a guide must show the amount of monetary remuneration received from a client for the guide service provided.

There is a space provided on the form that the guide must mark to indicate if financial remuneration was or was not received from a client.

We have the following classification and numbers of guides in the state of Alaska as of this date.

|                          |     |
|--------------------------|-----|
| Master Guides            | 41  |
| Registered Guides        | 346 |
| Class A Assistant Guides | 122 |
| Assistant Guides         | 666 |

In 1981 there were approximately 1120 non-resident clients and 350 non-resident alien clients who were provided guide service.

In 1980 there were a combined total of 1600 non-resident and non-resident alien clients provided with guide service. We have not had an opportunity to compile the number of clients receiving guide service for 1982.

The following information is an estimated high and low cost that a guide charges for the animal hunted by a client.

|            |                    |
|------------|--------------------|
| Sheep      | \$4,500 to \$5,500 |
| Moose      | \$3,000 to \$4,000 |
| Caribou    | \$1,500 to \$2,500 |
| Black Bear | \$1,500 to \$2,500 |
| Brown Bear | \$5,000 to \$9,000 |

There are some guides who will charge a client a lesser overall price for a combination hunt as when compared to a single animal hunt. For more information on prices we suggest contacting the Alaska Professional Hunters Association.

Paul Conger

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February 4, 1983

If we can be of further assistance to you on this matter, please let us know.

Sincerely,

A handwritten signature in cursive script, appearing to read "J. R. Nutgrass".

Captain James R. Nutgrass  
Operations Commander

JRN/rt  
Attachment

A M E N D M E N T

Offered in the HOUSE

By Fuller

TO: HB 273

Page 1, after line 16, insert:

"\* Sec. 3. AS 16.05.408(a) is amended to read:

(a) It is a class A misdemeanor for a nonresident alien to hunt, pursue, or take walrus unless personally accompanied by a licensed marine mammal guide, or a big game animal as defined by the Board of Game unless personally accompanied by a [PERSON WHO IS] licensed [AS A] master guide, registered guide, or class-A assistant guide under AS 08.54."

Renumber remaining section.

FROM MARC JENSEN

SENATE BILL 138 EXTENDS THE GUIDE LICENSING & CONTROL BOARD FOR ANOTHER" FOUR YEARS. I WOULD URGE ITS PASSAGE FOR THE FOLLOWING REASONS: TESTIMONY BEFORE OUR SENATE COMMITTEE SHOWED THE PROFESSION IS A VERY VIABLE INDUSTRY GENERATING \$20 MILLION INTO THE ECONOMY. IN MANY RESPECTS, IT IS A FACTOR OF THE TOURIST TRADE. THE HUNTER CLIENT SPENDS MONEY FOR TRAVEL, HOTEL, SPECIAL GIFTS, AND STATE LICENSES AND GAME TAGS. THE NON-RESIDENT LICENSE MONEY IS USED ON A 4 TO 1 MATCHING PROGRAM UNDER THE FEDERAL PITTMAN-ROBINSON ACT. THE MONEY HAS FUNDED 80 TO 90% OF STATE PROGRAMS.

THE GUIDE BOARD HAS BEEN INEXISTENCE FOR TEN YEARS. IT HAS ACCOMPLISHED MANY THINGS. IT HAS DEVELOPED A HIGH STANDARD OF PERFORMANCE. IN DOING SO IT HAS REVOKED OVER 25 GUIDE LICENSES. MANY OF THESE WERE SOME OF THE BIG OPERATORS IN THE STATE. THE INDUSTRY HAS BECOME VERY CONSERVATION MINDED AND HAS WORKED CLOSELY WITH BOTH THE DEPARTMENT OF GAME AND THE FISH AND WILDLIFE PROTECTION.

THE BOARD HAS ESTABLISHED ORDER BY HAVING BOUNDARIES IN WHICH THE GUIDE MUST WORK. THIS HAS ELIMINATED CONFLICT IN THE FIELD.

THE BOARD HAS HELD HEARINGS AND WORKED CLOSELY WITH THE WALRUS COMMISSION TO DEVELOP REGULATIONS FOR LICENSING MARINE MAMMAL GUIDES. THE STATE IS IN THE PROCESS OF TAKING OVER MANAGEMENT AND WHEN THIS HAPPENS IT WILL BE A BIG HELP IN SUPPLEMENTING THE ARCTIC ECONOMY.

TESTIMONY WAS RECEIVED FROM NEW AND YOUNG GUIDES, THAT THE PROGRAM IS WORKING AND THEY HAVE AN OPPORTUNITY TO WORK INTO THE SYSTEM.

I URGE THE PASSAGE OF S.B. 138.



GUIDED TOURS FOR  
WALRUS - MUSK OX  
SPORT FISHING  
PHOTOGRAPHY ADVENTURES

# Nunivak Island Guide Service

Ed J. Shavings, Sr.  
Registered Alaskan Guide

ASSISTANT GUIDES

Chuck Shavings

Tom G. Amos

P.O. BOX 31

MEKORYUK, ALASKA 99630

March 17, 1983



MEMBER  
A.P.H.A. - NRA  
S.C.I.

Associates  
L & S OUTFITTERS

Rep. Ringstead, Co-Chairman  
House of Resource Committee  
Pouch V  
Juneau, Alaska 99811

Dear Rep. Ringstead:

This is to let you know that I am fully supporting Guide Bill 138 in the House.

I would like to see continuation of the Guide Board in the State we live in today as with out Guide Board, guiding in Alaska will not function right.

Being Arctic representative I have been working hard to get Sea Mammal Guides started in coastal areas for walrus and Polar bear hunting.

There are many Ivory carvers in coastal areas, but there are good hunters who needs to be licensed to become Sea Mammal Guides.

Sincerely yours,

*Edward J. Shavings, Sr.*  
Edward J. Shavings, Sr.

Arctic Representative for  
Alaska Professional Hunter's Association

CHAPTER 7  
GUIDE LICENSING

## Article

1. Examinations (12 AAC 38.010)
2. Guide Register (12 AAC 38.020)
3. General Provisions  
(12 AAC 38.030-12 AAC 38.190)

ARTICLE 1.  
EXAMINATIONS

## Section

## 10. Examinations

12 AAC 38.010. EXAMINATIONS. (a) The application for a guide examination must be made at least five months before the examination date on a form provided by the board. The application for examination shall include a listing of all hunters the applicant has guided or assisted in guiding during his apprenticeship and a letter of recommendation from any registered or master guide for whom he has worked.

(b) Guide examinations will be administered by the board or its authorized representatives at times and places as announced by the board.

(c) The registered guide examination will consist of a written and an oral portion; successful completion of the written portion is a prerequisite to eligibility to take the oral portion. The registered guide examination will be designed to reveal the qualifications of the candidate to engage in guiding in the district of his choice; however, an applicant who, because of a language barrier, is unable to read and competently understand the English language may be excused from taking the written examination, and may be issued a license based on successful completion of the oral portion of the examination and demonstration of his capabilities and experience. Failure to achieve a passing score of at least 80 percent on either the written or oral portion of the examination constitutes a failure of the entire examination. A candidate receiving a failing score is not eligible to be re-examined for six months from the date of the last examination, and must retake both the written and oral portions of the examination (unless excused from the written portion as provided in this subsection).

(d) A person contesting the results of any portion of the registered guide examination shall direct his appeal and the grounds for it in writing to the Chairman, Guide Licensing and Control Board, Department of Commerce and Economic Development, Division of Occupational Licensing, Pouch D, Juneau, Alaska 99811, within 15 days after written notice was personally served or mailed to the applicant. (Eff. 6/26/74, Reg. 50; am 6/15/80, Reg. 74; am 3/28/82, Reg. 81)

Authority: AS 08.54.040(1) and (2)  
AS 08.54.050  
AS 08.54.110(5)

ARTICLE 2.  
GUIDE REGISTER

## Section

## 20. Guide register

12 AAC 38.020. GUIDE REGISTER. (a) On December 31 of the register year, the names of all persons holding a master guide or registered guide license shall be entered by the board, on a register maintained by the board and shall be published for distribution to the public.

(b) All guides shall advise the board of their current address and all changes of address. (Eff. 6/28/74, Reg. 50; am 2/25/77, Reg. 61)

Authority: AS 08.54.040(a)(4) and (5)  
AS 08.54.050

ARTICLE 3.  
GENERAL PROVISIONS

## Section

30. Licenses
40. Restriction to districts
50. (Repealed)
51. Guiding area permits
52. Use of a guiding area assigned to another guide
53. Application and qualification for guiding area permit
54. Reassignment of guiding area permit
55. Death or mental incapacity of guiding area permit holder
56. Changes to guiding area permits
57. Minimum use of guiding area
58. Grounds for revocation or suspension of a guiding area permit
60. Statement of financial remuneration
70. Responsibility of guide to his client

- 80. Survival gear
- 90. Presence of guide required
- 100. Taking of game by guides
- 110. Transporting meat
- 120. Cooperation with officials
- 130. (Repealed)
- 140. Requirements for a registered guide license
- 150. Requirements for a master guide
- 155. Requirements for marine mammal guide license
- 156. Requirements for assistant marine mammal guide license
- 160. Improper certification
- 170. Improper reporting
- 175. Employment and supervision of assistants
- 180. Guiding ethics
- 190. Definitions

12 AAC 38.030. LICENSES. (a) A person must purchase his registered guide license within one year of passing the guiding examination or his eligibility lapses

(b) An application for a guide license shall be made to the Division of Occupational Licensing, Department of Commerce, Pouch D, Juneau, Alaska 99811. (Eff. 6/28/74, Reg. 50)  
Authority: AS 08.54.050

12 AAC 38.040. RESTRICTION TO DISTRICTS. (a) A guide may conduct guiding activities only in districts for which he is certified.

(b) Twenty-six guide districts are established and defined as being identical to those areas described as game management units by the Board of Fish and Game in 5 AAC 90.010, as of January 1, 1974, with the addition of the following subdistrict:

(1) repealed 6/15/80;

(2) repealed 6/6/79;

(3) 27 - Arctic Coastal, consisting of all land, including islands, and waters within the jurisdiction of the State of Alaska extending seaward from a point one mile inland from the mean high tide line north of 58° North latitude, beginning at the mouth of the King Salmon River near Egegik and extending northward-

around the western and northern Alaska coastline to the eastern boundary of District 26. This district is designated for the hunting of marine mammals exclusively. "Marine mammals" means those mammals identified by the Alaska Board of Game as marine mammals.

(c) A guide licensed under AS 08.54 as of June 28, 1974 is restricted to certification to guide in those districts for which he was certified on that date. A guide licensed or entitled to renewal under AS 08.54 as of April 11, 1980 and certified in Districts 18, 18A, 22, 23, or 26 is hereby certified for Unit 27.

(d) Except as provided in (c) above, no guide may be certified for more than three districts, in addition to District 27.

(e) A master guide or registered guide may serve as a class A assistant guide in districts for which he is not certified.

(f) Notwithstanding any provision of this section, a guide may petition the board for a transfer of certification to another district if he demonstrates to the satisfaction of the board

(1) that he will incur substantial hardship if a transfer is not permitted as evidenced by

(A) substantial land withdrawals from hunting within his district;

(B) significant reclassifications of land within his district;

(C) depletion of game as evidenced by actions of the Department of Fish and Game; or

(D) other demonstrations of hardship; and

(2) that he is qualified to guide in the district to which he wishes to be transferred. (Eff. 6/28/74, Reg. 50; am 2/25/77, Reg. 61; am 6/6/79, Reg. 70; am 6/15/80, Reg. 74; am 3/28/82, Reg. 81)

Authority: AS 08.54.040(a)(3) and (6)  
AS 08.54.050

**12 AAC 38.050. REGISTRATION OF MAIN CAMP.** Repealed 5/12/78.

**12 AAC 38.051. GUIDING AREA PERMITS.**  
(a) Guiding area permits will be issued by the board to guides qualifying under 12 AAC 38.053 and 12 AAC 38.054 for exclusive or joint use of a specified area in order to limit the number of guides allowed to guide for big game animals in that area.

(b) The board will determine the size, boundaries and number of guiding areas assigned to a master or registered guide and is not limited by number or boundaries of guide districts that may be included. In determining the size and boundaries of a guiding area, the board will consider, but is not limited to, the following criteria:

(1) size and boundaries applied for by the guide applicant;

(2) abundance and distribution of game populations in the area and adjacent areas that may be affected, and the ability of these populations to sustain guiding pressures;

(3) historical or customary methods of hunting big game in the area such as hunting on foot, on horseback, with aircraft, or by other means;

(4) value and location of applicant's investments in the area;

(5) likely impact of the applicant's guiding business on other guides in joint use or in adjacent areas;

(6) applicant's past use of and experience in the area;

(7) applicant's local residency;

(8) availability of alternative areas and applicant's dependence on guiding in the requested area;

(9) effect of hunting and land use regulations in that area.

(c) Each guiding area will be assigned a unique identification code.

(d) Notwithstanding any other provisions of this section, no new exclusive guiding area permits will be issued for District 27, as defined in 12 AAC 38.040(a)(3); however, this subsection does not affect valid existing guiding area permits issued for Nunivak Island before March 1, 1981.

(e) An applicant who is aggrieved by a board decision regarding the size or boundaries of a guiding area is entitled to a hearing under AS 44.62.370 to review the board's action; a hearing must be requested within 15 days after the guide receives written notice of the board's action. (Eff. 5/12/78, Reg. 66; am 6/27/81, Reg. 78)

Authority: AS 08.54.040(a)(3),(6) and (8)  
AS 08.54.050

**12 AAC 38.052. USE OF GUIDING AREA ASSIGNED TO ANOTHER GUIDE.** (a) No guide may contract for or conduct a guided big game hunt in an exclusive guiding area not assigned to him by the board without first obtaining written permission from the guide to whom the guiding area is assigned.

(b) No guide may conduct a guided big game hunt in a joint-use guiding area not assigned to him by the board without first obtaining written permission from each joint-use permit holder.

(c) As used in this section, the "written permission" must include the following information:

(1) dates for which the permission is valid;

(2) species and number of big game animals to be hunted;

(3) date permission is signed and signature of each person holding a permit for the area.

(d) The written permission required in (a) and (b) of this section must be approved as provided in (c) of this section and at all times during the hunt a copy must be on the person of the guide conducting the big game hunt or in the base camp from which the hunt is conducted, and be on the person of each employee of each master or registered guide operating in the guide area.

(e) No guide may lease or rent a guide to another guide for monetary or material gain. The only lawful reasons for allowing use of another's area are the following:

(1) the guide seeking to grant permission to another is unable to conduct a contracted hunt due to physical or mental incapacity;

(2) a state or federal law or regulation adopted not more than nine months before the date of proposed use has closed or otherwise restricted hunting in the guiding area of the guide seeking use of another's area, making guiding in his own area infeasible; or

(3) migration or movement of caribou out of a guide's own area necessitates guiding in another's area.

(f) Each guide who gives written permission to another to use his exclusive or joint-use guiding area, may be held equally responsible with the guide receiving the permission, in a hearing before the board for revocation of the permit, for any violations in or misuse of the guiding area committed during the time authorized in the written permission. (Eff. 5/12/78, Reg. 66; am 10/11/81, Reg. 80; am 10/15/82, Reg. 84)

Authority: AS 08.54.040(a)  
AS 08.54.050

#### 12 AAC 38.053. APPLICATION AND QUALIFICATION FOR GUIDING AREA PERMIT.

(a) An applicant for initial issuance of a guiding area permit must, at the time of application and at the time the application is reviewed by the board, be a registered or master guide in good standing and must be certified in the district or districts in which the applied-for guiding area is located. If civil or criminal charges for violation of a state or federal sport fish, game, or guiding law or regulation are pending against a guide at the time the board is to review the application, the board may defer action on the application until conclusion of the civil or criminal action.

(b) In order to be considered, an applicant must submit to the board, on or before the published deadline, an application which describes the proposed geographic boundaries of the guiding area being applied for and a 1:250,000 scale map showing the proposed boundaries.

(c) Each application must include satisfactory documentation of the applicant's past use, occupancy, or financial investment in the guiding area applied for. The application may include other relevant information if it is substantiated by satisfactory documentation.

(d) The board will, in its discretion, issue a permanent guiding area permit to a qualified applicant who can substantiate his use, occupancy, or financial investment in the guiding area for at least three of the five years immediately preceding the published deadline for filing the application for that particular unit. The board will, in its discretion, issue a temporary guiding area permit to a qualified applicant who can substantiate his use, occupancy or financial investment in the guiding area for at least two of the five years immediately preceding the published deadline for filing the application for that particular unit. In determining whether to issue a guiding area permit, the board will give preference to qualifying guides whose permanent residence is within the district in which the area is located and will consider criteria including the following:

(1) ability of the area to sustain an additional guided hunting operation, in terms of game populations, terrain, methods of hunting, and use by other guides or hunters; and

(2) amount of investments in the applied-for area, and length of use in the district.

(e) The holder of a temporary guiding area permit may apply for a permanent permit after one additional year of use, in the temporary guiding area.

(f) The board will not issue to a master or registered guide more than three exclusive or joint-use guide area permits, either on a temporary or permanent basis.

(g) In this section, "use" means conducting guided hunts as a registered or master guide in the district in which the applied-for area is located, as evidenced by statements of financial remuneration submitted to the board under 12 AAC 38.060(b). (Eff. 5/12/78, Reg. 66; am 10/15/82, Reg. 84)

Authority: AS 08.54.040(a)  
AS 08.54.050

12 AAC 38.054. REASSIGNMENT OF GUIDING AREA PERMIT. (a) Guiding area permits are not transferable by the permit holder. The board will, in its discretion, reassign a guiding area permit

(1) upon the death of the permit holder or upon a judicial determination that the permit holder is mentally incompetent;

(2) upon revocation or suspension of a guiding area permit;

(3) if the permit holder voluntarily relinquishes the guiding area permit; and

(4) upon application for reassignment.

(b) Under (a)(4) of this section, a permit holder may apply to the board for reassignment of his or her guiding area permit to a designated master or registered guide; the application must be made jointly by the permit holder and the designated master or registered guide. Approval of the reassignment will be given only upon a finding by the board, after notice and opportunity for a hearing, that the designated registered or master guide is qualified to guide in the area, is certified in the district or districts in which the applied-for guiding area is located, and that the reassignment is consistent with the public interest. The board will consider the designated master or registered guide's past use, occupancy, or financial investment in the guiding area and other relevant and reliable information in determining whether the designated master or registered guide is qualified.

(c) Except as otherwise provided in this chapter, an applicant for a guiding area permit which is to be reassigned must meet the requirements of 12 AAC 38.053(a) and make application in the manner prescribed for initial issuance of a guiding area permit.

(d) If an applicant cannot establish past use of the guiding area to be transferred or is not certified in the district or districts in which the guiding area is located, the board will consider experience and current use in another area of similar terrain if the applicant can establish to the satisfaction of the board that he or she is competent because of other relevant factors to conduct guiding activities in the guiding area.

(e) The board will consider the recommendations of the prior holder of the guiding area permit to be reassigned and will, in areas of joint use, consider the recommendations of the other holders of permits for the guiding area.

(f) When an area has been revoked or suspended under (a)(2) of this section, the area is closed to all guided hunting until it is reassigned. (Eff. 5/12/78, Reg. 66; am 10/15/82, Reg. 84)

Authority: AS 08.54.040(a)  
AS 08.54.050

12 AAC 38.055. DEATH OR MENTAL INCAPACITY OF GUIDING AREA PERMIT HOLDER. (a) Upon the death of a holder of a

guiding area permit, the board will, in its discretion, grant a waiver, for a time specified by the board, of the requirements of 12 AAC 38.057 if application is made by the estate within 90 days after death. Failure to make application within 90 days is considered a voluntary relinquishment of the permit. At any time during the period of the waiver, an heir may apply to the board for a reassignment of the permit to a person designated by the heir.

(b) Upon a judicial determination that a guiding area permit holder is mentally incompetent, the board will, in its discretion, grant a waiver, for a time specified by the board, of the requirements of 12 AAC 38.057 if application is made by the permit holder's guardian within 90 days after a judicial determination of the permit holder's mental incompetency. Failure to make application

within 90 days is considered a voluntary relinquishment of the permit. At any time during the period of the waiver the guardian may apply to the board for a reassignment of the permit to a person designated by the guardian. (Eff. 5/12/78, Reg. 66)

Authority: AS 08.54.040(a)(3),(6) and (8)  
AS 08.54.050

**12 AAC 38.056. CHANGES TO GUIDING AREA PERMITS.** (a) Petitions for amendments to guide area permits will be accepted for all guide districts and will be reviewed at a regularly scheduled meeting of the board. Petitions are limited to the following amendments:

(1) reassignment of a guiding area permit;

(2) changes within the boundaries of a guide area assigned to the petitioner including reducing permit area size, clarifying boundaries, and creating exclusive guiding areas in areas already assigned in joint use, as provided in (d) of this section; however, no petitions will be accepted seeking expansion of guiding permit area size.

(b) The board will give each petitioner reasonable notice of the date and place of the meeting during which his petition is scheduled for review. No petition will be heard by the board unless the petitioner, or a person authorized by him in writing to appear in his behalf, personally appears at the scheduled time.

(c) When a petition concerns a joint-use guiding area permit, the board will send each joint-use permit holder a copy of the petition and reasonable notice of the date and place of the meeting at which the petition is scheduled to be heard; each joint-use permit holder may appear before the board and present testimony relevant to the petition.

(d) The board will, in its discretion, issue an exclusive guiding area permit for an area or portion of an area already granted in joint use only upon a finding that

(1) all other affected guides in joint-use agree to the change; or

(2) creation of an exclusive guiding area is

required by changes in game populations, hunting regulations, weather patterns, or land use laws or regulations, and other guides in joint use of the area will not be detrimentally affected by the change; in determining whether other guides may be detrimentally affected, the board will consider projected loss of hunting clients, revenue, investments, access and other similar concerns.

(e) A guide aggrieved by a board decision under this section is entitled to an administrative hearing to review the decision in accordance with AS 44.52.370. The guide must request such a hearing within 15 days after receipt of a notice from the board of the board's action. (Eff. 5/12/78, Reg. 66; am 6/16/80, Reg. 74; am 6/27/81, Reg. 78)

Authority: AS 08.54.040(a)(3),(6) and (8)  
AS 08.54.050

**12 AAC 38.057. MINIMUM USE OF GUIDING AREA.** Each holder of a guiding area permit must conduct at least two contracted hunts within two consecutive calendar years within the guiding area as evidenced by statements of financial remuneration filed in accordance with 12 AAC 38.060. If, in any calendar year, the holder of a guiding area permit fails to conduct a guided hunt in that guiding area, he must submit to the Department of Public Safety, Fish and Wildlife Protection Division, Records Section, P.O. Box 6188 Annex, Anchorage, Alaska 99502, by January 31 of the following calendar year, a written statement explaining his failure to use the area. Failure to conduct at least two guided hunts within two consecutive calendar years in the guiding area as required by this section constitutes grounds for revocation of the guiding area permit unless the permit holder can demonstrate to the satisfaction of the board that circumstances beyond his control precluded conducting the required hunts. (Eff. 5/12/78, Reg. 66; am 6/27/81, Reg. 78)

Authority: AS 08.54.040(a)(3),(6) and (8)  
AS 08.54.050

**12 AAC 38.058. GROUNDS FOR REVOCATION OR SUSPENSION OF A GUIDING AREA PERMIT.** The board will, in its discretion, revoke or suspend a guiding area permit or permits if the permit holder

(1) violates a federal or state sport fish, game or guiding statute or regulation, which violation occurred while guiding;

(2) has his guide license revoked or suspended or is denied renewal of a license for violation of a federal or state sport fish or game or guiding statute or regulation other than for nonpayment of current license fees;

(3) is found by the board to have misused a guiding area. (Eff. 5/12/78, Reg. 66)

Authority: AS 08.54.040(a)(3),(6) and (8)  
AS 08.54.050

12 AAC 38.060. STATEMENT OF FINANCIAL REMUNERATION. (a) Before hunting with his or her client, a guide shall complete or have completed a statement of financial remuneration in triplicate on a form provided by the board for this purpose and shall state

(1) that he received financial or material remuneration for his services;

(2) the dates of the contract hunt;

(3) the species to be hunted for;

(4) the legal signature of the guide and his client;

(5) the typed or printed name and address of the guide and his client;

(6) the guiding area permit unique identifying code assigned under 12 AAC 38.051(c).

(b) The original of the statement required in (a) of this section shall be sent to the Department of Public Safety, Division of Fish and Wildlife Protection, Records Section, P.O. Box 6188 Annex, Anchorage, Alaska 99502, within 21 days after completion of the hunt.

(c) The guide is responsible for furnishing one copy of the statement to his client.

(d) One copy of the statement shall be filed in camp for the duration of the hunt and thereafter at the guide's regular place of business for four years, and shall be produced for inspection upon request by an agent of the Department of Public Safety. (Eff. 6/28/74, Reg. 50; am 5/12/78, Reg. 66)

Authority: AS 08.54.050

**12 AAC 38.070. RESPONSIBILITY OF GUIDE TO HIS CLIENT.** (a) It is the responsibility of a guide to ascertain that a client has a proper license and appropriate tags and harvest reports, in his possession, for the big game species being hunted before hunting. The guide is responsible for attaching appropriate tags to any game taken by his client and is responsible for having all game sealed or marked as required by Alaska Department of Fish and Game regulations.

(b) A guide shall take every reasonable measure to assure the safety and comfort of his clients. He is responsible for having available the following:

(1) adequate first aid supplies;

(2) sufficient food to provide for emergencies that might render the party immobile;

(3) shelter which is normally considered satisfactory and comfortable under field conditions;

(4) transportation or communications or arrangements to obtain them without hardship or unreasonable delay. (Eff. 6/28/74, Reg. 50)  
Authority: AS 08.54.050

**12 AAC 38.080. SURVIVAL GEAR.** A guide is responsible for assuring that each aircraft operated by him, and used in any phase of a hunt conducted by him, carries survival gear as required by AS 02.35.110. (Eff. 6/28/74, Reg. 50)

Authority: AS 08.54.050

**12 AAC 38.090. PRESENCE OF GUIDE REQUIRED.** A master, registered or class A assistant guide must be in the field and participating in the conduct of the guided hunt whenever assistant guides are guiding. (Eff. 6/28/74, Reg. 50; am 11/2/75, Reg. 56)

Authority: AS 08.54.050

**12 AAC 38.100. TAKING OF GAME BY GUIDES.** (a) No guide may take big game animals or marine mammals while acting as a guide, except in cases of actual emergency when a bear or other animal is attacking or when a bear or other animal is about to escape after being wounded. It is then the duty of the guide to take such actions as he considers necessary.

(b) It is unlawful for a master guide, registered guide, class A assistant guide or assistant guide guiding a hunter for walrus to take or assist in taking any walrus other than the animal taken by the client he is guiding; however, one crewman other than the guide may take one single cow walrus and its calf if this taking does not exceed the bag limit as prescribed by regulations of the Board of Game. (Eff. 6/28/74, Reg. 50; am 6/12/77, Reg. 62)

Authority: AS 08.54.050

**12 AAC 38.110. TRANSPORTING MEAT.** A guide is responsible for transporting the meat of big game animals, except bear, wolves, and wolverine, taken by his client from the site of the kill to its destination or to a common carrier

contract by the guide or his employees, owing to no fault of the client;

(4) not advising clients of game population to the best of the guide's ability based on past performances in hunting areas and advising him of his chances of encountering the species he desires in the time allotted;

(5) making "guarantees" as to the success of a hunt or the number of pieces of game to be collected;

(6) not maintaining and providing stock, mechanical equipment, gear, food supplies and facilities to a quality and condition to provide services equal to or better than described in the guide's advertising, correspondence, verbal declaration or contractual agreements;

(7) not maintaining a neat, orderly and sanitary camp at all times, or not providing reasonably well-prepared, palatable and balanced camp meals for clients and personnel in keeping with the conditions of the hunt;

(8) contracting for more hunts or for more hunters at any one time than the guide or his employees can adequately facilitate rendering services for;

(9) hiring guides that are improperly licensed, or ill trained in the arts of woodsmanship, judging trophies, cooking, first aid, photography, firearms, trophy preparation and caring for clients;

(10) failing, while guiding a client, to take all precautions if an animal is wounded;

(11) failing to use every means at his disposal to bag any wounded animal while it is in danger of escaping, or if in a serious emergency, human life or well-being is endangered;

(12) filling a client's game tag or bag limit;

(13) failing, barring unforeseen conditions, to properly prepare, according to generally accepted procedures, all antlers, horn, hides and capes to be delivered to the taxidermist or to the client at the conclusion of a hunt in a satisfactory and unspoiled condition;

(14) failing to endeavor to salvage all meats of trophies taken by his client, in accordance with existing state law;

(15) promoting hunting or the taking of trophies by means other than fair chase: specifically, the pursuit of a trophy in an illegal or unsportsmanlike manner, by herding, driving or chasing of animals with the use of any mechanically powered equipment;

(16) failing to practice sound wildlife conservation or failing to create an awareness of conservation needs and practices during his associations with the public. (Eff. 6/28/74, Reg. 50)

Authority: AS 08.54.040(6)  
AS 08.54.050

12 AAC 38.190. DEFINITIONS. Unless otherwise indicated, in this chapter

(1) "competence" means a professional standard of conduct which satisfactorily implements, under field conditions, the knowledge and qualifications of a guide;

(2) "transport" means shipping, carrying, importing, exporting, or receiving or delivering for shipment, carriage or export;

(3) "board" means the Alaska Guide Licensing and Control Board. (Eff. 6/28/74, Reg. 50)

Authority: AS 08.54.050

## CHAPTER 40. STATE MEDICAL BOARD

### Article

1. Licensing  
(12 AAC 40.010-12 AAC 40.050)
2. Abortions  
(12 AAC 40.060-12 AAC 40.140)
3. Continuing Medical Education  
(12 AAC 40.200-12 AAC 40.220)
4. Mobile Intensive Care Paramedics  
(12 AAC 40.300-12 AAC 40.390)
5. Physician Assistants  
(12 AAC 40.400-12 AAC 40.490)
6. General Provisions  
(12 AAC 40.970-12 AAC 40.990)

### ARTICLE 1. LICENSING

#### Section

10. License by endorsement
20. License by examination
30. Re-examination fees
40. Recognized hospital
50. Biographical data required

12 AAC 40.010. LICENSE BY ENDORSEMENT. An applicant for license by endorsement shall submit evidence satisfactory to the board that he has passed an examination in the medical and basic science subjects. (Eff. 12/20/70, Reg. 36)

Authority: AS 08.64.250

12 AAC 40.020. LICENSE BY EXAMINATION. (a) The written examination will be the FLEX examination administered in Alaska.

(b) The oral examination required under AS 08.64.220 will be given in conjunction with the written examination.

(c) An applicant for license by examination must attain a FLEX weighted average of not less than 75 percent on his examination. (Eff. 12/20/70, Reg. 36; am 8/29/73, Reg. 17)

Authority: AS 08.64.100  
AS 08.64.220

12 AAC 40.030. RE-EXAMINATION FEES. The following fees will be charged for re-examination where applicable:

## GUIDE AREAS - What are they and how do they work?

It is ironic that the guide area concept which has proven so beneficial both within the guiding industry and to the State's wildlife management authorities as a management tool, can yet remain so misunderstood by the public. Apparently much of the confusion has resulted from the misnomer "exclusive" guide area, because from the public's point of view there is nothing exclusive about guide area assignments whatsoever.

To the contrary, guiding area assignments affect only licensed guides as a management tool existing solely within the confines of statute (and related regulatory) authority of Title 8 - an act relating to guides, as established by the Alaska Legislature about 1970.

Guiding in Alaska has endured quite a tumultuous history. Following WWII light aircraft opened Alaska's vast back country and a highly mobile guiding industry evolved. By the 1960's however, it became apparent that aircraft hunting had become too efficient, and both the public and resource managers demanded such practices be stopped. As result, the late 1960's was one of reform on the Alaskan hunting scene and many laws and regulations were passed to effect this reform. Within the guide industry, mobility, which previously had been the the aircraft guide's greatest asset, allowing him to jump from one hot spot to another, was severely restricted.

Unless an ethic of responsible management of one's own guiding activity was established, and established quickly, guiding would soon have received so much bad press that the industry would not have survived. The old days of being able to hunt out one drainage and go the the next were gone, and the newly established Guide License and Control Board was faced not only with trying to find solution to the problem, but to provide leadership to an ailing industry. From testimony received from within the industry a plan was formulated and by the mid-1970's the board had roughed out a plan of designating exclusively or joint-use (in case of extreme conflict) guide areas for each operating guide who could show past use of his area. Understandably such a turnabout from the freewheeling approach of former years has had its share of problems, but by the late 1970's the job was accomplished and only few, relatively minor problems were left to clean up. Two of the biggest included revocation of those areas which were not being used, thus making these areas available to new guides and to guides displaced by d-2 legislation; and licensing of coastal residents for the taking of Marine Mammals 'if and when' the State regained management authority of these species. Both these problems have been solved.

The concept of assigning each guide his own area and limiting his activity to that area has proven very beneficial to all concerned. Guides no longer skip about the country without regard to the public and other guides, but must become part of a responsible management scheme for their own areas... or risk the chance of being put out of business for their excesses. Today guides are getting along better and better with both Fish and Game, as well as the Protection Division of Public Safety as result, and while there is still room for improvement of course, are becoming a more responsible user group than ever before.

## MARINE MAMMAL GUIDING PERMITS

### Sec. 08.54.045. Guiding Permit

That two guide classifications for marine mammals be established, those being "Marine Mammal Guide Permit" and "Assistant Marine Mammal Guide Permit." Marine mammals include those so designated by the Alaska Department of Fish and Game (walrus, polar bear, beluga whale, ribbon seal, sea lion, spotted seal, bearded seal, ringed seal and sea otter).

#### 1. Application and Examinations for Marine Mammal Guide

- A. Application for a Guide Permit for Marine Mammal must be made at least five months before the examination date on a form provided by the Guide Board. The application shall include a list of those guided hunts the applicant has participated in during his apprenticeship. (A special provision shall be made for the initial application and examination under these provisions to allow for application prior to \_\_\_\_\_ to be completed without a designated waiting period.)
- B. Applications and examinations may be administered by authorized representatives of the Guide Board.
- C. Marine Mammal Guide Permits and Marine Mammal Assistant Guide Permit examinations will be administered orally, using a point system required. An applicant who fails the examination may not be reexamined for a period of six (6) months.

#### 2. Qualifications for MMGP

- A. Is 21 years of age or more.
- B. Is a resident of the area of the state in which he is to guide.
- C. Has legally hunted in the state for all or part of each of ten years in a manner directly contributing to his experience and competency as a guide; and has been a recognized boat captain three years.
- D. Is physically able to perform the services of a guide.
- E. Has demonstrated to the board sufficient standards of competence and ethical conduct and has not been convicted of a crime involving moral turpitude.
- F. Has surpassed the qualification examination prepared and administered by the board or its agent(s), to include knowledge of the following:
  1. fish and game laws and regulations (add guiding regulations);
  2. relevant characteristics of the specific species of marine mammals to be hunted;
  3. relevant characteristics of the ice, ocean currents, and weather of the area in which the applicant is to guide;
  4. field preparation of trophies;
  5. care of meat;
  6. firearm safety;
  7. practical first aid;
  8. photography; and
  9. booking and contracting.

- A. Is 19 years of age or more.
- B. Is a resident of the area of the state of which he is to guide.
- C. Has legally hunted in the state for all or part of each of seven years in a manner directly contributing to his experience and competency as an assistant guide.
- D. Is physically able to perform the duties of an assistant marine mammal guide.
- E. Has been recommended in writing by a master, registered, or marine mammal guiding permit holder.

4. Privileges and Limitations of Marine Mammal Guides

A. Marine Mammal Permit Holder

- 1. may sign statements of remuneration;
- 2. shall be limited to two hunters in the field on any one hunt; and
- 3. shall be held responsible for those same responsibilities as a master or registered guide under similar conditions.

B. Assistant Marine Mammal Guide Permit Holder

- 1. may not contract hunts; and
- 2. may not conduct a hunt, and shall be under the immediate supervision of the marine mammal guide by whom he is employed and/or working with.

STATE OF ALASKA  
Department of Commerce and Economic Development  
Division of Occupational Licensing  
Pouch D  
Juneau, Alaska 99811-0800

MARINE MAMMAL GUIDE PERMIT APPLICATION

(for Department use only)

-----  
Issued by \_\_\_\_\_ at \_\_\_\_\_ date \_\_\_\_\_ License No. \_\_\_\_\_  
-----  
op NEW MARINE MAMMAL ASSISTANT MARINE MAMMAL  
op RENEWAL GUIDE PERMIT GUIDE PERMIT  
-----  
\$25.00 \$10.00  
op op  
-----

I, \_\_\_\_\_ of \_\_\_\_\_  
(Print complete name) Mailing Address  
-----  
\_\_\_\_\_ in accordance with the State of Alaska and the Guide Licensing and  
City, State, Zip Code

Control Board hereby make application for the permit checked above, for the year ending December 31, 19\_\_\_\_.

I have been a resident of Unit 27 in the State of Alaska for \_\_\_\_\_ years, and I have made my home in the state continuously since that time. (\*See definition of resident below.)

I have a Marine Mammal or Assistant Marine Mammal Guide Permit No. \_\_\_\_\_

MY PHYSICAL CHARACTERISTICS ARE: Date of Birth \_\_\_\_\_ Height \_\_\_\_\_ Weight \_\_\_\_\_

Hair Color \_\_\_\_\_ Eye Color \_\_\_\_\_ Sex \_\_\_\_\_ Social Security Number \_\_\_\_\_

AS 08.01.100(b) requires a \$10.00 penalty fee be paid for renewal of a license which has remained lapsed more than 60 days.

I hereby certify under the penalty of perjury that the above information is true and correct to the best of my knowledge.

\_\_\_\_\_  
Signature of Applicant

FOR NEW APPLICANTS ONLY

Subscribed and sworn to before me at \_\_\_\_\_ this day of \_\_\_\_\_, 19\_\_\_\_.

\_\_\_\_\_  
Notary Public in and for the State of Alaska  
My commission expires: \_\_\_\_\_

-----  
"RESIDENT" means a person who maintains a place or residence within the state; has not claimed residency in another state for the immediately preceding 12 months; shows by all attending circumstances that his intent is to make this state his permanent residence.

APPLICATION FOR MARINE MAMMAL AND/OR ASSISTANT  
GUIDE PERMIT TEST

Complete and return to the Department of Safety, Fish and Wildlife Protection, Box 6188, Annex, Anchorage,  
Alaska 99502.

Name: \_\_\_\_\_ Date: \_\_\_\_\_  
(type or print) (Last, First, M.I.)

Address: Mailing \_\_\_\_\_  
Residence \_\_\_\_\_

Phone: \_\_\_\_\_ Social Security No. \_\_\_\_\_ D.O.B. \_\_\_\_\_

Physical Description:

Height: \_\_\_\_\_' \_\_\_\_\_" Weight: \_\_\_\_\_ lbs. Hair Color \_\_\_\_\_ Eye Color \_\_\_\_\_

List names, addresses, and dates of all registered guides and/or marine mammal guide permittees for whom you  
have worked. (Use additional sheet if necessary.)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Have you been convicted of or charged with any fish, game or guiding violations within the past five years? If  
yes, give details: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

Pending \_\_\_\_\_ Completed \_\_\_\_\_

Are you a resident of Unit 27 area? op Yes op No How long \_\_\_\_\_

Are you a citizen of the United States? op Yes op No

Physical impairments: \_\_\_\_\_

\_\_\_\_\_

Have you had any serious problems with any of the clients, registered guides, or Marine Mammal guide permit-  
tees for whom you worked? If yes, submit details: \_\_\_\_\_

\_\_\_\_\_

How many years have you hunted Unit 27 marine mammals? \_\_\_\_\_

How many years have you been recognized as a boat captain? \_\_\_\_\_

Submit along with this application recommendation(s) from registered and/or marine mammal guide permittees  
for whom you have worked.

Submit any additional information that may help make a fair evaluation.

I, \_\_\_\_\_ swear that all claims and statements made herein are true and  
that each question has been answered in its entirety.

Sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_\_.

\_\_\_\_\_

Signature

Notary Public in and for the State of Alaska  
My commission expires: \_\_\_\_\_

CERTIFICATION OF APPRENTICESHIP  
Guide Licensing and Control Board  
Department of Commerce  
Pouch D  
Juneau, Alaska 99811

*Should identify as Master, Registered Guide or Marine Mammal Permittee*

I, \_\_\_\_\_ hereby certify that \_\_\_\_\_ (Applicant)  
~~(AKA Guide Permittee)~~

has worked for me in the field on guided hunts for \_\_\_\_\_ number of days,  
from \_\_\_\_\_, 19\_\_ to \_\_\_\_\_ 19\_\_, and to my personal knowledge has  
had the following experience:

- 1. Experience in Unit 27  Yes  No
- 2. Has trapped one or more big game animals  Yes  No
- 3. Has experience in care of meat  Yes  No
- 4. Has experience in care of trophies  Yes  No
- 5. Has knowledge of first aid  Yes  No
- 6. Has experience in care of firearms  Yes  No
- 7. Is familiar with Fish & Game and Guide regulations and statutes  Yes  No
- 8. List the species of big game animals applicant has personally taken:

\_\_\_\_\_  
(Signature of Guide)

\_\_\_\_\_  
(Signature of Applicant)

\_\_\_\_\_  
(Address)

\_\_\_\_\_  
(Address)

Subscribed and sworn before me at \_\_\_\_\_  
this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_.

Notary Public in and for the State of Alaska  
My Commission expires \_\_\_\_\_

12 AAC 38.140. REQUIREMENTS FOR A REGISTERED GUIDE LICENSE. In addition to the requirements of AS 08.54.110 to be qualified for a registered guide license, a person must: (1) demonstrate to the board that he has spent 90 days in the field acting as an assistant guide as certified by the master or registered guide who employed him.

HB 273 "An Act continuing the Guide Licensing and Control Board, and authorizing the board to license marine mammal guides."

#### SHORT SECTIONAL ANALYSIS

Section 1 simply extends the sunset date on the board from June 30, 1982 to June 30, 1986. The board was extended last year in SB 834, but the bill was vetoed by the Governor because it contained certain unrelated language regarding the validity of regulations promulgated by the administration. Governor Hammond saw the additional section as an invasion of the separation of powers provision of the Constitution.

Technically, the board sunsetted at the end of the last fiscal year, and is now in its wind-down year. Unless the legislature extends its life, it will completely cease to function on June 30.

Section 2 would allow the Guide Licensing and Control Board to take on marine mammal guiding, for which it has already adopted the necessary regulations. It is anticipated that at some point in the next few years the state will regain management authority over marine mammals from the federal government, and it would be helpful to have in place the necessary statutes and regulations to manage the guiding industry on those species.

Editor's notes. — This section was reworked by the revisor of statutes to remove personal pronouns in conformity with AS 01 05 031(c) and § 4, Chapter 58, SLA 1982.

Cross references. — As to constitutionality of ch. 102, SLA 1970, see notes to AS 09 65 636 and Alas. Const., art. II, § 14.

### Chapter 03. Termination, Continuation and Reestablishment of Regulatory Boards.

| Section                                     | Section   |
|---|---|
| 10. Termination dates for regulatory boards | 20. Procedures governing termination, transition and continuation |

Cross references. — A full review of the activities of agencies, boards and commissions, see AS 44 66 010 et seq.

Sec. 08.03.010. Termination dates for regulatory boards. (a) Boards listed in this subsection have a termination date of June 30, 1979:

- (1) Repealed by § 3 ch 36 SLA 1980.
- (2) Repealed by § 3 ch 40 SLA 1980.
- (3) Repealed by § 3 ch 87 SLA 1980.
- (4) Repealed by § 3 ch 74 SLA 1979.
- (5) Repealed by § 3 ch 39 SLA 1980.
- (6) Repealed by § 3 ch 37 SLA 1980.
- (7) Repealed by § 3 ch 38 SLA 1980.
- (8) Repealed by § 3 ch 41 SLA 1980.
- (9) Repealed by § 3 ch 67 SLA 1980.
- (10) Repealed by § 2 ch 43 SLA 1980.
- (11) Repealed by § 3 ch 42 SLA 1980.

(b) Boards listed in this subsection have a termination date of June 30, 1980:

- (1) Repealed by § 15 ch 82 SLA 1980.
- (2) Repealed by § 5 ch 169 SLA 1980.
- (3) Collection Agency Board (AS 08 24 011) (obsolete);
- (4) Repealed by § 5 ch 169 SLA 1980.
- (5) Repealed by § 11 ch 71 SLA 1980.
- (6) Repealed by § 7 ch 72 SLA 1980.
- (7) Repealed by § 2 ch 53 SLA 1981.
- (8) Repealed by § 8 ch 143 SLA 1980.
- (9) Repealed by § 42 ch 167 SLA 1980.
- (10) Repealed by § 2 ch 153 SLA 1980.
- (11) Repealed by § 13 ch 62 SLA 1981.

(c) The following boards have the termination date provided by this subsection:

- (1) Board of Nursing (AS 08 68 010) — June 30, 1983.
- (2) Board of Chiropractic Examiners (AS 08 30 010) — June 30, 1984.

(3) Board of Examiners in Optometry (AS 08 72 010) — June 30, 1984.

(4) Board of Pharmacy (AS 08 80 010) — June 30, 1984.

(5) Board of Dispensing Opticians (AS 08 71 010) — June 30, 1985.

(6) Board of Dental Examiners (AS 08 36 010) — June 30, 1986.

(7) Board of Veterinary Examiners (AS 08 98 010) — June 30, 1985.

(8) State Physical Therapy Board (AS 08 84 010) — June 30, 1986.

(9) Board of Nursing Home Administrators (AS 08 70 010) — June 30, 1986.

(10) Board of Psychologist and Psychological Associate Examiners (AS 08 86 010) — June 30, 1982.

(11) State Medical Board (AS 08 64 010) — June 30, 1983.

(12) Board of Marine Pilots (AS 08 62 010) — June 30, 1983.

(13) Board of Welding Examiners (AS 08 99 010) — June 30, 1981 (obsolete).

(14) Board of Electrical Examiners (AS 08 40 010) — June 30, 1986.

(15) State Board of Registration for Architects, Engineers, and Land Surveyors (AS 08 48 011) — June 30, 1984.

(16) Board of Barbers and Hairdressers (AS 08 13 010) — June 30, 1984.

(17) Board of Public Accountancy (AS 08 04 010) — June 30, 1984.

(18) Real Estate Commission (AS 08 88 011) — June 30, 1986.

(19) Board of Governors of the Alaska Bar Association (AS 08 08 040) — June 30, 1985.

(20) Guide Licensing and Control Board (AS 08 54 010) — June 30, 1982.

(d) Repealed by § 3 ch 74 SLA 1979.

(e) Repealed by § 3 ch 74 SLA 1979; § 2 ch 149 SLA 1977; am §§ 1, 3 ch 74 SLA 1979; am §§ 1, 3 ch 36 SLA 1980; am §§ 1, 3 ch 37 SLA 1980; am §§ 1, 3 ch 38 SLA 1980; am §§ 1, 3 ch 39 SLA 1980; am §§ 1, 3 ch 40 SLA 1980; am §§ 1, 3 ch 41 SLA 1980; am §§ 1, 3 ch 42 SLA 1980; am §§ 1, 2 ch 43 SLA 1980; am §§ 1, 3 ch 67 SLA 1980; am §§ 10, 11 ch 71 SLA 1980; am §§ 6, 7 ch 72 SLA 1980; am §§ 2, 15 ch 82 SLA 1980; am §§ 1, 3 ch 87 SLA 1980; am §§ 7, 8 ch 143 SLA 1980; am §§ 1, 2 ch 153 SLA 1980; am §§ 2, 6 ch 169 SLA 1980; am §§ 41, 42 ch 167 SLA 1980; am §§ 1, 13 ch 62 SLA 1981; am §§ 1, 2 ch 53 SLA 1981; am § 1 ch 28 SLA 1982; am § 1 ch 60 SLA 1982; am § 1 ch 96 SLA 1982).

Editor's notes. — Subsection (e) was rearranged by the revisor of statutes pursuant to AS 01 05 031 to conform to a logical arrangement of the subject matter.

Cross references. — For present provisions covering the subject matter of subsection (c) as it read prior to the 1979 amendment and of former subsections (d) and (e), see AS 28 03 020.

Effect of amendments. — The 1979 amendment repealed paragraph (1) of subsection (a), which read "Board of Nursing (AS 08 68 010)," rewrote subsection (c), and repealed subsections (d) and (e), which read: "The termination, dissolution, continuation or reestablishment of a regulatory board shall be governed by the legislative process and procedures of AS

DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT  
POSITION PAPER


HB 273: "An Act continuing the Guide Licensing and Control Board, and authorizing the board to license marine mammal guides; and providing for an effective date."

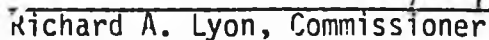
The Department of Commerce and Economic Development supports the continuation of the Guide Licensing and Control Board and the addition of licensing and regulating functions for marine mammal guides to the board.

In 1982, legislation to continue the board was passed by the Legislature and was subsequently vetoed by the Governor. The veto was due to language that "violated the constitutional separation-of-powers doctrine and determined to violate Article III, sections 1, 16 and 24 of the Alaska Constitution by infringing upon the inherent authority of the Guide Board to adopt interpretative regulations to execute AS 08.54." (Letter from Governor Hammond to Senate President Jalmar Kerttula, dated June 24, 1982.) This language is not in SB 138.

The board has responsibly addressed issues that concern licensed professional guides and the protection of resources. Two major issues which involved the board were land withdrawals under D2 and their effects on the guiding industry, and the preparation of a licensing program in anticipation of the Federal Government returning marine mammal protection and management to State jurisdiction. A marine mammal guide licensing program, including an examination (both oral and written), has been formulated and administered on a trial basis. The board held meetings in Western Alaska, and worked with Native representatives from the Arctic villages to establish the program.

The Alaska Professional Hunters Association also supports continuation of the Guide Licensing and Control Board.

  
Harry D. Treager, Director  
Division of Occupational Licensing  
3-22-83

  
Richard A. Lyon, Commissioner  
Department of Commerce and  
Economic Development

3/22/83

STATE OF ALASKA  
FISCAL NOTE

Revision Date March , 1983

I. REQUEST

Bill/Resolution No.: HB 273  
 Title: An Act continuing the Guide Licensing  
 Sponsor: Resources Committee & Cont. Bd.  
 Requestor: \_\_\_\_\_

II. FISCAL DETAIL

Agency Affected: Commerce & Econ. Development  
 Program Category Affected: Public Protection  
 BRU, Program of Subprogram(s) Affected:  
Licensing Boards

EXPENDITURES/REVENUES: (Thousands of Dollars)

|                         | FY 83  | FY 84 | FY 85 | FY 86 | FY 87 | FY 88 |
|-------------------------|--------|-------|-------|-------|-------|-------|
| OPERATING               |        |       |       |       |       |       |
| 100 PERSONAL SERVICES   |        |       |       |       |       |       |
| 200 TRAVEL              |        |       |       |       |       |       |
| 300 CONTRACTUAL         |        |       |       |       |       |       |
| 400 COMMODITIES         |        |       |       |       |       |       |
| 500 EQUIPMENT           |        |       |       |       |       |       |
| 600 LAND & STRUCTURES   |        |       |       |       |       |       |
| 700 GRANTS, CLAIMS, ETC |        |       |       |       |       |       |
| TOTAL OPERATING         | 18.0   | 19.0  |       |       |       |       |
| CAPITAL                 |        |       |       |       |       |       |
| REVENUE                 | * 38.8 |       |       |       |       |       |

FUNDING: (Thousands of Dollars)

|                        | FY 83 | FY 84 | FY 85 | FY 86 | FY 87 | FY 88 |
|------------------------|-------|-------|-------|-------|-------|-------|
| GENERAL FUND           | 18.0  | 19.0  |       |       |       |       |
| FEDERAL FUNDS          |       |       |       |       |       |       |
| OTHER (Specify Source) |       |       |       |       |       |       |

POSITIONS:

|           | FY 83 | FY 84 | FY 85 | FY 86 | FY 87 | FY 88 |
|-----------|-------|-------|-------|-------|-------|-------|
| FULL-TIME |       |       |       |       |       |       |
| PART-TIME |       |       |       |       |       |       |
| TEMPORARY |       |       |       |       |       |       |

III. SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

IV. ANALYSIS: Attach a separate page for any Analysis

Prepared By: Harry D. Treager, Director  
 Division: Occupational Licensing

Phone: 465-2534

Date: 3-22-83

Approved by Commissioner: Richard A. Lyon  
 Department: Commerce & Economic Development

Date: 3/22/83

Distribution:

- Original to Legislative Finance
- Copy to Office of Management and Budget (for Legislature introduced bills)
- Copy to Department (for Governor introduced bills)
- Copy to Sponsor
- Copy to Requestor (if different from Sponsor)

3/8/83

HB 273: FISCAL NOTE ANALYSIS

Expenditures are those funds allocated for board per diem and travel only, under the division's budget - Licensing Boards component.

Additional expenditures in support of the board are allocated through the Administrative component of the division's budget. The licensing examiner assigned to the Guide Board serves two other licensing boards in addition to the Guide Licensing and Control Board.

The legislation, as written, will not add a fiscal impact.

Funding for the board has been included in the FY '84 request.

GUIDE LICENSING AND CONTROL BOARD STATISTICS

I. NUMBER OF CURRENT LICENSEES BY TYPE OF LICENSE - 12/31/82

|                         |          |              |
|-------------------------|----------|--------------|
| Assistant Guide         |          | 666          |
| Class A Assistant Guide |          | 122          |
| Registered Guide        |          | 346          |
| Master Guide            |          | 41           |
|                         | Subtotal | <u>1,175</u> |
| Transporter             |          | 75           |
|                         | Total    | <u>1,250</u> |

II. HEARINGS FOR LICENSE VIOLATIONS AND AREA NONUSE (FY '82)

|           | <u>Lic.</u> | <u>Area</u> |
|-----------|-------------|-------------|
| Pending   | 4           | 17          |
| Opened    | 6           | 44          |
| Held      | 9           | 49          |
| Completed | 8           | 46          |
|           | 5 Revoked   |             |
|           | 1 Suspended |             |
|           | 1 Denied    |             |
|           | 1 Approved  |             |
|           | <u>8</u>    |             |

III. NUMBER OF LICENSES ISSUED BY FISCAL YEAR BY TYPE OF LICENSE

| <u>YEAR</u> | <u>MASTER</u> | <u>REGISTERED</u> | <u>CLASS A</u> | <u>ASSISTANT</u> | <u>TRANSPORTER</u> |
|-------------|---------------|-------------------|----------------|------------------|--------------------|
| 1973        | 11            | 397*              | 126*           | 735*             | ---                |
| 1974        | 17            | *                 | *              | *                | ---                |
| 1975        | 1             | *                 | *              | *                | ---                |
| 1976        | 3             | 11                | 40             | 202              | ---                |
| 1977        | 4             | 18                | 23             | 109              | 6**                |
| 1978        | 4             | 18                | 18             | 112              | 47                 |
| 1979        | 2             | 18                | 9              | 135              | 24                 |
| 1980        | 2             | 16                | 12             | 151              | 15                 |
| 1981        | 2             | 21                | 11             | 123              | 32                 |
| 1982        | <u>1</u>      | <u>26</u>         | <u>6</u>       | <u>124</u>       | <u>26</u>          |
| TOTALS      | 47            | 525               | 245            | 1,691            | 150                |

\* Figures for 1973-4 merged

\*\* Licensing of transporters began in FY '77

IV. EXCLUSIVE AREAS

There are 466 exclusive areas statewide.

# STATE OF ALASKA

## DEPARTMENT OF PUBLIC SAFETY

*DIVISION OF FISH & WILDLIFE PROTECTION*

BILL SHEFFIELD, GOVERNOR

ROBERT J. SUNDBERG  
COMMISSIONER

P. O. BOX 6188, ANNEX  
ANCHORAGE, ALASKA 99502

February 4, 1983

Paul Conger  
Legislative Aide  
Department of Public Safety  
450 Whittier Street  
Juneau, Alaska 99801

Dear Paul:

This is in response to the request by the House Resource Committee for information on the hunting and fishing guides in the State of Alaska.

In regards to fishing guides we have numerous individuals who provide charter and commercial fishing trips throughout the state, however, there is only one area within the state that has specific regulations relating to sport fishing guides, and that is on the Kenai River, located on the Kenai Peninsula. I am enclosing a copy of the codification of Register 82, 5 AAC 56.036, Kenai River Guiding Requirements. The sport fish guides on the Kenai River are required to maintain logs and provide information on their trips, however, reporting of monetary remuneration is not required.

It is estimated that a guided sport fish trip on the Kenai River costs approximately \$80.00 to \$100.00 per person.

The following information pertains to the sport fish guides who registered with the Department of Fish and Game in 1982, the first year of the regulation being in effect.

- 207 Sport fish guides who registered and were issued log books
- 43 Did not actually fish - no logs
- 56 Sport fish guides who took 50 or more clients
- 125 Separate sport fish guide business, with one or more guides employed
- 179 Boats registered by guides

There were approximately 24,880 man days of sport fishing efforts by the guides and clients on the Kenai River in 1982.

It is a requirement for game guides to submit a statement of financial remuneration report that does reflect the name of the client(s) who was/were guided. Enclosed is a blank statement of a financial remuneration form that shows the required information that must be submitted on all guided hunts.

There is no requirement that a guide must show the amount of monetary remuneration received from a client for the guide service provided.

There is a space provided on the form that the guide must mark to indicate if financial remuneration was or was not received from a client.

We have the following classification and numbers of guides in the state of Alaska as of this date.

|                          |     |
|--------------------------|-----|
| Master Guides            | 41  |
| Registered Guides        | 346 |
| Class A Assistant Guides | 122 |
| Assistant Guides         | 666 |

In 1981 there were approximately 1120 non-resident clients and 350 non-resident alien clients who were provided guide service.

In 1980 there were a combined total of 1600 non-resident and non-resident alien clients provided with guide service. We have not had an opportunity to compile the number of clients receiving guide service for 1982.

The following information is an estimated high and low cost that a guide charges for the animal hunted by a client.

|            |                    |
|------------|--------------------|
| Sheep      | \$4,500 to \$5,500 |
| Moose      | \$3,000 to \$4,000 |
| Caribou    | \$1,500 to \$2,500 |
| Black Bear | \$1,500 to \$2,500 |
| Brown Bear | \$5,000 to \$9,000 |

There are some guides who will charge a client a lesser overall price for a combination hunt as when compared to a single animal hunt. For more information on prices we suggest contacting the Alaska Professional Hunters Association.

Paul Conger

3

February 4, 1983

If we can be of further assistance to you on this matter, please let us know.

Sincerely,



Captain James R. Nutgrass  
Operations Commander

JRN/rt  
Attachment

S

B

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9



# Alaska State Legislature

HOUSE OF REPRESENTATIVES  
COMMITTEE ON RESOURCES

JOHN RINGSTAD, CO-CHAIRMAN  
RICHARD SHULTZ, CO-CHAIRMAN  
POUCH V  
JUNEAU, ALASKA 99811  
(907) 465-3715

To: Co-chairman Ringstad  
From: Committee Staff  
Date: March 16, 1984  
Re: SB 139

---

This legislation originated when legal revisors reviewing the statutes determined that the statutes involved were not serving a useful public purpose.

Agencies involved in the implementation of the big game transporter statutes also agreed that they were nearly impossible to enforce, and took time away from other, more important enforcement problems.

Senate Resources, after hearing testimony from big game guides, as well as appropriate agencies, passed SB 139, repealing the big game transporter provisions from Alaska statutes.

Nearly all parties agree that, although the legislation setting up these statutes was well-intended, it has caused more problems than it has solved.

# STATE OF ALASKA

BILL SHEFFIELD, GOVERNOR

DEPARTMENT OF PUBLIC SAFETY  
OFFICE OF THE COMMISSIONER

POUCH N  
JUNEAU, ALASKA 99811  
PHONE:

March 8, 1983

465-4322

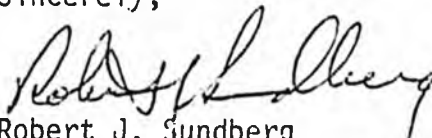
Senator Bettye Fahrenkamp  
Chairman, Senate Resources Committee  
State Capital  
Pouch V  
Juneau, Alaska 99811

Dear Senator Fahrenkamp:

Re: SB 139

We support your intent to remove transporters from Title 8.

Sincerely,

  
Robert J. Sundberg  
Commissioner

SB 139 AN ACT REPEALING THE LICENSING OF BIG GAME TRANSPORTERS.

SPONSOR: RESOURCES COMMITTEE

---

Removes reference to "transporters" and "transporting activity" from the statute on guides.

Repeals the following sections:

- Qualification for transporter license.
- Restriction to transportation.
- Transporter report.
- License fee for a transporter.
- Definition of "transporting".

(Transporting is defined as conveying a person by any lawful means to an area for remuneration or material benefit in excess of normal operating costs, when the primary purpose of the person being conveyed is the taking of big game and the associated removing of big game meat after big game has been taken.)

Currently, a transporter is required to submit a notarized application with a \$10 fee to the Department of Commerce. (The Department has issued 161 licenses since the program began in 1977.) Under current statute, Master, Registered, Class A Assistant, and Assistant Guides are exempt from the license requirements for transporters, but must comply with the reporting provisions. There is no limit on the number of transporter licenses that can be issued, nor are transporters restricted to certain geographic areas.

The Division of Legislative Audit did a follow-up review of the Guide Licensing and Control Board dated 12-21-81, and recommended the repeal of the "transporter laws", as they are not needed to protect the safety of the public or manage the game resources. In addition, air transporters' flying safety qualifications and aircraft safety are regulated by the FAA.

STATE OF ALASKA  
PRELIMINARY STATEMENT OF FISCAL IMPACT

Bill No: SB 139 Date on Bill: 2/23/83  
 Title: repealing the licensing of big game transporters.  
 Sponsor: Resources Committee  
 Requestor: Senate Resources

1. Estimated fiscal impacts on:

a. Expenditures:

(Thousands of Dollars)

|           | FY 83 | FY 84 | FY 85 | FY 86 |
|-----------|-------|-------|-------|-------|
| Capital   |       |       |       |       |
| Operating |       |       |       |       |
| Total     | 0     | 0     | 0     | 0     |

b. Revenues:

|         |   |   |   |   |
|---------|---|---|---|---|
| Revenue | 0 | 0 | 0 | 0 |
|---------|---|---|---|---|

2. Source of funds to offset fiscal impact of bill:

Source of funds not identified by sponsor

3. Assumptions:

No fiscal impact

4. Disclaimer:

This statement has not been reviewed by the OMB in the Office of the Governor. It therefore does not represent the final estimate of fiscal impact.

Prepared By: Col. Robert J. Stickles *RJS* Phone: 269-5532  
 Division: Fish & Wildlife Protection Date: 3/2/83

Approved by Commissioner: *[Signature]* Date: 3/4/83  
 Department: Public Safety

5. Distribution:

- Original to Legislative Finance
- Copy to OMB
- Copy to Sponsor
- Copy to Requestor

2/15/83

STATE OF ALASKA 1984 LEGISLATIVE SESSION  
FISCAL NOTE

Revision Date: November 30, 1983

I. REQUEST

Bill/Resolution No.: SB 139  
 Title: Repeal Licensing Big Game Transporters  
 Sponsor: Senate Resources Committee  
 Requestor: \_\_\_\_\_  
 Date of Request: \_\_\_\_\_

II. FISCAL DETAIL

Agency Affected: Fish and Game  
 Program Category Affected: NRMEC  
 BRU, Program of Subprogram(s) Affected: \_\_\_\_\_

EXPENDITURES/REVENUES: (Thousands of Dollars)

|                         | FY 84 | FY 85 | FY 86 | FY 87 | FY 88 | FY 89 |
|-------------------------|-------|-------|-------|-------|-------|-------|
| OPERATING               |       |       |       |       |       |       |
| 100 PERSONAL SERVICES   |       |       |       |       |       |       |
| 200 TRAVEL              |       |       |       |       |       |       |
| 300 CONTRACTUAL         |       |       |       |       |       |       |
| 400 COMMODITIES         |       |       |       |       |       |       |
| 500 EQUIPMENT           |       |       |       |       |       |       |
| 600 LAND & STRUCTURES   |       |       |       |       |       |       |
| 700 GRANTS, CLAIMS, ETC |       |       |       |       |       |       |
| TOTAL OPERATING         | 0     | 0     | 0     | 0     | 0     | 0     |
| CAPITAL                 | 0     | 0     | 0     | 0     | 0     | 0     |
| REVENUE                 | 0     | 0     | 0     | 0     | 0     | 0     |

FUNDING: (Thousands of Dollars)

|                        |  |  |  |  |  |  |
|------------------------|--|--|--|--|--|--|
| GENERAL FUND           |  |  |  |  |  |  |
| FEDERAL FUNDS          |  |  |  |  |  |  |
| OTHER (Specify Source) |  |  |  |  |  |  |
| TOTAL                  |  |  |  |  |  |  |

POSITIONS:

|           |  |  |  |  |  |  |
|-----------|--|--|--|--|--|--|
| FULL-TIME |  |  |  |  |  |  |
| PART-TIME |  |  |  |  |  |  |
| TEMPORARY |  |  |  |  |  |  |
| TOTAL     |  |  |  |  |  |  |

III. SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

OFFICE OF  
MANAGEMENT & BUDGET

NOV 30 1983

IV. ANALYSIS: Attach a separate page for any Analysis

BUDGET REVIEW

Prepared By: Beverly Reaume Phone: 165-1120  
 Division: Administration Date: \_\_\_\_\_  
 Approved by Commissioner: *Dennis J. DeLorenzo* Date: 11/29/83  
 Department: Fish and Game

Distribution:

- Original to Legislative Finance
- Copy to Office of Management and Budget (for Legislature introduced bills)
- Copy to Department (for Governor introduced bills)
- Copy to Sponsor
- Copy to Requestor (if different from Sponsor)

9/14/83

STATE OF ALASKA  
FISCAL NOTE

Revision Date March , 1983

I. REQUEST

Bill/Resolution No.: SB 139  
 Title: An Act repealing the Licensing of Big Game Transport  
 Sponsor: Resources Committee  
 Requestor: Resource Committee

II. FISCAL DETAIL

Agency Affected: Commerce & Econ. Development  
 Program Category Affected: Consumer Protection  
 BRU, Program of Subprogram(s) Affected: Licensing Boards

EXPENDITURES/REVENUES: (Thousands of Dollars)

|                         | FY 83 | FY 84 | FY 85 | FY 86 | FY 87 | FY 88 |
|-------------------------|-------|-------|-------|-------|-------|-------|
| <b>OPERATING</b>        |       |       |       |       |       |       |
| 100 PERSONAL SERVICES   |       |       |       |       |       |       |
| 200 TRAVEL              |       |       |       |       |       |       |
| 300 CONTRACTUAL         |       |       |       |       |       |       |
| 400 COMMODITIES         |       |       |       |       |       |       |
| 500 EQUIPMENT           |       |       |       |       |       |       |
| 600 LAND & STRUCTURES   |       |       |       |       |       |       |
| 700 GRANTS, CLAIMS, ETC |       |       |       |       |       |       |
| <b>TOTAL OPERATING</b>  |       |       |       |       |       |       |
| <b>CAPITAL</b>          |       |       |       |       |       |       |
| <b>REVENUE</b>          | 1.0   | 1.0   | 1.0   |       |       |       |

FUNDING: (Thousands of Dollars)

|                        |  |  |  |  |  |  |
|------------------------|--|--|--|--|--|--|
| GENERAL FUND           |  |  |  |  |  |  |
| FEDERAL FUNDS          |  |  |  |  |  |  |
| OTHER (Specify Source) |  |  |  |  |  |  |

POSITIONS:

|           |  |  |  |  |  |  |
|-----------|--|--|--|--|--|--|
| FULL-TIME |  |  |  |  |  |  |
| PART-TIME |  |  |  |  |  |  |
| TEMPORARY |  |  |  |  |  |  |

III. SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

IV. ANALYSIS: Attach a separate page for any Analysis

Prepared By: Harry D. Treager, Director *HT* Phone: 465-2534  
 Division: Occupational Licensing Date: March 14, 1983  
 Approved by Commissioner: Richard A. Lyon *RAL* Date: 3/16/83  
 Department: Commerce & Economic Development

Distribution:

- Original to Legislative Finance
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- Copy to Department (for Governor introduced bills)
- Copy to Sponsor
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3/8/83

FISCAL NOTE  
SB 139

ASSUMPTIONS: Since the inception of licensing of big game transporters in 1977, a total of 161 transporters have been licensed by the Division of Occupational Licensing. This bill would eliminate revenue as follows:

Transporter licenses are \$10.00 and must be renewed annually.

During calendar year 1982, 75 big game transporters were licensed.

Since the beginning of FY '83, 75 transporters have been licensed. It is anticipated that this figure will remain constant through FY '84 and FY '85.

One-third of one licensing examiner position is allotted to the Guide Licensing and Control Board; transporter licensing is only a portion of the Guide Licensing and Control Board's function and repeal will not appreciably alter staff duties.

SB 839

A FOLLOW-UP REVIEW OF THE  
GUIDE LICENSING AND CONTROL BOARD  
(Originally Released July 17, 1979)

December 21, 1981

Audit Control Number  
08-012-0023-R

Commissioner, Department of  
Commerce and Economic Development

Charles R. Webber

Commissioner, Department of  
Public Safety

William R. Nix

Commissioner, Department of  
Revenue

Thomas K. Williams

Members of the  
Guide Licensing and Control Board

Chairman  
Member  
Member  
Member  
Member  
Member  
Member

Marcus F. Jensen  
Clark Engle  
H. Glen Glenzer  
Norman G. Sutcliff  
Donald Harris  
William G. Stroecker  
Herbert C. Wiese

## ORGANIZATION AND FUNCTION

The Guide Licensing and Control Board was established by the 1973 Session Laws of Alaska and succeeds the Board of Fish and Game, Department of Fish and Game, which previously regulated the guiding industry. The seven member Board is appointed by the Governor with confirmation by the Legislature and is restricted to having no more than three members as licensed guides. Board members serve staggered terms of three years or until their successors are appointed.

The Board is organized under the Department of Commerce and Economic Development, Division of Occupational Licensing. Two budgeted positions, a Guide Investigator and Administrative Assistant, in the Department of Public Safety, Division of Fish and Wildlife Protection, have been provided to assist in the licensure and investigations of guides.

The function of the Board is primarily regulatory, mandated by AS 08.54.040. Accordingly, the Board has the capacity to administer examinations; determine qualifications of guides; establish performance standards and regulate activities; maintain guide registers; prohibit harmful guiding activities; conduct hearings regarding licensure; and establish quotas of guides for specified geographical areas (exclusive guiding areas). The Board, through the assignment of exclusive guiding areas, limits hunting pressure by guides within a specific geographical area.

In addition, the Board licenses "transporters". A licensed "transporter" is a person who transports hunters for hire.

## REPORT CONCLUSION

### Policy Issues

This review contains policy issues raised as a result of our evaluation of various Board practices. The final policy decisions affecting these practices are not within the scope of this review but require legislative consideration. In debating these issues, the legislative oversight committees should consider the findings and alternatives presented in this report in reaching their decision.

### Report Conclusion

In our opinion, the Guide Licensing and Control Board should be continued. For the following reasons, we believe the regulation and licensing of guides is needed to protect the public's health, safety and welfare:

- A. This profession involves contracting for hunting game that could result in severe physical harm if practiced by incompetent persons. Potential harmful results include injury or death to the hunter due to neglect or carelessness on the part of the guide.
- B. Other users of game resources, such as the general public and subsistence hunter, can be directly or indirectly affected by guiding activities. For example, overhunting by guides in an area not only depletes the game resources available to the general public but also adversely affects the subsistence hunters in that area.
- C. In order to protect the public without unduly restricting individual rights, AS 16.05.407(a) exempts Alaskan residents from requiring the services of a guide.

While the reasons above indicate that the Board should continue to license and regulate guides, certain changes need to be implemented in order for the Board to more effectively serve the public.

The Board agrees that the transfer of the guides licensing function to the Department of Public Safety would enhance public convenience and be cost efficient. The Board believes legislation should be submitted seeking such a transfer (see Prior Audit Recommendation No. 1).

The Board has proposed changes to the statutes in response to two of our prior audit recommendations. However, the statute changes have not passed and a continued effort will be necessary to provide clear, relevant and workable statutes (see Prior Audit Recommendations No. 2 and No. 3).

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The Department of Revenue has developed forms and procedures to collect and account for revenues from guides as required by statute. However, a continued effort will be required to improve the efficiency and accuracy of the reporting system (see Prior Audit Recommendation No. 4).

The Board is in the process of establishing a formal set of specific objectives and related measurement criteria so that its performance can be evaluated (see Prior Audit Recommendation No. 5).

### Legislative Audit's Current Position

The Board agrees that the transfer of the guide licensing function to the Department of Public Safety would enhance public convenience and be cost efficient. The Board believes that legislation will soon be submitted seeking such a transfer.

### Prior Audit Recommendation No. 2

The Guide Licensing and Control Board should seek legislation to have the "transporter laws" repealed.

The purpose of the "transporter laws" [Alaska Statutes 08.54.142, 08.54.144, 08.54.146 and 08.54.170(c)] is to protect the safety of the citizens of the State and better manage and protect the State's resources by licensing persons who transport hunters for hire so that reasonable standards and guidelines would be met and activities affecting the State's game resources would be more accurately monitored and assessed.

In our opinion, the "transporter laws" are not needed to protect the safety of the public or manage the game resources.

Personnel in the Department of Public Safety, Division of Fish and Wildlife Protection, consider the "transporter laws" confusing and difficult to enforce. In addition, we found the information and reports that transporters are required to file are not being used and are not needed to manage the game resources of the State. Furthermore, air transporters' flying safety qualifications and aircraft safety are regulated by the Federal Aviation Administration.

### Legislative Audit's Current Position

The Board has submitted legislation providing that the transporter laws be repealed. The above mentioned statutes are addressed in House Bill 199.

### Prior Audit Recommendation No. 3

The Board should continue its efforts to make the statutes more clear, relevant and workable.

Over the past several years the Board has been adopting regulations to make the statutes more clear, relevant and workable. However, we noted several statutes which need further consideration. For example:

(11) has been favorably recommended in writing by two hunters that the person has guided or assisted in guiding during each year of the person's three years as an assistant guide, whose recommendations have been solicited by the board from a list provided by the applicant;

(12) meets additional qualifications which the board may require. (§ 1 ch 17 SLA 1973)

**Editor's notes.** — This section was redrafted by the revisor of statutes to remove personal pronouns in conformity with AS 01.05.031(c) and § 4, Chapter 58, SLA 1982.

#### NOTES TO DECISIONS

There is a rational connection between one's competence to continue as a guide and a violation of fish and game regulations and statutes designed to conserve these resources of the state. *Herscher v. State, Dep't of Commerce, Sup. Ct. Op. No. 1491 (File Nos. 2927, 2967), 568 P.2d 996 (1977).*

If a guide violates the licensing statute and regulations of the board, he has demonstrated his failure to accomplish the joint objectives of reasonable harvesting of the game resources and their conservation, and, therefore, shows his incompetence to continue in the occupation of guiding hunters of Alaska's game resources. *Herscher v. State, Dep't of Commerce, Sup. Ct. Op. No. 1491 (File Nos. 2927, 2967), 568 P.2d 996 (1977).*

**Extent of rational connection.** — There is no requirement under due process

that there must exist a rational connection between all of the several qualifications or standards one must meet to become a licensed hunting guide, and the various laws and regulations that must be obeyed if one is to retain his guide license. The "rational connection" is between the violations and one's competence, not to be licensed as a guide, but to continue in the occupation of guiding. *Herscher v. State, Dep't of Commerce, Sup. Ct. Op. No. 1491 (File Nos. 2927, 2967), 568 P.2d 996 (1977).*

**Notice and hearing required for license suspension.** — In the suspension of a hunting guide license, adequate notice and opportunity for a hearing were required. *Herscher v. State, Dep't of Commerce, Sup. Ct. Op. No. 1491 (File Nos. 2927, 2967), 568 P.2d 996 (1977).*

**Sec. 08.54.120. Qualifications for a class-A assistant guide license.** A person is entitled to be licensed as a class-A assistant guide if the person

(1) has been employed for at least one season as a licensed assistant guide;

(2) has had at least 20 years experience in the guide district in which the person is to be employed; for the purposes of this paragraph physical presence at some time of the year during each of the 20 years constitutes adequate evidence of experience, and military service outside the state for no more than six years shall be accepted as part of the required 20 years experience;

(3) has been recommended in writing as qualified by a registered or master guide to the board. (§ 1 ch 17 SLA 1973)

**Editor's notes.** — This section was redrafted by the revisor of statutes to remove personal pronouns in conformity with AS 01.05.031(c) and § 4, Chapter 58, SLA 1982.

**Sec. 08.54.130. Privileges and limitations of class-A assistant guides.** A class-A assistant guide

(1) may not contract for hunts;

(2) shall be under the supervision of a registered or master guide who has contracted with the client for whom the class-A assistant guide is conducting the hunt;

(3) may take charge of a camp and conduct hunts from it without the registered or master guide necessarily being present in the area if the registered or master guide is physically present in the state and is actively supervising in guiding activities. (§ 1 ch 17 SLA 1973)

**Sec. 08.54.140. Qualifications for assistant guide license.** A person is entitled to be licensed as an assistant guide if the person

(1) is 19 years of age or more;

(2) is a resident of the state;

(3) is favorably recommended to the board, in writing, by a registered guide;

(4) meets additional qualifications which the board may require;

(5) is in sound physical condition. (§ 1 ch 17 SLA 1973)

**Editor's notes.** — This section was redrafted by the revisor of statutes to remove personal pronouns in conformity with AS 01.05.031(c) and § 4, Chapter 58, SLA 1982.

**Sec. 08.54.142. Qualification for transporter license.** (a) A person may not engage in the activity of transporting unless the person is licensed as a transporter under this chapter. A person may be licensed as a transporter if the person

(1) is a resident of the state;

(2) is familiar with the terrain and transportation problems in the district or districts for which the license is requested;

(3) obtains a business license to do business as a transporter under AS 43.70.030.

(b) A person may not engage in the activity of transporting by air without an air commerce certificate as required by AS 02.05.040. (§ 2 ch 106 SLA 1976)

**Editor's notes.** — This section was redrafted by the revisor of statutes to remove personal pronouns in conformity with AS 01.05.031(c) and § 4, Chapter 58, SLA 1982.

Section 10, ch. 106, SLA 1976, provides: "Nothing in this Act gives a person licensed as a transporter a right as an air carrier which he does not otherwise hold under law."

**Sec. 08.54.144. Restriction to transportation.** (a) A licensed transporter may transport persons whose primary purpose is the taking of big game or the associated removing of big game meat and parts of big game, with the intent of receiving monetary or material remuneration for the transportation

(b) Air carriers who transport persons between airports, landing strips or other landing areas officially listed in the United States government Flight Information Publication, Alaska Supplement, as revised, or the United States government Sectional Aeronautical Charts, as revised, are exempted from the license requirements for transporters under this chapter but shall comply with the reporting provisions as prescribed in AS 02.05.170(f).

(c) Master guides, registered guides, class-A assistant guides or assistant guides are exempted from the license requirements for transporters under this chapter but shall comply with the reporting provisions as prescribed in AS 02.05.170(f). (§ 2 ch 106 SLA 1976)

Editor's notes. — Section 10, ch. 106, SLA 1976, provides: "Nothing in this Act gives a person licensed as a transporter a right as an air carrier which he does not otherwise hold under law."

Sec. 08.54.146. Transporter report. A transporter shall maintain a record of (1) the names and addresses of all persons transported; (2) the type of game transported; (3) an estimate of the quantity of meat transported; (4) the date of transporting; and (5) if known, the locality where the game was taken. The report shall be submitted to the Department of Fish and Game within 90 days after transporting the game. After receiving a report required under this section, the Department of Fish and Game shall send a copy of it to the Department of Public Safety. (§ 2 ch 106 SLA 1976; am § 4 ch 133 SLA 1976)

Editor's notes. — This section was redrafted by the revisor of statutes to remove personal pronouns in conformity with AS 01.05.031(c) and § 4, Chapter 58, SLA 1982.

Sec. 08.54.150. Responsibility of registered or master guide for violations. A registered or master guide contracting for a hunt is equally responsible under AS 08.54.200 for a violation of a federal or state sport fish, game or guide statute or regulation committed by a class-A assistant guide or assistant guide while in the course of the class-A assistant guide's or assistant guide's employment. (§ 1 ch 17 SLA 1973)

Editor's notes. — This section was redrafted by the revisor of statutes to remove personal pronouns in conformity with AS 01.05.031(c) and § 4, Chapter 58, SLA 1982.

Sec. 08.54.170. License fees. (a) License fees for engaging in the profession of guiding are:

- (1) master guide license, annual . . . . . \$75
- (2) registered guide license, annual . . . . . 75

(4) assistant guide license, annual . . . . . 10  
(b) The license fee for a master guide, registered guide, class-A assistant guide or assistant guide license is in addition to the fee required for a hunting or fishing license.

(c) The license fee for a transporter is \$10. (§ 1 ch 17 SLA 1973; am § 3 ch 10 SLA 1976)

Sec. 08.54.180. Examination fee. An applicant for a guide examination shall pay a fee of \$25. (§ 1 ch 17 SLA 1973)

Sec. 08.54.185. Additional fees. In addition to the license and examination fees provided for under this chapter, master guides and registered guides are subject to fees imposed under AS 16.05.340(e). (§ 4 ch 268 SLA 1976)

Sec. 08.54.190. Expiration and renewal. (a) A master guide, registered guide, class-A assistant guide, assistant guide or transporter license expires on December 31, following issuance.

(b) A license may not be issued to a class-A assistant guide or assistant guide who has failed to renew a license issued under this chapter for two consecutive years unless the class-A assistant guide or assistant guide again meets the qualifications for initial issuance of the license.

(c) A master or registered guide who fails to renew a license is not required to requalify under AS 08.54.100(2) or 08.54.110(8), respectively. (§ 1 ch 17 SLA 1973; am § 12 ch 127 SLA 1974; am § 4 ch 106 SLA 1976)

Editor's notes. — This section was redrafted by the revisor of statutes to remove personal pronouns in conformity with AS 01.05.031(c) and § 4, Chapter 58, SLA 1982.

Sec. 08.54.200. Grounds for disciplining a licensee. (a) The board shall hold a hearing to determine if disciplinary action is necessary if

- (1) complaints concerning the licensee have been filed with the board from three or more clients of separate parties; or
- (2) a licensee has been charged with a violation of federal or state sport fish, game or guide statutes or regulations; or
- (3) a licensee has been convicted of a violation of federal or state sport fish, game or guide statute or regulation.

(b) After a hearing, the board may revoke, suspend, or deny renewal of a license if the board finds that the licensee

(1) engaged in unethical activity, unsafe activity, or activity which adversely affects the natural resources of the state when such activity is unrelated to the legal and legitimate purposes of the contract hunt; or

**Sec. 08.54.220. Injunction against unlawful action.** When in the judgment of the board a person or corporation or other entity has engaged in an act in violation of AS 08.54.13C and 08.54.200 — 08.54.210 or the regulations promulgated under them, the board may apply to the appropriate court for an order enjoining the act. Upon a showing by the board that the person is engaging in the act, the court shall grant injunctive relief or other appropriate order without bond. (§ 1 ch 17 SLA 1973; am § 5 ch 43 SLA 1975)

**Article 3. General Provisions.**

Section  
240. Definitions

**Sec. 08.54.240. Definitions.** In this chapter

- (1) "board" means the Guide Licensing and Control Board;
- (2) "guide", "guides" or "guiding" means assisting another person to take game with the intent of receiving monetary or material remuneration for the services, by accompanying and directing that person personally or through a licensed assistant guide for the duration of a hunt, and not solely for the purpose of providing transportation services;
- (3) "resident" means a person who
  - (A) maintains a place of residence within the state;
  - (B) has not claimed residency in another state for the immediately preceding 12 months;
  - (C) shows by all attending circumstances the intention to permanently reside in this state;
- (4) "unethical activity" means
  - (A) deception in any degree involving prospective or actual clients either before, during, or following contract hunts;
  - (B) misrepresentation either through private communication or public advertising of the nature, type, duration, cost, or other conditions of contract hunts;
  - (C) making a guaranty that a species or certain number of species of game will be taken on a contract hunt;
- (5) "transporting" or the "activity of transporting" means conveying a person by any lawful means to an area for remuneration or material benefit in excess of normal operating costs, when the primary purpose of the person being conveyed is the taking of big game and the associated removing of big game meat and parts of big game after big game has been taken; big game as used in this paragraph means game which, if taken by a nonresident, would require a big game tag. (§ 1 ch 17 SLA 1973; am §§ 7, 8 ch 106 SLA 1976; am § 2 ch 133 SLA 1976)

**Editor's notes.** — This section was redrafted by the revisor of statutes to remove personal pronouns in conformity with AS 01.05.031(c) and § 4, Chapter 58, SLA 1982.

**Chapter 56. Hotels and Boardinghouses.**

|   |  |
|---|--|
| <p>Section<br/>10. Registration of travelers<br/>20. Effect of refusal to register<br/>30. Penalty for noncompliance<br/>40. Disposition of fines</p> | <p>Section<br/>50. Liability for valuables<br/>60. Baggage liability<br/>70. Definitions</p> |
|---|--|

**Cross references.** — For other provisions relating to hotels and boardinghouses, see AS 34.35.510 — 34.35.530.

**Collateral references.** — 46 Am. Jur. 2d, Hotels, Motels and Restaurants, §§ 28-48.

48A C.J.S., Inns, Hotels, and Eating Places, §§ 4-10.  
What constitutes a hotel or inn. 19 ALR 517; 35 ALR 988.  
Maintenance or regulation by public authorities of tourist or motor camps, courts or motels. 22 ALR2d 774.

**Sec. 08.56.010. Registration of travelers.** The proprietors of roadhouses, hotels, or boardinghouses located outside of incorporated cities shall each keep a register containing the name and address of each guest with the date of arrival and departure. (§ 35-2-161 ACLA 1949)

**Editor's notes.** — This section was redrafted by the revisor of statutes to remove personal pronouns in conformity with AS 01.05.031(c) and § 4, Chapter 58, SLA 1982.

**Sec. 08.56.020. Effect of refusal to register.** No person who refuses to register may be accepted as a guest or given accommodations. (§ 35-2-161 ACLA 1949)

**Sec. 08.56.030. Penalty for noncompliance.** The proprietor of a roadhouse, hotel, or boardinghouse who fails to comply with this chapter is punishable by a fine of not less than \$10 or more than \$25, or by imprisonment for not more than 10 days, or by both. (§ 35-2-162 ACLA 1949)

**Sec. 08.56.040. Disposition of fines.** All fines collected under this chapter shall be deposited in the general fund. (§ 35-2-162 ACLA 1949)

**Sec. 08.56.050. Liability for valuables.** (a) When the operator of a hotel or boardinghouse provides a safe or vault in which guests may deposit valuable property for safekeeping and notice of this fact is posted in three or more conspicuous places in the hotel or boardinghouse, the operator is not liable for the loss, damage or

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# STATE OF ALASKA

## DEPARTMENT OF COMMERCE & ECONOMIC DEVELOPMENT

OFFICE OF THE COMMISSIONER

BILL SHEFFIELD, GOVERNOR

POUCH D  
JUNEAU, ALASKA 99811  
PHONE: 465-2500

May 26, 1983

### Amendments for HCS CSSB 151 (C&RA)

Section 30.13.020(c) The three members appointed by the governor shall be the commissioner of Transportation and Public Facilities and the heads of two other principal departments of the executive branch (and shall serve at the pleasure of the governor), or the designees of the three members.

Section 30.13.040(9) charge and collect only those rents, rates, fees, or other charges (for its services and facilities) which are necessary to pay for the costs, including principal and interest, of bonds issued to finance the facility and to pay for costs necessary to maintain and to operate the facility;

(add to)

Section 30.13.050 An authority may not use rents, rates, fees or other charges collected through operation of the facility to finance the improvement, establishment and development of other, unrelated facilities.

### Who is behind this legislation?

Cominco-Alaska, Inc. and NANA Corporation are partners in developing the Red Dog Mine near Kotzebue and requested this legislation. The Red Dog deposit is generally considered the richest lead and zinc find in the free world.

Cominco-Alaska's parent company, Cominco Limited of Vancouver B.C. is one of the world's largest lead and zinc producers. Cominco has vast experience in mining in the Arctic regions of Canada as well as in Greenland.

The Red Dog mine when operating will employ some 400 people directly. The mine will operate 24 hours a day, seven days a week for 50+ years. Current schedules call for completion of construction of both the mine facility and transportation systems by late 1986.

Other mining companies such as General Crude Oil Minerals and Kennecott have supported the legislation.

### Why was the legislation proposed?

Given current law affecting the unorganized borough the proposed regional authority legislation was seen as the best way to achieve:

- tax exempt revenue bond financing (through lower interest rates and longer terms)
- Public ownership of a transportation system and port with equal access to any users (such as other mining projects which might come on line).
- Local input to decision making by the developer.

### Why doesn't the NANA region simply form a borough?

The NANA corporation board of directors has set forming a borough government in their area as a priority. During the summer and fall of 1983 the process of beginning the process by formal discussions throughout the region will begin.

To keep the Red Dog project on schedule, the people in the region feel they cannot have the borough government in place soon enough.

HB 377 is seen as an interim measure to keep the project on schedule until a borough is formed.

The Red Dog mine once operating will bring the regions valuation to a point where a sufficient tax base will exist for borough formation.

What State controls and oversight are contained in HB 377?

1. Authority Formation has to be approved by the Governor.
2. Three of the eight members of the Authority Board of Governors will be selected by the Governor from his cabinet.
3. Any bond sale must have advance approval of the State Bond Committee (the Commissioners of Commerce, Revenue, and Administration).
4. Financial records of the Authority are subject to audit by the Legislative Auditor; records must be established and maintained in a manner approved by the Legislative Auditor.



## Alaska Environmental Lobby, Inc.

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24 March 1983

### REGIONAL RESOURCE DEVELOPMENT AUTHORITIES: ISSUES AND PROBLEMS

#### INTRODUCTION

Senate Bill 151 allows the creation of 21 Regional Resource Development Authorities in Alaska, with full powers to issue revenue bonds for mining roads and ports. This bill would immediately benefit the development of the proposed Red Dog mine in northwest Alaska. But the larger issue is whether the state needs to create a new form of government in the unorganized borough which can issue unlimited amounts of tax exempt revenue bonds.

#### TAX EXEMPT BONDS

Bonds are usually tax exempt when they are issued by a state or local government (or an agent of a state or local government) and are used for a public purpose. Because the interest on these bonds is exempt from federal taxes, they are popular with investors, and hence have lower interest rates. General Obligation Bonds require approval by the voters and are usually paid off by taxes or any other state revenues. Revenue bonds should pay for themselves, out of the revenues from the project that was financed by the bonds, in this case a "toll" on mining developments and roads. Since these bonds are supposed to be paid off through user fees, they do not require voter approval. 85% of Alaska's \$8.5 billion debt was incurred by revenue bonds--in other words, without voter approval.

After RRDA's are established by local elections, they can issue tax exempt revenue bonds for roads and harbor development. The issuing of these bonds does not require either state approval or voter approval, according to the current committee bill. Because the interest rates on these bonds would be lower than the rates for bonds issued by private corporations, they could encourage mining development that might not otherwise be possible. The effect is marginal, as the current difference in interest rates is about 3%, but the mining companies insist that this advantage is essential for profitability.

## PAYING OFF REVENUE BONDS

The tolls from the roads and port facilities normally would pay the interest and principle due on the bonds. If the mining company fails to pay the tolls and charges required to pay for the road, the authority will be able to take legal action against the mining company. If, however, there is a deep slump in mineral prices, the mining company may go bankrupt, and the authority will have no way to pay off the bonds--except by going back to the state of Alaska and asking for more money.

Under SB 151, the state of Alaska has no legal obligation to help authorities in trouble. As a practical matter, however, the state must come to the rescue, or suffer the consequences of having the reputation of Alaska's bonds all being suspect. This is a problem common to all state authorities. An article in the Sunday, March 20, edition of the Anchorage Times, "'Separate' Agencies Rely on State Backup" investigated this problem. Harold Kuplesky, of the Bankers Trust Company, authorized a \$50 million line of credit to the Alaska Power Authority. The Times reported:

Harold Kuplesky isn't worried. Why? "As a backup, we have the state of Alaska standing behind the project." And if Tyee isn't finished and the state refuses to pay off the loan? "The market looks very dimly on people who do not honor their obligations," Kuplesky replied.

Kuplesky then illustrated his point. "A good example is the New York Urban Development Authority," he said. "They defaulted, and we shut off the credit to the state of New York."

"What happened? "The Legislature came up with the money, and fairly quickly, too."

## THE BABY ELEPHANT PHENOMENON

A report to the Legislative Budget and Audit Committee, "Alaska's Public Corporations," by the Institute of Public Administration (Jan. 1982) described this situation in more vivid terms on page 48:

History has shown very clearly that unless state governments become involved in any bail out arrangements for their corporate subsidiaries, state credit will be damaged if not cut off by bond market participants. Market analysts call this the 'baby elephant phenomenon'. The elephant (the indebted corporation in trouble) stumbles up on the state's front porch and says, "feed me or I'll fall down dead on your doorstep."

## OTHER STATE SUBSIDIES

In Senate Bill 151, elections for Regional Resource Development Authorities will be paid for by the state. The operating expenses for the authorities are not specifically provided for. The door is left open for gifts, grants, loans, and payments for contracts from the state, as well as from individuals, private organizations, municipal governments and the federal government.

## LOCAL CONTROL

One of the attractive points of SB 151 is that it provides for a measure of local control of road and port development. The RRDA's will be governed by a board of eight members. Five are elected by voters in the region (a region has the same boundaries as one of the regional educational attendance areas) and three are appointed by the governor. The authority has been likened to a single purpose local government. It is established to build roads and ports, but it does not have powers of land use planning, zoning, permitting, or taxation. The bond issues are approved by the Board, but are not voted on by the members of the region.

A development authority may be succeeded by a first or second class borough. If an authority fails and goes bankrupt, the subsequent formation of a borough may be complicated or prevented by the legal and financial wreckage of the authority.

## ALTERNATIVES TO REGIONAL RESOURCE DEVELOPMENT AUTHORITIES

There are several alternatives to RRDA's which provide tax exempt bonding and local control, without risking the state's credit rating.

1. One alternative is to form a new borough in the area(s) that wants to develop roads and ports. The revenue bonds would be issued by the borough or an intramentality of the borough, as was done in Valdez. Because the borough has powers of planning, zoning, and permitting, greater local control is possible than with RRDA's.
2. Another alternative is to modify the Alaska Industrial Development Authority statutes so that they can fund larger projects, and fund roads projects. (Ports are already included.) Local control language is already in place for local governments; it could be extended to include rural areas.
3. Finally, tax free revenue bonds could be issued by the Department of Transportation. This technique is already used for airport construction. With this approach, areawide transportation planning is encouraged, and the chaos of 21 separate transportation authorities is avoided. Additional statutory provisions for local review of state projects would be needed.

The Anchorage Times

# Editorials

## Roads to resources

THE STATE could get itself into another hornet's nest if the legislature approves a measure to create regional resource-development authorities.

These authorities, which would issue revenue bonds for new roads, ports and other transportation facilities needed for resource development, smack too much of the rural education attendance areas.

A few of those education units are notorious for not spending their money within established guidelines.

Fortunately, the Senate Finance Committee has held off approving the bill to create the authorities.

THOSE RURAL education areas have enough autonomy that they can get away with all sorts of foolishness. Some of them have tended to spend massive amounts for travel that cannot be justified. A number of them have failed to carry out orders to spend at least 55 percent of their budgets for classroom instruction. Still others have had

more dollars left over at the end of the year than the law allows.

The proposed regional resource development authorities would have the power to issue revenue bonds and to use bond income to construct roads. The engineering and building of roads is no small matter. Large amounts of money would be handled to effect the purchase of rights of way, the engineering and the actual construction.

Under the bill, as many as 21 additional quasi-government units could be formed. Citizens of those rural education attendance areas would be able to vote whether or not to create one of the authorities.

THERE ARE a number of questions that need answers before the legislature gives this measure further serious consideration.

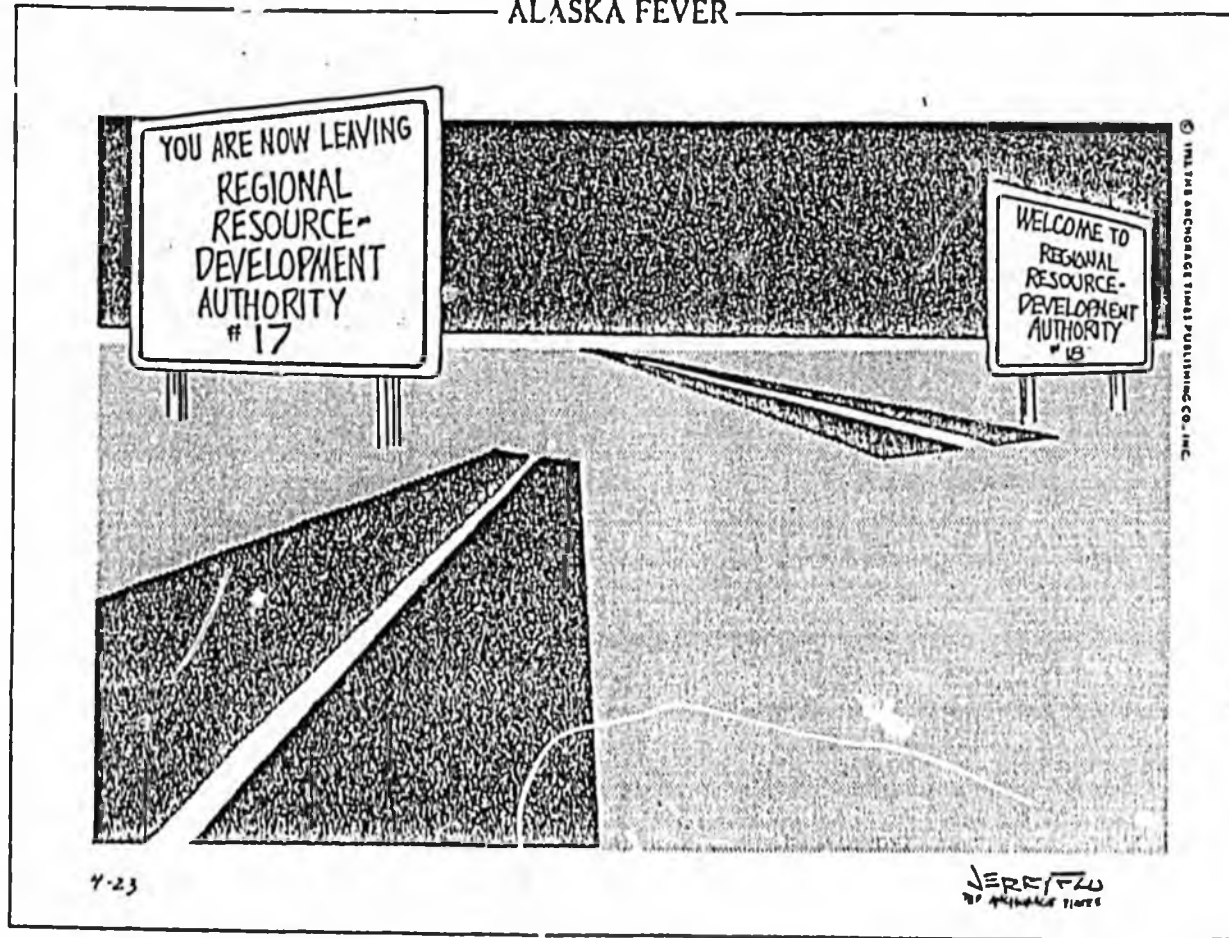
Controls are needed because the state likely would be left holding the bag if the authorities defaulted on paybacks. And there must be a firm plan for accountability, which has not been the case with the rural education districts.

There are areas of the state which do need roads and transportation facilities in order to facilitate the extraction the resources. These resources are the key to Alaska's future.

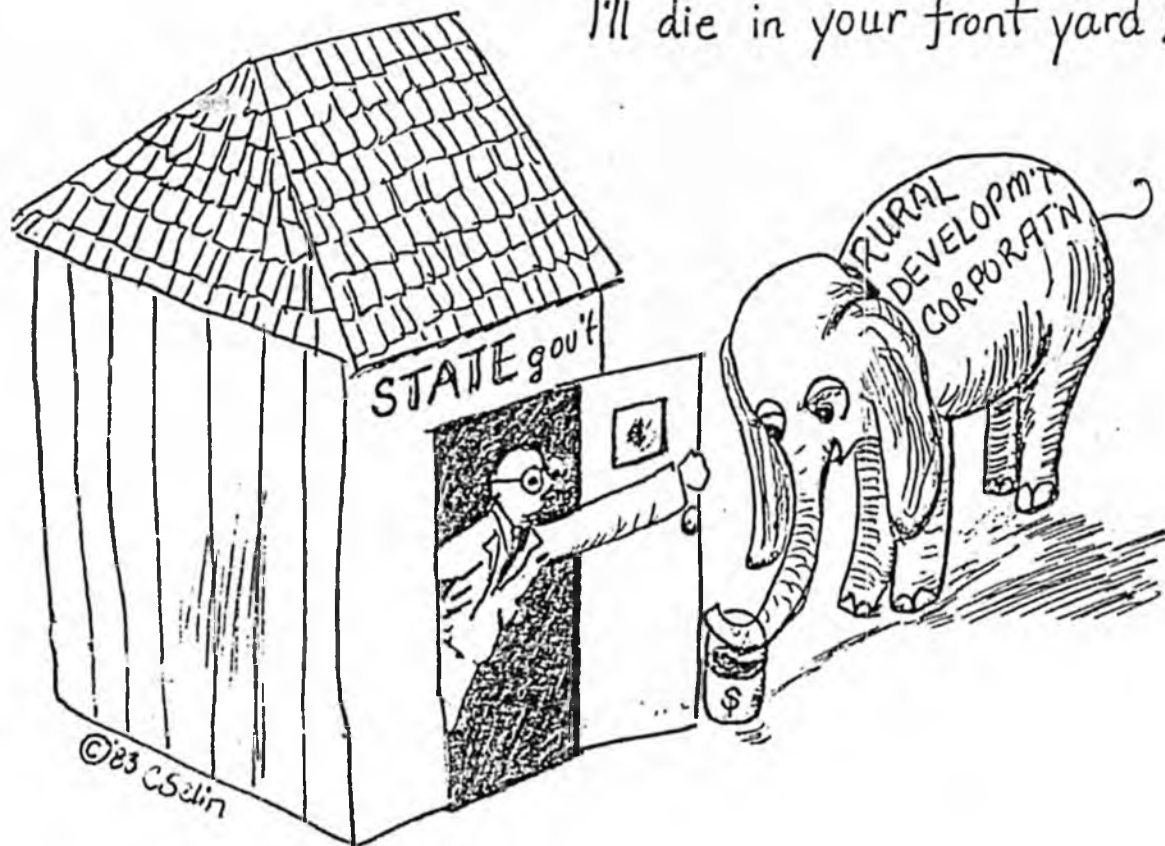
But the state already has established channels to build transportation facilities.

Alaska has learned the hard way that local autonomy is not always the best way to go.

## ALASKA FEVER



If you don't feed me,  
I'll die in your front yard!



THE BABY ELEPHANT PHENOMENON

ALASKA ENVIRONMENTAL LOBBY

May 11, 1983

The Honorable Richard Shultz  
Representative  
House of Representatives  
Pouch V  
Juneau, AK 99811

Re: "CSSB 151 (Resources) An Act relating to Regional Resource  
Development Authorities and providing for an effective  
date."

Dear Representative Shultz:

The intent of bill CSSB 151 is to provide a financing vehicle for transportation and port development in order to support natural resource development throughout Alaska. The legislative effort to design an enabling mechanism to organize these authorities in the different regions of the state may work against the ultimate success of these entities. In Southeastern Alaska, the REAA boundaries do not correspond with existing or potential political jurisdictions of any sort. Further, the political structure of the region - rural versus urban, development versus conservation, local government oriented versus private industry, etc. would make such an organizational effort difficult unless directed on a project site specific basis or on a totally region wide basis.

A better course of action might be to enable the formation of an authority based upon petition of the Office of the Governor and by concurrence through a joint resolution of the legislature. The petition would include #'s names of qualified voters finding a need for such an entity and their reasons. The legislature, in its capacity as the Assembly for the unorganized borough or as the legislature could find, support and ratify the formation of the authority, its purposes, its powers to create tax exempt financing and other powers. The Governor could appoint the board of governors (or commissioners) of the authority and the appointments could be concurred in by the legislature.


The reason this legislation is required at this time is because area wide government doesn't exist in most of the remote areas of Alaska where natural resource potential is on the verge of development. In the section on Powers of Authority and Limitation on Powers, it is clear that the ability to organize

and finance is granted; however, other necessary tools such as "eminent domain, taxation, land use planning, zoning, permitting or other similiar governmental powers" are specifically withheld. The legislation is silent on how all of these important features are to be dealt with as any development project progresses. Overlapping jurisdictions such as the statutory authority of Alaska Department of Community and Regional Affairs in the unorganized borough, Coastal Zone requirements and other agencies are certain to affect any project(s) created under a regional resource development authority. It seems that some of the powers restricted from these authorities should be granted. If not, then a state agency should be identified in the legislation through which these matters could be focused thus insuring timely progress and success of any resource development. The bottomline being that the public and the State of Alaska by using its tax exempt financing powers and other powers has an investment and interest in the outcome of an authority.

Sealaska Corporation is generally supportive of this legislation. With some changes, it is possible that Regional Resource Development Authorities could catalyst natural resource development in Southeastern Alaska as well as other areas of Alaska. If any of our ideas are helpful in moving the bill forward, we are willing to assist in preparing further language and testimony.

Sincerely,

SEALASKA CORPORATION



Robert W. Loescher  
Vice President  
Resource Management

cc: Byron Mallott  
Chris McNeil  
Janie Leask  
John Shively  
Don Argetsinger  
Sam Kito  
Southeast Village Corporation Presidents

LETTER OF INTENT

SENATE RESOURCES COMMITTEE .

CSSB 151 (RES)

It is the intent of the Committee to authorize the establishment of regional authorities which will have the ability to issue tax-exempt revenue bonds for the purpose of enhancing the development of resource enterprises which would contribute to the economic growth of the State. It is the intent of the Committee that the authorities established pursuant to this legislation would not create any financial liability or obligation by the state for bonds issued for resource enterprises. Nor is it the intent that the issuance of any such bonds by authorities adversely affect the ability of the state or any of its political subdivisions to market their own bonds. Rather, to the maximum extent possible, liability for bonds issued rest exclusively with the regional authority and the specific resource enterprise involved, not the state, successor boroughs or other municipalities or other projects or citizens in the region or state.



# Alaska State Legislature

## Senate

Official Business

Senator Bettye Fahrenkamp  
Chairman

Pouch V  
State Capitol  
Juneau, Alaska 99811

March 25, 1983  
3:10 p.m.

211 Beltz Room

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### MEMBERS PRESENT

Senator Fahrenkamp  
Senator Ziegler  
Senator Eliason

Senator Paul Fischer  
Senator Mulcahy

---

SB 73 - An Act relating to commercial fishing  
SB 136 - An Act relating to the operation of stationery fishing gear.  
SB 151 - An Act relating to Regional Resource Development Authorities.  
SB 156 - An Act relating to the sale or lease of state hatchery facilities.  
SR 2 - Relating to the Cross Island Well.

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SB 73 - Senator Mulcahy, chairman of the Fisheries Subcommittee, reported that the subcommittee had adopted a committee substitute. He then moved and asked unanimous consent that SB 73 be moved from committee with individual recommendations. There were no objections.

SB 136 - Senator Mulcahy asked that SB 136 be held until the next Resource Committee Meeting.

SB 156 - Senator Mulcahy stated the Fisheries Subcommittee had adopted a committee substitute. He then moved the committee substitute for Senate Bill 156 from committee with individual recommendations. There were no objections.

SB 151 - Pat Pourchot, Administrative Assistant to the Senate Resources Committee testified regarding changes in the committee substitute. He listed four provisions to provide safeguards to the State to protect against possible problems in creation of authorities and issuance of revenue bonds:

- (1) the number of petitioners to initiate calling an election was raised from 50 to 100;
- (2) a sunset provision barring establishment of authorities after June 30, 1986;
- (3) A Governor's finding of an authority;
- (4) A state bond committee finding prior to issuing revenue bonds.

A letter of intent was also presented which addressed liability by the state vis a vis regional authorities and tax-exempt revenue bonds.

Nelson - representing the Alaskan Environmental Lobby testified that does not support the bill as presently written. He feels it would lead to potentially unsound developments. In particular, he stated that it could result in the State obligation to bail out any project in order to keep the State's credit rating. He suggested alternatives and a list of amendments.

Mary Lou Meiners, Division of Elections presented a formula for consideration in the bill which would govern the number of signatures required for calling for an election to establish an authority.

Dan Casey, Department of Transportation testified that the Administration supports the concept, but needs more time to study the bill. He recommended that the bill not be held in the Committee.

Terry Elder, Department of Commerce and Economic Development voiced the same concerns as Dan Casey.

Senator Mulcahy moved and asked unanimous consent that committee substitute for SB 151, including proposed amendments, be passed from committee with individual recommendations. There were no objections. He then moved that the letter of intent be moved from committee. There were no objections.

Meeting adjourned 3:45 p.m.

# Alaska State Legislature

## Senate

### Resources Committee

Official Business

Senator Bettye Fahrenkamp  
Chairman

Pouch V  
State Capitol  
Juneau, Alaska 99811

March 18, 1983  
3:10 p.m.

211 Beltz Room

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#### MEMBERS PRESENT

Senator Fahrenkamp  
Senator Ziegler  
Senator Eliason

Senator Vic Fischer  
Senator Mulcahy  
Senator Sturgulewski

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#### SB 151 - An Act relating to Regional Resource Development Authorities

SB 151 sets up a procedure for establishing a regional resource authority which could finance infrastructure such as roads, pipelines and ports for resource development projects. These resource development authorities would be created with approval of voters in the regional education attendance area, and be run by an 8-member board of elected and appointed members.

A draft committee substitute containing amendments worked out by the mineral companies involved in development in northwest Alaska who may be affected by this legislation was also discussed.

Terry Elder, State of Alaska, Department of Commerce testified that the Administration has not yet taken a position on the bill. He emphasized that all Departments should have input into this decision.

Don Argetsinger, NANA corporation, testified regarding the need for transportation in the area where the Red Dog Mine project is located. Other topics discussed were the development of local government, creating a much needed tax base, and the relationship between NANA and the Authority. He stated that NANA preferred the draft committee substitute.

Senator Fischer moved that CS 151 be placed before the committee. There were no objections.

Hank Giergerich, Manager of COMINCO discussed the Red Dog Mine project including financing, mining investment costs in contrast to oil investment cost, similarities to projects in Canada and the key role of transportation to project success.

Eric Wohlforth, attorney for COMINCO discussed the changes in draft committee substitute from the original bill including terms and number of members on the board, and access to facilities. He stressed that a government entity is not being formed. Discussion followed regarding indebtedness, bonding, powers of the authority, constitutionality, the legislature's ability to repeal, the effect on state obligations and bond rating and creation of different entities vis a vis local governments.

Harris Saxon, Ely, Guess and Rudd Law firm representing GCO Minerals testified that he was particularly interested in the guaranteed equal access to facilities. He further discussed support for the committee substitute to development of minerals in Northwest Alaska.

Russ Babcock, Bear Creek Mining Company, testified in general support of SB 151.

Mary Lou Meiners, State of Alaska, Division of Elections testified that two special elections would be necessary. The fiscal note submitted to the Resource Committee details cost of one special election in an REAA District. Should this legislation pass, she suggested that elections be consolidated if possible.

Senator Mulcahy voiced an interest in whether or not 50 signatures on a petition is overly lenient to call for a special election.

Senator Sturgulewski expressed her general opposition to the creation of new authorities that may duplicate or conflict with other state and local government functions.

Senator Vic Fischer expressed concern over the possible proliferation of regional authorities and inquired as to the impacts on established authorities should the authorizing legislation be sunsetted.

Meeting adjourned at 5:35 p.m.

# Alaska State Legislature



POUCH V  
STATE CAPITOL  
JUNEAU, ALASKA 99811  
(907) 465-3234  
(907) 465-3835

*FYI*  
E FAHRENKAMP, CHAIRMAN  
SISCHER, VICE-CHAIRMAN  
D BRADLEY  
ICK ELIASON  
DON GILMAN  
BOB MULCAHY  
ARLISS STURGULEWSKI

## Senate

### Committee on Resources

April 6, 1983

#### Memo

To: Senator Bennett, Co-Chairman Finance Committee  
Senator Sackett, Co-Chairman Finance Committee

From: Senator Bettye Fahrenkamp

Subject: CSSB 151, Regional Resource Development Authorities

As you know, the Finance Committee has recently received the above bill for consideration from the Resources Committee. This bill would authorize the establishment of authorities in the unorganized borough for the purpose of developing infrastructures for resource development projects. Funding for the developments would primarily come from the issuance of tax-exempt revenue bonds by the authority to be repaid with user fees from the developments.

In testimony and discussion before the Resources Committee several criticisms of the bill as originally drafted surfaced: 1) lack of guarantees of equal access to facilities which may be developed; 2) the possibility of proliferation of authorities throughout the unorganized borough; 3) the encouragement of less-than-sound economic projects by authorities; 4) the possibility that bonds issued by authorities may in some way create a liability to the state or add to the state's overall bond indebtedness; and 5) the possibility that the issuance of bonds by authorities might in some way affect the ability of the state or its political subdivisions to market their revenue bonds.

In response to these criticisms the Resources Committee adopted several major changes and additions to the bill including:

- 1) Page 2, lines 19-29, the Governor must make a positive finding that an authority's goals and projects would be economically advantageous to the region and state and that the authority is an appropriate and desirable method of accomplishing the goals and projects prior to establishment of an authority.
- 2) Page 2, lines 8-11, the ability to petition for establishment of an authority expires on July 1, 1986.
- 3) Page 2, lines 13-14, a petition to call for an election to establish an authority must be signed by 100 persons of a district.

- 4) Page 4, lines 26-29, the Board of Governors of an authority shall consist of eight members, five elected locally and three Department heads appointed by the Governor.
- 5) Page 8, subsection (f), Prior to issuance of bonds an authority must submit an independent economic analysis of a project and its revenues to the state bond committee. The committee must find that project revenues are adequate for payment of the bonds and that the issuance of bonds would not adversely affect the ability of the state or localities to market their bonds.
- 6) Page 11, subsection (b), bonds issued by an authority do not constitute any liability or indebtedness to the state or political subdivision, nor can an authority pledge the faith or credit of the state or local government.
- 7) Page 13, subsection (a), ensures fair and equal access and fee assessments for users of facilities.
- 8) Page 13-14, subsection (b), an authority must find that prior to issuance of bonds that a project would be economically advantageous to the state and general public welfare and that the project is economically viable.
- 9) Page 14, section 30.13.150 provides that an authority would be integrated into a local government should it be established, but that an indebtedness of an authority does not constitute an obligation of the new government.

I think that these provisions adequately address the concerns that were raised. However, several other possible amendments were suggested that might further clarify the intent of this legislation which were suggested too late to be properly integrated into the committee substitute. I would urge the Finance Committee to consider the following possible changes:

- \* 1) Changing the number of petitioners calling for an election to establish an authority from an absolute number of 100 to a percentage formula similar to other regional elections. (Attached is a possible formula suggested by the Division of Elections).
- 2) Any monies received by the state may not be used to satisfy bond obligations or collateral by an authority (attached are draft suggestions from the Department of Law ).
- 3) Change a quorum of the Board from a majority to a majority plus one. (Suggested by the Alaska Environmental Lobby; see attached comments).
- \* 4) Ensure that proposed projects get fair and equal consideration within a district by an authority. (See attached language submitted by the Alaska Miners Association).

*Handwritten notes:*  
 A. ...  
 B. ...

In addition, several technical changes should be made in the bill. The following should be made to correct changes which were made by the Legal Division in the CS:

- \* 1) On page 5, lines 12-13, delete the phrase "at a meeting at which a quorum is present". This simply clarifies that a quorum constitutes a majority of the members of the board of governors,
- \* 2) On page 6, lines 16-17, delete the phrase "in accordance with the Administrative Procedure Act (AS 44.62)". This phrase was not contained in the CS which passed out of the Resources Committee and could be construed as evidence that authorities are somehow to be viewed as quasi-agencies of the state,
- \* 3) On page 8, line 25 delete "AS 30.13.060(f)(1)" and insert in lieu thereof "this subsection". There is no subsection (f)(1),
- \* 4) On page 15, line 18, add a comma after the words "rolling stock".

Finally, I would call your attention to the Letter of Intent which was passed out with the bill. This further clarifies that it is the intent that the bonds issued by the authorities not constitute any liability to the state or local governments or taxpayers in a successor government.

I would be happy to appear before your Committee to further explain this legislation and the actions of the Resource Committee. In addition, I have asked my staff to provide whatever assistance you may need on the bill. I remain convinced that this legislation could be of tremendous value in facilitating the development of resource projects in our state which would have tremendous economic and social benefits to regions as well as the state. I would hope the Finance Committee could expedite its consideration of this important legislation.

DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT  
POSITION PAPER

The economic development goal of SB 151 and of the Administration's alternative is the same. Both vehicles would create a financing structure for transportation facilities which would shift the bonded indebtedness from a private balance sheet to a public balance sheet. The reduced capital investment by the developer would increase its return on investment and enhance the economic feasibility of the project. It is clearly in any developer's interest to do this, and may be in the State's interest if that is what it takes to promote a specific project.

The implications of such a debt shift from a private to a public balance sheet require careful consideration. If a project can support the debt service, there is no problem. If the revenue stream is reduced or eliminated for some reason, then the location of the debt is important. There is no legal liability of the State to prevent default of bonds issued by the SB 151 authorities or by the AIDA alternative. If a capital reserve fund in AIDA is funded with State funds, then there is a moral obligation of the State. However, it is legitimate to ask whether the State could allow the default of either an authority or of AIDA. In that respect, there is little difference between the proposals. It is not a reason to oppose either proposal, but it is a reason to be certain that bonding decisions are made carefully.

While the development goals of the two proposals are similar, there are certain strengths in the AIDA approach. First, the need for transportation facilities is a statewide need and AIDA is a statewide authority. Second, AIDA is a recognized name in the investment community; it already exists, and has a professional staff, investment advisor, and bond counsel. Utilizing AIDA simply requires granting it the power to finance and own transportation facilities. Third, use of the six economic regions rather than regional education attendance areas reduces the potential coordination problems that could result when a project spans more than one REAA. Finally, there would be only one bonding authority to finance any project.

The AIDA alternative differs from SB 151 in the method of local involvement. The alternatives allow for local participation via six Regional Development Advisory Councils, appointed by the Governor. The six regions are recognized by the U.S. Department of Labor, and economic data have been collected according to these regions for several years. Local involvement is accomplished in several ways. First, AIDA must obtain the approval of an affected council prior to development of a project, and the council must hold public hearings at three locations in the region. Second, if the council approves the project, two members of the council may serve on the board of AIDA in connection with subsequent action by the authority concerning the transportation facility. Finally, the authority must solicit the advice and approval of the council prior to adopting or executing contracts, agreements, resolutions, or other matters concerning the operation and management of the facilities. These provisions provide substantial local participation in the projects.

# Alaska State Legislature

BETTYE FAHRENKAMP  
CHAIRMAN  
ROBERT H. ZIEGLER, SR.  
VICE-CHAIRMAN  
DICK ELIASON - PAUL FISCHER  
VIC FISCHER - BOB MULCAHY  
ARLISS STURGULEWSKI



POUCH V  
STATE CAPITOL  
JUNEAU, ALASKA 99811  
(907) 465-3834  
(907) 465-3835

## Senate

### Committee on Resources

TO: Senate Resources Committee Members  
FROM: Senate Resources Committee Staff  
RE: SB 151  
DATE: March 17, 1983

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On Friday, March 18 at 3:00 p.m. in the Beltz Room, the Senate Resources Committee will be hearing SB 151, An Act relating to Regional Resource Development Authorities.

SB 151 sets up a procedure for establishing a regional resource authority which could finance infrastructure such as roads, pipelines and ports for resource development projects. Similar to port authorities, the resource authority could finance these facilities through tax-exempt revenue bonds. The authorities would only be authorized in the unorganized borough where no bodies currently exist to finance such projects in this manner. Should a borough later be established, the authority would dissolve and fold into the borough. There is currently high interest for such an authority in northwest Alaska to facilitate development of the Red Dog lead/zinc/silver deposits.

Resource development authorities would be created through the Department of Community and Regional Affairs, with approval of voters in the regional educational attendance area, and be run by a 5-member board. The board would have the power to purchase, hold and dispose of bonds. Bonds issued would not constitute an indebtedness or other liability of the state or a political subdivision, except the authority, but would be payable solely from the income and receipts or other funds or property of the authority.

The board would have the authority to acquire and dispose of property, and must provide for equal rights to access and use of a facility by the public and private entities.

Also attached is a draft Committee Substitute containing amendments worked out by the mineral companies involved in development in northwest Alaska who may be affected by this legislation. These amendments change the composition, procedures and election process of the Authority's board; clarify that the Authority does not have zoning and permitting powers; provide an assurance of access to facilities by other users; outline a procedure for determining if a project qualifies for bonding; and make other technical changes.

# STATE OF ALASKA

Bill Sheffield, Governor

## DEPT. OF COMMUNITY & REGIONAL AFFAIRS

OFFICE OF THE COMMISSIONER

POUCH B  
JUNEAU, ALASKA 99811  
PHONE: (907) 465-4700

April 12 1983

### STATEMENT OF FISCAL IMPACT

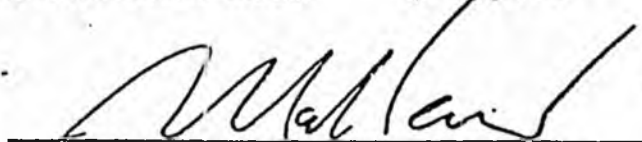
RE: CS SB 151 (Resources)

SPONSOR: Senate Resources Committee

On page six of the bill is a list of the powers of the authority. Included in those powers is the ability to accept organizational grants. The following break-down is felt to approximate the organizational cost of an authority.

|                                    |           |
|------------------------------------|-----------|
| - Meeting Fees                     | \$ 2,500  |
| Travel for Local Members           | \$ 4,000  |
| Per Diem for Local Memebers        | \$ 3,000  |
| Attorney, Legal and Recording Fees | \$ 15,000 |
| Financial Services                 | \$ 5,000  |

**TOTAL PROJECTED ORGANIZATIONAL COST \$ 29,000**

  
\_\_\_\_\_  
Mark Lewis, Commissioner

I. REQUEST

Bill/Resolution No.: HSCSSB 151  
 Title: "An Act relating to RRDA's"  
 Sponsor: Fahrenkamp, Kerttula, Ferguson,  
 Requestor: Fischer House C. & R.A.A.

II. FISCAL DETAIL

Agency Affected: Office of the Governor  
 Program Category Affected: Exec. Operations  
 BRU, Program of Subprogram(s) Affected: Division of Elections

EXPENDITURES/REVENUES: (Thousands of Dollars)

|                         | FY 83 | FY 84 | FY 85 | FY 86 | FY 87 | FY 88 |
|-------------------------|-------|-------|-------|-------|-------|-------|
| <b>OPERATING</b>        |       |       |       |       |       |       |
| 100 PERSONAL SERVICES   |       |       |       |       |       |       |
| 200 TRAVEL              |       | .4    |       |       |       |       |
| 300 CONTRACTUAL         |       | 19.6  | 10.4  | 11.0  |       |       |
| 400 COMMODITIES         |       | .6    |       |       |       |       |
| 500 EQUIPMENT           |       |       |       |       |       |       |
| 600 LAND & STRUCTURES   |       |       |       |       |       |       |
| 700 GRANTS, CLAIMS, ETC |       |       |       |       |       |       |
| <b>TOTAL OPERATING</b>  | -0-   | 20.6  | 10.4  | 11.0  |       |       |
| <b>CAPITAL</b>          |       |       |       |       |       |       |
| <b>REVENUE</b>          |       |       |       |       |       |       |

FUNDING: (Thousands of Dollars)

|                        |     |      |      |      |  |  |
|------------------------|-----|------|------|------|--|--|
| GENERAL FUND           | -0- | 20.6 | 10.4 | 11.0 |  |  |
| FEDERAL FUNDS          |     |      |      |      |  |  |
| OTHER (Specify Source) |     |      |      |      |  |  |

POSITIONS:

|           |  |  |  |  |  |  |
|-----------|--|--|--|--|--|--|
| FULL-TIME |  |  |  |  |  |  |
| PART-TIME |  |  |  |  |  |  |
| TEMPORARY |  |  |  |  |  |  |

III. SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

IV. ANALYSIS: Attach a separate page for any Analysis

Prepared By: Linda Dupere, Administrative Assistant  
 Division: Division of Elections  
 Approved by Commissioner: *[Signature]*  
 Department: Office of the Lieutenant Governor

Phone: 586-6181  
 Date: 5/25/83  
 Date: 5/25/83

Distribution:

- Original to Legislative Finance
- Copy to Office of Management and Budget (for Legislature introduced bills)
- Copy to Department (for Governor introduced bills)
- Copy to Sponsor
- Copy to Requestor (if different from Sponsor)

STATE OF ALASKA  
FISCAL NOTE

Revision Date 5/25, 1983

I. REQUEST

Bill/Resolution No.: CS SB 151 (Resources)  
 Title: Regional Resource Development  
 Sponsor: Senator Fahrenkamp  
 Requestor: House C & RA Committee

II. FISCAL DETAIL

Agency Affected: Community & Regional Affs.  
 Program Category Affected: Development  
 BRU, Program of Subprogram(s) Affected: Local Government Assistance

EXPENDITURES/REVENUES: (Thousands of Dollars)

|                         | FY 83 | FY 84 | FY 85 | FY 86 | FY 87 | FY 88 |
|-------------------------|-------|-------|-------|-------|-------|-------|
| <b>OPERATING</b>        |       |       |       |       |       |       |
| 100 PERSONAL SERVICES   |       |       |       |       |       |       |
| 200 TRAVEL              |       |       |       |       |       |       |
| 300 CONTRACTUAL         |       |       |       |       |       |       |
| 400 COMMODITIES         |       |       |       |       |       |       |
| 500 EQUIPMENT           |       |       |       |       |       |       |
| 600 LAND & STRUCTURES   |       |       |       |       |       |       |
| 700 GRANTS, CLAIMS, ETC |       |       |       |       |       |       |
| <b>TOTAL OPERATING</b>  |       | 29.0  | -0-   | -0-   | -0-   | -0-   |
| <b>CAPITAL</b>          |       |       |       |       |       |       |
| <b>REVENUE</b>          |       |       |       |       |       |       |

FUNDING: (Thousands of Dollars)

|                        |  |      |     |     |     |     |
|------------------------|--|------|-----|-----|-----|-----|
| GENERAL FUND           |  | 29.0 | -0- | -0- | -0- | -0- |
| FEDERAL FUNDS          |  |      |     |     |     |     |
| OTHER (Specify Source) |  |      |     |     |     |     |


POSITIONS:

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

III. SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

Sponsor has not identified where funding will be obtained.

IV. ANALYSIS: Attach a separate page for any Analysis

Prepared By: Doug Griffin  
 Division: Local Government Assistance  
 Approved by Commissioner:   
 Department: Community & Regional Affairs

Phone: 465-4707  
 Date: 5/25/83  
 Date: 5/25/83

Distribution:

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 Copy to Office of Management and Budget (for Legislature introduced bills)  
 Copy to Department (for Governor introduced bills)  
 Copy to Sponsor  
 Copy to Requestor (if different from Sponsor)

3/8/83

SENATE BILL 151

ASSUMPTIONS:

1. An election will be held in one REAA area creating one Regional Resource Development Authority. If the election does not take place at the same time as a regularly scheduled REAA election, there will be a fiscal impact.
2. The above question passes and an election of the initial five member board takes place not less than 60 nor more than 90 days after the order of election. There will be a fiscal impact.
3. Subsequent election of members, after the initial members' terms have expired, takes place at the same date as a regularly scheduled REAA election. Only the Contractual Services category will be affected and is figured at 6% inflation.
4. This analysis is computed for an election of an RRDA and board members for one REAA area. If there should be elections in all 21 REAA areas, multiply \$20.6 x 21 to compute the fiscal impact. (432.6)

HB 377 TITLE & SPONSOR SUMMARY

09:47 5/26/83 PAGE 1 OF 2

AMENDED TITLE:

AN ACT RELATING TO REGIONAL RESOURCE DEVELOPMENT AUTHORITIES,  
AND PROVIDING FOR AN EFFECTIVE DATE

PRIME SPONSOR: HOUSE RESOURCES COMMITTEE.

CO-SPONSORS:

CURRENT STATUS: 5/19/83 IN (H) STATE LOANS REFERRAL: FINANCE

HB 377 HOUSE ACTION

09:47 5/26/83 PAGE 2 OF 2

DATE SEQ PAGE

LEGISLATIVE ACTION

|          |    |      |  |
|----------|----|------|--|
| 04/22/83 | 01 | 0992 | FIRST READING -- COMMITTEE REPORTS     |
| 05/19/83 | 02 | 1427 | C&RA -- CS03, NR03                     |
| 05/19/83 | 03 | 1427 | C&RA F/NOTE HSE SUPPL #63              |
| 05/19/83 | 04 | 1427 | C&RA F/NOTE EQUALS ZERO                |
| 05/19/83 | 05 | 1427 | MOVED FROM RES TO LOAN BY UNAN CONSENT |
| 05/19/83 | 06 | 1427 | CHTE REFERRALS CHANGED                 |
|          |    |      | STATE LOANS                            |
|          |    |      | FINANCE                                |
|          |    |      | RULES                                  |

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SB 151 TITLE & SPONSOR SUMMARY

08:19 5/26/83 PAGE 1 OF 3

AMENDED TITLE: CSSB 151(FIN)

AN ACT RELATING TO REGIONAL RESOURCE DEVELOPMENT AUTHORITIES,  
AND PROVIDING FOR AN EFFECTIVE DATE

GENERAL DOLLARS: \$20,600 (F. NOTE)

PRIME SPONSOR: FAHRENKAMP.

OTHER DOLLARS: \$0

CO-SPONSORS: KERTTULA, FERGUSON, FISCHER, P.

CURRENT STATUS: 5/05/83 IN (H) C&RA

REFERRAL: RESOURCES

SB 151 SENATE ACTION

08:29 5/26/83 PAGE 2 OF 3

| DATE     | SEQ | PAGE | LEGISLATIVE ACTION  |
|----------|-----|------|---|
| 02/25/83 | 01  | 0266 | FIRST READING -- COMMITTEE REPORTS                            |
| 04/06/83 | 02  | 0509 | RES -- CS02, NR02, OTHER01                                    |
| 04/06/83 | 03  | 0509 | RES LETTER OF INTEN   |
| 04/13/83 | 04  | 0601 | FIN -- CS05, NR02   |
| 04/13/83 | 05  | 0601 | FIN F/NOTE SEN SUPPL #17                                      |
| 05/03/83 | 06  | 0878 | RLS -- DNP01, FIN CS04, NR02, OTHER04<br>TAKEN UP IMMEDIATELY |
| 05/03/83 | 07  | 0879 | SECOND READING  |
| 05/03/83 | 08  | 0879 | FIN CS ADOPTED BY UNAN CONSENT                                |
| 05/03/83 | 09  | 0879 | ADVANCED TO 3RD READING BY UNAN CONSENT                       |
| 05/03/83 | 10  | 0879 | THIRD READING   |
| 05/03/83 | 11  | 0879 | SEN LETTER OF INTENT ADOPTED                                  |
| 05/03/83 | 12  | 0880 | PASSED BY DIV 15-04-01  |
| 05/03/83 | 13  | 0880 | EFFECTIVE DATE VOTE SAME AS PASSAGE                           |
| 05/03/83 | 14  | 0880 | NOTICE OF RECONSIDERATION GIVEN                               |
| 05/04/83 | 15  | 0895 | RECONSIDERATION NOT TAKEN UP                                  |

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08:20 5/26/83 PAGE 3 OF 3

| SB 151 | HOUSE | ACTION |
|--------|-------|--------|
| DATE   | SEQ   | PAGE   |

LEGISLATIVE ACTION

|          |    |      |   |
|----------|----|------|---|
| 05/05/83 | 16 | 1187 | FIRST READING -- COMMITTEE REPORTS<br>C&RA<br>RESOURCES<br>FINANCE<br>RULES |
|----------|----|------|---|

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# Alaska's Debt

(principal plus interest)  
As of March 1, 1983

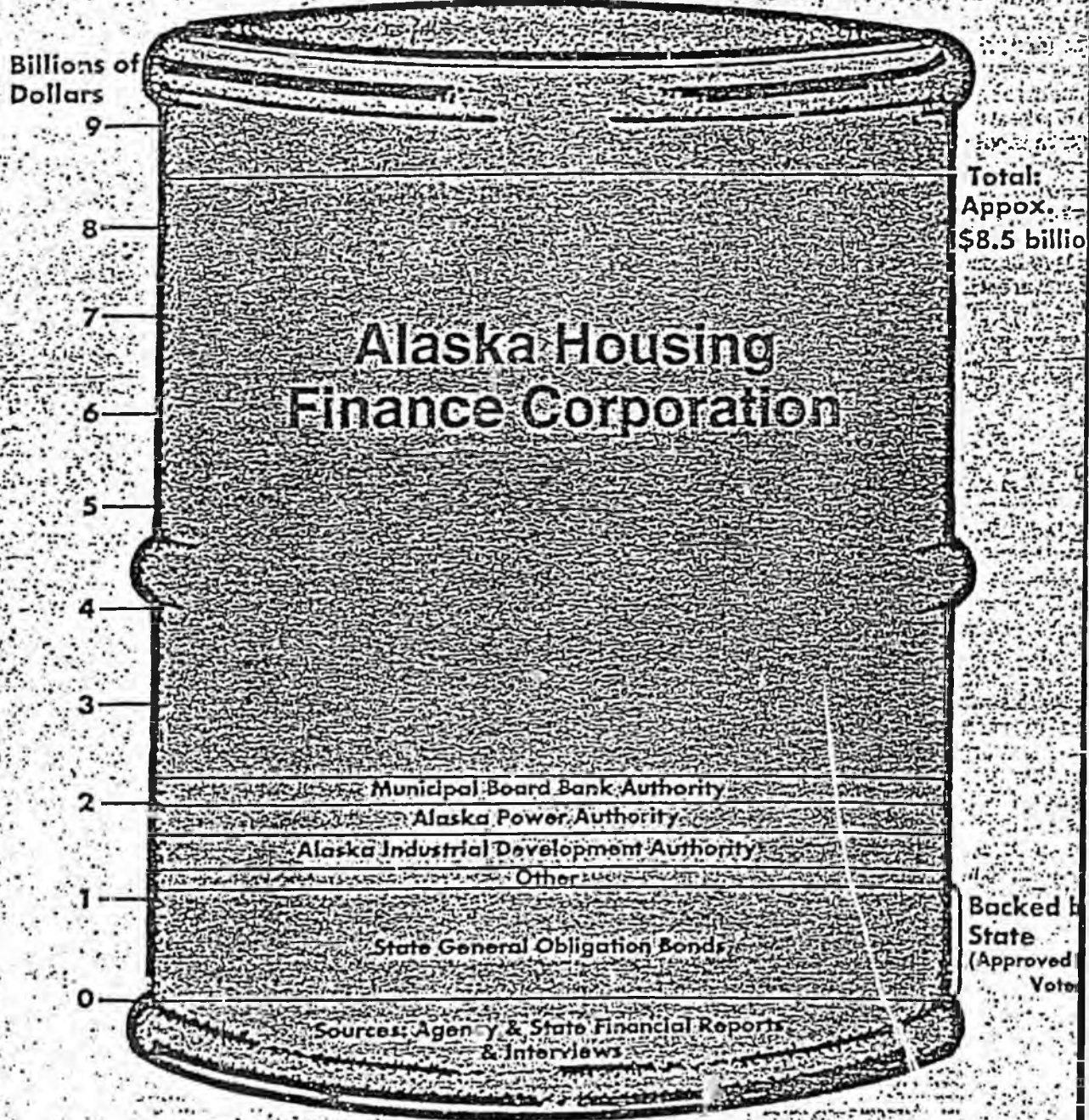


Chart illustrates how the price of oil affects Alaska's finances

finished and the state refuses to pay off the loan? "The market looks very dimly on people who do not honor their obligations," Kuplesky replied.

Kuplesky then illustrated his point. "A good example is the New York Urban Development Authority," he said. "They defaulted, and we shut off the credit to the state of New York."

What happened? "The Legislature came up with the money, and fairly quickly, too."

Then there's the Washington Public Power Supply System, a state corporation which issued \$2.25 billion worth of revenue bonds to build nuclear reactors. Most of the reactors are unbuilt, and those that are went way over budget. The first payments on the bonds are coming due, and default looms.

Last week, a special report by a Chicago economic consultant

was released by Gov. John Spellman. The bottom line was this: "The state of Washington and the people as a group would be considered untrustworthy in the event of a default. Even though the project was an independent corporation, the study predicted the cost of borrowing by Washington state would go up about two percentage points."

In other words, corporation debt is state debt, an obligation of all the citizens. In Alaska, the \$8.5 billion total works out to \$21,250 for every man, woman and child in the state. The 1983 payment on that debt is \$426 million. Each year's payments increase until a high of \$500 million is reached in 1992, after which they slowly decline.

While the future of the Tyee project is uncertain, the \$29 per barrel oil may have already

killed a giant: the two-dam, \$1-billion Susitna hydroelectric project. The APA has looked a number of lower-cost alternative dam sites or even scaling down Susitna itself. But much of the cash to pay for Susitna will never arrive because oil prices dropped, throwing the entire project in jeopardy.

"The timing of the drop in oil prices could not have been worse," APA finance director Benish said. "Our whole philosophy was to take Prudhoe Bay oil, invest it in hydro, and back and smile while the rest of the world went crazy."

But the price of oil did go down.

"If you're one of those people who thinks the real cost of oil decline over the years, then hydro doesn't make sense," Benish said. The real cost of oil is its value in uninflated dollars.

See State, page

COMMITTEE REPORT

HOUSE

RESOURCES

FURTHER: FINANCE

(7)

5/5/83

Date:

MAY 25, 1983

Mr. Speaker:

The Committee on COMMUNITY & REGIONAL AFFAIRS has had CSSB 151(Fin)

"An Act relating to Regional Resource Development Authorities; and providing for an effective date."

under consideration and reports it back as follows:

- do pass  do not pass
- do pass with attached amendments(s)
- replace with <sup>House</sup> CS for C.S. SB 151 (CRA)  same title  
 new title
- and recommends \_\_\_\_\_
- AND attaches a "Letter of Intent"  New Fiscal Note <sup>Sup #69</sup>  
 Zero Fiscal Note Attached
- reports it back without recommendation
- referred to the \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

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MEMBERS HAVING  
OTHER RECOMMENDATIONS:

ROD E. REID Do Not Pass

AL (Locks) Do Not Pass

JACK McBRIDE Do Not Pass

MIKE JYMNUSKI Do Not Pass

M. H. FAIRIZ DO NOT PASS

Joe Flood (NO REC)

Suber Hub DO NOT PASS  
See HB # 77

Suber Hub  
CHAIRMAN



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24 March 1983

### REGIONAL RESOURCE DEVELOPMENT AUTHORITIES: ISSUES AND PROBLEMS

#### INTRODUCTION

Senate Bill 151 allows the creation of 21 Regional Resource Development Authorities in Alaska, with full powers to issue revenue bonds for mining roads and ports. This bill would immediately benefit the development of the proposed Red Dog mine in northwest Alaska. But the larger issue is whether the state needs to create a new form of government in the unorganized borough which can issue unlimited amounts of tax exempt revenue bonds.

#### TAX EXEMPT BONDS

Bonds are usually tax exempt when they are issued by a state or local government (or an agent of a state or local government) and are used for a public purpose. Because the interest on these bonds is exempt from federal taxes, they are popular with investors, and hence have lower interest rates. General Obligation Bonds require approval by the voters and are usually paid off by taxes or any other state revenues. Revenue bonds should pay for themselves, out of the revenues from the project that was financed by the bonds, in this case a "toll" on mining developments and roads. Since these bonds are supposed to be paid off through user fees, they do not require voter approval. 85% of Alaska's \$8.5 billion debt was incurred by revenue bonds---in other words, without voter approval.

After RRDA's are established by local elections, they can issue tax exempt revenue bonds for roads and harbor development. The issuing of these bonds does not require either state approval or voter approval, according to the current committee bill. Because the interest rates on these bonds would be lower than the rates for bonds issued by private corporations, they could encourage mining development that might not otherwise be possible. The effect is marginal, as the current difference in interest rates is about 3%, but the mining companies insist that this advantage is essential for profitability.