ALASKA LEGISLATURE COMMITTEE FILES 1997-1998 8672

9390 HOUSE RESOURCES

86

HB

274

No: 1

FISCAL NOTE

Bill Version: CSHB 274(O&G)

(H) Publish Date: 2/20/98

STATE OF ALASKA
1998 LEGISLATIVE SESSION

Revision Date: 2-12-98
Title: Oil & Gas Conservation Commission
Sponsor: Rep. Green
Requester:

Dept. Affected
BRU
Component
Component Serial No.

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0
CAPITAL EXPENDITURES						
CHANGE IN REVENUES [ ]						

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
1091 Designated Program Receipts						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY97) cost:

POSITIONS

Full-time						
Part-time						
Temporary						

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

Prepared by: Oil & Gas
Division:
Phone: 465-2285
Date:

Approved by:
Agency: Oil & Gas Committee
Date: 2-12-98

Alaska State Legislature

WHILE IN SESSION
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ALASKA COURT SYSTEM

Representative Joe Green
District 10

Sponsor Statement

HB 274 - Qualifications for service on the AOGCC

From statehood until November 1995, the group responsible for oil and gas conservation in Alaska included a petroleum engineer. Performance of the core functions for which the present-day Alaska Oil and Gas Conservation Commission (AOGCC) is charged - prevention of waste, protection of correlative rights, and maximization of recovery - requires among other things, a thorough understanding of porosity, permeability, stratigraphy, faulting, reservoir pressure, and reservoir drive mechanism(s). These are the core disciplines of petroleum engineering, and require the technical analysis that only a qualified petroleum engineer can provide. Unfortunately, since November 1995, the commission, which represents the people of the State of Alaska, has not had the benefit of a qualified petroleum engineer, appointed by the Governor, and confirmed by the legislature, as required by statute, to participate in the oversight of these types of conservation operations.

HB 274 clarifies the statutory requirements for service on the AOGCC. As written, one member of the commission will be required to be registered as a petroleum engineer, have education in the field of petroleum engineering, and have experience in the field of petroleum engineering. Additionally, one member will be required to hold a certificate as petroleum geologist, have earned a degree in the field of geology from an accredited university, and have field experience in the field of petroleum geology.

Alaska has been blessed with wealth derived from our hydrocarbon resources. In order to continue this flow of wealth, we must have qualified, capable people conserve and manage our resources to the highest possible standards. HB 274 is an attempt, not to establish that high standard, but rather, to establish the floor below which we will never go again.

oil and gas conservation commission

Core Services

- Prevent waste of Alaska's oil and gas resources
- Protect correlative rights of the mineral interest owner
- Maximize recovery of oil and gas for the benefit of Alaska's citizens
- Protect freshwater from contamination by oil/gas/mud during drilling, production, and abandonment operations
- Administer Alaska's Underground Injection Control program for oil and gas wells
- Inspect oil field drilling, production, metering, and abandonment activities
- Evaluate, modify, and approve drilling and workover operations
- Evaluate, modify, and approve oil pool development rules
- Adjudicate disputes between owners
- Maintain state production records
- Maintain well history files and well records

Customers

•Oil and gas industry •Concerned citizens and organizations •Alaska Department of Natural Resources •Alaska Department of Revenue •U.S. Department of the Interior •U.S. Environmental Protection Agency

oil and gas conservation commission

Commission History

The Alaska Oil aand Gas Conservation Act (1955) created the Alaska Oil and Gas Conservation Commission (AOGCC or Commission). The Commission was composed of the Governor of the Territory of Alaska, the Territorial Commissioner of Mines, and the Territorial Highway Engineer. Rules and regulations governing Commission activities became effective on October 1, 1958.

Under the State Organization Act of 1959, the Oil and Gas Conservation Commission was abolished,its function and authority transferred to the Department of Natural Resources, Division of Mines and Minerals. A group within the department was designated to hold hearings and issue decisions on oil and gas matters. This group was the Alaska Oil and Gas Conservation Committee which consisted of the Director of the Division of Mines and Minerals (Chairman), the State Petroleum Geologist, the State Petroleum Engineer, and the Deputy Commissioner of the Department of Natural Resources.

In 1968 the Division of Oil and Gas was created within the Department on Natural Resources. The new division arose from the Petroleum Branch of the Division of Mines and Minerals. The Alaska Oil and Gas Committee was placed within the new division, and consisted of the Director, Chief Petroleum Geologist, and Chief Petroleum Engineer. In 1976 the word "conservation" was added to the division's title, and it became the Division of Oil and Gas Conservation.

With the advent of production from Prudhoe Bay in 1977, the Legislature became concerned that there was the appearance of a conflict of interest with the Department of Natural Resources, an owner of oil and gas rights, also acting as the regulator of other owners of oil and gas rights. To obviate its concern, the Legislature amended AS 31.05 by Chapter 158, SLA 1978 to restore the Commission, effective January 1, 1979, as an independent quasi-judicial agency within the executive branch of the state. Initially, the new Commission was housed within the Department of Natural Resources, but in 1980 it was transferred to the Department of Commerce and Economic Development. More recently, Governor Hickel transferred the Commission to the Department of Administration on February 17, 1994.

10/21/96 DOA

DEPARTMENT OF ADMINISTRATION

I. NOTICES OF PROPOSED REGULATIONS

NOTICE OF PROPOSED CHANGES IN THE REGULATIONS OF THE ALASKA OIL AND GAS CONSERVATION COMMISSION AND NOTICE OF PUBLIC HEARING AND PUBLIC MEETING

Notice is given that the Alaska Oil and Gas Conservation Commission ("**AOGCC**"), under the authority of AS 31.05.030, AS 31.05.040, and AS 31.05.060, **proposes to adopt, amend, and repeal regulations** in Title 20, Chapter 25, of the Alaska Administrative Code, **dealing with oil and gas conservation,** to implement AS 31.05. This proposal would comprehensively revise the AOGCC's existing regulations, **covering the following subjects among others: drilling, plugging and abandonment of wells, onshore and offshore location clearance, production practices, waste disposal, reports, enhanced recovery, pool development and operation, public and confidential information, enforcement, procedures, and definitions.**

Notice is also given that any person interested may present written comments relevant to the proposed action, including the potential costs to private persons of complying with the proposed action, by writing to AOGCC, 3001 Porcupine Drive, Anchorage, Alaska 99501-3192, so that they are received not later than November 13, 1996. Additionally, any interested person may present oral or written comments relevant to the proposed action, including the potential costs to private persons of complying with the proposed action, at a hearing to be held at 3001 Porcupine Drive, Anchorage, AK, on November 20, 1996. The hearing will be held from 9:00 AM to noon and might be extended to accommodate those present before 10:00 AM who do not have a chance to testify.

This action is not expected to require an increased appropriation.

Copies of the proposed regulations may be obtained by writing to AOGCC, 3001 Porcupine Drive, Anchorage, AK 99501-3192, or may be picked up at that address.

Notice is also given that the AOGCC will meet at 9:00 AM on December 10, 1996, at 3001 Porcupine Drive, Anchorage, AK, at which time it will either adopt this or another proposal dealing with the same subject, without further notice, or decide to take no action on it. It is not the purpose of this meeting to receive comments from interested persons; however, the AOGCC reserves the right to seek or accept such comments at the meeting in the event it determines they would be helpful at that time.

The language of the final regulations may vary from that of the proposed regulations. You should comment during the time allowed if your interests could be affected.

/s/David W. Johnston, Chairman, Alaska Oil and Gas Conservation Commission, Department of Administration, October 11, 1996.

Contact person: Diana Fleck, Alaska Oil and Gas Conservation Commission, Department of Administration, 3001 Porcupine Drive, Anchorage, AK 99501-3192; 279-1433.

ADDITIONAL REGULATIONS NOTICE INFORMATION (AS 44.62.190(d))

BOARDS AND COMMISSIONS RECRUITMENT LIST December 22, 1994

BOARD	SEAT	CURRENT MEMBER	EXPIRES	FD*	LC**
Oil and Gas Conservation Commission					
Lic. Petroleum Engineer		Russell Douglass	12/31/94	y	y

BOARDS AND COMMISSIONS RECRUITMENT LIST January 16, 1995

BOARD	SEAT	CURRENT MEMBER	EXPIRES	FD*	LC**
Oil and Gas Conservation Commission					
Lic. Petroleum Engineer		Russell Douglass	12/31/94	y	y

OFFICE OF THE GOVERNOR

BOARDS AND COMMISSIONS RECRUITMENT LIST March 27, 1995

BOARD	SEAT	CURRENT MEMBER	EXPIRES	FD*	LC**
Oil and Gas Conservation Commission					
Lic. Petroleum Engineer		Russell Douglass	12/31/94	y	y

BOARDS AND COMMISSIONS RECRUITMENT LIST JUNE 19, 1995

BOARD	SEAT	CURRENT MEMBER	EXPIRES	FD*	LC**
Oil and Gas Conservation Commission					
Lic. Petroleum Engineer		Douglass, Russell	12/31/94	Y	Y

BOARDS AND COMMISSIONS RECRUITMENT LIST September 11, 1995

BOARD	SEAT	CURRENT MEMBER	EXPIRES	FD*	LC**
Oil and Gas Conservation Commission					
Lic. Petroleum Engineer		Douglass, Russell	12/31/94	Y	Y

BOARDS AND COMMISSIONS RECRUITMENT LIST September 18, 1995

BOARD	SEAT	CURRENT MEMBER	EXPIRES	FD*	LC**
Oil and Gas Conservation Commission					
Lic. Petroleum Engineer		Douglass, Russell	12/31/94	Y	Y

BOARDS AND COMMISSIONS RECRUITMENT LIST September 25, 1995

BOARD	SEAT	CURRENT MEMBER	EXPIRES	FD*	LC**
Oil and Gas Conservation Commission					
Lic. Petroleum Engineer		Douglass, Russell	12/31/94	Y	Y

BOARDS AND COMMISSIONS RECRUITMENT LIST **October 2, 1995**

BOARD	SEAT	CURRENT MEMBER	EXPIRES	FD*	LC**
Oil and Gas Conservation Commission					
	Lic. Petroleum Engineer	Douglass, Russell	12/31/94	Y	Y

BOARDS AND COMMISSIONS RECRUITMENT LIST **October 9, 1995**

BOARD	SEAT	CURRENT MEMBER	EXPIRES	FD*	LC**
Oil And Gas Conservation Commission					
	Lic. Petroleum Engineer	Douglass, Russell	12/31/94	Y	Y

BOARDS AND COMMISSIONS RECRUITMENT LIST **October 16, 1995**

BOARD	SEAT	CURRENT MEMBER	EXPIRES	FD*	LC**
Oil and Gas Conservation Commission					
	Lic. Petroleum Engineer	Douglass, Russell	12/31/94	Y	Y

BOARDS AND COMMISSIONS RECRUITMENT LIST **October 23, 1995**

BOARD	SEAT	CURRENT MEMBER	EXPIRES	FD*	LC**

BOARDS AND COMMISSIONS RECRUITMENT LIST **May 27, 1996**

BOARD	SEAT	CURRENT MEMBER	EXPIRES	FD*	LC**
Oil & Gas Conervation Commission					
	Salaried/Licensed Engineer	VACANT	12/31/00	Y	Y

BOARDS AND COMMISSIONS RECRUITMENT LIST **January 13, 1997**

BOARD	SEAT	CURRENT MEMBER	EXPIRES	FD*	LC**
Oil & Gas Conervation Commission					
	Salaried/Licensed Engineer	VACANT	12/31/00	Y	Y

BOARDS AND COMMISSIONS RECRUITMENT LIST **April 21, 1997**

BOARD	SEAT	CURRENT MEMBER	EXPIRES	FD*	LC**
Oil & Gas Conervation Commission					
	Salaried/Licensed Engineer	VACANT	12/31/00	Y	Y

BOARDS AND COMMISSIONS RECRUITMENT LIST May 5, 1997

BOARD	SEAT	CURRENT MEMBER	EXPIRES	FD*	LC**
Oil & Gas Conervation Commission					
Salaried/Licensed Engineer		VACANT	12/31/00	Y	Y

BOARDS AND COMMISSIONS RECRUITMENT LIST May 12, 1997

BOARD	SEAT	CURRENT MEMBER	EXPIRES	FD*	LC**
Oil & Gas Conervation Commission					
Salaried/Licensed Engineer		VACANT	12/31/00	Y	Y

BOARDS AND COMMISSIONS RECRUITMENT LIST May 19, 1997

BOARD	SEAT	CURRENT MEMBER	EXPIRES	FD*	LC**
Oil & Gas Conervation Commission					
Salaried/Licensed Engineer		VACANT	12/31/00	Y	Y

BOARDS AND COMMISSIONS RECRUITMENT LIST May 26, 1997

BOARD	SEAT	CURRENT MEMBER	EXPIRES	FD*	LC**
Oil & Gas Conervation Commission					
Salaried/Licensed Engineer		VACANT	12/31/00	Y	Y

BOARDS AND COMMISSIONS RECRUITMENT LIST June 2, 1997

BOARD	SEAT	CURRENT MEMBER	EXPIRES	FD*	LC**
Oil & Gas Conervation Commission					
Salaried/Licensed Engineer		VACANT	12/31/00	Y	Y

BOARDS AND COMMISSIONS RECRUITMENT LIST June 23, 1997

BOARD	SEAT	CURRENT MEMBER	EXPIRES	FD*	LC**
Oil & Gas Conervation Commission					
Salaried/Licensed Engineer		VACANT	12/31/00	Y	Y

BOARDS AND COMMISSIONS RECRUITMENT LIST June 30, 1997

BOARD	SEAT	CURRENT MEMBER	EXPIRES	FD*	LC**
Oil & Gas Conervation Commission					
Salaried/at large		VACANT	12/31/02	Y	Y

gineering

	3rd Year	4th Year
Petroleum Drilling and Production Laboratory	PETE 301 Reservoir Rock & Fluid PETE 302 Well Logging PETE 303 Reservoir Rock & Fluid Lab	PETE 407 Petro Production Engineering PETE 411 Drilling Fluids Lab PETE 421 Reservoir Characteristics PETE 426 Drilling Engineering PETE 431 Natural Gas Engineering PETE 456 Petro Evaluation and Economic Decisions PETE 466 Petroleum Recovery Methods PETE 476 Petro Reservoir Engineering PETE 478 Well Test Analysis PETE 481 Well Completions and Stimulation Design PETE 487 Petroleum Project Design PETE 489 Reservoir Simulation
	ME 302 Mechanical Design I ME 313 Mechanical Engineering Thermodynamics ME 321 Industrial Processes ME 334 Elements of Material Science/Engineering	ME 403 Mechanical Design II ME 404 Stress Analysis ME 408 Dynamics of Systems ME 409 Controls ME 414 Thermal Systems Design ME 415 Thermal Systems Lab ME 416 Design of Mechanical Equipment for the Petr ME 441Heat and Mass Transfer ME 450 Theory of Flight ME 451 Aerodynamics ME 452 Intro to Astrodynamics ME 453 Propulsion Systems ME 458 Energy and the Environment ME 464 Corrosion Engineering ME 487 Design Project
	CE 326 Intro to Geotechnical Engineering CE 334 Properties of Materials CE 344 Water Resources Engineering	CE 400 EIT Exam CE 402 Intro to Trar[illegible]ortation Engineering CE 403 Traffic Engineering CE 404 Highway Engineering CE 415 Advanced Surveying CE 416 Boundary Surveying CE 422 Foundation Engineering CE 423 Intro to Earthquake Engineering CE 425 Advanced Soil Mechanics CE 431 Structural Engineering I CE 432 Structural Engineering II CE 433 Reinforced Concrete Design CE 434 Timber Design CE 438 Design of Engineering Systems CE 441 Environmental Engineering CE 442 Environmental Engineering II CE 445 Engineering Hydrology CE 470 Civil Engineering Internship

March 9, 1998

House Resources Committee
Legislature of the State of Alaska

RE: HB 274 (B) "An Act relating to the qualifications of the members of the Alaska Oil and Gas Conservation Commission"

Dear Co-Chairs Hudson and Ogan:

I am writing in reference to HB 274 that is currently before your committee. I would like to testify on this bill when it comes up for a hearing.

I am not in favor of the bill because it dilutes the requirement that the engineer appointee be a Professional Engineer, which would imply that the legislature does not support the code of ethical conduct and the commitment to uphold standards that provide safeguards to the public that is implicit in the licensing of Professional Engineers. In addition, the bill conversely narrows the requirements of the position to a limited area of the Commission's charter, namely requiring "downhole" experience only, which limits qualified candidates to the detriment of the best interest of the people of Alaska. The following information expands on my views.

I use a personal experience to illustrate my point. I served as an appointed commissioner to the Alaska Oil and Gas Conservation Commission for seven months in 1995/1996. During my tenure the Commission held hearings on further unitization of the Prudhoe Bay Field. This issue was probably the most important issue the Commission has ever taken up, as it went to the heart of the matter as to the best way to deplete the largest oil field in North America. The issue turned not only on drilling or reservoir mechanics, but significantly on surface facilities and the optimum use of oil and gas facilities for ultimate maximum resource recovery.

On this issue, I believe my expertise and background, as a former engineering manager for Alyeska Pipeline Service Company, was uniquely beneficial for the State's interest. In my previous positions, I had direct exposure to conflicting North Slope oil company priorities regarding production allocations, metering, and crude stream composition. I was able to bring a broad view of each oil company's motivations and culture to the deliberations that helped bring the issue into focus for the Commission. I was able to provide a technical understanding of the challenges of field development, based on my background in design and operation of surface facilities and transportation of oil and gas.

Today, more than ever, the Commission's efforts are focused on the challenges of managing a mature industry where sharing of common facilities to best utilize multiple fields create new issues in metering and joint-use facilities. I use my personal experience

as an example of a base of experience and expertise that would not be available to the Commission if HB 274 is enacted. Restricting qualifications for commissioners more narrowly than required only reduces the pool of talented people willing to serve the State and ultimately provides a disservice to the people of Alaska, who rely on government to look after their interests in the development of the State's oil and gas resources.

The existing qualification is that the commissioner be a licensed Professional Engineer with a background in petroleum engineering. This requirement is sufficiently broad to allow licensed Professional Engineers with an oil and gas background to qualify.

Petroleum engineering is a broad field populated with practitioners from a variety of technical disciplines, including mechanical, chemical and civil engineering, and from the sciences of physics, geology, chemistry and materials science. Many practicing petroleum engineers have degrees in these areas and may be licensed in other fields of engineering. For example, my alma mater, Rice University, is one of the top engineering schools in the nation and it does not even offer a degree program in petroleum engineering. I am a licensed Professional Engineer in civil engineering, and my career and background has been in oil and gas.

The field of petroleum engineering covers a spectrum of technical areas including drilling, reservoir mechanics, and surface equipment, processes and delivery. Practicing petroleum engineers are usually specialists in only one of these areas and it is unlikely that a licensed petroleum engineer would have expertise in all of these areas. Changing the requirement to limit the position to a licensed petroleum engineer would likely not provide a better or more comprehensive pool of candidates. Conversely, it would most likely result in a smaller pool of candidates no better qualified than the those currently qualified and probably would result in the best available candidates excluded.

The Commission is responsible for a wide variety of matters related to oil and gas exploration and development. Some of the issues relate to reservoir or "downhole" matters, but not all issues are exclusive to this area, as I noted in my personal experience with the North Slope field unitization hearings. Given the broad range of the Commission's functions, an individual with an engineering background in the design and operation of oil and gas production facilities would be as well suited as a reservoir specialist.

Previous legislative action has exempted engineering work performed by employees of large industrial companies from being performed by licensed Professional Engineers. The effect of this change is a relaxation of the requirements for engineers to be licensed Professional Engineers when they do work in the oil industry. This has resulted in a very small pool of licensed petroleum engineers that are residents of the state. To presumably address this scarcity, HB 274 (B) allows non-licensed engineers to be qualified, but only with a very narrow range of "downhole" background and education. This is doubly wrong, i.e.:

1. A licensed Professional Engineer connotes a level of public trust and ethical behavior that is key to public service. Allowing non-registered engineers to be qualified is a step backwards and dilutes the level of competency, code of ethics, and commitment to upholding standards that safeguard the people of the State that mark the licensing of Professional Engineers.

2. Overly prescriptive "downhole" experience requirements focus on only one area of the Commission's broad responsibilities. While the Commission does deal with downhole matters, this area of expertise should not be the sole criteria for qualifying an individual. This bill would restrict the focus of the appointment to only one area of the Commission's purview and would result in an inappropriately narrow view represented on the Commission that is not in the State's best interest.

The revised qualifications for the engineer seat in HB 274 (B) appear unevenly balanced compared to the qualifications for the geologist seat. While recent difficulties with confirmation of the governor's appointees to the engineer's seat have apparently been the catalyst for this proposed legislation, an appointment to the geologist seat may have the same difficulties, given the current broad and plain-language requirements for a petroleum geologist.

The difficulties with recent confirmations were the result of political differences between branches of government over a position that is quasi-judicial and non-political. HB 274 (B) does not solve the root cause of the problem; it only moves the problem to another area. Requirements for the engineer seat should be clear and plain, and leave room for discretion in future appointments and confirmations. Only in this way will the best and brightest available candidates be available to serve the public.

HB 274 (B) is overly prescriptive to the detriment of the public interest, awkwardly tries to fix something that is not broken, and should not be enacted.

Respectfully submitted,

J. David Norton, P.E.

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Copies to:

AOGCC Commissioners Johnston
Oechsli
Christenson
Members, Board of Registration for Engineers, Architects, and Land Surveyors

HB

284

HOUSE COMMITTEE REPORT

(9)
Date Referred to Committee: May 10, 1997

FURTHER REFERRALS:

Date of Committee Action: 4-7-98

The RESOURCES Committee considered: HB 284

HOUSE BILL NO. 284

TIMBER THREATENED BY PESTS OR DISEASE

"An Act relating to infestations and diseases of timber."

recommends it be replaced with the following committee substitute CSHB 284(RES)

[✓] the same title
[ ] a new title

[ ] additional referral to ______ Committee
[ ] attached amendment(s)

ADOPTS: ______ Letter of Intent

ATTACHES NEW FISCAL NOTE(s): (Dept)

[✓] fiscal note(s) DNR

[ ] zero fiscal note(s)

APPROVES PREVIOUS: (Dept/Date)

[ ] fiscal note(s)

[ ] zero fiscal note(s)

SIGNING WITH RECOMMENDATIONS		DP	DNP	NR	AM
[signature]	OGAN	✓			
[signature]	NICHOLIA			✓	
[signature]	JOULE			✓	
[signature]	MASEK			✓	
[signature]	BARNES	✓			
[signature]	WILLIAMS			✓	
[signature]	GREEN			✓	

CHAIR'S SIGNATURE [signature]

FISCAL NOTE

STATE OF ALASKA **BILL NO. HB284**

1998 LEGISLATIVE SESSION

Revision Date:

Title: Infestations and diseases of timber

Dept Affected: Natural Resources

BRU: Resource Development

Component: Forest Management & Development

Sponsor: Hodgins

Requestor: (H)RES

Component Serial No. 435

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY99	FY00	FY01	FY02	FY03	FY04
PERSONAL SERVICES	390.6	390.6	390.6	390.6	390.6	390.6
TRAVEL	45.0	45.0	45.0	45.0	45.0	45.0
CONTRACTUAL	180.0	180.0	180.0	180.0	180.0	180.0
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	615.6	615.6	615.6	615.6	615.6	615.6
CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
CHANGE IN REVENUES (fund code)	0.0	0.0	0.0	0.0	0.0	0.0

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	615.6	615.6	615.6	615.6	615.6	615.6
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	615.6	615.6	615.6	615.6	615.6	615.6

Estimate of any current year (FY98) cost: $ 0.0

POSITIONS

FULL-TIME	3	3	3	3	3	3
PART-TIME	6	6	6	6	6	6
TEMPORARY	0	0	0	0	0	0

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

1) This bill would require more extensive insect and disease surveys to identify all infested or diseased areas and to determine where insect or disease outbreaks are likely to spread from one land ownership to another. Estimated cost would be 15 additional surveys @ $10.0/survey = $150.0 contractual services.

2) Declaration of infestation zones would require documentation and publicity. Estimate 15 declarations @ $4.0/action = $60.0 personal services.

3) DNR would need additional funding to develop infestation suppression agreements with all landowners in infestation zone. Estimate 30 agreements @ $3.7 each = $111.0 personal services for 3 weeks of a Forester II's time for each agreements. Plus 15.0 travel.

Cont. on attached page

Prepared by: Jeff Jahnke, Director /mw Phone : 465-3379

Division: Forestry Date : 10-Mar-98

Approved by Commissioner: for

Agency: Natural Resources Date:

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ANALYSIS, cont.

4) DNR would require additional funding for salvage on state land. Currently the department relies on CIP funding to offer salvage timber sales in excess of the amount possible under operating funds. Estimated cost = 1 Forester II x 2 regions x 9 months x $5.4/mo = $97.2 + 3 For Tech IIIx 2 regions x 6 months x $3.4/mo = $122.4; + $30.0 travel costs for layout and $30.0 contractual funding for notice and equipment needs. Total = $279.6. On average, this would fund salvage sale design and layout for approximately 5.4 MMBF/year and reforestation on approximately 540 acres. Sales could be in any part of the state depending on the location of infestations and availability of markets.

5) This would require a total of 3 new full-time Forester II positions and 6 new part-time Forest Tech III positions located primarily in Southcentral and Interior Alaska.

6) Change in net revenue is assumed to be zero. Some salvage sales would bring in net revenue, but many would be deficit sales.

Alaska State Legislature

Official Business

State Capitol
Juneau AK
99801-1182

SPONSOR STATEMENT

HB 284-"An Act Relating to Infestations and Diseases of Timber"

This legislation amends AS 41.17.082(d) to require the commissioner to implement necessary salvage measures when timber on state or municipal forest land is:

(1) infested or diseased and thereby poses a significant threat to surrounding healthy timber, or

(2) subjected to an environmental catastrophe, and as a result, is susceptible to infestation or disease, to prevent the spread of infestation or disease, the timber shall be salvaged as rapidly as practicable...if possible, salvage should occur before there is a significant loss of merchantability of the timber.

CS FOR HOUSE BILL NO. 284(RES)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - SECOND SESSION

BY THE HOUSE RESOURCES COMMITTEE

Offered:
Referred:

Sponsor(s): REPRESENTATIVE HODGINS

A BILL

FOR AN ACT ENTITLED

"An Act relating to infestations and diseases of timber."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

* **Section 1.** AS 41.17.082(d) is amended to read:

(d) The commissioner may undertake surveys and appraisals to obtain data on regional insect infestations and disease conditions. Upon a determination that an area is infested with forest insects or infected with diseases injurious to forest resources and that the infestation or infection threatens the forest land or timber of adjacent owners, the commissioner **shall** [MAY] establish the boundaries of an infestation or infection zone. The commissioner **shall** [MAY] enter into an agreement with an owner or with a governmental agency to control or suppress infestation or infection within the zone **and to implement necessary salvage measures. When timber on state or municipal forest land is (1) infested or diseased and thereby poses a significant threat to surrounding healthy timber, or (2) subjected to an environmental catastrophe and, as a result, is susceptible to infestation or disease, to prevent the spread of infestation or disease, the timber shall be salvaged as rapidly as**

practicable considering the available access to the timber and the marketability of the timber. If possible, salvage under this subsection should occur before there is a significant loss of merchantability of the timber. Upon a determination by the commissioner that insect and disease control work within the zone is no longer necessary or feasible, the commissioner shall terminate the zone.

* **Sec. 2.** AS 41.17.082 is amended by adding a new subsection to read:

(e) The commissioner shall declare an emergency when 100 acres or more of timber is infested or diseased within the boundaries of an infestation or infection zone established under (d) of this section. Upon the declaration of an emergency, the commissioner may

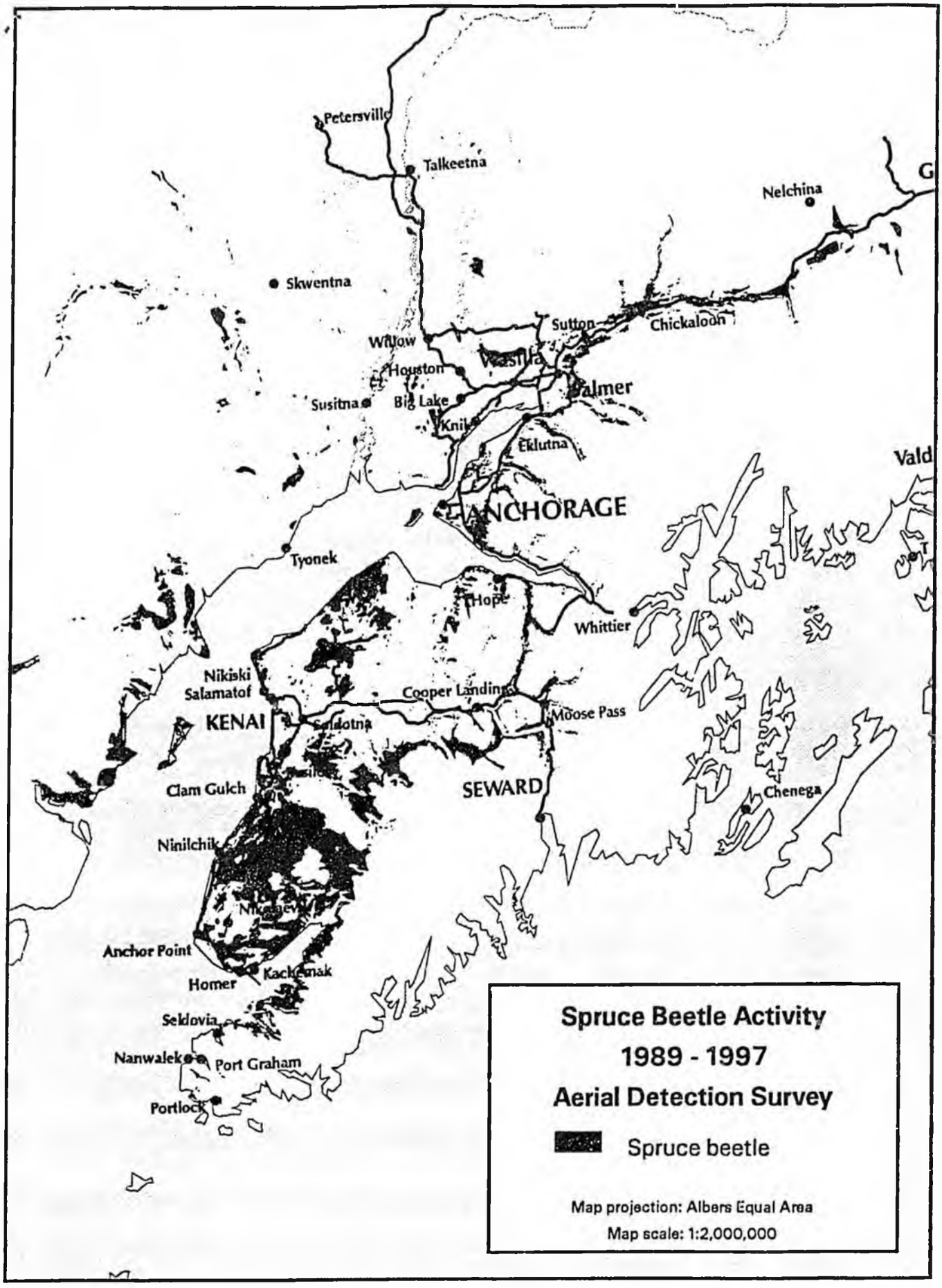
(1) offer emergency and salvage sales under AS 38.05 of infested or diseased state timber or state timber that is threatened with infestation or disease;

(2) harvest infested or diseased state timber regardless of whether the proceeds from the harvested timber will provide a net return to the state;

(3) exempt salvage and emergency sales of less than 200 acres from the preparation of a plan of operations under AS 41.17.090;

(4) require reforestation of a greater degree, quantity, and type than otherwise required by this chapter for the reforestation of riparian areas; and

(5) waive a requirement of this chapter and regulations adopted under this chapter, other than a requirement of or a regulation adopted under AS 41.17.115 - 41.17.119, if the commissioner finds that the waiver will substantially contribute to controlling or eliminating the infestation or disease.


Petersville
Talkeetna
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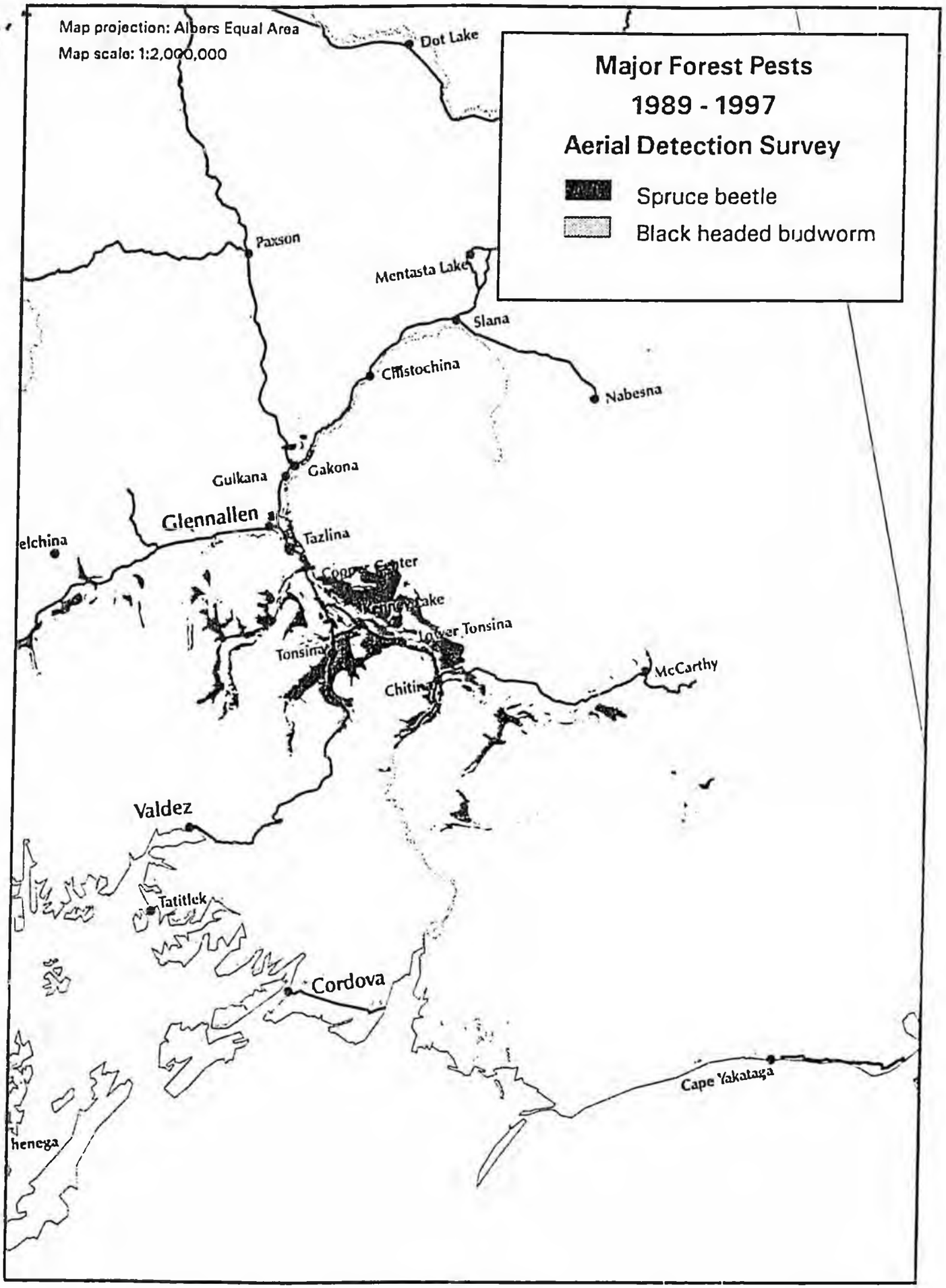
Skwentna
Sutton
Chickaloon
Willow
Houston
Palmer
Susitna
Big Lake
Eklutna
ANCHORAGE
Tyonek
Hope
Whittier
Nikiski
Salamatof
KENAI
Cooper Landing
Moose Pass
Clam Gulch
SEWARD
Chenega
Ninilchik
Anchor Point
Homer
Seldovia
Nanwalek
Port Graham
Portlock
Spruce Beetle Activity
1989 - 1997
Aerial Detection Survey
Spruce beetle
Map projection: Albers Equal Area
Map scale: 1:2,000,000


Map projection: Albers Equal Area
Map scale: 1:2,000,000
Major Forest Pests
1989 - 1997
Aerial Detection Survey
Spruce beetle
Black headed budworm
Dot Lake
Paxson
Mentasta Lake
Slana
Chistochina
Nabesna
Gulkana
Gakona
Glennallen
Tazlina
Tonsina
Lower Tonsina
McCarthy
Valdez
Tatitlek
Cordova
Cape Yakataga

TONY KNOWLES, GOVERNOR

DEPARTMENT OF NATURAL RESOURCES

DIVISION OF FORESTRY

3601 C Street, Suite 1034
Anchorage, Alaska 99503-5937

April 6, 1998

Rep. Bill Hudson, Co-Chair
Rep. Scott Ogan, Co-Chair
House Resources Committee
State Capitol Room 108
Juneau, 99801-1182

Dear Chairmen Hudson and Ogan,

We would like to reaffirm our position on HB 284. The Department of Natural Resources continues to oppose this bill because:

- It would add to agency work load without reducing the impacts of infestations,
- It doesn't provide any effective new tools to address infestations. DNR already has the authority to do emergency sales and below cost sales. The authority to waive the FPA requirements risks water quality and fish habitat protection without effectively combating beetle populations.
- The Spruce Bark Beetle Task Force is drafting its recommendations for actions to respond to the beetle infestation. Legislative changes should wait to be coordinated with Task Force recommendations.

HB 284 would have little or no effect on large infestations because it does not address the main factors that constrain effective responses to insect outbreaks. First, climatic conditions play a key role in determining the size of outbreaks, and are not controllable by agency action. Second, feasible salvage harvesting is limited by weak markets for low value timber, funding for timber sale layout and reforestation, and multiple use concerns about impacts of timber harvest and roading on other resources and activities.

HB 284 increases agency workload and costs by requiring the state to do more intensive insect and disease surveys, and to develop agreements with private landowners, regardless of the owners' interests. Landowners respond to infestations in a variety of ways depending on their management intent and authorities for their land. For example, on the Kenai Peninsula, responses range from no action to aggressive harvesting depending on the landowner. Reforestation actions after harvest also vary depending on the owners' long-term intent for the land and their financial situation.

Implementing this bill will be costly, since it requires action statewide. In 1997, surveys recorded seventeen different types of insects or diseases that damaged more than 100 acres of forest land in Alaska, affecting a total of 2.5 million acres. These sites are scattered around the state, many in areas that are remote. Because of the land ownership patterns in Alaska, many of these outbreaks cross ownership boundaries. It is not feasible

or cost-effective to actively fight all these outbreaks. Particularly in remote areas, some level of infestation -- like wildfire -- is a natural disturbance that results in a mix of young and old forest stands, which in turn provide diverse habitats for wildlife.

We respectfully request that you do not forward HB 284 at this time. As soon as recommendations from the Spruce Bark Beetle Task Force are available, we would be glad to work with you on any recommendations that would require changes to state law or additional state funding.

Sincerely,

Marty Wellen

for Jeff Jahnke
Director

Alaska Department of NATURAL RESOURCES

BRIEFING:

State Spruce Bark Beetle Programs

March 11, 1998

DEPARTMENT OF NATURAL RESOURCES -- DIVISION OF FORESTRY

OVERVIEW

Goals. The goals of the state's bark beetle programs are to accelerate reforestation, reduce wildifre risk, maintain diverse forest types and ages to support a wide variety of public uses, and capture ›nomic value from infested trees before they decay.

All sales are designed to protect and enhance forest diversity and support multiple use. Sale design is based on vegetation, land uses, habitat values, beetle impacts, access, and economic feasibility. Site-specific prescriptions are done for each sale. In the Kenai and Copper River areas, DNR has helped fund Department of Fish and Game habitat biologists to help design the sales to protect or enhance fish and wildlife values.

Infested aree. In cooperation with the US Forest Service, DNR annually maps insect-infested areas statewide. Based on these surveys, about 3 to 4 million acres have been infested with spruce bark beetles statewide since 1989. In 1996, active outbreaks were mapped on roughly 1.1 million acres statewide. Aerial surveys for 1997 have been completed, and indicate a decrease in observable spruce beetle activity to approximately 565,000 acres. However, the spruce bark beetle is endemic wherever there is Sitka, white, or Lutz spruce. 1997 ground assessments in the most heavily impacted areas -- southcentral Alaska, the Copper River basin, and the Haines area -- suggest that beetle populations are still very high. Severe outbreaks are expected to continue in parts of these areas for several more years.

Economics of state timber sales. The amount of timber actually purchased and cut depends largely on timber markets. The beetle-killed wood is suitable primarily for pulp or chips, and markets for these products are currently low. Five recent sales on the Kenai Peninsula received no bids due to weak markets. DNR may delay some salvage sales if there is no market for the wood.

DNR requires that all timber sales bear the cost of harvesting, roads, and site preparation. In addition, the sales will bear varying proportions of the costs of contract administration and replanting. For some sales, such as those in the Moose Pass area where timber values and volumes are high, revenue will probably exceed total cost. On small sales, the state will pay most of the replanting and administration costs. The main benefits are that dead and dying wood will be salvaged to provide jobs and wood products, and replanting will accelerate forest regrowth in infested areas.

DNR staffing for timber sales is quite limited. In the Kenai area, we have two full-time forest management positions, and part of two additional positions. In the Haines area one full-time

position and one part-time position have forest management responsibilities. No positions in the Copper River area have operating funds for forest management. The DNR timber salvage program depends heavily on capital funding from the legislature, and when fire risk is low, we also use fire-fighting technicians to help prepare timber sales, and we borrow staff from throughout the state to help with salvage sale layout when other duties allow.

Can harvesting control the beetles? State timber sales cannot control the widespread beetle outbreak in southcentral Alaska or Haines. In small areas where infestation is just starting, harvests may slow the spread or reduce the percent of trees attacked. Diverse vegetation types and ages may be the best long-term remedy for beetle outbreaks.

Reforestation. The Alaska Forest Resources and Practices Act (AS 41.17) does not require reforestation on timber sales that are salvage operations like the harvests in beetle-impacted areas. However, DNR has publicly committed to reforesting all state timber sales. Some sites will regenerate naturally after site preparation; most areas will need planting. We will replant with native tree species grown from local seed sources. The timber purchaser pays site preparation costs. Where feasible, DNR requires the purchaser to pay planting costs.

Do bark beetles increase the risk of wildfire? Increased fuel loads and grass cover following the beetle epidemic on the Kenai Peninsula has raised the risk of intense, rapidly-moving fires that would be difficult to control. A January, 1998 assessment of fire risk is available from the Division of Forestry -- *Kenai Peninsula Spruce Beetle Epidemic Fire Danger/Behavior Status Report.* Fire risk is particularly high near some residential areas where the chance of human-caused fire starts is high. For example, in the East End Road area near Homer several factors create high fire danger: dead forest mixed with grassland surrounds numerous homes, clearings along powerline ROWs are narrow, and one lane roads make access difficult.

The best defense against wildland fire is a mosaic of different age classes of green vegetation. Landowners may need to remove dead and dying trees and replant with fire resistant vegetation to minimize the hazard from wildland fires in the wake of a spruce bark beetle infestation. For residential areas, DOF holds informational meetings to help landowners reduce fire hazards.

Beetle-killed trees were not a factor in the Miller's Reach #2 fire in June, 1996. In contrast, the Crooked Creek fire on the western Kenai Peninsula did burn through beetle-killed spruce. The volume of dead vegetation in the fire area directly affected the spread and intensity of the fire, which included active crown fires.

Sustained yield. Under the Alaska constitution and state law, DNR must manage renewable resources for sustained yield. In general, we must achieve and maintain in perpetuity "a high level annual or regular periodic output of the various renewable resources of forest land and water without significant impairment of the productivity of the land and water" (AS 41.17.950(17)). The Supreme Court further determined that this permits timber cutting "at a level that cannot be sustained over a rotation only in unusual circumstances. ... Such

circumstances might include such things as salvage cuts where trees have been killed or damaged... ." (SEACC v. Alaska, 1983) To date, DNR salvage harvests have not exceeded the allowable cut for each decade.

Public involvement. State law requires that DNR provide for meaningful public participation in the timber sale process. The public process is lengthy and expensive, but it is also essential on public land. Public concerns have affected the sale process and sale design, and reinforced DNR's commitment to careful harvest and reforestation.

In all areas, the Division of Forestry prepares a Five-Year Schedule of Timber Sales (FYSTS) annually. The schedule provides an overview of state proposals for timber harvest, reforestation, and transportation. A Forest Land Use Plan (FLUP) is also prepared for each individual sale. Schedules and plans are subject to review by agencies and the public before DNR adopts them. In addition to these requirements, DNR has made special efforts to involve the public in forest management in each of the areas with severe beetle infestations as noted below.

KENAI AREA

State land ownership and allowable cut. The State of Alaska owns approximately 2.1 million acres of land in the Kenai Peninsula Borough, or 20% of the total area. Half the state land is in state parks, refuges, and critical habitat areas. Of the 1.1 million acres of the state public domain, 449,000 acres are forested land: 248,000 acres west of Cook Inlet, and 201,000 acres on the Kenai Peninsula and Kalgin Island. The state has selected an additional 410,000 acres of land in the Chugach National Forest that may be state-owned in the future. The estimated annual allowable cut for the Kenai Peninsula is 1,652 acres; for the west side of Cook Inlet and Kalgin Island, it is 1,816 acres. Allowable cuts are regulated over a ten year period. Therefore, 16,520 acres could be harvested each ten years on the Peninsula, and 18,160 acres on Kalgin Island and the west side.

State forest land affected by bark beetles. By 1993, about 90,000 acres of state land on the Kenai Peninsula were infested by bark beetles, and the beetle infestation is still expanding into new areas. Beetles also infest state land on Kalgin Island and state land west of Cook Inlet. The most heavily impacted state land is on the western Kenai Peninsula south of Tustumena Lake to Homer and Kachemak Bay, and in the Moose Pass area.

Affected forests include stands of white spruce, Lutz spruce, and Sitka spruce in either pure stands or mixed stands with birch, cottonwood, or aspen. In infested areas, future stands are likely to be more open, have more grassy areas, and where hardwoods are present, have more hardwood-dominated stands.

State forest management. Prior to 1994, DNR sold an average of 200 acres of timber sales per year. Starting in 1994, in response to the infestation, the amount of state timber offered has greatly increased. Since 1994, DNR has offerred 23 salvage sales totaling 10,009 acres on the

Kenai Peninsula and Kalgin Island. Twenty-one of these sales have been purchased, and two remain available for purchase over-the-counter. One salvage sale prepared by DNR in the Moose Pass area also included Mental Health Trust land. The current draft Five-year Schedule of sales proposes about 23,740 acres of sales over the next five years on the Kenai Peninsula.

Additional public outreach. DNR has made special efforts to involve the public in forest management decisions in the Kenai area.

- Establishing a citizen's advisory panel led by the Kenai Peninsula Borough mayor that reviewed all sales on the FY 94-98 Five-Year Schedule, including the FY 95 and FY96 sales. DNR adopted all the unanimous recommendations of the panel, and made many changes to respond to recommendations that weren't unanimous.
- Holding public meetings on timber sales in nearby communities and scheduling field trips to the larger proposed sales.
- Conducting a workshop on the proposed Caribou Hills timber sale with a variety of interest groups and agencies.
- Involving the public in development of a Forest Health Management Plan for the Kenai.
- Working with the US Forest Service and a citizens' advisory committee during joint federal-state forest management projects for the Cooper Landing and Moose Pass areas.
- Meeting with media representatives and including them in field trips to harvest areas.
- Preparing a handout on the infestation for tour companies that use the Kenai Peninsula.
- Steadily improving the Five-year Schedules and Forest Land Use Plans to ensure that the public gets clear, complete information on planned sales.
- Participating in public forums such as the Pratt Museum series on spruce bark beetles.
- Participating in interagency planning efforts including the Kenai Area Plan, Kenai Spruce Bark Beetle Task Force, Interagency Forest Ecology Study Team, and interagency brown bear conservation strategy.

How will timber sales affect other land uses? Tourism and recreation: Most of the sales including those in the Falls Creek-Ninilchik area and on Kalgin Island will have little impact on recreation and tourism. These sales are in flat, low country off the main road system. They receive little current recreation use or tourism, and will not be visible to road travelers. Harvested areas will be visible to air traffic between Anchorage and Homer.

Sales in the Moose Pass area have the greatest potential to affect scenery, recreation, and tourism. Large beetle-killed areas also have the potential to affect these activities. The USFS analyzed recreation and scenic impacts on state and federal land. The state is using this information to design sales to minimize these impacts.

Fishing: Protecting fish habitat and water quality is the main goal of the state's Forest Resources and Practices act. The Act prohibits harvesting within 100 feet of anadromous and high value fish streams on all state land. On the Kenai, we use wider buffers for key areas, such as the Ninilchik River corridor. Buffers and required best management practices prevent significant impacts to fish habitat.

Wildlife habitat and use: Kenai forest lands also provide upland wildlife habitat and areas for hunting and wildlife viewing. Whether we harvest timber or not, the composition of Kenai forests and habitat will change as beetles kill extensive areas of spruce. By encouraging regrowth of mixed hardwood-spruce forests and accelerating regeneration, more diverse stands will be grown. Timber harvests should have a neutral to beneficial impact on habitat for most wildlife species. DNR is funding the Department of Fish and Game to participate in the design of state timber sales.

Timber sale access. Timber access is one of the most controversial issues for the Kenai forests. ADF&G has expressed concern on the impacts of new access on wildlife, especially bears. DNR proposes no new permanent roads for state timber sales. Temporary roads and winter roads will provide access. Most access will use existing trails, such as seismograph lines. Temporary roads will be put to bed after harvesting and reforestation is complete. The timber purchaser pays road construction and maintenance costs during the life of the sale. In the Moose Pass area, we are considering designing some sales for helicopter logging to minimize road access.

Timber harvest methods. DNR designs harvest methods for each sale based on the extent of beetle damage and opportunities for natural regeneration. In general, we propose salvaging the dead, dying, and immediately threatened spruce trees. We will leave most hardwoods, smaller spruce, seed trees, stream buffers and leave areas for wildlife, and trees that aren't threatened by beetles. In some areas, beetles have killed nearly all trees, and the harvest will approach a clearcut patch. In others, many trees will be left.

Appeals and litigation. On September 22, 1994, Trustees for Alaska and four other groups appealed the FY95-99 FYSTS in Anchorage Superior Court. There was no administrative appeal of the schedule. On October 25, the same groups asked the Anchorage Superior Court for an emergency stay of the auction of eight small timber sales. The Court denied the stay and the sales were auctioned. Trustees added the eight sales and the Falls Creek sale to their original lawsuit and expanded the list of appellants to nine groups and one individual. Since then, the individual, petitioned the court to withdraw from the suit and the court granted his petition.

On November 30, 1994 the same groups appealed the Kalgin Island FLUP to the DNR Commissioner. The Commissioner denied the appeal and Trustees requested reconsideration of the denial. The Department of Law counseled that reconsideration cannot be granted under current statutes. Trustees asked the Anchorage Superior Court for an emergency stay of the auction; the court denied the stay on January 11, 1995.

Trustees et. al and another individual filed appeals of the Falls Creek Sale with DNR in January, 1995. The DNR Commissioner denied both appeals. Trustees filed for an emergency stay; but their request was denied by the court February 7, 1995 and the sale was auctioned.

On June 5, 1995, the Court ruled in DNR's favor on a motion to recover expenses in the Trustees case. The Court ordered the appellants to pay the State $4,931 as the reasonable costs of

preparation of the record filed to date.

Judge Souter denied two motions by Trustees on November 1, 1995. He denied a motion to add the FY 96-00 Five-Year Schedule to the case, stating that it is inappropriate to roll multiple appeals into one case, and that a court appeal of the FY 96-00 Schedule would require a separate case. He also denied a motion to submit an over-length brief and add 470 pages of new material to the record. He directed them to rewrite their brief and strike any references to their addendum. On March 21, 1997, Judge Souter ruled in DNR's favor on all counts. Appellants requested that the court reconsider whether they qualify as public interest litigants, which determines liability for court costs. The appeal period for Judge Souter's ruling will not close until the petition for reconsideration has been decided.

One person appealed DNR's coastal consistency finding on the Falls Creek sale to the Coastal Policy Council. The CPC reviewed the appeal and decided in DNR's favor on all counts.

On September 18, 1995, Trustees for Alaska appealed the final finding for the Crown timber sale to the Commissioner of Natural Resources. The Commissioner denied the appeal and DNR auctioned the sale.

Two individuals appealed DNR's forest management program to the Superior Court. They alleged that DNR was not harvesting enough timber to meet Constitutional direction to maximize use. The court ruled on all but one count in fall, 1994, and decided in DNR's favor on each count. Alaska Husky Wood, Inc. filed a similar case against the state in April, 1996. The state asked the court to consolidate this with the earlier case and the court agreed. On March 9, 1997 the court ruled in DNR's favor on all counts in this case. The court also awarded attorney's fees to the state. The appellants appealed the ruling, and the Supreme Court heard oral arguments on the case on November 19, 1997. A final ruling is expected within six months.

The Alaska Center for the Environment and the Anchorage Audubon Society appealed the Caribou Hills timber sale. On January 6, 1998, the Commissioner denied the appeals, and the sale was sold on January 8, 1998.

COPPER RIVER AREA

State land ownership and allowable cut. The State of Alaska owns 3.3 million acres of land in the Copper River Basin, of which approximately 30,000 acres is commercial timber. The estimated annual allowable cut on state land is approximately 200 acres per year. Vegetation mapping for state land in the Copper Basin is limited.

State forest land affected by bark beetles. In 1996, about 230,000 acres of land on all ownerships in the Copper Basin was infested by bark beetles. The infestation is still expanding in most areas. Most beetle activity is on federal or Native corporation land, however, state land is significantly impacted in some areas. Acreage figures for the amount of infested area on each

ownership in 1996 are not yet available. Many areas are intensively infested with most of the white spruce killed by beetles. Many of the stands are pure white spruce and may convert to alder where the spruce are killed.

Proposed forest management. In FY 96, DNR received capital funds from the legislature for timber salvage, and we have expanded our timber sale program in the infested areas. DNR offered the first of the salvage sales in the Copper River in 1997, but received no bids for the timber. It is currently available over the counter. DNR also prepared about 6 MMBF in salvage sales for BLM on roughly 4,200 acres of federal land in the Copper Basin.

Timber sale planning and public involvement. DNR is currently identifying areas with potential for timber salvage and reforestation. We have also met with other landowners and interest groups to identify forest management issues that will be addressed through the Five-year Schedule of Timber Sales and Forest Land Use Plans for salvage sales. DNR began working with the public on these issues in 1994, but suspended the work temporarily due to lack of funding.

The first of the salvage sales are included in the FY 97-01 Five-year Schedule. Two sales totalling 3.8 MMBF were offered for sale in January, 1998, but received no bids. The sales are likely to be purchased over-the-counter if markets rebound.

HAINES AREA

State land ownership and allowable cut. DNR manages the 270,410-acre Haines State Forest. Within the Forest, 49,231 acres are commercial forest land available for timber harvest. The annual allowable cut on this land is 6.96 million board feet per year (an average of roughly 370 acres per year).

State forest land affected by bark beetles. The 1996 survey mapped about 16,000 acres of infestation, about 10,000 acres of which is state land in the Haines State Forest. It appears the total infested area is continuing to expand. About 51% of the commercial timber base -- 25,039 acres -- has been significantly infested by the spruce beetle. The beetles have killed from 50% to 99% of the spruce in these stands. A total of about 35,000 acres of state land has been infested since 1989 in the Haines area. The main forest type is a mix of Sitka spruce and hemlock. Future stands are likely to be dominantly hemlock in much of the infested area. The hemlock in this area is highly decadent, with 60% of the hemlock timber volume being pulp quality.

Proposed forest management. DNR sold approximately 22.7 MMBF of timber from the Haines State Forest from 1993-1995. In FY 96, DNR received capital funds from the legislature for timber salvage. With these funds we offered the 14.4 MMBF Thunder Creek salvage sale from 565 acres of infested land. Lynn Canal Conservation Society appealed this sale to the Commissioner of DNR. The Commissioner denied the appeal. The sale was offered, but not purchased due to low markets for pulp. We reconfigured the sale to include less timber (4.3

MMBF), and it was purchased in May, 1997. Several small salvage sales were also prepared and sold with this funding and we are continuing to offer small salvage sales. We expect to offer about 25 MMBF over the next five years.

Reforestation. All large sales require the purchaser to replant with Sitka spruce grown from a local seed source. On the small salvage sales, DNR provides the seedlings and contracts for planting.

Additional public involvement. DNR manages the state forest under the Haines State Forest Management Plan. The plan was adopted in 1986 after extensive public input.

OUTREACH TO PRIVATE LANDOWNERS

DNR also manages federal-funded programs in Forest Stewardship and Urban and Community Forestry. Four staff members in southcentral Alaska work in these programs. They assist communities and individuals with forest management plans, consult on forestry issues, and disseminate information on protecting private homes and trees from fire and insects.

The Forest Stewardship program provides landowner assistance through site visits, written plans, public workshops, and federal cost-share programs. Since starting, 156 stewardship plans have been prepared covering 13,600 acres of private land, and most of these address spruce beetle concerns. Spruce beetle abatement techniques used by individual landowners include sanitation harvesting, trap trees, pruning, and pesticide application. DNR Forest Stewardship staff have also conveyed grants to help five Alaska Native corporations in southcentral Alaska. The grants provide for multiple-use planning, and spruce beetle impacts have been a major consideration in preparing the plans.

CONDITIONS IN BRIEF

Annual aerial mapping is conducted to document where active forest damage is occurring, that is, where current defoliation or recently killed trees are located. These aerial surveys generally cover approximately 1/3 of the forested land in Alaska, however, surveying in the interior was hampered by smoke and inclement weather in 1997. Despite these limitations, insect and disease activity in Alaskan forests declined by one third to 1.7 million acres. Major declines in three of the four most active insects, spruce beetle, spruce budworm, and larch sawfly, accounted for this reduction.

INSECTS:

Active **spruce beetle** infestations declined by 50% from 1996 totals in both south-central and southeast Alaska to 563,741 acres. Many spruce stands are now 80-90% dead and have little or no susceptible host material remaining to support further spruce beetle activity. Visually, these stands appear to have few recently killed trees and the standing dead trees are grey in appearance. These stands are not mapped in the annual survey. It is estimated that over 2.3 million acres are in this condition as a result of spruce beetle activity over the last seven years. This factor accounts for the majority of active spruce beetle infestation reduction noted in 1997. Heavy mortality exists in most spruce stands in the lower Kenai Peninsula from Bradley Lake near Kachemak Bay northwest to Tustumena Lake and south to East End Road near Homer as well as the Copper River Valley. Although it may appear that the spruce beetle has run its course in many areas by removing susceptible host, areas remain where beetle populations could expand into.

The Homer area on the Kenai Peninsula experienced a tremendous beetle flight this year; more spruce trees will be showing red needles in 1998. The beetles have decimated most of the spruce stands in the main Copper River Valley; however, many side drainages remain under attack. Beetles have also been active in the Susitna River Valley for several years, although the loss of spruce will not be as devastating due to the hardwood forest component. Assuming that conditions favorable to beetle development continue, along with the presence of susceptible stands (i.e., stands composed of mature, even-aged, slow-growing spruce), it would be safe to predict that beetle activity is not yet over. However, it is not expected that beetle populations will reach the 1996 level of 1.13 million acres infested in the near future.

Total spruce beetle activity in southeast Alaska decreased from 35,700 acres in 1996 to 19,050 acres in 1997. The beetle outbreak in Glacier Bay National Park on the ridge east of Gustavus decreased as did the infestation at the mouth of the Stikine River. The beetle infestations in Haines and along the Taku River continued at 1996 levels.

The **spruce budworm**, which defoliated more than 230,000 acres of white spruce in 1996, declined by 84% in 1997 to 38,416 acres. Nearly all of the budworm activity has been confined to the Yukon and Tanana Rivers in interior Alaska. The major portion of this infestation has centered around Tanana; however, over the past two years the spruce budworm has migrated westward along the Yukon River to Ruby. Many trees in this area have severely diminished crowns having withstood budworm defoliation for several years. It is expected that this infestation will continue to decline toward endemic levels over the next few years.

Approximately 29,000 acres of hemlock and Sitka spruce were defoliated by the **Black-headed budworm** in Prince William Sound. While the Cordova area experienced some of the heaviest defoliation, most of the affected acres occurred in sheltered coves from Knight Island north to Valdez Arm and east to the Copper River. A

warm, calm spring and summer were advantageous for the budworm. If this warm, dry weather continues in 1998, budworm populations should increase in the Sound. The budworm populations are decreasing in southeast Alaska-- only 1,200 acres were affected. These populations often rise and fall over a period of a few years and result in some tree topkill and minor mortality.

In south-central Alaska, nearly 272,000 acres of birch showed signs of stress. This condition was caused by a combination of drought and insects. Large populations of **birch leafminer** were prevalent in the Anchorage bowl and **birch aphids** were reported throughout the Mat-Su Valley. The combination of drought and insects caused most birch leaves to prematurely turn brown.

Willow defoliation by the **willow leaf blotchminer** declined 93% in 1997 to only 3,501 acres. This outbreak, which was scattered throughout the interior, the Copper River Valley and the Anchorage area, peaked at 150,000 acres in 1992. Since then, the outbreak has been in decline and appears to be returning to endemic levels.

Two other insects of note are the larch sawfly and hemlock sawfly. This marks the fifth consecutive year of defoliation by the **larch sawfly**, but it appears that this infestation is waning, as populations fell by 56% in 1997. Some mortality of larch, attributed to five years of heavy defoliation, was noted near Fairbanks. In southeast Alaska, **Hemlock sawfly** defoliation levels decreased slightly from 8,250 acres in 1996 to 6,638 acres in 1997.

DISEASES:

The most important diseases and declines of Alaskan forests during 1997 were wood decay of live trees, root disease of white spruce, hemlock dwarf mistletoe, and yellow-cedar decline. Except for yellow-cedar decline, trees affected by these diseases are difficult to detect by aerial surveys. Nonetheless, all are chronic factors that significantly influence the commercial value of the timber resource and alter key ecological processes including forest structure, composition, and succession. Wildlife habitats are produced directly by wood decay fungi, hemlock dwarf mistletoe and spruce broom rust through the formation of tree cavities and witches' brooms.

In southeast Alaska, approximately one-third of the gross volume of forests is defective due to **heart and butt rot fungi**. **Hemlock dwarf mistletoe** continues to cause growth loss, top-kill, and mortality in old-growth forests; its impact in managed stands depends on the abundance of large infected trees left after harvesting. Some 477,000 acres of **yellow-cedar decline** have been mapped across an extensive portion of southeast Alaska. Snags of yellow-cedar accumulate on affected sites and forest composition is substantially altered as yellow-cedar trees die giving way to other tree species. Salvage opportunities for this valuable resource are now being recognized.

In south-central and interior Alaska, **root disease** continues to cause growth loss and mortality in white spruce stands. Impacts are greatest in young-growth managed stands where seedlings grow in close proximity to infected stumps. Volume losses of spruce due to **heart, butt, and sap rot fungi** are substantial; sap rot decay quickly develops and degrades spruce trees killed by spruce bark beetles. A high incidence of stem decay occurs in living hardwoods.

Foliar diseases of conifers had negligible ecological significance and were generally at moderate levels throughout Alaska in 1997, except for an outbreak of spruce needle cast in young-growth forests on Afognak Island. Canker and foliar fungi caused large, but unmeasured, damage to hardwood species in south-central and interior Alaska.

Other:

In localized areas of southeast Alaska, **porcupines** continued to cause tree defect and mortality to several conifer species and **brown bears** caused a high incidence of wounding on the lower boles of yellow-cedar.

'able 1. 1997 forest insect and disease activity (in acres) as detected aerially in Alaska by land ownership and agent[1]

Damage Agent	State & Private	National Forest	Other Federal	Native Corp.	1997 Total	1996 Total	% Change
Spruce beetle	263,187	14,773	142,462	143,319	563,741	1,130,756	-50
Engravers/spruce beetle	2,428	8	3,608	2,902	8,946	13,941	-36
Spruce budworm	21,326	--	8,637	8,453	38,416	235,936	-84
Black-headed budworm	3,725	17,657	578	8,882	30,842	1,227	+2,414
Conifer Defoliation	6,234	--	97	17,870	24,201	5,467	+343
Hemlock sawfly	447	5,961	--	230	6,638	8,251	-20
Spruce needle aphid	39	439	--	43	521	474	+10
Large aspen tortrix	3,913	--	582	588	5,083	6,447	-21
Birch defoliation	270,195	201	857	662	271,915	3,178	+8,456
Cottonwood defoliation	1,672	134	105	1,125	3,036	6,518	-53
Willow defoliation	2,202	--	220	1,079	3,501	50,112	-93
Larch sawfly	107,658	--	130,317	29,886	267,861	606,927	-56
Spruce needle rust	10	--	34	10,732	10,776	3,424	+215
Yellow-cedar decline[2]	6,971	454,656	----	15,913	477,540	474,864	+ 56
Porcupine damage	161	1,002	--	--	1,163	633	+84
Blowdown/windthrow	27	721	665	812	2,225	618	+260
Water damage	1,287	479	216	67	2,049	5,635	-64
Winter damage	1,755	898	295	--	2,948	--	+100
Landslide damage	111	123	156	59	449	498	-10
Total acres by ownership	**693,348**	**497,052**	**288,829**	**242,622**	**1,721,851**	**2,549,439**	**-32**

[1] Table entries do not include many of the most destructive diseases (e g , wood decays and dwarf mistletoe) because these losses are not detectable in aerial surveys

[2] Value of yellow-cedar decline is not restricted to the acreage with a high concentration of dying trees for this year, it represents stands that generally have long-dead trees, recently-dead trees, dying trees, and some healthy trees See discussion of yellow-cedar decline for a detailed listing of affected acreage by island and Ranger District

THE ROLE OF DISTURBANCE IN ECOSYSTEM MANAGEMENT

One premise of ecosystem management is that native species are adapted to the natural disturbances common to an area. Disturbance events are responsible for the way the current landscape appears and functions today, and will determine the structure and composition of future landscapes. In Alaska, glaciation, earthquakes, wind storms, fire, flooding, avalanches and landslides greatly affect ecological processes. These types of disturbances remove existing vegetation and often expose mineral soil for new plants to become established.

Disturbance events such as insect and disease outbreaks also result in shifting landscape patterns. These disturbances usually affect only a few species directly, while indirectly affecting the remaining species through reduced competition or changes in forest structure. Changes resulting from these types of disturbances often occur over varying time periods, but can be very dramatic and cover large areas. Spruce beetles have radically affected the landscape in a single decade, heartrots and other internal diseases operate for decades, whereas yellow-cedar decline has been occurring for nearly 100 years.

To a certain extent, we can predict what type of disturbance is likely to occur in a particular area: fires are frequent in interior Alaska and wind storm events are important in southeast. Spruce beetles are an important disturbance agent in south-central Alaska. Disturbance agents and patterns are generally tied to geography, climate, and vegetation. When we understand the complexities of these relationships, we are able to predict and respond to natural disturbances and mimic the desirable effects with management activities. Ecological classification is one tool available to help us understand disturbance patterns.

Many useful systems of classification have been developed for Alaska's ecosystems and vegetation. Refining and standardizing these classifications across all ownership's will promote effective ecosystem management. ECOMAP (1993) is one system of ecological classification that the Forest Service has adopted and continues to develop. Within this hierarchical system, ecosystems are delineated at multiple scales using different sets of environmental factors. The levels established at this time include Domains, Divisions, Provinces and Sections. Domains represent subcontinental climatic zones. Divisions and Provinces represent climatic subzones as reflected by dominant lifeforms (meadows vs. forests) and broad vegetation types, respectively. Sections are distinguished mainly by geomorphic and topographic features. The Section level is the first level of the hierarchy where analysis of insect and disease activity becomes applicable.

In this edition of the Forest Insect and Disease Conditions in Alaska, we introduce and make reference to the Ecosystem Sections of Alaska (Map 1). This map was developed in the Alaska Region (Nowacki and Brock 1995). Section descriptions are included in Appendix C with a list of damaging agents reported during the 1997 aerial survey. Only Sections that were covered in this year's survey are described. As the ecological hierarchy classification and mapping are developed to finer scales, they become more valuable as management tools to predict the impacts of various disturbances on forest resources.

Map 1. Ecosystem Sections of Alaska

Polar Domain, Subarctic Division,
131 - Yukon Intermontaine Taiga Province
- 131A - Yukon Bottomlands Section
- 131B - Kuskokwim Colluvial Plain Section
- M131A - Upper Kobuk-Koyukuk Section
- M131B - Nulato Hills Section
- M131C - Kuskokwim Mountains Section
- M131D - Nushagak-Lime Hills Section

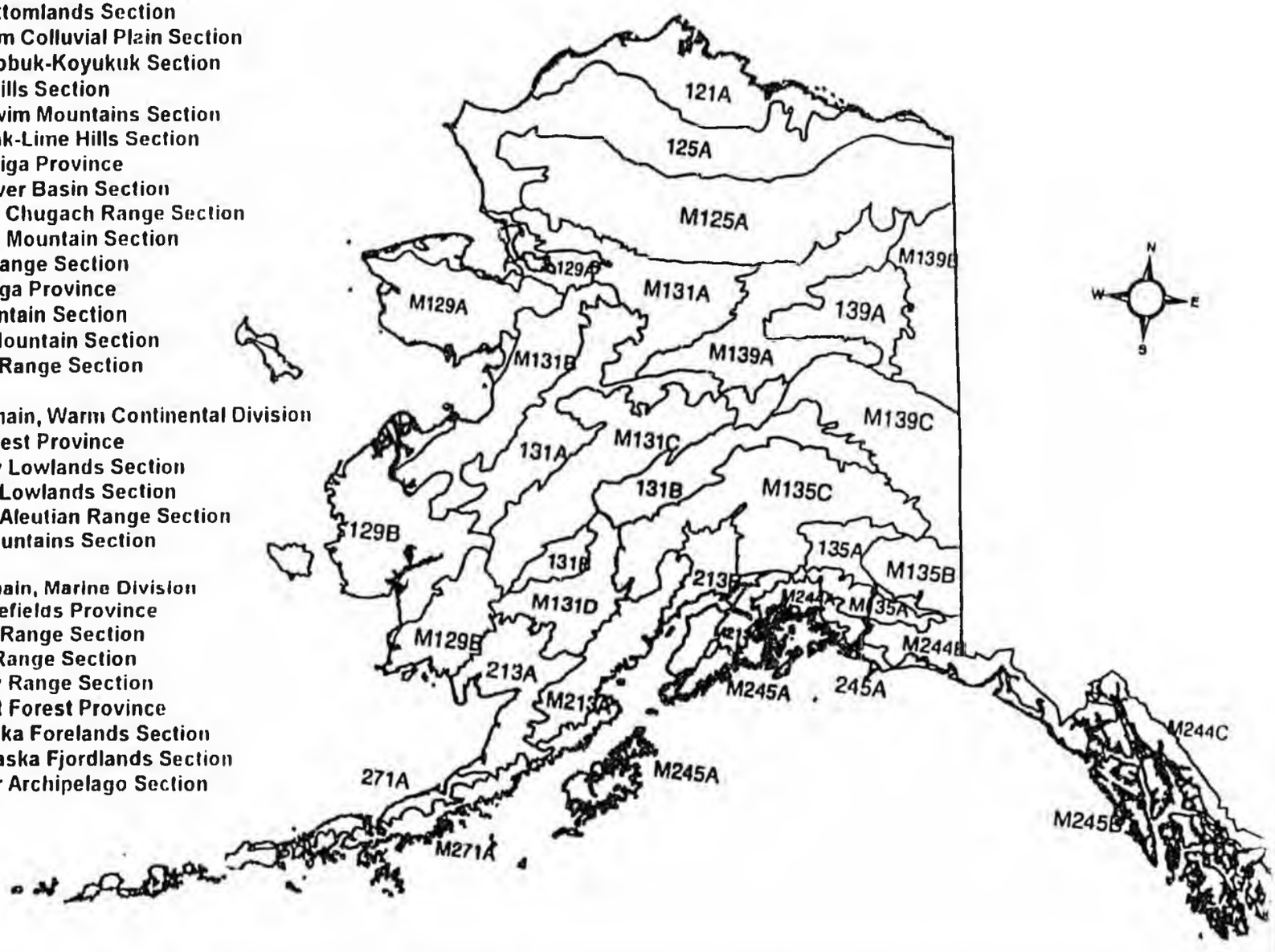
135 - Alaska Range Taiga Province
- 135A - Copper River Basin Section
- M135A - Northern Chugach Range Section
- M135B - Wrangell Mountain Section
- M135C - Alaska Range Section

139 - Upper Yukon Taiga Province
- M139A - Ray Mountain Section
- M139B - Ogilvie Mountain Section
- M139C - Dawson Range Section

Humid Temperate Domain, Warm Continental Division
213 - Alaska Mixed Forest Province
- 213A - Bristol Bay Lowlands Section
- 213B - Cook Inlet Lowlands Section
- M213A - Northern Aleutian Range Section
- M213B - Kenai Mountains Section

Humid Temperate Domain, Marine Division
244 - Pacific Coastal Icefields Province
- M244A - Chugach Range Section
- M244B - St. Elias Range Section
- M244C - Boundary Range Section

245 - Pacific Gulf Coast Forest Province
- 245A - Gulf of Alaska Forelands Section
- M245A - Gulf of Alaska Fjordlands Section
- M245B - Alexander Archipelago Section



STATUS OF INSECTS

INSECTS AS AGENTS OF DISTURBANCE

Alaska's insect populations are one of the most significant components of its forest ecosystems. Arctic/boreal insects are characterized by having few species and large population numbers. These insects are opportunistic in their behavior. They respond quickly to changes in climate and the availability of food and breeding material. The spruce beetle, for example, responds quickly to large scale blowdown, fire scorched trees, or spruce injured by flooding. Large numbers of beetles can be produced in such breeding material, leading to potential outbreaks.

Spruce beetles are one of the most important disturbance agents in mature spruce stands in Alaska. A variety of changes occur to forest resources when many trees are killed. Ultimately, these changes are biological or ecological in nature. There are also socio-economic consequences that can be viewed as either positive or negative, depending on the forest resource in question. Some of the impacts associated with spruce beetle infestations include, but are not limited to:

1 **Loss of merchantable value of killed trees**. The value of spruce as saw timber is reduced within three years of attack in south-central Alaska as weather checking and increased sap-rots occur. The value of a beetle killed trees as house logs, chips, or firewood continues for many years if the beetle-killed tree remains standing.

2 **Long term stand conversion**: The best regeneration of spruce and birch occurs on a seed bed of bare mineral soil with some organic material. Site disturbances such as fire, windthrow, flooding, or ground scarification provide excellent sites for germination and establishment of tree species if there is an adequate seed source. However, on some sites in south-central Alaska, grass and other competing vegetation quickly invade the sites where spruce beetles have "opened up" the canopy. This delays re-establishment of tree species.

3 **Impacts to wildlife habitat**: Wildlife populations, which depend on live, mature spruce stands for habitat requirements may decline. We expect to see decreases in red squirrel, spruce grouse, Townsend Warblers, and possibly Marbled Murrelet populations. On the other hand, wildlife species (moose, small mammals and their predators, etc.) that benefit from early successional vegetation such as willow and aspen may increase as stand composition changes.

4 **Impacts to scenic quality**: Scenic beauty is an important forest resource. It has been demonstrated that there is a significant decline in public perception of scenic quality where spruce beetle impacted stands adjoin corridors such as National Scenic Byways. Maintaining or enhancing scenic quality necessitates minimizing impacts from spruce beetle infestations. Surveys have also shown that the public is evenly divided as to whether spruce beetle outbreaks damage scenic quality in back-country areas.

5 **Fire hazard**: There is concern that fire hazard in spruce beetle impacted stands will increase over time. After a spruce beetle outbreak, grass or other fine vegetation ground cover increases; fire spreads rapidly through these vegetation types. As the dead trees break or blow down (5-10 years after an outbreak), large woody debris begins to accumulate on the forest floor. This wood is the heaviest component of the fuels complex. Heavy fuels do not readily ignite, but once ignited they burn at higher temperatures for a longer period. The combination of fine, flashy fuels and abundant large woody debris results in a dangerous fuels situation. Observations from

recent fires on the Kenai Peninsula have shown an increase in crown fires. This fire behavior is caused by fire traveling up the dead spruce trees and spotting into the crowns of adjacent beetle killed trees. In some areas, there may be an increase in the lower level winds because of a "reduction" of the wind-break characteristic of a green forest, thus augmenting fire crowning behavior.

6 **Impact to fisheries**: If salmon spawning streams are bordered by large diameter spruce and these trees are subsequently killed by spruce beetles, there is a concern as to the future availability of large woody debris in the streams. Large woody debris in spawning streams is a necessary component for spawning habitat integrity.

7 **Impact to watersheds**: Intense bark beetle outbreaks can kill large amounts of forest vegetation. The "removal" of significant portions of the forest will impact to some degree the dynamics of stream flow, timing of peak flow, etc. There have been no hydrologic studies in Alaska quantifying or qualifying impacts associated with spruce beetle outbreaks. Impact studies, however, have been done elsewhere. In Idaho watersheds impacted by the Mountain Pine Beetle, there was a 15% increase in annual water yield, a 2-3 week advance in snow-melt, and a 10-15% increase in low flows.

There are a variety of techniques that can be used to prevent, mitigate, or reduce impacts associated with spruce beetle infestations. However, before pest management options can be developed, the resource objective(s) for a particular stand, watershed, landscape, etc. must be determined. The forest manager must evaluate the resource values and economics of management actions for each stand in light of management objectives. The beetle population level must also be considered because population levels will determine the priority of management actions and the type of strategy to be invoked. The key to forest ecosystem management is to manage vegetation patterns in order to maintain species diversity, both plant and animal, while providing for a multitude of resources such as recreation, fisheries, wildlife, and the production of wood fiber. Properly applied silvicultural practices as well as fire management in south-central and interior Alaska, can maintain the forest diversity needed to provide the range of products and amenities available in the natural forest for now and in the future.

Terry T. Brady, certified forester®
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By Telefax: House Resources Committee
Attn: Kathleen Moore
1-907-465-32655

March 12, 1998

TESTIMONY RE HOUSE BILL 284
An Act relating to infestations and diseases of timber

My Name is Terry T. Brady. I am a certified forester. I have a Master of Science degree from the College of Forest Resources, Univ. of Washington. I have been actively involved in Alaskan natural resource issues since the late 1950's, in all parts of the state. I have also been an international forestry and forest products consultant, with clients in Canada, Scandinavia and the Far East.

Three key Alaska forest related laws must be considered when contemplating proposed House Bill 284, and its strengthening of Alaska's Forest Resources and Practices Act., AS 41.17 et seq. These are:

AS 41.15.010. Intent

It is the intent of AS 41.15.010 - 41.15.170 to provide protection.

commensurate with the value of the resources at risk, for the natural resources
and watersheds on land that is owned privately, by the state, or by a municipality.

AS 41.15.020. Regulations

The commissioner shall, by regulation, make provision for the protection of
forested land in the state from fire and other destructive agents.

AS 41.17.010. Declaration of intent

The legislature declares that

(1) the forest resources of Alaska are among the most valuable natural
resources of the state, and furnish timber and wood products, fish and wildlife,
tourism, outdoor recreation, water, soil, air, minerals, and general health and
welfare;

(2) economic enterprises and other activities and pursuits derived from
forest resources warrant the continuing recognition and support of the state;

(3) the state has a fundamental obligation to ensure that management of
forest resources guarantees perpetual supplies of renewable resources, provides nonrenewable resources in a manner consistent with that obligation, and serves the needs of all Alaska for the many products, benefits, and services obtained from them;

If the intent and legislative direction of these laws are being followed, then there is no need to implement HB 284.

However, on review, these laws are not being followed. The State is not protecting state, municipal and private land from fire and other destructive agents (AS 41.15.)

The state is not meeting its fundamental obligation to ensure management of forest resources to provide for the needs of forest consumers, whether industrial or not.

The evidence is in the millions of acres of dead, dying and threatened forests, impacted in great part by the largest infestation of bark beetles ever recorded.

Thus, the mandates of HB 284 are needed, provided the Legislature is willing to back its own laws. I advocate that HB 284 be passed.

Sincerely,

The frozen chosen:
ARCTIC CARE '97

Going for the gold in 2001 PAGE 4

LOCAL NEWS
Vying for a seat on the phone board PAGE 24

Supervising suspended students PAGE 4

Serving Anchorage, Eagle River and the Valley

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Alaska Star

24 pages plus inserts Successor to Chugiak-Eagle River Alaska Star March 6, 1997

Beetle outbreak largest in history

Eagle River Valley tree kills double, Eklutna area tree kills quadruple

By KRISTEN SEINE
Alaska Star News Editor

According to a report soon to be released by the U.S. Forest Service, spruce bark beetle damage to Anchorage, Eagle River and Eklutna area trees has reached unprecedented proportions. That has caused the risk for wildfire to skyrocket as well, making Eagle River one of the state's top hazardous areas.

In the last year, the Forest Service has mapped 21,350 acres of infested or killed trees — up from just over 8,000 the year before, a 260 percent increase, said Integrated Pest Management Technician Michael Fastabend of Alaska Cooperative Extension.

Eagle River Valley saw a similar increase, he said, up from 2,300 acres a year ago to 5,800 this year — roughly 250 percent.

Some of the worst numbers in the state, however, are found in the Eklutna Lake and valley area. Damage there has more than quadrupled in the last year, from 2,000 acres to 8,900, Fastabend said.

The destruction will reshape our state's forests, Fastabend said, and Anchorage is sitting "almost dead center" of this disturbance.

The ramifications

That will have several effects on local land and homeowners, Fastabend said. First off, property values of affected areas may go down substan-

(Please see BEETLES, Page 2)

(Continued from Page 1

The dry winter season of 1995 is said to have been a major contributing factor in the Miller's Reach Fire, which destroyed thousands of acres in the Big Lake area last summer.

Fastabend said that from talking with homeowners and water quality experts, it appears that local water well levels are dropping. "There has been no recharge of the water table," he said.

And warm weather has caused many trees to go into metabolic production. "You've probably noticed the buds on many of the trees," Fastabend said.

"By the time the spruce kick in, they're going to be sitting on bone-dry ground."

These conditions are stressful for the trees and great for the beetles, which thrive on weakened trees. "What usually happens with insect populations such as these," Fastabend said, "is they hit a J-curve; they hit a certain point and their population starts to double.

"What's happened to our population here is that they've turned this corner, and there are no geological conditions that are turning them back."

The solutions

While most people aren't worrying about tree infestations or wildfires in March, Fastabend said right now is the time to take action.

It is getting close to the time when beetles attack trees for new breeding ground, Fastabend said. "The beetles are going to fly here within the next twelve weeks, probably by the beginning of June."

It may be even sooner than that, however. Last year the bugs flew on May 12 — the earliest date since records have been kept.

There is much landowners can do this time of year to prevent both future beetle outbreaks and the hazard of fire. "Right now is the ideal time for clearing (dead and weakened trees)," Fastabend said, "because you can knock them down easily and just slide them away.

"It's easy to get around in the woods," he added. "Plus, with the leaves gone, you can really take a look at what the vegetation is."

And as soon as the ground thaws, Fastabend recommends watering spruce trees — "especially the ones around your house. They will not only be less attractive to beetles, but there will also be less risk of a fire."

Fastabend gives several classes through the Alaska Cooperative Extension on defensible space and beetle control. The extension also provides free literature on beetle control and does free visits to determine infestation (for more information, call 279-5582).

A new direction

While some areas have such a high percentage of already-dead trees, it may seem too late, people like Fastabend are not giving up. And "more and more people are paying attention," he said.

Last fall, the joint House/Senate Natural Resources subcommittee held hearings on the spruce bark beetle problem, and Fastabend was there to testify. "Many legislators — Gail Phillips in particular — have expressed interest in doing something about it," he said.

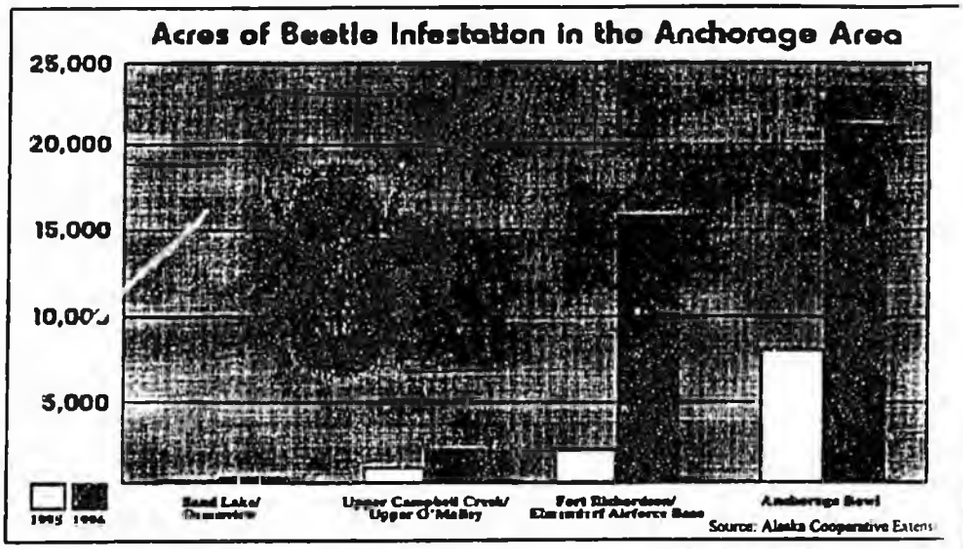
And it may be one of the worst-hit areas in the state that will be leading other areas in the fight to stop the beetle. The city of Homer has received a $40,000 grant to develop a comprehensive plan, even though "there is 90-95 percent mortality in all the trees in Kachemak Bay and the beetles are going into the city," Fastabend said.

Members of the Homer City Council, along with master gardeners and other forestry groups, have come together and committed to stop the spread of the beetl "They're spraying the trees with the municipality and also look at spraying 3 1/2 acres along Pratt Museum nature trail as we Fastabend said.

The city's planners are d menting what they've done their results, with the hope tha master plan will be developed t can be followed in other comm nities.

Even here in Anchorage, s communities have banded toge but on a smaller scale, Fastab said. Homeowners in Valley Vi near the prestigious O'Malley H side area, have come together contracted out for spraying inse cide on some of the weaker tre

Fastabend hopes that is a more communities will take in future. "It starts with the reco tion that if we don't do anyth there won't be anything left."



(Continued from Page

their name away."

Assemblyman George Wuerch d he felt the land-use permit tingent upon an archeological study. Wuerch said he questioned whether the problem was an ar- However, if the company did in fact come across a body while developing the site. Granger said NBA

The village, Stephan said, doing all that it could to fight project, but that it was havin

Fire threat heightens in Homer

Spruce bark beetle, dry weather to blame

By JON LITTLE
Daily News Peninsula Bureau

SOLDOTNA — Homer's East End Road may become a wildfire-response model this summer under plans being generated by the Kenai Peninsula Borough's spruce bark beetle task force.

People living on the southern Kenai Peninsula probably will be deluged with all the pamphlets and meetings they can handle.

The rural road may see wider shoulders, cleared "sites of refuge" and repairs along rutted side roads so heavy emergency trucks can get through.

Also, people living on the southern Kenai Peninsula probably will be deluged with all the pamphlets and meetings they can handle as various agencies try to get the word out on how to avoid losing lives and homes to wildfire.

The beetle task force plans to issue its complete list of ideas later this week, but fast action around Homer was high on the group's agenda Wednesday at the end of a two-day discussion.

East End Road, from eight to 20 miles outside Homer, is a narrow country road crowded on both sides by old stands of tightly packed spruce, now dying from the ongoing infestation of bark beetles. People have built homes among the trees.

While fire risk from dead spruce is a complex issue, task force members are operating under the assumption that dead trees will ignite easier than moist living trees. On a dry day, they say, dead forests will ignite with little more than a dropped match. Add wind to the mixture, and the result could be the kind of fast-moving wildfire that ravaged Big Lake in June 1996.

The fear is, such a wildfire could bear

Please see Page B-3, FIRE THREAT

ning on renters

ANC Daily News 3/26/98

FIRE THREAT: Homer facing dangerous season

Continued from Page B-1

down on East End Road and trap people on the wrong side of the dead-end road.

One idea kicked around by the panel was to accelerate parts of the state's road construction plans for East End Road. The rutted old pavement is due for repairs in a couple of years, but Borough Mayor Mike Navarre said perhaps the state can get a jump on clearing the right of way of trees. Paving still could be completed later.

Another idea was to carve small clearings along the road that might serve as refuges — places where someone could hunker down a few hours if fire blocks the road.

While East End Road is considered a critical fire risk, it is not the only place where people have carved out homes on the edge of the Peninsula's vast wildlands. Task force members suggest governments come up with a list of all the Peninsula's high-risk areas.

The entire region south of Tustumena Lake, the location for most of the Peninsula's beetle infestation, is seen as a hot zone, they said.

Beyond immediate fire risk, the panel is considering recommendations for future studies of the Peninsula's vegetation patterns and the effect of roads on fire risk to help agencies make decisions as they react to the spread of beetles.

The task force was funded by a $500,000 grant from the U.S. Forest Service. It has until June 30 to file a report.

Fire season, meanwhile, begins Wednesday along the south-facing Homer benchlands as snow melts and before moist spring grasses have emerged.

A series of public meetings has been scheduled to discuss the beetle problem and the panel's conclusions. They are set for April 14, from 1 to 5 p.m. and 7 to 9 p.m. at the Borough Building in Soldotna; April 15, from 9 a.m. to 3 p.m. at the Borough Building and then 7 to 9 p.m. the same day at the Bidarka Inn in Homer; and April 16, from 10 a.m. to 3 p.m. again in the Borough Building, followed by a 7-to-9 p.m. meeting at the Moose Pass school.

Spruce Bark Beetle as a "Keynote" species.

MAN as a "keynote" species

©Holland '98

Dr. Ed. Packee of UAF states that the spruce bark beetle is a "key note species" capable of "changing the forest" However, man is the most powerful keynote species there is. Clearcutting has no rival in terms of ecological disturbance. Deadwood is more valuble in a forest than in a government office. Deadwood in a forest decomposes, and adds nutrients to the soil. H.B. 284, logging the forest to save it, is an oxymoron.

Sincerely,

Erik Holland

(Article by Toos Omzigt FDNM 8.24.97)

HODGIN'S DISEASE—CLEARCUT OUR FOREST TO SAVE IT!

Sometimes people get full of themselves. Kenai area Representative Hodgins, has suddenly decided he can manage a forest better than the Creator. This hubris could be called Hodgin's disease., and thanks to this gentleman's inordinate pride a war has been declared on our wild Interior forest. Citing "forest health", Representative Hodgins has sponsored the "MUST LOG AT ANY COST BILL'" Legislation already exists that allows the state to log beetle kill, but HB 284 stipulates that the commissioner of natural resources MUST log any timber infested or diseased, or even trees that just could become infested! ~~become infested!~~ Since the beetles, like the bears [redacted] and moose are forest wildlife, that means ANY tree could be logged.

THE MUST LOG AT ANY COST BILL; Does not recognize regional differences in the severity of beetle infestation. According to specialist Toos Omzigt of the University of Alaska, the spruce bark beetle is not a huge problem in Interior Alaska. This phantom problem is really just yet another attempt to throw open even wider the doors to large-scale logging in Interior Alaska. If HB 284 becomes law, up to 200 acres of perfectly healthy trees could be found "susceptable to infestation or disease" and logged at a financial loss to the state without public notice and waiving all land use laws.

BUSTS THE BUDGET TO DESTROY THE FOREST. At a time of shrinking budgets,, and crashing oil prices , we need to to support our university and maintain our roads—not clearcut or forest in order to save it,The attached fiscal note totals 615.000. The bill goes too far and costs too much.

THE CURE IS WORSE THAN THE DISEASE. A standing forest, even with some dead trees, helps control erosion, provides habitat to wildlife, and presents scenic values which help support the visitor industry. Although it may be desirable to clear some areas near homes, to address debatable fire danger, forest fires (and beetles)are a natural part of the the boreal forest. In addition, large scale logging to "control" the beetle will do nothing for Alaska's wildlife. In DNR's own words: "We have not been able to find a wildlife manager who believes that the spruce bark beetle will be detrimental to wildlife in the long term.. Likewise , we have not been able to find a fisheries biologist that believes the epidemic will have a long term impact on fish habitat or water quality. Also, the wildlife managers we know are reluctant to say that logging, even if done well, will have fewer impacts than letting the epidemic run its course.(then State Forester Tom Boutin, DNR testimony before joint House/Senate Resourses Committees, September 27, 1996)
I think its clear that nature does a better job of conserving wildlife habitat than logging companies!

TAKES A CHAINSAW TO LOCAL PUBLIC PROCESS, A federally funded task force is presently meeting in the Kenai to work on solutions to the beetle problem. Different regions of this subcontinent sized state have different problems. It is much wiser to allow the Kenai locals to work out their own solution than it is for the legislature to throw money we don't have as an emotional response to a problem that might not exist!

Sincerely
Erik Holland
Fairbanks.

P.O. Box 2994
Homer, AK 99603
March 24, 1998

Representative Bill Hudson
Alaska State Legislature
State Capitol
Juneau, AK 99801-1182

Dear Representative Hudson:

H.B. 284 should not be passed. The spruce bark beetle infestation, bad as it is, should not panic the state into unsound forestry practices that may result in enormous hidden costs later.

The bill's language seems to imply that the state may try to force private land owners into logging their timber if beetles are present. Some landowners do not see the beetle infestation as an emergency, but rather as a natural process exacerbated by drought and poor development practices in clearing slash. Private landowners should not be forced to log their property as seems to be implied in the language of this bill.

The way this bill is written, virtually all of the forest on the Kenai Peninsula would have to declared infested or in danger of being infested and therefore should all be logged as fast as possible. Forests do die naturally and subsequently regenerate. Undisturbed forest is important habitat for sensitive populations such as the Kenai Peninsula brown bear. There is no emergency to log remote forests and destroy important wildlife habitat.

Proceeding with salvage sales regardless of cost to the State is poor economics. We are trying to hold the line on the State budget, yet this bill proposes offering timber sales that are likely to cost the sState thousands of dollars. In the long run, if emergency sales occur without benefit of plans of operation and the safeguards of the Forest Practices Act, the State's economy could suffer through decline or loss of fisheries damaged by erosion and silty runoff from logged areas, loss of revenues from tourism, and additional costs to the State in rehabilitating the salvage logged areas. Not only is there no real short-term gain to the State, but the likelihood of environmental damage is quite high based on the losses heavily logged areas in the Lower 48 have accrued.

I urge the House Resources Committee not to pass this bill out of committee. Let the Bark Beetle Task Force make their recommendations and look at what the experts will be saying at the symposium in July on managing Boreal forests. A carefully planned approach based on sound science will protect our forests better than the proposed salvage logging without rules.

Sincerely,

Nina Faust

Nina Faust

cc Rep. Gail Phillips, Senator John Torgerson

Testimony of Bruce H. Baker on HB 284

"An Act relating to infestations and diseases of timber"

Alaska House Resources Committee

Juneau

March 23, 1998

I'm Bruce Baker and live in Juneau. I was employed by the U.S. Forest Service for 12 years as a forester and forest insect specialist. I've worked on forest insect populations throughout Alaska, including spruce beetles on the Kenai Peninsula. I also served 11 years as a deputy division director in the Alaska Department of Fish and Game. My wife and I own a small woodlot.

HB 284 is bad public policy. It's narrow-minded, caters to special interests, lacks either an economic or biological basis, and bars the public and public agencies from the DNR decision process. Here are eight reasons why.

✓ **First**, the bill uses native forest insects and diseases as excuses to fast-track timber sales. I cannot think of a single native Alaskan forest insect or disease, the buildup and spread of which is likely to be affected over a significant area by salvage logging dead standing trees. Forest insect populations and diseases build up when forest conditions become favorable for them to do so. This bill confuses symptoms with underlying cause. It confuses the salvage utilization of wood fiber with basic forest biology.

✓**Second**, the bill makes it a requirement that DNR enter a salvage agreement with a private owner or public manager. Native forest insects and diseases are natural disturbance events, and even when some of them reach levels alarming to humans, they play important roles in natural forest habitat renewal. Wildlife managers, commercial tourism businesses, non-commercial recreationists, and private forest owners may define forest health and the need for salvage very differently than DNR and the timber industry do.

✓ **Third**, this bill requires that if infested or diseased trees on state or municipal land are thought to pose "an environmental catastrophe," timber is to be "salvaged

as rapidly as possible." A "catastrophe" is in the eye of the beholder, and by ignoring effects on wildlife, the bill ignores the state's Constitutional mandate that all renewable resources be managed on the sustained yield principle. The bill ignores the question of whether the alleged benefits of timber salvage and logging roads would justify their adverse impacts on wildlife or recreational opportunities. For example, it has been demonstrated that increased roading can be damaging to brown bears because of increased poaching and the killing of bears in the name of protection of life and property.

✓ **Fourth**, the bill amends existing law (AS 41.17.082) by allowing DNR to put up salvage sales less than 200 acres without preparing a plan of operations that is subject to agency and public review under the state's Forest Practices Act.

✓ **Fifth**, the bill implies that salvage of dead trees can be expected to "eliminate" an insect or disease condition. There is no evidence that a native forest insect or disease can be "eliminated" from Alaska, and it is misleading to the public to suggest otherwise.

✓ **Sixth**, the bill fails to acknowledge alternative means of preventing or reducing fuel accumulation that results from years of fire suppression in fire-prone forests. An obvious option would be the use of prescribed burning in which site access is by helicopter rather than roads.

✓ **Seventh**, the economics of HB 284 are seriously flawed because (a) it requires state salvage sales regardless of whether they turn a profit, and (b) it fails to acknowledge the economic values of resources that may be negatively impacted by the effects of logging and increased roading.

✓**Eighth**, by forcing big government down the throats of private forest owners the bill is an invasion of private property rights. A private forest owner's only recourse will be to show in court how salvage of their dead timber will not benefit adjacent landowners.

Thank you.

ALASKA STATE CHAMBER OF COMMERCE

Resolution 98-7

Restoring the Viability of Alaska's Forest Products Industry and Declaring an Environmental Emergency in the Spruce Bark Beetle Infestation

WHEREAS, the purpose of timber sale programs on federal lands is to maintain a year-round employment base "on an environmentally responsible and permanent economic basis", as set forth by Congressional action; and

WHEREAS, Alaska's Forest Products Industry historically has provided over 4,000 direct and 4,000 indirect jobs across the state which has been reduced to 2,600 jobs; and

WHEREAS, sales on U.S. Forest Service lands also generate millions of dollars annually in stumpage allocations for support of schools and roads in the harvest areas; and

WHEREAS, the rebuilding of the timber industry would provide many additional benefits to communities, such as new road systems for recreational access and access for fish enhancement work; and

WHEREAS, capital expenditures for expansion and conversion into a more economically stable "value added" forest products industry require more than ten years to capitalize; and

WHEREAS, the U.S. Forest Service confirms there is an ample long-term supply of high-quality accessible timber on federal lands within Alaska to sustain a viable forest products industry; and

WHEREAS, there are also millions of acres of State lands with marketable timber, the harvest of which would improve the economic base statewide, and

WHEREAS, the industry has lost two pulp mills and the largest sawmill, resulting in the loss of hundreds of direct jobs in Southeast Alaska alone; and

WHEREAS, many committed sales on federal lands have also been withdrawn for wildlife and other environmental issues even though all federally mandated studies have proven the sales to be "environmentally responsible;" and

WHEREAS, sales from State lands have not received sufficient administrative or legislative support to stabilize the existing industry and/or rebuild the economic and employment base to other parts of the state;

WHEREAS, more than 3,000,000 acres of spruce forest ecosystems in South Central and Interior Alaskan Forests have been devastated in the largest infestation of spruce bark beetle ever recorded in North America by entomologists tracking spruce beetle infestations; and

WHEREAS, the massive infestations in Alaska's white spruce forests destroy or greatly reduce the sustainable values of forests, wildlife, fisheries, tourism and other resources; and

WHEREAS, the beetle infestations have greatly accelerated and actively destroyed valuable habitat on both public and private lands which are essential for many forest dependent species; and

WHEREAS, the spruce bark beetle infestations have spread into populated areas, greatly diminishing property values and increasing the risk of forest fires, which are a threat to life and property; and

WHEREAS, the timber infested by the spruce bark beetle being extremely dry, is highly prone to wildfires, creating a danger to communities, property, wildlife, watershed, fish habitat, recreation and healthy forest areas; and

WHEREAS, the cost of fighting these natural disasters is economically debilitating, while reducing the occurrence of these natural disasters is achievable; and

WHEREAS, a number of Alaska native regional and village corporations have acted to deal with this infestation and these areas may serve as examples for treatment elsewhere; and

WHEREAS, the State of Alaska is bound by its constitution under Article 8, to manage its renewable resources for sustained yield and for multiple use purposes;

THEREFORE, BE IT RESOLVED that the Alaska State Chamber of Commerce supports the efforts of the Alaska forest products industry not only to rebuild to its historic economic and employment levels but also its efforts to expand the industry into other areas of the state, thus providing new jobs and business opportunities; and

BE IT FURTHER RESOLVED that the Alaska State Chamber of Commerce supports the forest products industry's position that an "Allowable Sales Quantity" should be established and met on all public lands within Alaska and further supports the industry's position that the Administration and Legislature should rebuild and encourage growth in its forest products sales program on public lands consistent with the sustained yield principle embodied in the State of Alaska Constitution.

BE IT FURTHER RESOLVED that the Alaska State Chamber of Commerce supports the declaration of an environmental emergency, recommended by Alaska's legislative leaders, urging appropriate action by the State, in partnership with local governments, the private sector, federal forest managers and others, to deal with this epidemic and initiate action to restore key forest ecosystems devastated by the beetle.

ADOPTED

December 5, 1997

BY Pamela La Bolle

Pamela La Bolle
President

BY David W. Marquez

David Marquez
Chairman, Board of Directors

JUNEAU RESOURCE ALLIANCE STATEMENT ON HB 284

"An Act relating to infestations and diseases of timber"

The Juneau Resource Alliance was organized in the late 1980's to promote the protection and sound management of Alaska's natural resources and to support the environmentally sound use and development of those resources for the benefit of the people of Juneau, Southeast Alaska and other regions of our great state.

Insect and disease activities are a natural part of all forests. Although spruce bark beetles are endemic or natural to Alaska's spruce forests, the infestations by the spruce beetle have reached unprecedented and epidemic levels in many parts of Southcentral Alaska over the past five years with over three million acres of spruce forests devastated by these insect infestations during that period of time. In addition to the loss of valuable habitat for various birds, wildlife and fish, the massive amount of dead trees increase the potential threat of forest fires which can be a real threat to communities, property and the lives of people living within or adjacent to these forests. These insect infestations have even extended into parts of Southeast Alaska.

The Juneau Resource Alliance supports HB 284, "An Act relating to infestations and diseases of timber". This proposed legislation will assure the identification and location of infestations in the early stages of development. Government agencies, private landowners, communities and individuals can then develop effective measures to control or manage these infestations before they reach epidemic levels.

HB 284 provisions for salvaging dead timber and reforesting areas will help retard the spread of infestations and set the stage for restoration of spruce forest ecosystems essential to many species of wildlife and will help assure the protection of Alaska's fisheries dependent upon the water quality of those streams. This proposed legislation will not only benefit the resources of the forests, but the communities and people dependent on them as well. The Resource Alliance strongly supports this bill.

Thank you.

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Forest Health: A Growing Problem In Alaska's Forests

About 400,000 acres of the Tongass National Forest have been logged in the 40-plus years since timber harvesting began in earnest. Unless you knew what you were looking for, you would have a hard time locating the earliest harvest sites. Forests that were laid bare in 1953 are today covered by dense stands of spruce trees, some more than 60 feet tall. It is a tribute to the resiliency of nature and the productivity of southeast Alaska's forests.

What loggers have harvested here since 1953 pales when compared to what nature has harvested by fire, wind, flooding, glacial activity, earthquakes, insects and disease. A 1994 U.S. Forest Service/Alaska Department of Natural Resources report recites a litany of insects and diseases currently eating their way through 1.7 million acres of public and privately owned forest land across the state.

Chief among the insects is the spruce beetle, a quarter-inch-long killer that bores through the bark of spruce trees, eventually girdling them. Since they were first noticed in the summer of 1989, spruce beetles have chewed their way through more than 700,000 acres of mostly virgin spruce.

What – if anything – should be done about spruce beetles and a dozen other insects that are killing millions of Alaska's trees is a matter of increasing public interest? Some believe infected timber should be harvested while it can still be used, and to prevent the further spread of disease. Others regard these infestations as natural occurrences that should be allowed to run their course. A 1991 state Division of Forestry survey of residents in Anchorage and on the Kenai Peninsula found strong support for salvage logging, burning and replanting along highways and near homes and campgrounds, but there was less support for fighting insects and diseases in more remote regions.

Massive insect and disease infestations are not new to Alaska's forests. In fact, large scale ecological disturbances have been shaping and reshaping Alaska's forests for eons. There is evidence much of the southern Kenai Peninsula was a grassland when Captain James Cook explored the region in the late 1700s. Today, the area is covered by a forest of spruce and birch 100 to 150 years old. Pioneer diaries describe great forest fires in the Alaska interior, much like those witnessed by settlers westbound on the Oregon Trail. Gold miners and fur traders working the Kenai in 1893 reported seeing fires burn all summer. Most of the trees now growing in the Kenai National Wildlife Refuge apparently came in after this fire.

One of Alaska's most respected insect and disease experts is Roger Burnside, Insect & Disease Forester with the Alaska Department of Natural Resources. In a 1994 research paper titled, "Alaska Forest Health and the Spruce Beetle, With Emphasis on Southcentral Alaska, Kenai Peninsula Region" Mr. Burnside described "massive spruce beetle activity" in Alaska's southcentral and interior forests.

"(It) is a significant problem for resource managers and individual landowners," he wrote. "As of 1993, over 720,000 acres of new and ongoing spruce beetle activity have been mapped through Alaska by cooperative federal and state forestry surveys."

The sheer size of the outbreak, and the remoteness of most Alaska forests makes large-scale treatment difficult, if not impossible. "Quick responses and quick fixes are equally problematic since, in many cases, we are dealing with entire watersheds," Mr. Burnside wrote. "And in Alaska, these areas can amount to hundreds of thousands of acre blocks (scattered across) some 130 million acres of forested land area. Here there is no luxury of economy of scale (and there are no) contiguous boundaries."

The 1994 Forest Service/DNR report describes spruce beetles as "one of the most important mortality agents of mature spruce stands in Alaska," Mr. Burnside agrees, noting that "fire and the spruce beetle have probably combined as the primary disturbance factors necessary for establishment of the spruce forest ecosystem we see today."

Even so, the USFS/DNR report concedes the impacts of these disturbances are not always desirable. Spruce is highly valued for its lumber, but beetle kill renders the wood unusable within three years. Perhaps worse, spruce forests killed by beetles rarely reproduce spruce because – unlike wildfires and logging equipment – beetles do not disturb the nutrient rich forest floor, an essential step in natural regeneration of spruce.

Among the additional impacts cited in the report:

Wildlife: "Those wildlife species that are dependent on large diameter spruce stands are negatively impacted. Those species that benefit from early successional stage vegetation will benefit from spruce beetle infestations as (timber) stand composition changes."

Scenic quality: "Recent studies have demonstrated that there is a significant decline in scenic quality of spruce beetle impacted stands and that scenic beauty is an important forest resource.

Fire hazard: "There is concern the fire hazard (associated with) spruce beetle impacted stands will increase over time as dead trees fall and dry grass accumulates, thus increasing fuel loading."

Fisheries: "If salmon spawning streams are bordered by large diameter spruce and if these trees are subse-

quently killed by spruce beetles, there is a concern as to the long term availability of large woody debris in the streams. A continual supply of large woody debris in spawning streams is a necessary component for spawning habitat integrity."

Momentarily, the report sounds a more hopeful note: "Properly applied silvicultural practices, as well as fire management in southcentral and interior Alaska, can maintain the forest diversity needed to provide the range of products and amenities available in the natural forest."

But the report does not describe which "silvicultural practices" are considered appropriate, and salvage logging – a common silvicultural practice where dead and dying timber is involved – is controversial, especially on public forest lands. As a result, there has been comparatively little salvage logging in beetle killed timber, even where access is not a problem.

Mr. Burnside's report indicates the most serious problem confronting land managers is a lack of natural regeneration in areas where beetle kill has been particularly devastating.

"(In) previously beetle-infested and road-inaccessible areas of the (Kenai) Peninsula, little or no advanced regeneration is present over large areas to provide a seed crop for a new forest." he writes. "Repeated beetle infestations of the maturing growing stock have eliminated the seed-bearing trees. Those most familiar with the spruce beetle epidemic estimate that over 50% of the Peninsula's forested area lacks the potential for adequate natural spruce regeneration without some form of intervention."

Even more alarming is Mr. Burnside's prediction.

"Throughout Alaska hundreds of thousands of forested acres have simultaneously become mature and more vulnerable to increases in forest insect populations, especially the spruce beetle. The scale and uniformity of the current spruce beetle activity in many areas of southcentral and interior Alaska, in addition to the inaccessibility of much of the area, now portends significant potential for major landscape-level disturbance from ongoing spruce beetle infestations and potentially destructive wildfire."

Although spruce beetle epidemics are not new on the Kenai Peninsula, this epidemic covers 3,000 square miles, an area twice the size of a 1966 epidemic, then the largest on record. The new infestation is also moving

Designed by Shawn Shaffer

HB

285

HOUSE COMMITTEE REPORT

(9)
Date Referred to Committee: January 30, 1998 FURTHER REFERRALS:

Date of Committee Action: 2/12/98

The RESOURCES Committee considered: HB 310

HOUSE BILL NO. 310 UTILIZATION OF GROUNDFISH

"An Act relating to the utilization of groundfish; and providing for an effective date."

recommends it be replaced [ ] the same title
with the following committee substitute _____ [ ] a new title

[ ] additional referral to _____ _____ Committee
[ ] attached amendment(s)

ADOPTS: _____ Letter of Intent

ATTACHES NEW FISCAL NOTE(s): (Dept) APPROVES PREVIOUS: (Dept/Date)

[ ] fiscal note(s) _____ [ ] fiscal note(s) _____

[ ] zero fiscal note(s) _____ [✓] zero fiscal note(s) _____

SIGNING WITH RECOMMENDATIONS		DP	DNP	NR	AM
Fred Dyson	Dyson		-	✓	
W.B. Williams	Williams			✓	
Tamara K Barnes	Barnes			—	
Beverly Masek	Masek			✓	
Scott Ogan	Ogan	✓			
Bill Hudson	Hudson	✓			

CHAIR'S SIGNATURE Bill Hudson Scott Ogan

FISCAL NOTE

STATE OF ALASKA
1998 LEGISLATIVE SESSION

BILL NO. CSHB 285

Revision Date:
Title: An Act relating to suspension or revocation of commercial fishing permits, licenses and privileges
Sponsor: Rep. Ivan
Requester: House Resources

Dept. Affected: Fish and Game
BRU: Commercial Fisheries (Limited) Entry Commission
Component: Limited Entry Program Administration
COMPONENT SERIAL NO. 0471

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0
CAPITAL EXPENDITURES						
CHANGE IN REVENUES ( )						

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1006 GF/MHTIA						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY98) cost: $ 0.0

POSITIONS

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary.)

There are 600-800 commercial fishing convictions per year which are affected by this bill. The Court System is willing to work out a methodology to electronically transfer the convictions to CFEC on a weekly basis and thereby eliminating any need for additional personal services expenditures to accomplish the work detailed in this bill. Therefore, this bill will have no fiscal impact on this agency.

Prepared By: Roger Kolden Phone: 789-6160
Agency: Commercial Fisheries (Limited) Entry Commission Date: 2/17/98

oved by Commissioner: Bruce Twomley
Agency: Commercial Fisheries (Limited) Entry Commission Date: 2/18/98

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Representative Ivan M. Ivan

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Phone: (907) 765-7526

MEMORANDUM

TO: Representative Bill Hudson, Co-Chair
Representative Scott Ogan, Co-Chair
House Resources Committee

FROM: Representative Ivan M. Ivan

DATE: January 12, 1997

RE: Request for Hearing-House Bill 285

Please consider this request to hear House Bill 285, Commercial Fishing Penalties at your earliest possible convenience.

The intent of this legislation is to establish a point system against a commercial fishing permit for commercial fishing violations. The bill outlines the suspension and revocation process the notice and appeal process and the notification to the CFEC by the Department of Public Safety and the Court System, should a certain number of points be accumulated.

I appreciate your consideration of my request. Please do not hesitate to contact my office if I can answer any questions or provide further information.

Thank you.

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SPONSOR STATEMENT - HOUSE BILL 285

This bill was introduced to address concerns of illegal fishing activities committed by commercial fishers throughout my district and other commercial fishing communities. It has been said that some of these illegal activities become a philosophy among some fishers as the "cost of doing business" should they be convicted for such activities.

The intent of this legislation is to establish a point system against a commercial fishing permit for a conviction of a violation of commercial fishing laws found under AS 16.05.723. Should 12 or more points be assessed against a permit during any consecutive 48 month period as a result of convictions of violations, the Commercial Fisheries Entry Commission would be given the authority to suspend the permit. The same is true for an accumulation of 16 or more points during any consecutive 60 month period. The commission will revoke an entry or interim use permit if 18 or more points are accumulated during any consecutive 72 month period. Two points will be deducted from the total points assessed against a permit if the permit holder is not convicted of a violation of commercial fishing laws during a 12 month period after the date of the last violation.

The bill outlines the suspension and revocation process, the notice and appeal process and the notification to the commission by the Department of Public Safety and the Court System.

Any points accumulated for commercial fishing violations will be assessed against the permit not the permit holder. Should the permit holder decide to transfer or sell the permit, all the points accumulated by the permit holder will stay with the permit thus providing a disincentive for a permit holder to transfer a permit should it be subject to suspension or revocation.

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Representative Ivan M. Ivan

SECTIONAL ANALYSIS - HOUSE BILL 285

Section 1: Adds new sections to AS 16.43, Regulation of Entry into Alaska Commercial Fisheries.

Sec 16.43.850. Point System.

- (a) Establishes assignment of demerit points for convictions of violations of commercial fishing laws. The Commercial Fisheries Entry Commission will adopt regulations establishing a uniform system for the suspension or revocation of a commercial fishing permit as well as the number of demerit points to be assessed for each violation or class of violation of commercial fishing laws consistent with the demerit point scheduled outlined in subsection (b) of this section. One-half the of the points will be assessed for a conviction of a violation of commercial fishing laws under AS 16.05.722 (Strict liability commercial fishing penalties).

- (b) Establishes a schedule of demerit points for violations of commercial fishing laws which are already established under AS 16.05.723.

- (c) Points are to be assessed against a permit holder's limited entry permit or interim use permit.

- (d) Requires the Commercial Fisheries Entry Commission to adopt regulations for the suspension or revocation of a limited entry or interim use permit based on an aggregate number of accumulated points within a specified period of time.

Sec. 16.43.855. Assessment of Points.

- (a) Requires that notice be given to the permit holder when point accumulation reaches 6 points and that further violations of commercial fishing laws may result in further suspensions or revocation of the permit.

- (b) Points will be assessed against the permit based on the date of the violation but will not be assessed until after conviction.

- (c) States that the assessment of points against a permit is in addition to and not a substitute for other provisions of Title 16 nor is it a substitute for any penalty imposed by a court.

- (d) States that if any points are accumulated against a permit holder's interim use permit those points will be transferred to the permit holder's entry permit if a limited entry system is established for that particular fishery.

- (e) Points assessed against a permit at the time of a permanent or emergency transfer of the permit are transferred with the permit.

Sec. 16.43.860. Reduction of Points. Requires the deduction of two points from the total points assessed against a permit holder's permit if the permit holder has not been convicted of commercial fishing laws in a fishery for which the permit was issued during a 12 month period after the date of the last violation.

Sec. 16.43.865. Suspension and Revocation.

- (a) The commission will suspend or revoke an entry or interim use permit if the permit holder's point accumulation exceeds those outlined under AS 16.43.850. Suspension of the permit is for a one-year period. Revocation of the permit will void the permit and it will be surrendered to the commission.

- (b) A permit holder who has had the permit suspended or revoked may not obtain an entry permit or limited use permit for that fishery for one-year from the date of the suspension or revocation.

- (c) A permit holder whose entry permit or interim use permit has been suspended may participate in the fishery only under a crew member license.

- (d) An entry permit may not be permanently transferred during the period the permit is suspended or if administrative proceedings in which the permit may be suspended or revoked are pending.

- (e) A revoked entry permit that is pledged as security for a loan shall be reassigned or sold as provided by Alaska Statute.

- (f) If a permit holder's interim use permit is suspended and the commission established a limited entry system for that fishery, the permit holder will be eligible to obtain an entry permit for that fishery , if the permit holder qualifies for the entry permit. However, the commission will withhold issuance of the entry permit until the period of suspension has expired.

Sec. 16.43.870. Notice and Appeal. The commission will provide notice of appeal and a permit holder whose permit is subject to suspension or revocation.

Sec. 16.43.875. Required Notice to Commission. The four subsections under this section outline reporting notice procedures to the commission from the Department of Public Safety and the Court System.

Sec. 16.43.895. Definitions for AS 16.43.850-16.43.895. Provides definitions for "commercial fishing law," "commercial fishing permit" and "permit holder."

Section 2: **Applicability.** This act applies to violations that occur on or after the effective date of this bill.

0-LS0879\H
Utermohle
2/16/98

CS FOR HOUSE BILL NO. 285( )

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - SECOND SESSION

BY

Offered:
Referred:

Sponsor(s): REPRESENTATIVE IVAN

A BILL

FOR AN ACT ENTITLED

"An Act relating to suspension or revocation of commercial fishing permits, licenses, and privileges."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

* Section 1. AS 16.43 is amended by adding new sections to read:

Article 6A. Point System for Commercial Fishing Violations.

Sec. 16.43.850. Point system. (a) For the purpose of identifying frequent violators of commercial fishing laws, the commission shall adopt regulations establishing a uniform system for the suspension of commercial fishing privileges by assigning demerit points for convictions for violations of commercial fishing laws that are reported to the commission under AS 16.43.875. The commission shall assess demerit points against a permit holder for each violation of commercial fishing laws in accordance with (b) and (c) of this section. The commission shall assess points against a permit holder for the fishery in which the violation of commercial fishing laws occurred.

(b) The commission shall assess demerit points against a permit holder for a conviction of a violation of commercial fishing laws under AS 16.05.723, 16.05.831; AS 16.10.055, 16.10.070 - 16.10.090, 16.10.100, 16.10.110, 16.10.120 - 16.10.130, 16.10.165, 16.10.173, 16.10.200 - 16.10.220, 16.10.240, 16.10.250, and 16.10.760 - 16.10.790 for the following violations in accordance with this schedule:

(1) fishing in closed waters . . . . . 6 points

(2) fishing during closed season or period . . . . . 6 points

(3) fishing with more than the legal amount of gear . . . . . 4 points

(4) fishing with gear not allowed in fishery . . . . . 6 points

(5) fishing before expiration of transfer period . . . . . 6 points

(6) interfering with commercial fishing gear . . . . . 4 points

(7) fishing with more than the legal amount of gear on vessel . . . . . 4 points

(8) improper operation of fishing gear . . . . . 4 points

(9) employing an unlicensed crewmember . . . . . 2 points

(10) fishing without required documents . . . . . 2 points

(11) fishing with improperly marked or unmarked vessel . . 2 points

(12) fishing with improperly marked or unmarked gear . . . 2 points

(13) permit holder not present when required . . . . . 6 points

(14) fishing with underlength or overlength vessel . . . . . 6 points

(15) wanton waste of fishing resources . . . . . 4 points.

(c) The number of points assessed against a permit holder for a conviction of a violation of commercial fishing laws under AS 16.05.722 must be one-half of the points assessed for a conviction of a violation of commercial fishing laws under AS 16.05.723.

(d) The commission shall suspend a permit holder's commercial fishing privileges for a fishery for a period of

(1) one year if the permit holder accumulates 12 or more points during any consecutive 36-month period as a result of convictions for violations of commercial fishing laws in the fishery;

(2) two years if the permit holder accumulates 16 or more points during

any consecutive 48-month period as a result of convictions for violations of commercial fishing laws in the fishery;

(3) three years if the permit holder accumulates 18 or more points during any consecutive 60-month period as a result of convictions for violations of commercial fishing laws in the fishery.

Sec. 16.43.855. Assessment of points. (a) Notice of each assessment of points shall be given to the permit holder. Notice shall also be given to the permit holder before the expiration of a suspension of commercial fishing privileges under AS 16.43.850(d) that subsequent violations of commercial fishing laws in the fishery may result in further suspensions of the permit. The notice may be given by first class mail.

(b) The time periods provided for in AS 16.43.850 for the accumulation of points shall be based on the date of conviction, either on a plea of guilty, nolo contendere, or a forfeiture of bail or collateral, or as a result of a trial, for violation of a commercial fishing law.

(c) The assessment of points against a permit holder by the commission under AS 16.43.850 - 16.43.895 is in addition to, and not in substitution for, other provisions of this title and is not a substitute for any penalty imposed by a court.

(d) If points are assessed against a permit holder who holds a commercial fishing permit under an emergency transfer approved by the commission under AS 16.43.180, the same number of points shall also be assessed against the transferor of the permit. Points assessed against the transferor of the permit under this subsection shall be included in calculations made under AS 16.43.850(d).

Sec. 16.43.860. Reduction of points. Two points shall be deducted from the total points assessed against a permit holder for a fishery if the permit holder has not been convicted of a violation of commercial fishing laws in the fishery during the 12-month period after the date of the last violation in the fishery for which the permit holder was assessed points.

Sec. 16.43.865. Suspension. (a) A permit holder whose commercial fishing privileges for a fishery are suspended under AS 16.43.850 - 16.43.895 may not obtain an entry permit or interim-use permit for that fishery during the period of the

suspension of the privileges. During the period for which the permit holder's privilege to obtain an entry permit or interim-use permit for a fishery is suspended under this section, the commission may not issue a permit card to the permit holder for that fishery.

(b) A permit holder whose privilege of obtaining a commercial fishing permit for a fishery is suspended under (a) of this section may engage in the fishery only under a crewmember license.

(c) If, during the period for which a permit holder's commercial fishing privileges for a fishery are suspended, the commission establishes a limited entry system for the fishery, the permit holder shall be eligible to obtain an entry permit for that fishery to the extent that the permit holder qualifies for the entry permit under regulations adopted by the commission. If the permit holder qualifies for an entry permit for the fishery, the commission shall withhold issuance of the entry permit until the period of the suspension imposed under AS 16.43.850 - 16.43.895 has expired.

Sec. 16.43.870. Notice and appeal. The commission shall provide notice of determinations of the commission under AS 16.43.850 - 16.43.895. Respondents may request a hearing under regulations adopted by the commission under AS 16.43.110.

Sec. 16.43.875. Required notice to commission. (a) A court that convicts a person of a violation of commercial fishing laws under this title or under a regulation adopted under this title shall immediately forward a record of the conviction to the commission.

(b) A conviction on a plea of nolo contendere accepted by the court or a forfeiture of bail or collateral deposited to secure a defendant's appearance in court that has not been vacated, or as a result of trial, is a conviction for purposes of AS 16.43.850 - 16.43.895.

Sec. 16.43.895. Definitions for AS 16.43.850 - 16.43.895. In AS 16.43.850 - 16.43.895,

(1) "commercial fishing law" means a statute or regulation that regulates the conduct of a person engaged in commercial fishing activities by establishing requirements relating to fishing licenses and permits; catch records and reports; size, nature, quantity, or use of fishing vessels, sites, and gear; time, place, or

manner of taking fishery resources; possession, transportation, sale, barter, or waste of fishery resources; or other aspects of commercial fishing;

(2) "commercial fishing permit" means an entry permit or an interim-use permit issued under this chapter;

(3) "commercial fishing privileges" means the privilege of participating in an activity for which a commercial fishing permit is required and the privilege of obtaining a commercial fishing permit;

(4) "permit holder" includes the holder of a commercial fishing permit as the result of an emergency transfer, an applicant for a commercial fishing permit if the applicant's commercial fishing permit was suspended under AS 16.43.850 - 16.43.895, and a person whose privilege of obtaining a commercial fishing permit for a fishery is suspended under AS 16.43.850 - 16.43.895.

* **Sec. 2.** AS 16.05.723(a) is amended to read:

(a) A person who negligently violates AS 16.05.440 - 16.05.690, or a regulation of the Board of Fisheries or the department governing commercial fishing, is guilty of a misdemeanor and in addition to punishment under other provisions in this title, including AS 16.05.195 [AND 16.05.710], is punishable upon conviction by a fine of not more than $15,000 or by imprisonment for not more than one year, or by both. In addition, the court shall order forfeiture of any fish, or its fair market value, taken or retained as a result of the commission of the violation, and the court may forfeit any vessel and any fishing gear, including any net, pot, tackle, or other device designed or employed to take fish commercially, that was used in or in aid of the violation. Any fish, or its fair market value, forfeited under this subsection may not also be forfeited under AS 16.05.195. For purposes of this subsection, it is a rebuttable presumption that all fish found on board a fishing vessel used in or in aid of a violation, or found at the fishing site, were taken or retained in violation of AS 16.05.440 - 16.05.690 or a commercial fisheries regulation of the Board of Fisheries or the department, and it is the defendant's burden to show by a preponderance of the evidence that fish on board or at the site were lawfully taken and retained.

* **Sec. 3.** AS 16.10.335 is amended by adding a new subsection to read:

(g) If a limited entry permit that has been pledged as security under AS 16.10.333 or 16.10.338 is revoked under AS 16.43.970, the debtor's interest in the permit is terminated by operation of law without further notice as of the date that the revocation takes effect.

* **Sec. 4.** AS 16.10.337(a) is amended to read:

(a) Upon a foreclosure on an entry permit as provided in AS 16.10.335 **or the termination of a debtor's interest in an entry permit under AS 16.10.335(g)**, the commissioner shall offer the commission a right of first refusal if the permit is subject to a buy-back program under AS 16.43.290 - 16.43.330 at a price equal to the amount outstanding on the note plus any costs the department directly incurred in administering the loan.

* **Sec. 5.** AS 16.43.970(a) is repealed and reenacted to read:

(a) A person who violates a provision of this chapter or a regulation adopted under this chapter is, upon conviction, guilty of a class B misdemeanor and is punishable by a fine of not more than $5,000 for a first conviction, and a fine of not more than $10,000 for a second or third conviction. Upon a first or second conviction under this subsection, the court may in its discretion also order the commission to suspend the commercial fishing privileges of the person for a period of not more than three years and to revoke one or more or all commercial fishing permits held by the person. Upon a third or subsequent conviction under this subsection, the person is also subject to a loss of commercial fishing privileges as provided under (i) of this section. This subsection does not apply to violations of AS 16.43.140(a).

* **Sec. 6.** AS 16.43.970(b) is amended to read:

(b) A person who knowingly makes a false statement to the commission for the purpose of obtaining a benefit, including the issuance, renewal, duplication, or transfer of an entry or interim-use permit or vessel license or a person who assists another by knowingly making a false statement to the commission for the purpose of obtaining a benefit for another, is guilty of the crime of unsworn falsification as set out in AS 11.56.210. Upon conviction, the person **is also subject to suspension of commercial fishing privileges and revocation of commercial fishing permits under (i) of this section** [(1) SHALL FORFEIT TO THE COMMISSION ALL INTERIM-

USE PERMITS AND ENTRY PERMITS AND (2) LOSES ELIGIBILITY FOR INTERIM-USE PERMITS AND FOR ENTRY PERMITS FOR A PERIOD OF THREE YEARS].

* **Sec. 7.** AS 16.43.970(f) if amended to read:

(f) **A commercial fishing** [AN ENTRY] permit **revoked** [FORFEITED] under this section that is **pledged** [TAKEN] as security for a loan under AS 16.10.333**, or 16.10.338,** or AS 44.81.231 shall be reassigned as provided in AS 16.10.337 or AS 44.81.250.

* **Sec. 8.** AS 16.43.970(g) is amended to read:

(g) A person who violates the provisions of AS 16.43.140(a) is

(1) upon a first conviction, guilty of a class B misdemeanor and may be sentenced to a definite term of imprisonment of not more than 90 days, or forfeiture of the person's fishing vessel, or both, and shall be sentenced to a fine of not less than $5,000 nor more than $10,000 and loss of commercial fishing privileges **under (i) of this section** [FOR A PERIOD OF ONE YEAR AFTER THE DATE OF CONVICTION];

(2) upon a second conviction, guilty of a class A misdemeanor and may be sentenced to a definite term of imprisonment of not more than one year, and shall be sentenced to a fine of not less than $10,000 nor more than $20,000, forfeiture of the person's fishing vessel, and loss of commercial fishing privileges **under (i) of this section** [FOR A PERIOD OF TWO YEARS AFTER THE DATE OF CONVICTION];

(3) upon a third or subsequent conviction, guilty of a class A misdemeanor and may be sentenced to a definite term of imprisonment of not more than one year, and shall be sentenced to a fine of not less than $20,000 nor more than $50,000, forfeiture of the person's fishing vessel, and loss of commercial fishing privileges **under (i) of this section** [FOR A PERIOD OF FIVE YEARS AFTER THE DATE OF CONVICTION].

* **Sec. 9.** AS 16.43.970 is amended by adding new subsections to read:

(i) Upon the conviction of a person for an offense described under (a), (b), or (g) of this section, the court shall immediately notify the commission of the conviction. The notice provided by the court shall be accompanied by an order suspending

commercial fishing privileges and revoking commercial fishing permits under (a) of this section, as appropriate. The commission shall, upon receipt of

(1) an order from the court under (a) of this section, suspend the commercial fishing privileges of a person for the period set by the court and revoke commercial fishing permits held by the person as directed by the court;

(2) a notice from the court that a person has been convicted of a third or subsequent violation of (a) of this section, suspend all commercial fishing privileges of the person for a period of three years from the date of conviction and revoke all commercial fishing permits held by the person;

(3) a notice from the court that a person has been convicted of a violation described under (b) of this section, suspend all commercial fishing privileges of the person for a period of three years from the date of conviction and revoke all commercial fishing permits held by the person;

(4) a notice from the court that a person has been convicted of a violation described under (g)(1) of this section, suspend all commercial fishing privileges of the person for a period of one year from the date of conviction;

(5) a notice from the court that a person has been convicted of a violation described under (g)(2) of this section, suspend all commercial fishing privileges of the person for a period of two years from the date of conviction;

(6) a notice from the court that a person has been convicted of a violation described under (g)(3) of this section, suspend all commercial fishing privileges of the person for a period of five years from the date of conviction.

(j) In this section, "commercial fishing permit" and "commercial fishing privileges" have the meanings given in AS 16.43.895.

* **Sec. 10.** AS 44.81.247 is amended by adding a new subsection to read:

(b) If a limited entry permit that has been pledged as security under AS 44.81.231 is revoked under AS 16.43.970, the debtor's interest in the permit is terminated by operation of law without further notice as of the date that the revocation takes effect.

* **Sec. 11.** AS 44.81.250(a) is amended to read:

(a) Upon foreclosure of a pledge of an entry permit under AS 44.81.241 -

44.81.249 **or the termination of a debtor's interest in an entry permit under AS 44.81.247(b)**, the bank shall determine if the permit is subject to a buy-back program under AS 16.43.290 - 16.43.330 and, if it is subject to a buy-back program, shall offer the permit to the commission at a price equal to the outstanding indebtedness on the loan.

* **Sec. 12.** AS 16.05.710(a) and 16.05.710(d)(1) are repealed.

* **Sec. 13.** APPLICABILITY. This Act applies to violations of commercial fishing laws that occur on or after the effective date of this Act.

AMENDMENT

OFFERED IN THE HOUSE BY REPRESENTATIVE IVAN

TO: CSHB 285 ( ), Draft 0-LS0879\H

Page 1, Line 2, after "and privileges"

Insert "; and providing for an effective date"

Page 9, insert a new section after Sec. 13.

"Sec. 14. This act takes effect immediately under AS 01.10.070(c)."

AMENDMENT

OFFERED IN THE HOUSE BY REPRESENTATIVE IVAN

TO: CSHB 285 ( ), Draft 0-LS0879\H

Page 4, Line 20, after "this title shall"

Delete "immediately"

Page 4, Line 21, after "to the commission"

Insert "on a weekly basis"

AMENDMENT

OFFERED IN THE HOUSE BY REPRESENTATIVE IVAN

TO: CSHB 285 ( ), Draft 0-LS0879\H

Page 3, Line 27, after "the date of the last"

Delete "violation"

Insert "conviction"

AMENDMENT

OFFERED IN THE HOUSE BY REPRESENTATIVE IVAN

TO: HB 285

Page 5, line 9, after "to commission.":

Delete "(a) The Department of Public Safety shall notify the commission of each alleged violation of a commercial fishing law by a permit holder."

Reletter each subsection accordingly.

AMENDMENT

OFFERED IN THE HOUSE BY REPRESENTATIVE IVAN

TO: HB 285

Page 4, line 23, after "permanently transferred":

Delete "(1)"

Page 4, line 24, after "this section":

Delete "; or (2) if proceedings in which the entry permit may be suspended or revoked under this section are pending against the entry permit"

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CHANGES IN DRAFT 0-LS0879\H, CSHB 285 ( )
DATED 2/16/98

The following changes were made in CSHB 285, draft 0-LS0979\H from the original version of House Bill 285.

1. Points will be assessed against the permit holder rather than the permit as originally stated in HB 285.

2. Deleted revocation process associated with the assessment of points.

3. Added various fishing violations found currently in statute under Title 16 in order to ensure uniformity and clarify that **all** violations will be subjected to the points system. This is found on page two, lines 3-5 in subsection (b).

4. Reduced from 6 to 4 points, fishing with more than the legal amount of gear. (Page 2, line 8)

5. Added "fishing before expiration of transfer period" as a 6 point violation on page two, line 10.

6. Added underlength to vessel violations on page 2, line 20.

7. Added "wanton waste of salmon resources" as a 4 point violation on page two, line 21.

8. Reduced the time periods for point assessments. A one-year suspension occurs when 12 or more points are assessed in a 36-month period, a two-year suspension occurs when 16 or more points are assessed in a 48-month period and a three-year suspension

occurs when a permit holder is assessed 18 or more points within a 60-month period. The previous bill draft had suspensions occurring after a certain amount of points has been assessed for 48-month and 60-month periods and revocation taking place after a 72-month period.

9. A notice of assessment of points will be given to the permit holder after each conviction. This is a change from the permissive language where notice may be given after each assessment until 6 points are accumulated, then the commission would have been required to start giving notice.

10. Removed the subsection that disallowed the permanent transfer of the permit during the suspension period or during the period when the proceedings for suspension or revocation are pending.

11. Removed the Department of Public Safety notification process after an alleged violation. This was changed to the court system's notifying the commission following a conviction.

12. Deleted the subsection where the court was required to forward a permit upon the court's decision to suspend or revoke a permit. This authority now rests with the Commercial Fisheries Entry Commission.

13. Added a subsection, found on page five, line 5, that clarifies that a commercial fishing permit is a privilege which allows one to participate in a fishery and in obtaining a commercial fishing permit.

14. Section 2, page 5, line 17, deleted reference to 16.05.710, which allowed the courts to suspend or revoke a permit. This authority again now rests with the CFEC after a certain number of points have been accumulated. AS 16.05.710 (a) and (d)(1) are repealed in section 12.