

RE: Board of Fish Finfish Proposal 52 & 53

RC 23

January 11, 2011

Chairman Webster and Members of the Board of Fish,

My name is Patrick O'Donnell. I have been a trawl fisherman in Kodiak for 20 years and have Skippered for 17 years. I have owned my own boat for over 8 years and am a member of Alaska Whitefish Trawlers Association, having served as Vice President for the last two years.

There is a low number of Salmon by-catch in Inner Marmot Bay, considering that 53% of the total pollock quota comes out of this area. If you look at the data provided in the Staff report you will see that there was an average annual bycatch rate of 10,479 pounds for the years 2005 thru 2010. If you take the average of 6 pounds per fish you will come up with 1,747 fish. For those 5 years we took an average of 9,057,358 pounds of Pollock from this area. If you divide the average Chinook by the average pounds of Pollock caught you will come up with a rate of .11 of a percent.

As stated in the proposal book under proposal 53 paragraph 4, it states that currently pelagic trawl Chinook salmon bycatch is discarded or, if landed ashore, destroyed. Salmon landed as bycatch is not destroyed as stated, it is utilized as fishmeal at the bio-dry which is a product form from fish.

Salmon caught in pelagic trawl are not sorted out on deck in the pelagic trawl fishery as it is too dangerous for crewmembers to be in the trawlway under the codend as we are loading into the fishhold.

The area that will be left open in Inner Marmot bay if this closure goes ahead will be in federal waters and will not be big enough to fish Pollock, as it takes a mile to a mile and a half to deploy a midwater net.

With 22.75% of fishable grounds already closed to Pelagic trawl fishery we cannot afford to close any more grounds without affecting the Economics to the fleet and the community. Closing these areas that are close to town will mean that we will have to travel further away to fishing grounds which will

cost us more in fuel and will mean longer times between deliveries to the fish processing plants which in turn will affect the processing crews.

In 2009 the fleet fished a total of 5 days in area 630, in 2010 we fished a total of 7.5 days. Out of these days I spent a total of 31 hours 36 minutes fishing in Marmot bay in 2009, and a total of 15 hours 33 minutes fishing in 2010.

Marmot bay has traditionally had a high CPUE rate with a low bycatch rate of salmon as stated in the staff report. If the midwater boats are moved out of the traditional areas and moved to new areas, they will most certainly end up with a higher bycatch rate as CPUE will most likely be a lot less than it is in Marmot.

If the concern is for Chinook salmon, then you have to take a look at what is caught in the seine fishery and discarded and especially at gillnet fisheries, as this probably has a bigger impact on kings as they don't have the ability to swim and stay alive as they do in a seine net.

Regards,



Patrick O'Donnell

## BIO

RC 24

My name is Mike McElhenie, Captain of the F/V Marcy J.

I've been commercial fishing in Alaska since 1982.

- I've long lined: pacific cod, black cod and halibut in the Gulf of Alaska, Bering Sea and Aleutians.
- I've pot fished: pacific cod, black cod, red crab, blue crab, brown crab, opillio, bairdi, dungeness and hair crab in the Bering Sea, Aleutian Islands, Gulf of Alaska, Washington, Oregon and California Coast.
- I've shrimp fished off of Washington and Oregon.
- I've scalloped off of Massachusetts and New Jersey.
- I've trawled: cod, pollock, sole and rockfish in the Bering Sea, Aleutian Islands, Gulf of Alaska, Washington, Oregon and the California coast.
- I've fished salmon and herring in Alaska and Washington.

RC 25

January 11, 2010

Alaska Board of Fisheries  
Box 115526  
Juneau, AK 99811

Re: Recommendation Regarding Proposed North Pacific Fisheries Management Council Action on Chinook Salmon Bycatch

Dear Chairman Webster and Board Members:

The Kodiak Advisory Committee met for over 3 hours to discuss the two Chinook salmon bycatch proposals (52 & 53) that are before the Alaska Board of Fisheries this cycle in Kodiak. The issues associated with these proposals were thoroughly discussed in detail by the diverse and knowledgeable members of the Kodiak Advisory Committee representing various gear types and industry stakeholders. Although the Committee expressed great overall concern about the status of Chinook salmon stocks in the Gulf of Alaska, these two proposals failed 11-2 with one abstention (Proposal 52) and 11-3 (Proposal 53). The majority of the Committee did support the proposed North Pacific Fisheries Management Council's action in December to examine and analyze bycatch control alternatives including mandatory Salmon Bycatch Control Cooperatives, "caps" and observer coverage for the <60 ' fleet in the Western and Central Gulf of Alaska trawl Pollock fisheries.

Consequently, as a member of the Kodiak Advisory Committee, I strongly recommend that the Alaska Board of Fisheries write a letter to the NPFMC indicating the Board's support for the Council's recent Chinook Salmon Bycatch motion. Early implementation is a priority for the Kodiak Advisory Committee.

Sincerely,



Curt Waters  
PO Box 471  
Kodiak AK 99615  
(907) 654-0470  
[seadaddy@gci.net](mailto:seadaddy@gci.net)

Kodiak BOF  
January 11, 2011  
Re: Proposals 52 and 53

11C 26

From:  
Franke Brown  
F/V Vanguard  
PO Box 275  
Kodiak AK 99815  
(907) 942-9359

Good afternoon Chairman Webster and members of the Board:

My name is Franke Brown and I am the owner/operator of the F/V Vanguard. I've been fishing for 20 years in the Bering Sea and Gulf of Alaska and have fished Pollock in both areas. The main difference between the two regions is that in the Gulf we race for the available Pollock quotas while in the Bering Sea we have individual vessel Pollock allocations.

In the Bering Sea trawl Pollock fishery, a couple of things have worked well for the fishermen to avoid salmon bycatch. First (and I feel this is the most important) is flexibility - the ability to move from a high bycatch area to a low or no bycatch area. When you have permanent closures that eliminate flexibility, you could inadvertently and most likely would increase bycatch. Another bycatch tool is the salmon excluder. When used properly, it can increase salmon escapement which will decrease bycatch.

These are a couple of measures that work in the Bering Sea. The fleet would like to apply what has worked in the Bering Sea to the Kodiak Pollock fishery.

I have fished in both proposed closure areas numerous times. These areas can exhibit high CPUE for Pollock. Many times I have fished these areas with no or minimal Chinook salmon bycatch. To force me out of these areas to other areas with lower Pollock catch and possibly higher Chinook salmon bycatch will only increase bycatch, not reduce it. I will participate in the North Pacific Fishery Management Council process to develop a comprehensive salmon bycatch plan for the Gulf of Alaska.

I do not support these closures and I feel that bycatch would increase if these areas were closed. I appreciate the Board of Fish coming to Kodiak and listening to my concerns.

Wallace Fields  
PO Box 1691  
Kodiak, AK 99615

RC 27

Dear Board of Fish Members,

My name is Wallace Fields and I am representing myself. I am a long time commercial salmon fisherman in the Kodiak Area and grew up in a family that has set netted since 1961 on the West Side of Kodiak Island. I would like to comment on proposals 63, 66, 67, 68, 71,

**Proposal 63 - Prohibit fishing multiple areas in same year:**

I **oppose** proposal 63. It is common practice for salmon fishermen to fish in multiple areas of the State – particularly in Bristol Bay - and fish in other permit areas before and after the Bristol Bay season. This allows fishermen to put together a more productive salmon season, especially, when the area where their salmon permit is located is having a weak season. I don't know what the rational is for this proposal, and I don't think it will be taken seriously, but I do want to express my opposition.

**Proposal 66 – Westside Kodiak Salmon Management Plan. Allow for pink salmon harvest from August 15-24 on Kodiak's west side:**

I want to mention briefly my **support** for proposal 66 and the language change from “and” to “or”. Proposal 64, 65, and 66 are all dealing with the same issue, but each offer a different solution. I don't know that proposal 66 is, in the final analysis, the best solution; but I do think it gets us closer than 64 and 65 and would be less disruptive in terms of policy change. It still may not address the concerns of the Westside fishermen in August, but at least may give a little more flexibility to the Department when either pinks or sockeye are weak to allow for some limited fishing opportunities.

**Proposal 67 – Westside Kodiak Salmon Management Plan. Amend Kodiak Area Westside Management Plan to include escapement goals in the major systems of Olga Bay:**

I am **opposed** to proposal 67 which would change the Westside management plan to manage for south end sockeye. While I accept that some sockeye destined for Olga Bay are caught on the Westside of Kodiak, just as they are on the East side of Kodiak Island, the Mainland districts, and Chignik districts, I don't think the anecdotal information cited about net marks, and a the use of a study done 30 years ago during the rebuilding years for the

Karluk sockeye run, is credible science to make any conclusion regarding the amount of sockeye that are caught or any changes that are necessary.

For any reasonable conclusions a study would have to be completed over more years, during longer periods of the season, and during some of the stronger years of returning Karluk fish.

The Frasier Run is an enhancement project begun in the 1950's. Westside salmon fisheries were in existence nearly 100 years before these planted fish ever returned in substantial amounts. To this day, its management is still funded in part with bio rehabilitation money that Kodiak Regional Aquaculture Association provides. I think it is inappropriate to suggest the northern most area of Kodiak Island should be managed differently because of an enhancement project started on the southern most area of Kodiak Island. Besides being impractical, it is just unreasonable to try and close down area 130 miles away. We have had management plans in place for both the Westside and the Alitak area for many years. Proposal 67 is a challenge to these plans and will risk future instability in both areas.

**Proposal 68 - Westside Kodiak Salmon Management Plan. Amend (e) (1) in the inner Karluk Section salmon management**

I am opposed to this proposal. I think it can be used as a back door reallocation of fish away from the traditional west side June fishery to a seine only fishery at the mouth of Karluk. The early run over escapements referenced in the proposal happened before the season opening date was moved back 9 days to June 1<sup>st</sup>. And since it was moved back, June 1<sup>st</sup> has only been used one time and June 5<sup>th</sup> one time. I don't think the new date has been given enough opportunity and certainly in the current climate of not meeting minimum escapement goals in the early Karluk run, it is unnecessary to change the way the Westside is being managed.

Historically, the Westside has been given test fisheries early in the season throughout the district, and the area from Rocky Point to Cape Uyak has been left closed unless there is a build up of fish in the lagoon at Karluk. If there is a build up the additional area of Rocky Point to Cape Uyak, which is a seine only area is opened to increase catches and provide more area for seiners. My fear is that by allowing the department to be very conservative in their early run management they may keep the Westside closed longer, allowing for a build up in front of Karluk in the seine only area, and then allow the seine fleet in for a mop up fishery which could result in loss

opportunity for the traditional Westside fishery to take place. There is always a danger of fish backing out of Karluk Lagoon resulting in over harvest and potential further loss of time for Westside fishermen since it would have to remain closed.

While I appreciate the department wanting to prevent over escapement into Karluk, particularly if KRAA begins a lake enrichment projected as planned in the coming years, I don't think this proposal is necessary if the Department is aggressive on the front end when large amounts of sockeye are being seen at the weir early. It does, however, have the potential of reallocating fish in the early Westside sockeye fishery.

**Proposal 71: Amend regulation so sunset clause becomes permanent regulation:** I support proposal 71. I support this proposal primarily because it gives families a useful tool to manage multiple permit operations efficiently and gives permit holders some flexibility during very long Kodiak salmon seasons. My sense, from talking with a number of families who own multiple permits, is this regulation has been helpful during the past three seasons. I think it is a good example of what a restructuring proposal was intended to do. This regulation has helped lower the cost of fishing operations and had a positive social impact on many families and partnerships that set net on Kodiak Island.

I have to say, I've been surprised by the vitriol around this proposal and some of the notions that still persist. One is that, somehow, this proposal changes the way gear is fished. This is not true. As far as I can determine all nets and site locations in our area are being fished the same as before permit stacking and any changes that have occurred are not related to stacking of permits. Each permit is still only allowed 150 fathoms of gear which can be used as a single net or divided into two nets and two locations. Nets are not longer now than before and there are no more, or less, fishing sites being used because of permit stacking. Unless someone were to look at the identifying buoy numbers which indicate a permit was stacked, it would be very difficult for anyone to observe anything different in the way gear is now being fished compared to before this regulation. During the debate at the Kodiak Advisory Panel one panel member continued to compare setnet permit stacking to allowing a seiner to have a net that was twice as long if they owned two permits. They simply misunderstand the proposal to make



this comparison since no set net is any longer with or without permit stacking.

What does change, however, is who is required to be present when nets are being fished. In the case of a couple who both own a permit, by stacking the permit into one person's name it allows some flexibility for one of the permit owners to be gone while gear is being fished. I understand some are against this aspect of the proposal but I have to ask who is being harmed. If it is the neighbor of this couple because the second permit is being fished more than it would be (for instance when children have to go back to school at the end of August) it can also work to the neighbors advantage when the person who has stacked the permit has to be gone for some reason and both permits won't be fished instead of just one.

I can appreciate that for those individuals who do not partner with other permit holders this proposal will be less useful to them but I think it is unfortunate to not continue to have in regulation something that does help a lot of the setnet fleet, and from what I can see does little harm.

One of the notions driving this debate is that this is a line in the sand for people opposed to any form of rationalization. They think any form of consolidation is negative and that to allow this as a precedent allows justification for the elimination of crew, boats, and opportunity. However, it is misguided to compare a fully allocated fishery that has been limited entry since 1975 to ground fisheries in the Gulf of Alaska and really clouds the reality of what this proposals does - which is simply help some of the people who participate in the Kodiak setnet fishery which is historically one of the longest salmon seasons in the State - especially when you look at the time gear is in the water. I have fished more than 60 continuous days - 24 hours per day - on a number of occasions, and more than 80 or 90 days of 24 hour a day fishing seasons. One of those seasons would be the equivalent of three or four Bristol Bay seasons in terms of hours of fishing time the gear is in the water. It is not unreasonable to think that during that amount of time it would be helpful to be able to stack a permit with a partner when some expected or unexpected obligation would present itself. I encourage the board to continue this regulation and make it permanent.

Thank you,

Wallace Fields



**SPIRIDON CAMP, INC.**

LEON FRANCISCO, *Master Guide*

BOX 483 • KODIAK, ALASKA 99615  
907/486-5436

RC 28

DEC. 18TH, 2010

MIKE SMITH  
P.O. BOX 70474  
FAIRBANKS, ALASKA 99707

this letter sent to all bd members 12/18/2010.

DEAR MR. SMITH:

MY FAMILY & I HAVE BEEN SET NETTING ON KODIAK SINCE THE EARLY 1960'S. WE HAVE FOUR PERMITS. OUR SONS, DAUGHTERS, MY WIFE AND I STILL FISH THESE SAME SITES IN UYAK BAY. NOW, ALONG WITH GRANDKIDS.

IN ALL THESE YEARS, ONE OF THE MOST USEFUL LAWS TO COME ALONG IS THE ONE ALLOWING A PERMIT HOLDER TO HOLD 2 PERMITS RATHER THAN JUST ONE.

WITH KIDS & GRANDKIDS LEAVING THE SITE FOR COLLEGE, WORK AND OTHER RESPONSIBILITIES IT WAS DIFFICULT TO KEEP THE SITES LEGALLY OPERATIONAL WITH PERMIT CHANGES DURING THE SEASONS.

NOW, WE SIMPLY PUT TWO PERMITS IN THE NAMES OF TWO FAMILY MEMBERS THAT REMAIN IN CAMP ALL SEASON.

PLEASE DO YOUR BEST TO SEE THAT THIS LAW REMAINS ALIVE RATHER THAN SEE IT DIE, WITH THE YEARS END. IT WOULD BE A GREAT SERVICE TO FISHERMEN FAMILIES LIKE OURS.

SINCERELY,

LEON FRANCISCO

MEMBER OF:  
Alaska Prof. Hunters  
Safari Club International  
Found. for No. Am. Wild Sheep - Life Member  
NRA - Life Member

LICENSED

EXPERIENCED

REFERENCES

LC 29

January 11, 2011

Leigh Gorman Thomet here. Thanks for listening to me today. My testimony regards my opposition to proposal 71.

I reside and fish in here in Kodiak. I've participated in the salmon industry for 28 years. My husband and I have setnetted for 20 years and with our 13 yr old boy we've owned and operated a setnet site in the NW district here for the past 13 . I also participate in various other fisheries as well.

Proposal 71 will consolidate the Kodiak setnet fishery. And, I'd like to be clear that I am not against consolidation of a fishery that has an observed need for it by showing a substantial amount of latent permits and an excess of harvesting capacity in that fishery.

Proposal 71 is a derivative of HB 286 and HB 251. The enabling legislation for these bills were introduced to CONSOLIDATE fisheries suffering from large numbers of latent permits and an excess of harvesting capacity as stated by the respective bills sponsors Representative Drew Scalzi and Rep. Ralph Samuels.

In 2002, HB 286 was enacted to allow a person to hold two limited entry permits for a salmon fishery for the purpose of consolidating the fishing fleet for a salmon fishery. This worked for a few years, though due to lack of incentive, few people took advantage of it. So, in 2005 HB 251 was enacted to allow the Board of Fish to assign additional privileges to persons holding two salmon permits in the same fishery. This bill would enhance market forces in reducing excess permits in those fisheries where permits are underutilized. Using additional or modified gear would be allowed.

The bill was brought forward to address specific problems, particularly in the Bristol Bay fishery where excess capacity of gear and latent permits were observed. In 2005, an Optimum permit study for Bristol Bay was completed to find out what number of permits would keep a viable fishery there. Measures were taken to reduce the gear in the water by about one third. These same problems do not exist in the Kodiak setnet fishery. Clearly, these reasons for Proposal 71 are not the intent of the legislation and are not a valid argument for the dual permit system for the Kodiak setnet fishery. The setnet fishery had a minimal number of latent permits prior and post implementation of permit stacking. No studies have been conducted nor is there any data to validate proposal 71.

During the last BOF cycle in 2008 , the BOF put a 3 year sunset clause on Proposal 58. Proposal 58 was a restructuring proposal. This allowed the dual permit system to take place to see how it would shake out. However, there were no guidelines given to calculate those results. The Kodiak Advisory Committee voted against Proposal 58 and approximately 75% of public testimony was opposed to it, yet it passed. Proposal 71 was voted down by the current advisory committee 10 to 6.

So, here we are today taking up the issues with Proposal 71 , which is the result of 58. Proposal 58 and 71 are deemed different by the BOF, yet they have the same ingredients. This brings me to the criteria that is used to implement proposals such as these. The current criteria for these type of proposals is full of loopholes allowing for shortsighted abuses.

The state legislature appropriated \$600K for the Salmon Industry Restructuring Panel. In 2006, the Panel's report that was given to the BOF and the legislature, they stated the need for BOF research capacity and data, authority changes and support. They also stated 'As restructuring proposals come forward, 3 types of research and data will be needed: #1 permit latency. #2 need a simple input-output model, or similar tool to be able to assess the impacts to communities of various restructuring proposals

and minimize unintended consequences of a restructuring decision. #3 Following implementation of these decisions, the state needs to maintain data gathering to evaluate the social, biological and economic impacts of restructuring decisions.

At minimum, numbers 1 and 2 are loaded with common sense. None of this criteria was used for proposal 58 and none is being considered for 71. In the current proposal book it reads, ' Much of the work from the stakeholder workgroup centered around the BOF process and how the board should ANUALLY review the process for modification, or ultimately, consider adopting it as aboard policy. 5 years has gone by since the restructuring panel submitted the recommended criteria to the BOF and the legislature. I am curious at how much longer the trial period will continue? If anything worth value came from the \$600k spent and the time that was put in, it was the afore mentioned criteria.

I believe that the breaks should be put on these type of proposals until more stringent criteria is adopted by the board and then proceed. At minimum I think it is owed to the current and future participants of the limited entry fisheries to adopt better criteria. If not, this will lead to a monumental shift in the way limited entry works. What do we want our fisheries to look like in 10, 15, and 30 years from now? Where is this going? Who will be allowed to fish them?

When consolidating a fishery, we must take into consideration the requirements of Alaska's constitution. Particularly Article III Section 15: "A limited entry sustem should impinge as little as possible on the open fishery clauses consistent with the constitutional purposes of limited entry. The Supreme Court also observes in State vs. Herbert (1990) that, ' Additionally, article VIII of Ak's constitution is better served when more participants can be included in a fishery , rather than fewer. Once again, the Ak. Supreme Court in Johns vs. CFEC, raises the possibility that a fishery could become too exclusive.

When I hear the arguments for Proposal 71 and after reading the letters by the proponents to the BOF, I've narrowed the arguments down to only a few words. Convenience , entitlement and absenteeism. The convenience I hear is to allow people to work another job, take a vacation, take children to school, or own and operate another limited entry fishery, and the graying of the fleet. Some folks state that they can't make a living with just one permit. Since the commercial fisheries have been active for the last 130 years or so, the salmon runs and markets have fluctuated. We are deriving an income from what nature has to offer- and there are no guarantees! And it's avaricious for people to want them.

Entitlement arguments that I hear are from folks that have participated in the fisheries since childhood, that family had X amount of permits and they want to keep those same permits with less or half the family member because wives, children , older parents no longer want or can't fish. This is where absenteeism comes in. The proponents want the continued income without participation so they can also derive income from another job, vacation or live elsewhere. The state, through CFEC regulations , demands active participation of permit holders and prohibits absenteeism, but does make allowances for hardships through emergency transfers. This would also circumvent the current regulation which states that salmon permit holders may only participate in one salmon fishery as a permit holder in any given year.

Dual permits should not be used as a mechanism of convenience whereby a fisher may leave the site to pursue other alternative employment or vacation options. Permits have been bought and transferred to expand multiple site permits. This was not the stated intent of permit stacking, but has been a documented outcome.

Permit values have risen from \$46,900 to \$70,700 and some have sold for \$83k. since stacking was allowed. Though a boon to permit holders, this will put barriers to new entrants and unfairly hobble them when they want to get into the fishery. Setnetting is a great fishery for new entrants by means of less skill is required as there are in other fisheries. The already scarce supply of permits for sale will be further limited if the dual permit system is allowed and this disadvantages the single permit holder in driving up prices and the potential to have more gear fished in front of them.

If this is good enough for the setnetters, should it be good enough for the seine fleet? I'm sure the seiners would love to stack their permits and fish an extra 50 to 75 fthms. Certainly, this would not make the setnet fleet here happy and would put them in a disadvantage. I see many other similar proposals like this before the board.

I feel that if the board passes proposal 71 without imposing stricter criteria and/or data for implementation then they have failed. By that , I mean you have diminished the confidence of the people, current and future participants of the fishery in the way the public process works. Politics can be so value free. We have every means to keep our fisheries and its participants sustainable if we approach them with regard to common sense.

Thank you

Leigh Gorman Thomet

RC 30

## Written comments and background information pertaining to Proposal 71: Permit stacking (Dual permit system) in the Kodiak Setnet Fishery.

Issue: The Board of Fish using its authority to consolidate the Kodiak Salmon Fishery, a fishery not showing a need of consolidation. For example: There is not a significant number of latent permits or an excess of fishing gear.

The enabling legislation, House Bill 286(2002) and House Bill 251(2005) were introduced to consolidate fisheries suffering from large numbers of underutilized permits and an excess of harvesting capacity as stated by the respective bill's sponsors.

HB286 partial sponsor statements: An act allowing a person to hold two commercial fishing entry permits for a salmon fishery **for the purpose of consolidating the fishing fleet for a salmon fishery**. This worked for a few years, though few people took advantage due to lack of incentive. **The bill clearly delineates the assessment process with all checks and balances adequately addressed to ensure the intent of the measure is correctly administered.** (See attached supplemental handout,SH-1)

HB251 partial sponsor statement: Allow B.O.F. to assign additional privileges to persons holding two salmon permits in the same salmon fishery. This bill would enhance market forces in reducing excess permits in those fisheries where permits are underutilized. Using additional or modified gear would be allowed. (See SH-2)

The bill was brought forward to address specific problems with excess capacity and latent licenses, again, problems that do not exist in the fully utilized Kodiak Setnet Fishery. Proposal 71 states: "There will be no benefit to anyone who owns two permits, nullifying HB251". Clearly, this was not the intent of the legislation and not a valid argument for dual permits.

In consideration of permanently implementing the ability to own and operate two permits with full gear, please consider the following points:

- This fishery had a minimal number of latent permits prior and post implementation of permit stacking.
- There is no observed excess of harvesting capacity in this fishery.
- During the last B.O.F. cycle 2008, Proposal 58 (where 71 derived from) was voted down by the ADF&G advisory committee 11 to 1 and approximately 75% of public testimony was in opposition.
- Proposal 71 was voted down by the ADF&G advisory committee
- Permits have been bought and transferred to **expand** multiple site permits. This was **not** the stated intent of permit stacking, but has been a documented outcome.
- No optimum permit study was conducted for this fishery showing the need for consolidation as was done for the salmon fishery in Bristol Bay.
- The State, through CFEC regulations, **demand**s active participation of permit holders and prohibits absenteeism, but makes allowances for these in cases of hardship.
- Dual permits should not be used as a mechanism of convenience whereby a fisher may leave the site and pursue alternative employment or vacation options.
- When consolidating a fishery, we must take into consideration the requirements of Alaska's constitution. Particularly Article VIII Section 15: **"A limited entry system should impinge as little**

KIP THOMAS

*as possible on the open fishery clauses consistent with the constitutional purposes of Limited Entry”.*

- The Supreme Court observed in State vs. Herbert, 803 P.2d863.867 (Alaska 1990) ‘**Additionally, article VIII of Alaska’s Constitution is better served when more participants can be included in a fishery, rather than fewer”.** (SH-3)
- The Alaska Supreme Court in *Johns vs. CFEC* raises the possibility that a fishery could become too exclusive.
- Permit values have risen from \$ 46,900 to \$70,700 since stacking was allowed in 2008. Though a boon to current multiple permit holders, it has also increased a barrier to anyone wanting to enter the fishery. (SH-4)
- The already scarce supply of permits for sale will be further limited if permit stacking is allowed.
- Dual permits disadvantage the single permit holder in driving up prices of permits.
- Dual permits have provided unequal leverage to multi permit holders to expand their operations. Many setnet permit holders have two shore leases for each permit. Long established sites with multiple permits and shore leases tied up have an unfair advantage to purchase permits and use them on shore leases they hold. This may also result in the retirement of less productive sites where a multiple permit holder can come in, purchase the site and permit, move the permit to their shore lease and then retire the old site.
- Dual permits have enabled Kodiak setnet participants to engage in other salmon fisheries and other occupations. This circumvents the current regulation which states that salmon permit holders may only participate in one salmon fishery as a permit holder in any given year.

The State Legislature appropriated \$600k for the Salmon Industry Restructuring Panel. In the Panel’s Report and Recommendations to the B.O.F. and the Ak. State Legislature, they reported recommendations on needed B.O.F. Research Capacity and Data, Authority Changes and Support states ‘As restructuring proposals come forward, three types of research data will be needed’:

**#1. Permit Latency.**

**#2. Need a simple input – output model, or similar tool, to be able to assess the impacts to communities of various restructuring proposals and minimize unintended consequences of a restructuring decision.**

**#3. Following implementation of a restructuring decision, the state needs to maintain data gathering effort to evaluate the social, biological and economic impacts of that decision.**

None of the above mentioned criteria was used for Proposal 58 and none is being considered for Proposal 71. The current B.O.F. Proposal Book it reads, ‘Much of the work from the stakeholder workgroup centered around the BOF process and how the board should receive and consider proposals which may be considered a “restructuring proposal”. The workgroup developed a suggested format for how these proposals should be submitted to the board, along with CRITERIA for how the board should review these proposals. The board decided to informally follow these recommendations for a “trial period”, during which the board will annually review the process for modification or, ultimately, consider adopting it as a board policy’. (SH-5)

The recommended restructuring criteria is brilliant in its simplicity. It has been 5 years since the restructuring panel sent the recommended criteria to the BOF and the Legislature.

## Sponsor Statements for HB 286 Ownership of More Than One Fishery Permit

**An Act allowing a person to hold two commercial fishing entry permits for a salmon fishery for the purpose of consolidating the fishing fleet for a salmon fishery; relation to salmon fishery associations and to salmon fishery assessments; and providing for an effective date.**

**Updated:** February 20, 2002  
**Contact:** Representative Drew Scalzi's office at (907) 465-2689

The health of the salmon industry should be of the utmost importance to the state of Alaska as it directly impacts the economic health of the state. While nearly 175 million salmon were landed last summer, the fishermen's take was only \$216 million -- less than half of what they got 15 years ago. The upside is that global demand for salmon is exploding with the world consumption at almost 4 billion pounds last year, three times the amount of 20 years earlier. With a refocusing of fisheries management, the state should be able to regain its strong foothold in the worldwide market.

The goal of this bill is to voluntarily reduce the fleet size where desired and deemed necessary to promote greater economic incentives in a manner that would leave sufficient harvest capacity for large fish returns. With House Bill 286, salmon limited entry and interim use permit holders will be allowed to hold no more than two permits; the provision applies exclusively to salmon fisheries.

Holders of two permits will not be granted any special fishing privileges over the holder of one permit; the Board of Fish would be prohibited from enacting regulations that would grant these privileges. This measure will facilitate removing a vessel and gear from a fishery; however, permits are not permanently removed from the system. If conditions improve, permits can be added back into fisheries, allowing each administrative area to address its particular difficulties by gear type.

HB286 provides the means for fishermen to tax (assess) themselves to assist fleet consolidation, thereby improving the fisheries for all participants. Fishermen are not asking the legislature to appropriate money for permit buybacks; they are seeking solutions from within the industry. This bill would provide the vehicle for collection of the self-assessment and the appropriation back to the association formed by the holders who wish to consolidate. Two-thirds of gear-type in an administrative area must approve the assessment; thus this measure ensures voluntary participation and approval from the majority of the permit holders. The assessment can be no greater than 5% of the ex-vessel value of the salmon landed by the permit holder; hence the value and assessment would vary from year to year. Some fisheries may feel they can only afford 1/4%, while others may feel secure in voting for 5%; allowing the individual needs of each fishery to be met.

The bill clearly delineates the assessment process with all checks and balances adequately addressed to ensure the intent of the measure is correctly administered.



# Representative Ralph Samuels

## House District 29 / House Resources Committee

(907) 465-3715 / fax-465-3810

### Commercial Fishing Multiple Permit Holder

Sponsor Statement for House Bill 251

Released: April 14, 2005

Tim Benintendi

CSHB 251 (RES) would allow the Board of Fisheries to assign additional fishing privileges to persons who hold two commercial fishing entry permits in the same salmon fishery. This bill would enhance market forces in reducing excess permits in those fisheries where permits are underutilized.

This legislation does not force the purchase or sale of entry permits. It is not a mandate for fleet consolidation; but, rather, another option accorded the Board of Fisheries that could help in specific salmon fisheries where challenges to the economies of scale exist.

Proposals to allow additional fishing privileges would be submitted to the Board of Fisheries for its consideration. The board would only be able to hear this type of request in its normal, three-year cycle; agenda change requests would not be allowed. The board would still be constrained by all other statutes and regulations governing it. Escapement, conservation, and allocation needs would be considered in any proposal that would come before the Board.

The change made by the Resources Committee substitute narrows the language from the original bill to more clearly specify circumstances in which proposed action may be brought before the Board.

CSHB 251 (RES) does not mandate any changes in commercial salmon fisheries management, but simply provides the Board with another management tool. The measure is supported by the United Fishermen of Alaska, the state's Commercial Fisheries Entry Commission, and many individuals in the salmon fleet.

**Sectional Analysis:**

**Section 1:** Amends AS 16.05.251 by adding a new subsection which allows the Board of Fisheries to grant a holder of two entry permits in a salmon fishery, additional privileges in that fishery. Those added privileges may include the use of additional or modified gear; additional fishing time or expanded fishing areas; or other such conditions as the Board considers appropriate for the conservation, development, and/or utilization of salmon fishery resources.

CSHB 251 (RES) carries a ZERO fiscal note, and a 90-day effective date.

###

[http://www.akrepublicans.org/samuels/24/spst/samu\\_hb251.php](http://www.akrepublicans.org/samuels/24/spst/samu_hb251.php)

maximum number of permits, all eligible applicants are ranked against each other based on their dependence on the fishery. At the end of the process, permanent entry permits are issued to applicants only at or above a particular point level. Conversely, all other applicants one (1) or more points below the issuance level are denied. AS 16.43.260 and AS 16.43.270. Thus, under the existing license limitation system, issuing and denying permits is a severe all or nothing determination: an applicant is either finally in or out of the fishery.

In order to meet the requirements of Alaska's constitution, and, in particular, Article VIII, Section 15:

a limited entry system should impinge as little as possible on the open fishery clauses consistent with the constitutional purposes of limited entry, namely prevention of economic distress to fishermen and resource conservation.

Johns v. CFEC, 758 P.2d 1256, 1266 (Alaska 1988) [citation omitted].

Additionally, Article VIII of Alaska's Constitution is better served when more participants can be included in a fishery rather than fewer. As the Alaska Supreme Court observed in State v. Hebert, 803 P.2d 863, 867 (Alaska 1990):

Further, we note that the regulation, if anything, furthers the interest underlying [Article VIII,] section 3's common use mandate. The board found that the number of fishermen probably would increase under the super exclusive use regulation, thus making it possible for more rather than fewer people to participate in commercial herring fishing.

Despite these operational and constitutional constraints, the state has successfully defended its existing license limitation program when it adopted the lowest possible maximum number for a limited fishery to serve conservation needs. Johns v. CFEC, 758 P.2d 1256 (Alaska 1988); Simpson v. State, CFEC, 101 P.3d 605 (Alaska 2004).

(2) **A Well-Constructed Dedicated Access Privilege Program under SB 113**

Under Article VIII, Section 15, of the Alaska Constitution (as interpreted by our Alaska Supreme Court), Alaska may only undertake limiting access to any fishery if the program:

RC 31

Chairman Webster, members of the board, my name is Theresa Peterson and I am a Kodiak setnetter. I am speaking on behalf of myself and my family in regards to proposal 71, to permanently allowing the ability to own and operate two setnet permits with full gear. We do not support this proposal and urge board members to not to make this proposal permanent.

Of all the limited entry fisheries around the state, I don't think there could be a worse candidate to consolidate ownership of the permits than the Kodiak setnet fishery. This particular proposal sets a dangerous precedence for Alaskan coastal communities. No economic impact analysis was conducted to study the effects of consolidating the setnet fishery on the community of Kodiak and/or the Kodiak Island Borough.

Here's the problem I see with the proposal,

The Board of Fish is being asked to use a tool which was developed for the Bristol Bay driftnet fishery. An optimum number study was conducted and it was determined that the fishery had excess capacity in the number of permits that were originally issued. In addition the fishery held a high percentage of latent licenses, as high as 30% in 1998. In 2002, with the primary goal to reduce fleet size, HB 286 was passed. The opening sponsor statement reads:

**"An act allowing a person to hold two commercial fishing entry permits for a salmon fishery for the purpose of consolidating the fishing fleet for a salmon fishery."**

**The bill clearly delineates the assessment process with all checks and balances adequately addressed to ensure the intent of the measure is correctly administered.**

This action didn't work well as few people took advantage due to lack of incentive. An owner of two permits could not fish additional gear. In 2005 HB 251 was passed. This bill "would allow the Board of Fisheries to assign additional fishing privileges to persons who hold two commercial fishing entry permits in the same salmon fishery. This bill would enhance market forces in reducing excess permits in those fisheries where permits are underutilized" The bill was brought forward to address specific problems with excess capacity and latent licenses, problems which do not exist in the fully utilized Kodiak setnet fishery.

Proposal 71 states: "There will be no benefit to anyone who owns two permits, nullifying HB251". Clearly, this was not the intent of the legislation and not a valid argument for dual permits.

The ability to own and operate two permits with no gear reduction, as previously submitted as proposal 58 in 2008, was voted down by the ADK&G AC in an 11-1 vote. 75% of the public testimony was in opposition. However, the proposer had gone through the restructuring process and with a split vote the board decided to give the action a chance. Due to the controversial nature of this action, a three year sunset was established. However, no criterion was established from which the success or failure of the action could be assessed. The ADF&G AC again voted down proposal 71 10-4.

Since the inception of dual permits the following activity has been observed:

- Permits have been bought and transferred to **expand** multiple site permits. This was **not** the stated intent of permit stacking, but has been a documented outcome. If this is a desired goal of permit stacking it needs to be stated and recognized a desired opportunity for this action
- Dual permits have enabled Kodiak setnet participants to engage in other salmon fisheries. For example, buying and fishing a Bristol Bay operation. This circumvents the current regulations in which salmon permit holders may only participate in one salmon fishery.
- Dual permits provide ability to own and operate 2 permits with no crew. The action has resulted in a reduction of crew opportunity
- Dual permits have provided unequal leverage to multi permit holders in the ability to expand their operations. Many setnet permit holders have 2 shore leases for each permit. Long established sites with multiple permits and shore leases tied up have an unfair advantage to purchase permits and use them on a shore lease they hold. This may also result in the retirement of less productive sites where a multi permit holder can come in, purchase the site and permit, move the permit to their shore lease and retire the old site.
- The transfer of 38 permits deemed a success, but with no criteria we don't know what we have done.
- Dual permits allow for absentee ownership and the ability to generate an income stream from the salmon setnet fishery while working in another occupation or another State. It is the perfect avenue for absentee ownership, clearly not an intent of limited entry but an outcome with this action. However, if this is a goal of this action we need to come out say it, we want to allow for people to go work elsewhere in the summer.
- Has resulted in consolidation in ownership of permits in a fishery where there was no documented need

Points to consider:

- What number of permit holders constitutes a fishery which is too exclusive? A legal opinion for Article VIII of the Alaska State Constitution states: "better served when more participants can be included in a fishery rather than fewer"
- Dual permits have artificially driven up the price of permits, unreflective of corresponding harvest rates for these years. Permit prices have risen from 46,900 to 70,700 since permit stacking was allowed. Salmon seine permit prices have remained the same during these low harvest years, but the setnet permits went up. (see attached permit prices)
- Dual permits disadvantage the single permit holder in driving up prices of permits. We've been looking for another permit for our 19 year old daughter, wanting to expand two permits, but the artificial inflating of the setnet permits due to this action has us holding off at this point.

Until the action can be fully justified to meet the intent of the proposed legislation which makes this legal and the action has clearly defined goals and objectives established for this unique fishery, please allow this action to sunset.

Much of the work from the stakeholder workgroup centered around the Board of Fisheries process and how the board should receive and consider proposals which may be considered a "restructuring proposal". The workgroup developed a suggested format for how restructuring proposals should be submitted to the board, along with criteria for how the board should review these proposals. The board decided to informally follow these recommendations for a "trial period", during which the board will annually review the process for modification or, ultimately, consider adopting it as a board policy.

Proposals which seek to significantly change how salmon fisheries operate should be reviewed with extra scrutiny and an examination of the possible benefits and impacts to the stakeholders, communities, regions and the state as a whole.

### **Board of Fisheries Criteria for Review of Restructuring Proposals**

Keeping in mind that all proposals must promote the sustainability of fishery resources and be consistent with other Board of Fisheries policies, the Board of Fisheries may consider comprehensive regulatory restructuring proposals, and when doing so may, in addition to other factors, use the following criteria:

- 1) Promote an increased net economic benefit to the participants remaining in the fishery following restructuring;
- 2) Identify possible interactions within and between regions;
- 3) Identify potential mitigation measures for those dependent on the fishery that may be negatively impacted;
- 4) Promote improvements in a fishery's value, product quality, or an increase in efficiency;
- 5) Adequately address biological impacts to the resource caused by changes in management systems and utilization of the resource;
- 6) Promote a healthy fishing economy in Alaska that provides social and economic benefit to communities dependent upon the fishery and contributes to the overall benefit of the resource and the economy of the state; and
- 7) In addition to the criteria above, other factors may be considered as appropriate.

### **Process to Review Restructuring Proposals**

Restructuring proposals may have substantial economic, social, and/or biological impacts and may require significant changes to the management of a fishery. Accordingly, the Board of Fisheries is interested in ensuring ample opportunity for review and comment by potentially affected regions and fishery participants. The board identified the following steps for addressing restructuring proposals:

- 1) Submit proposal as part of regular review cycle for a given area. (*Applicant*)
- 2) Determine if proposal is a restructuring proposal. (*Board*)
- 3) Publish restructuring proposals in a separate section of the board proposal book or otherwise identify proposal as a restructuring proposal. (*department*)
- 4) Hold a publicly-noticed worksession to determine: (*Board*)
  - a.) Is proposal complete?
  - b.) Are there outstanding questions or information needed?
  - c.) Confirm that board has authority to act on proposal; identify any aspects of proposal where board may need additional authority to make decisions.
  - d.) Identify whether CFEC or other agencies need to be consulted on issues raised by the proposal. If so, bring staff together to schedule work and process.
  - e.) Identify proposal's review process and schedule.
- 5) Hold information-gathering public hearing within region if needed. (*Board*)
- 6) Hold other hearings/work sessions as needed. (*Board*)
- 7) Board of Fisheries decision. (*Board*)

RC 32

Alaska Department of Fish and Game

Alaska Department of Fish and Game  
Boards Support Section  
P.O. Box 115526  
Juneau, AK 99811-5526

BOARDS

Dear Board Members,

I am writing in favor of Proposal 71. My name is Glenn Jorgensen and I hold two SO4k set net permits in the Alitak Bay area. Since the inception of dual use being allowable, my father has been able to retire. This has allowed me to hold both permits in my name as well as keep me afloat in my business. Due to the poor salmon runs in the last few years it is the only way I can make it.

Allowing a permit holder to fish 2 permits, keeps people fishing, creates revenue, keeps entry level crewmember employment available, as well as production for the processors. If I were to just fish one permit, it would be barely cover expenses and could hinder the very existence of my business.

I have heard the argument of permit stacking and how it over inflates the value. I cannot disagree more. It is EXTREMELY rare for just one permit to be sold as a stand alone. The very fact that 1/3 of all SO4K permits are now held as dual is strong evidence of the need for it to stay that way.

# STATE OF ALASKA

Commercial Fisheries Entry Commission

SEAN PARNELL, GOVERNOR

8800 Glacier Hwy., #109  
P.O. Box 110302  
Juneau, AK 99811-0302

(907) 789-6150 Licensing Calls  
(907) 789-6160 Other Business  
(907) 789-6170 Fax

INTERNET: [www.cfec.state.ak.us](http://www.cfec.state.ak.us)


Rc 33

## MEMORANDUM

To: Jim Marcotte  
Executive Director of Alaska Board of  
Fisheries

Date: January 3, 2011

Phone: (907) 790-6944 Voice  
(907) 790-7044 Fax

 From: Bruce Twomley, Commissioner  
Peter Froehlich, Commissioner  
Commercial Fisheries Entry Commission

Subject: Proposal 71 of the Kodiak Finfish  
Meeting of the Alaska Board of  
Fisheries

For the Kodiak Finfish Meeting of the Alaska Board of Fisheries, proposal 71 seeks to make permanent 5AAC 18.331(j), the regulation allowing a holder of two permits in the Kodiak salmon set gillnet fishery (S04K) the use of additional gear during the fishery. The S04K fishery is one of two salmon set gillnet fisheries where this is allowed (the other, the Bristol Bay salmon set gillnet fishery, was only recently allowed).

The S04K fishery was limited to entry in 1973. There was a total of 230 combined limited and interim-use permits in 1975. There are 188 permanent permits remaining in the fishery today.

Specific to proposal 71, three fishing seasons (2008, 2009, and 2010) have occurred since 5AAC 18.331(j) was adopted. Also, for four earlier years, 2004 – 2007, a person could legally hold two commercial fishing entry permits for a salmon fishery, although the person was not allowed to fish more than one unit of gear in the fishery (HB286 [Chapter 11 SLA 2001]). That changed with HB251 (Chapter 11 SLA 2006) which authorized the BOF to adopt regulations allowing a person who holds two limited entry permits for a single salmon fishery to obtain greater fishing privileges such as additional gear. The subsequent BOF regulation, 5AAC 18.331(j), went into effect April 25, 2008.

Table 1 shows the numbers of persons holding two S04K permits at the end of each year. For the years 2004 through 2007, only one person held two permits at the end of each year (may have been different individuals). With the advent of 5AAC 18.331(j), persons holding two S04K permits have increased each year. In 2008, the number of persons holding two permits was 25, for a total of 50 permits which was 26.6% (50/188) of the total S04K permits. In 2009 and 2010 respectively, the number of persons holding two permits increased to 34 and 38, which was 36.2% (68/188) and 40.4% (76/188) of the total S04K permits.



**Table 1. Total of Kodiak salmon set gillnet (S04K) permanent permits, and persons holding two S04K permits at year-end, 2004 – 2010.**

Year	Total Permanent Permits	Persons Holding Two Permits	Counts of Permits Held	% of Total Permits
2004	188	1	2	1.1%
2005	188	1	2	1.1%
2006	188	1	2	1.1%
2007	188	1	2	1.1%
2008	188	25	50	26.6%
2009	188	34	68	36.2%
2010	188	38	76	40.4%

Table 2 shows the resident-types of persons holding two S04K permits at the end of each year. Most are Alaska residents and many are Kodiak Island locals. Of the 38 persons holding two permits at the end of 2010, 63% (24/38) are Alaska residents local to Kodiak, 13% (5/38) are Alaska residents not local to Kodiak, and 24% (9/38) are non-residents.

**Table 2. Resident types of persons holding two permits in the S04K fishery at year-end, 2004 – 2010.**

Year	Persons Holding Two Permits	Alaska Local		Alaska Nonlocal		Nonresident	
		Count	%	Count	%	Count	%
2004	1	1	100.0%	0	0.0%	0	0.0%
2005	1	1	100.0%	0	0.0%	0	0.0%
2006	1	1	100.0%	0	0.0%	0	0.0%
2007	1	1	100.0%	0	0.0%	0	0.0%
2008	25	15	60.0%	5	20.0%	5	20.0%
2009	34	20	58.8%	6	17.7%	8	23.5%
2010	38	24	63.2%	5	13.2%	9	23.7%

Table 3 shows the relationships between the persons holding two permits and the persons from whom they received the second permit. From 2004 to 2010, a total of 43 permit transfers were made which resulted in persons holding two S04K permits at year-end. Of those 43 transfers, 70% (30/43) were instances in which the transferor (donor) and the transferee (recipient) were immediate family members. Of the remaining transfers, 5% (2/43) were between other relatives, 12% (5/43) were between friends and /or business partners, and 14% (6/43) were between 'others'.

**Table 3. Number of permit transfers resulting in persons holding two S04K permits at year-end, and the relationship of transferee to transferor.**

Year	Total Transfers	Relationship			
		Friend /Partner	Immediate Family	Other Relative	Other
2004	1	.	.	.	1
2005	1	.	1	.	.
2006	0	.	.	.	.
2007	0	.	.	.	.
2008	24	2	18	1	3
2009	10	2	6	1	1
2010	7	1	5	1	1
Totals	43	5	30	2	6

**Notes:**

- Over all years, 69.8% of transfers have been between immediate family members.
- The number of transfers reported in this table may be less than the actual number of transfers occurring in the 2004 - 2010 period; persons receiving two permits on the same day and from the same transferor are counted as a single transfer for the purpose of this report.

Many set net operations (Kodiak as well as elsewhere in the state) are comprised of multiple permit holders, and landings may be made in common on any one permit. Because of this, it is not currently possible to accurately estimate the harvest or earnings implications specific to this regulation.

ALASKA DEPARTMENT OF FISH & GAME  
ELECTRONIC GROUND FISH TICKET

DO NOT WRITE IN THIS SPACE  
**E10 115414**

Statistical Area Worksheet			
Stat. Area	%	Stat. Area	%
525805 STATE	100		

RC34

**Vessel** HICKORY WIND  
**ADF&G NO.** 47795  
**Permit** M7HB 36444R 1001R  
HUTCHINGS GEORGE  
RJ

**Crew Size** 4 **Mgmt Pgm** OA  
**Observers onboard** 0 **ID**

Port of Landing or off-shore operation type  
KOD Kodiak  
Type of Gear used  
47 Pelagic/mid-water trawl

Mag Stripe Read

**Owner:** F6351 Western Alaska Fisheries Kodiak

**Date Fishing Began (Gear in Water)** 02/28/2010

**Custom Processor:**

**Date Landed** 02/28/2010

**PARTIAL DELIVERY:**  
 Partial Delivery  
 Last Landing for Trip  
 Multiple IFQ Permits

SPECIES	STAT AREA	DEL. COND	SCALE WEIGHT	NUM	DISP.	SIZE & GRADE	SOLD WEIGHT	PRICE	AMOUNT
270 Pollock		01 Whole	281,498.0000		60 Sold		279,562.0000	0.1700	47,525.5400
						Bait	1,936.0000	0.0600	116.1600
121 Arrow fldr		01 Whole	1,379.0000		41 Fish meal				
270 Pollock		01 Whole	8,486.0000		41 Fish meal				
511 Eulachon		01 Whole	109.0000		41 Fish meal				
216 Lumpsucker		01 Whole	214.0000		41 Fish meal				
110 P. cod		01 Whole	53.0000		60 Sold		53.0000	0.1800	9.5400

**Total:** 281,551.0000 \$47,651.2400

I HEREBY ATTEST THAT THESE FISH WERE CAUGHT IN COMPLIANCE WITH ADF&G REGULATIONS.

Permit Holder's Signature \_\_\_\_\_

Fish Received by \_\_\_\_\_ Date \_\_\_\_\_

ADF&G USE	
Interview	
Observer	
Logbook	

Landing Report ID: 216326

CFEC Serial Number: 536531

P. cod Round Weight: 53

Arrow fldr Round Weight: 1,379

Lumpsucker Round Weight: 214

Pollock Round Weight: 289,984

Eulachon Round Weight: 109

POSTED  
CR  
38656  
3-9-10

# CATCHER VESSEL DFL GROUND FISH TRAWL GEAR

VESSEL NAME <i>Albatross</i>	Date (M - D - Y) <i>2/28/10</i>	PAGE <i>20</i>
OPERATOR NAME AND SIGNATURE <i>[Signature]</i>	ADF&G Vessel No. <i>47705</i>	
	Federal Fisheries Permit No. <i>943</i>	

<b>IDENTIFICATION</b>	<b>MANAGEMENT PROGRAM</b> <small>(Check if applicable and enter number)</small>	INACTIVE	START	END	REASON	<b>OBSERVER INFORMATION</b>	NO. OF OBSERVERS ONBOARD
	CDQ <input type="checkbox"/> Exempted <input type="checkbox"/> Research <input type="checkbox"/> AIP <input type="checkbox"/> No. _____	GEAR TYPE (circle one) Non-pelagic trawl <input type="checkbox"/> Pelagic trawl <input checked="" type="checkbox"/>		CREW SIZE <i>9</i>	FEDERAL REPORTING AREA <i>BL</i>		TRAWL GEAR ONLY (Circle one) COBLZ <input type="checkbox"/> RKCSA <input checked="" type="checkbox"/>

HAUL NO.	TIME OF GEAR DEPLOYMENT	BEGIN POSITION OF HAUL		AVE. SEA DEPTH (Circle M or FM)	AVE. GEAR DEPTH (Circle M or FM)	DATE AND TIME OF GEAR RETRIEVAL	END POSITION OF HAUL		TARGET SPECIES CODE	TOTAL HAUL WEIGHT (lbs. or mt.)
		LATITUDE	LONGITUDE				LATITUDE	LONGITUDE		
<i>20</i>	<i>1205</i>	<i>58 57</i>	<i>152 12</i>	<i>130</i>	<i>15</i>	<i>2400</i>	<i>58 00</i>	<i>152 21</i>	<i>230</i>	<i>280000</i>

or groundfish and Pacific herring, circle lbs. or nearest 0.001 mt. For Pacific halibut, Pacific salmon, king crab, and Tanner crab, record in numbers.

<b>DISCARD/DISPOSITION</b>	DATE													
	SPECIES CODE													
	PRODUCT CODE													
	BALANCE FORWARD													
	DAILY TOTAL													
CUMULATIVE TOTAL SINCE LAST DELIVERY														

COMMENTS

<b>DELIVERY</b>	DELIVERY DATE	ADF&G FISH TICKET NO.	RECIPIENT'S NAME	ADF&G PROCESSOR CODE
	<i>2/28/10</i>	<i>5801104</i>	<i>Wahy</i>	<i>15229</i>

**Testimony of Duncan Fields  
Alaska Board of Fisheries  
January 11, 2011**

RC 35

Mr. Chairman, Board Members:

My name is Duncan Fields, I represent the communities of Old Harbor and Ouzinkie on fisheries issues and the sustainability of subsistence and commercial fishing activities in these communities. In addition my extended family and I have also fished in Kodiak for 50 seasons as setnet salmon fishermen on the west side of Kodiak Island. Most of my comments will be in my representational capacity but I will conclude with some personal comments on proposal 71, the permit stacking proposal.

Proposals 52 and 53:

These proposals come from similar community impact concerns but need to be evaluated and balanced differently. Sitkalidak straits are the bread basket for Old Harbor. Most of the subsistence fishing occurs in the area. In addition, the Old Harbor charter fleet, numbering approximately 10 vessels, frequently uses Sitkalidak Straits especially in the August 15 to October 15<sup>th</sup> time frame. Increasingly, charter clients are encountering trawl vessels in Sitkalidak Straits. This area has little economic significance to the trawl fleet. On average, less than 3% of the Central GOA (area 630) Pollock catch comes from Sitkalidak Straits. This catch is easily replaced elsewhere. On balance, the community impacts on Old Harbor subsistence and charter fishermen outweigh the need to trawl in this limited area.

Note three things about the data and information you have regarding the trawl fishery in Sitkalidak Straits. First, the data is limited to approximately 1/3 observer coverage. It is widely believed that fishing behavior changes when observers are not on the vessel. Second, trawling in the straits is not limited to Pollock fishing but vessels also use the area to top off with cod or pursue other groundfish pelagically. Finally, the standard used for whether or not a trawl is "pelagic" is no more than 20 crab of a minimum size in the trawl. This is the federal standard but it is used when fishing in state waters in a parallel fishery.

Consequently, these trawls can be on the bottom frequently or infrequently. All of these issues are of concern to Old Harbor residents.

The concerns of the residents of Ouzinkie relative to Marmot Bay are twofold. First, the magnitude of Chinook bycatch in Marmot Bay raises concerns for Ouzinkie as it should for us all, please note the map presented by Stephanie Moreland indicating the "hot spot" for Chinook bycatch in Marmot Bay. In 2006 alone, at a 6 pound average, 5,600 Chinook were caught in Marmot Bay and the five year average, not counting the high bycatch in 2010, is 1,750 Chinook annually or about 10% of the overall average GOA Chinook bycatch of approximately 22,500 Chinook annually. The second issue that concerns Ouzinkie is the impact of the largest scale industrial fishery occurring in the Gulf of Alaska on a small rural community. You will hear the trawl fleet testify that the Marmot Bay stat area accounts for approximately 30% of the Area 630 pollock catch. What this tells the Board is that in February and March 20 to 30 large trawl vessels are working in a narrow trench just northeast of Spruce Island and within a couple of miles of Ouzinkie. The trawl fleet's concentration disrupts most local fisheries resources as well as waterfowl and subsistence marine mammals. In addition, the community believes that the reduction in Chinook availability, often for 3 or more months, is due to the magnitude and intensity of this winter trawl fishery. Please note, the proposed restriction of Pollock trawling in Marmot bay wouldn't stop trawling, it would just move the fleet out of State waters and provide some sanctuary for Chinook salmon.

#### Karluk Chinook Stock of Concern:

The local advisory Committee created a sub-committee to comment on the Karluk River Chinook Stock of Concern Action Plan. You have two RC's \_\_\_\_\_ that detail the substantial work of the subcommittee. The meetings were staffed by both the Department and the NWR. The subcommittee recommendations were unanimously adopted by the Advisory Committee. Old Harbor and Ouzinkie support the Koniag proposal and, like most of the folks involved in the discussion, support limiting use of bait to catch Chinook on the Karluk River until the Department estimates that 4,500 or more fish will escape. (This is the suboption forwarded)

#### Proposal 59

Use of dipnets to harvest salmon in Settler's Creek in Port Lions is supported by residents of Ouzinkie, some of which occasionally subsistence fish in this area.

#### Proposal 63

Limitations on a permit holder so that the individual cannot crew in another area is opposed by both Ouzinkie and Old Harbor

#### Proposal 66

Proposal 66 addresses a nuance in the west side management plan that can inhibit pink salmon opportunity in the N.W. district. The use of the word "and", in 2009, resulted in the Department closing the fishery due to low sockeye escapements when there were relatively few sockeye in the commercial catch but large amounts of pink salmon. Changing the "and" to "or" clarifies that the Department can manage the fishery for pinks for a few days if the impact on Karluk sockeye isn't significant but also can manage for sockeye if the Department deems that continued fishing may have a significant impact on sockeye escapements. The Department's comments on this seem reactionary and unnecessarily wedded to the status quo.

#### Proposal 67

Regulating fishing outside Ouzinkie on the N. end of Kodiak Island, some 80 to 90 miles from Olga Bay, to escapements at upper station is not justified or supported by biology, historical fishing practices or data. Information submitted to support the proposal is dated, limited and unreliable. Moreover, possible collateral damage to the Karluk River, a river already suffering from over escapement, could further reduce the Karluk system.

#### Proposal 69

The commercial salmon troll proposal has been back and forth before the Board for the last 9 years. It was initially tabled to the restructuring committee in 2002 but was not acted on. A similar proposal was considered and rejected by the

Board in 2008. Old Harbor continues to see the merit of forming a board generated committee to consider this gear type in the Kodiak area.

#### Proposal 75

Ouzinkie submitted this proposal to show the willingness of the commercial salmon seine fleet to share in the conservations burden of Karluk bound Chinook salmon. After discussion and review of staff information, Ouzinkie no longer believes that this proposal will have much impact on Karluk Chinook and no longer supports the proposal.

#### Proposal 71

Finally, Mr. Chairman I'd like to personally address proposal 71. I would ask the Board to listen to those opposed to this proposal to show the harm that has actually occurred from allowing a Kodiak salmon setnet permit holder to have two permits rather than talking about what might occur. I was neutral on this proposal three years ago, I haven't seen any harm occur in the past three years, and I'm strongly supportive of the proposal today. As some of you know, my family and I fish 12 set gillnet permits in Uyak Bay. We fished 12 permits during all openings before 2008 and have fished 12 permits in the last 3 years. The net result of the proposal for us is that I spend less time and money transferring permits between family members. Note the average catch value per Kodiak setnet permit the last few years. Stacking may have allowed some families to stay in business.

Thank You Mr. Chairman



Peter S. Danelski  
620 Rezanof Dr. E  
Kodiak, AK 99615

PC 36

December 28, 2010

Dear Alaska Board of Fisheries Member:

I support Proposition 71 – 5 AAC 18.331, allowing a Kodiak dual setnet permit holder to fish both permits.

Kodiak setnetting is unique, in that the season can last more than 100 days. It has also traditionally been a family pursuit and many permits were issued to family operations even at the beginning of limited entry.

Fishing multiple permits makes sense in Kodiak from many perspectives. It is more efficient economically and more environmentally sound. There is less fuel used and supplies expended per unit of gear fished. It also makes it possible to attract safe, skilled crewmembers as sieners can, and makes it a viable career as opposed to a part-time pursuit.

When my wife and I, and our children gear up to start fishing in May, we plan to stay at it until the end of September. Some years that may mean both of us have to stay on-site for as long as 110 days straight. Getting children to the doctor or even to school once they are older becomes difficult. Our neighbors even home-school their kids to keep the nets in the water, and another neighbor sends their son in to town on his own for the start of school.

The salmon season and additional setup lasts half the year and is our major source of income. We pay for minimal health insurance individually and work when we can in the off-season. My wife has started teaching classes at the community college, which requires that she leave the site early, as there is usually still a month of fishing days when classes start. With her permit in my name she could potentially pursue a full-time teaching position with health-care benefits that would take a great deal of stress off our family. We could pull half our nets, when one of us must leave, but the lost income benefits nobody. Hired crewmen, the processor, and our family lose.

Fishing dual permits is more economically feasible, more environmentally sound, safer (easier to get skilled crew), and more profitable. It has always been common and multi-permit family setnet sites are the norm, and will continue to be. Continually transferring permits between family members has been common and creates unnecessary work for the limited entry commission. Owning two Kodiak setnet permits is already permitted. Fishing two without transferring makes sense.

Thank you for your consideration,



Peter S. Danelski

BOF Kodiak Finfish Proposal 52 (Sitkalidak Strait)

January 11, 2011

re 37

My name is Rob Langdon and I am the operator of the trawler F/V Laura based here in Kodiak. I have been a trawl fisherman for 29 years.

I take exception to the proposer's assertion that " local residents have repeatedly requested that individual trawl vessels not set in Sitkalidik Straits adjacent to the village" and that" mostly these requests are ignored and the community immediately experiences reduced halibut and groundfish availability."

I have trawled in the Sitkalidak area for many years, tie up to the dock in Old Harbor and have had several crew members that are from Old Harbor. I personally have never been approached or asked by Old Harbor community members not to fish in this area. Based on the data in Staff Comments (see Table 52-3) and my own personal experience over many years, I truly believe that no bycatch problem exists in this area. Based on the data as outlined in your staff comments (Figure 52-3), our mid-water nets catch only very minimal amount of the species of concern listed by the proposers such as Tanner crab, halibut, lingcod, black rockfish, P cod and Chinook salmon.

Other gear type users such as jig, longline and pot gear catch significantly larger amounts of these species than our pelagic trawl nets (see Figure 52-4 in your staff comments).

We are only in these areas 1-2 weeks per year and not during the months when salmon are returning. We cannot afford any more closures which only reduce our flexibility to change fishing areas to avoid bycatch.

RC 38

**BOF TESTIMONY FOR PROPOSAL 65, January 2011**

My name is Pete Danelski, Sr. I have actively participated in Kodiak's commercial salmon set net fishery since 1972.

I have previously testified today on Proposals 64 and 66. In my earlier testimony I have pointed out how the economic opportunity of set net fishermen in Kodiak's Northwest District could be enhanced if minor changes to Kodiak's Westside Management Plan were approved by the Board.

Proposal 65 proposes a regulation change to Section 18.362 (b) of the Kodiak West Side Salmon Management Plan. This proposed regulation change is specific to the harvest of Coho salmon during commercial salmon closures occurring after August 15 in the Northwest Kodiak District. Proposal 65 would add a new subsection (7) to subsection (b) of Section 18.362.

The proposed new subsection would allow set netters to target Coho salmon with set net gear containing a mesh size of no less than 6 inches after August 15 if the Northwest Kodiak District is closed to salmon fishing after August 15 because the biological escapement goals have not been met for Karluk late run sockeyes and/or for pink salmon returning to spawning streams in the Northwest District.

Kodiak's commercial salmon set net fishermen are limited in their fishing efforts to historically established set net locations in the Northwest Kodiak District. Consequently, the only opportunity provided for set netters to harvest high quality Coho salmon occurs predominantly during the month of August. When the Northwest Kodiak District is closed to commercial salmon fishing after August 15 that opportunity to harvest high quality and biologically unthreatened Coho salmon stocks ceases for set netters entirely.

Proposal 65, because of the mesh size restriction, would minimize any incidental harvest of Karluk late run sockeyes and/or pink salmon returning to the Northwest Kodiak District's pink salmon streams. Furthermore, the incidental harvest caps of sockeyes and/or pink salmon contained in the proposal would automatically trigger a closure in the Northwest Kodiak District if those modest incidental harvest caps were reached.

This proposal creates an economic opportunity for those Northwest Kodiak District set netters who are willing to make an investment in gear of six inch or larger mesh size. This option could be exercised by all set netters in the Northwest Kodiak District who would otherwise be sitting on the beach waiting for biological escapements goals to be reached for Karluk late run sockeyes and/or pink salmon returning to the Northwest District's pink salmon streams as has occurred during Kodiak's 2009 and 2010 commercial salmon seasons.

RC 39

**BOF TESTIMONY FOR PROPOSALS 64 & 66, January 20011**

My name is Pete Danelski, Sr. I am a Kodiak salmon set net fisherman and I have fished every year since 1972 exclusively at my set net site which is located in Uyak Bay. Uyak Bay is part of the Northwest Kodiak District.

In the interest of time and efficiency I am requesting that the Chairman allow me to combine Proposals 64 and 66 into a single proposal because proposal 66 merely changes the word "and" to the word "or" in Regulation 5AAC 18.362(b) (4) of the Westside Kodiak Salmon Management Plan and Proposal 64 adds additional new language to the same subsection of the regulation. To save time and to avoid repetition, it would make sense to combine the two proposals into a signal proposal.

If the Chairman allows me to combine my proposals I will be presenting testimony for Proposal 64 as originally proposed and as amended by the single word change proposed in Proposal 66. I apologize if this request confuses or complicates in any way BOF procedures.

Kodiak Island's commercial salmon set net fishermen can only harvest salmon when the season is open where their historical set net sites have been established. In the Northwest Kodiak Management District set netters are not allowed to harvest surplus fish at a stream terminus or inside the markers when there are surplus fish to be harvested there, because those areas have been, historically, off limits to set netters. Additionally, the quality of pink salmon harvested inside the markers is generally undesirable to the processor after August 25.

To my knowledge, the Westside Kodiak Salmon Management Plan, specific to my Proposals 64 and 66 has been in place and has remained unchanged since at least 1971 when I first began to participate in Kodiak's set net fishery.

As a set netter who has fished the same set net locations for more than forty years I am able to somewhat accurately access the numbers and species of salmon that travel through my immediate vicinity on a daily basis throughout the salmon season.

During the 2009 and 2010 commercial salmon seasons I observed large numbers of pink salmon and little evidence of sockeye salmon from August 15<sup>th</sup> through August 25 in my area. After August 25<sup>th</sup> evidence of pink salmon in the area diminished almost entirely. During this same time frame in 2009 and 2010, I traveled to the head of Uyak Bay on more than one occasion and observed large numbers of pink salmon schooled up outside their spawning streams as well as in the streams themselves.

The time period from August 15 through August 25<sup>th</sup> has always been and will continue to be a critical time period for set netters in the Northwest Kodiak

District to harvest surplus pink salmon of good market quality. Individual set net catch records and department harvest data will attest to this fact.

During the 2009 and 2010 salmon seasons the Northwest Kodiak District was closed to commercial salmon fishing during this critical window of economic opportunity for all gear types and processors because of low weir counts at the Karluk weir, despite the fact that large numbers of sockeye salmon were being observed in the Karluk Lagoon and low sockeye catches were reported in the Northwest Kodiak District during the fishing period immediately preceding the August 15<sup>th</sup> closure.

In 2010 some streams in the Northwest Kodiak District were reported by the Department, after conducting aerial surveys, to have less than desirable escapements. It is also a fact, though, that late Karluk sockeye escapement exceeded the Department's expectations in both 2009 and 2010.

I am aware of, as well as sympathetic to the dilemma that the Department faces each season when attempting to comprehensively manage mixed salmon stocks that are already present in, or that may pass through the Northwest Kodiak District from August 15 to August 25. That the Department does not have the resources it needs to effectively and adequately manage and monitor wild salmon stocks in the Northwest Kodiak District is a failure of our state government to recognize the economic importance of investing in our renewable natural resources that are crucial to our state's economic survival.

Despite that failure, there are current management tools readily available to the Department which enables the Department to close, on short notice, an announced salmon fishery by emergency order when the modest harvest caps I have proposed in Proposal 64 and 66 are reached. The Department's apparent reluctance to use these tools that would provide additional economic opportunity to all the Northwest Kodiak District's commercial salmon fishermen and processors from August 15 to August 25 is, in essence, the issue that Proposals 64 and 66 attempt to address.

I am hopeful that the Board will seriously consider passing my proposed changes to the Westside Kodiak Salmon Management Plan as I have proposed because my proposal if passed will be of direct economic benefit to the entire salmon industry on Kodiak Island and has a low probability of adversely impacting Kodiak's wild salmon stocks.

If the Board has reservations about any of the language changes I have proposed I am more than willing to amend my proposal to address any reservations the Board may have.

Thank you for your time and consideration.



Public Testimony of Northwest Setnetters Association

RC 40

To Alaska Board of Fish

January 11, 2011

My name is Toby Sullivan and I speak to you today as President of the Northwest Setnetters Association, which represents about 85 set gillnet salmon permit holders on the west side of Kodiak Island.

Our association urges the Board to reject Proposal 67, which would amend the Westside Management Plan to include management of Olga Bay sockeye escapements. The authors of the proposal cite two reasons for amending the Westside Management Plan- a thirty year old stock assessment, and anecdotal observations by seasonal ADF&G weir workers.

The stock component study cited by the authors of Proposal 67 was written in 1981. Thirty years is a long time ago to be reaching back for a study to back up a proposal to make a major change in a management plan which has worked well for twenty years. Also, this study was done when the early run Karluk sockeye return was at a historic low, and when Olga Bay runs were thriving. With that in mind, one can assume that the percentage of Olga Bay documented in Westside catches cited in this study was at a historic high point, and probably not seen again as the Karluk run rebounded. In fact, without any science since 1981, no one can say accurately what that Olga Bay component of Westside catches is.

The authors of Proposal 67 also cite the testimony of seasonal Fish and Game personnel at weirs when the Alitak District was closed, of net marked fish, presumably escapees from west side nets. However, without hard data on how many fish were netmarked, on how many days such fish were observed, or any details on where they might have been netmarked, this kind of anecdotal evidence has no place in the decision making process regarding such a far reaching proposal.

It should be noted by the Board that while Karluk escapements are again at historic lows, over escapement in the future is a concern of the Department, as indicated by their Proposal 68. The implicit assumption by the authors of Proposal 67 appears to be however, that fishing time in the Westside would be limited by their proposal, thus making it that much harder for managers to prevent overescapement into the Karluk in years of large Karluk runs. The Westside Management Plan is already a highly complex document balancing the escapement goals of several dozen rivers and streams. To add another large system to that equation would add another level of complexity to the difficulties of Department managers.

As well, if fishing time on the west side of Kodiak is constrained, as this proposal seems to intend, hundreds of west side fishermen would be negatively affected. The Board should think carefully before wading into such a potential allocative issue without hard science and compelling evidence.

The Northwest Setnetters Association therefore recommends stock component and run timing studies be done before ordering changes to the Westside Management Plan.

Public Testimony of Northwest Setnetters Association (pg 2)

**Northwest Setnetters is also opposed to Proposal 68** which would allow the Department to open the Inner Karluk Section if the Department determines that the desired early run escapement goal will be achieved. The current reg allows for Inner Karluk fishing only if the minimum escapement will be exceeded. This proposal would allow the Department to open Inner Karluk at the mouth of the Karluk River to seine fishing as soon as the early run minimum escapement was reached.

The Department sees this proposal as an additional tool to prevent overescapement, which it blames for the poor sockeye runs of the last few years. However, the Department has failed to use all the management tools already at its disposal to prevent overescapement, namely the ability to open the Northwest Kodiak District to fishing on June 1st, and it is arguably this failure which has caused the overescapement problems, not the lack of seine fishing in the Inner Karluk Section. While statute allows the Department to open the west side to salmon test fishing as early as June 1, this has never been done. And despite the reality of overescapement in several years in the 2000s, the Department has opened the fishery before June 9<sup>th</sup> only once, on June 5th.

In years of large early sockeye runs, this proposal increases the likelihood that the Department will open Inner Karluk to seiners while limiting fishing by both gear types in the Northwest Kodiak District. Because setnetting is not allowed in the Inner Karluk area, this would have the effect of increasing the allocation of salmon to the seine fleet. Furthermore, big southeast winds have in the past pushed thousands of sockeye salmon out of the lagoon into the Inner Karluk section, creating large overharvests by seiners. While infrequent under the present management plan, such misfortunes could happen more frequently if Inner Karluk seine openings happened more frequently.

And finally, overescapement is actually not currently an issue, as shown by the Department's own charts. The Northwest Setnetters Association therefore believes any proposals to liberalize Inner Karluk seine fishing should wait until at least the next Board cycle, to determine then if such a management change is indeed warranted by the imminent threat of overescapement.

*Ted Ball*

Set gillnet fishermen accounted for 12% of the total number of salmon harvested. Earnings averaged approximately \$25,720 per fished permit, which was a decrease from 2009, and below the previous 10-year average permit holder earnings of \$35,617 (Table 3).

Table 3. Estimated commercial salmon harvest and value, by gear type, in the Kodiak Management Area, 2000 - 2009.

Year	Total Catch <sup>a</sup>	Total Value	Average Exvessel Value		
			Purse Seine	Set Gillnet	Beach Seine
2000	14,372,182	\$22,103,836	\$71,536	\$35,385	\$15,251
2001	23,710,148	\$18,898,115	\$78,113	\$27,217	\$0
2002	21,314,421	\$12,651,331	\$68,551	\$26,205	\$0
2003	18,030,034	\$16,307,460	\$79,869	\$30,348	\$0
2004	25,359,691	\$19,260,230	\$93,942	\$37,245	\$0
2005	31,434,179	\$24,067,754	\$129,180	\$40,171	\$0
2006	32,595,862	\$23,788,440	\$150,317	\$27,739	Confidential
2007	26,238,930	\$27,224,795	\$148,355	\$41,058	\$3,484
2008	10,127,638	\$25,415,332	\$148,605	\$43,201	\$0
2009	28,338,462	\$33,713,563	\$174,661	\$47,592	Confidential
2010	10,259,136	\$24,212,076	\$130,490	\$25,720	Confidential
Average - Previous 10 Years:					
2000-2009	23,259,136	\$22,343,086	\$114,313	\$35,617	Confidential

<sup>a</sup> Number of fish: Does not include test fisheries and Kitoi Bay Hatchery and Telrod Cove cost recovery harvests.

**2010 Commercial Harvest Summary**

**Chinook Salmon**

There are no directed Chinook salmon commercial fisheries in the KMA but incidental commercial harvest occurs during targeted sockeye salmon fisheries. The Ayakulik and Karluk river systems support the largest Chinook salmon populations in the KMA. Although no commercial openings were allowed in the Inner Karluk and Outer Karluk sections in June or July, non-retention of Chinook salmon was implemented during the fishing periods allowed in the Inner and Outer Ayakulik sections. The 2010 commercial harvest of Chinook salmon in the KMA totaled 14,510 fish which was lower than the previous 10-year average (17,911 fish) and below the 2010 forecast (20,000 fish; Table 2).



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2011-01-03ALASKA COMMERCIAL FISHERIES ENTRY COMMISSION  
ESTIMATED PERMIT VALUE REPORT

16:15:10

S 04K SALMON, SET GILLNET, KODIAK

PERIOD	ESTIMATED VALUE	RANGE	STANDARD DEVIATION	EARLIEST/LATEST TRANSACTIONS	
ALL10	\$70,700	15,000	6,050	FEB10	NOV10
ALL10	\$70,700	15,000	6,050	FEB10	NOV10
DEC10	\$70,700	15,000	6,050	FEB10	NOV10
DEC10	\$70,700	15,000	6,050	FEB10	NOV10
NOV10	\$70,700	15,000	6,050	FEB10	NOV10
NOV10	\$70,700	15,000	6,050	FEB10	NOV10
OCT10	\$70,100	15,000	6,850	FEB10	JUN10
OCT10	\$70,100	15,000	6,850	FEB10	JUN10
SEP10	\$70,100	15,000	6,850	FEB10	JUN10
SEP10	\$70,100	15,000	6,850	FEB10	JUN10
AUG10	\$70,100	15,000	6,850	FEB10	JUN10
AUG10	\$70,100	15,000	6,850	FEB10	JUN10
JUL10	\$70,100	15,000	6,850	FEB10	JUN10
JUL10	\$70,100	15,000	6,850	FEB10	JUN10
JUN10	\$70,100	15,000	6,850	FEB10	JUN10
JUN10	\$70,100	15,000	6,850	FEB10	JUN10
MAY10	\$68,900	15,000	6,700	OCT09	FEB10
MAY10	\$68,900	15,000	6,700	OCT09	FEB10
APR10	\$68,900	15,000	6,700	OCT09	FEB10
APR10	\$68,900	15,000	6,700	OCT09	FEB10
MAR10	\$68,900	15,000	6,700	OCT09	FEB10
MAR10	\$68,900	15,000	6,700	OCT09	FEB10
FEB10	\$68,900	15,000	6,700	OCT09	FEB10
FEB10	\$68,900	15,000	6,700	OCT09	FEB10
JAN10	\$61,600	8,600	3,950	MAR09	OCT09
JAN10	\$61,600	8,600	3,950	MAR09	OCT09
ALL09	\$60,400	12,000	4,400	JAN09	OCT09
DEC09	\$61,600	8,600	3,950	MAR09	OCT09
NOV09	\$61,600	8,600	3,950	MAR09	OCT09
OCT09	\$61,600	8,600	3,950	MAR09	OCT09
SEP09	\$58,600	4,500	2,150	JAN09	MAY09
AUG09	\$58,600	4,500	2,150	JAN09	MAY09
JUL09	\$58,600	4,500	2,150	JAN09	MAY09
JUN09	\$58,600	4,500	2,150	JAN09	MAY09
MAY09	\$58,600	4,500	2,150	JAN09	MAY09
APR09	\$57,900	4,500	2,450	OCT08	MAR09
MAR09	\$57,900	4,500	2,450	OCT08	MAR09
FEB09	\$57,900	4,500	2,450	SEP08	JAN09
JAN09	\$57,900	4,500	2,450	SEP08	JAN09
ALL08	\$59,600	34,500	10,350	MAR08	OCT08
DEC08	\$59,000	4,000	2,000	MAY08	OCT08

AK PERMIT VALUE REPORT

NOV08	\$59,000	4,000	2,000	MAY08	OCT08
OCT08	\$59,000	4,000	2,000	MAY08	OCT08
SEP08	\$58,900	4,500	2,250	APR08	SEP08
AUG08	\$60,300	34,500	14,500	MAR08	MAY08
JUL08	\$60,300	34,500	14,500	MAR08	MAY08
JUN08	\$60,300	34,500	14,500	MAR08	MAY08
MAY08	\$60,300	34,500	14,500	MAR08	MAY08
APR08	\$53,600	35,000	13,550	MAY07	APR08
MAR08	\$53,200	35,000	15,100	MAY07	MAR08
FEB08	\$46,900	5,000	2,250	DEC06	MAY07
JAN08	\$46,900	5,000	2,250	DEC06	MAY07
ALL07	\$46,900	5,000	2,250	DEC06	MAY07
DEC07	\$46,900	5,000	2,250	DEC06	MAY07
NOV07	\$46,900	5,000	2,250	DEC06	MAY07
OCT07	\$46,900	5,000	2,250	DEC06	MAY07
SEP07	\$46,900	5,000	2,250	DEC06	MAY07
AUG07	\$46,900	5,000	2,250	DEC06	MAY07
JUL07	\$46,900	5,000	2,250	DEC06	MAY07
JUN07	\$46,900	5,000	2,250	DEC06	MAY07
MAY07	\$46,900	5,000	2,250	DEC06	MAY07
APR07	\$45,500	15,000	7,150	APR06	DEC06
MAR07	\$45,500	15,000	7,150	APR06	DEC06
FEB07	\$45,500	15,000	7,150	APR06	DEC06
JAN07	\$45,500	15,000	7,150	APR06	DEC06
ALL06	\$45,400	15,000	6,200	MAR06	DEC06
NOV06	\$45,500	15,000	7,150	APR06	DEC06
OCT06	\$45,000	15,000	7,050	MAR06	MAY06
SEP06	\$45,000	15,000	7,050	MAR06	MAY06
AUG06	\$45,000	15,000	7,050	MAR06	MAY06
JUL06	\$45,000	15,000	7,050	MAR06	MAY06
JUN06	\$45,000	15,000	7,050	MAR06	MAY06
MAY06	\$45,000	15,000	7,050	MAR06	MAY06
APR06	\$41,300	5,000	2,500	OCT05	APR06
MAR06	\$38,800	15,000	6,300	MAY05	MAR06
FEB06	\$37,800	11,300	5,250	MAR05	OCT05
JAN06	\$37,800	11,300	5,250	MAR05	OCT05
ALL05	\$37,800	11,300	5,250	MAR05	OCT05
DEC05	\$37,800	11,300	5,250	MAR05	OCT05
NOV05	\$37,800	11,300	5,250	MAR05	OCT05
OCT05	\$37,800	11,300	5,250	MAR05	OCT05
SEP05	\$38,500	12,500	5,750	DEC04	JUN05
AUG05	\$38,500	12,500	5,750	DEC04	JUN05
JUL05	\$38,500	12,500	5,750	DEC04	JUN05
JUN05	\$38,500	12,500	5,750	DEC04	JUN05
MAY05	\$39,700	15,000	6,650	SEP04	MAY05
APR05	\$42,200	5,000	2,150	JUN04	MAR05
MAR05	\$42,200	5,000	2,150	JUN04	MAR05
FEB05	\$44,400	10,000	4,250	MAR04	DEC04
JAN05	\$44,400	10,000	4,250	MAR04	DEC04
ALL04	\$44,400	10,000	4,250	MAR04	DEC04
DEC04	\$44,400	10,000	4,250	MAR04	DEC04

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16:15:10

S 01K SALMON, PURSE SEINE, KODIAK

PERIOD	ESTIMATED VALUE	RANGE	STANDARD DEVIATION	EARLIEST/LATEST TRANSACTIONS	
ALL10	\$27,700	8,000	2,100	JAN10	NOV10
ALL10	\$27,700	8,000	2,100	JAN10	NOV10
DEC10	\$29,300	6,000	2,500	JUN10	NOV10
DEC10	\$29,300	6,000	2,500	JUN10	NOV10
NOV10	\$29,300	6,000	2,500	JUN10	NOV10
NOV10	\$29,300	6,000	2,500	JUN10	NOV10
OCT10	\$28,400	3,000	1,600	JUN10	OCT10
OCT10	\$28,400	3,000	1,600	JUN10	OCT10
SEP10	\$27,900	3,000	1,450	MAY10	SEP10
SEP10	\$27,900	3,000	1,450	MAY10	SEP10
AUG10	\$27,500	2,500	1,100	MAY10	JUN10
AUG10	\$27,500	2,500	1,100	MAY10	JUN10
JUL10	\$27,500	2,500	1,100	MAY10	JUN10
JUL10	\$27,500	2,500	1,100	MAY10	JUN10
JUN10	\$27,500	2,500	1,100	MAY10	JUN10
JUN10	\$27,500	2,500	1,100	MAY10	JUN10
MAY10	\$26,400	2,000	900	MAR10	MAY10
MAY10	\$26,400	2,000	900	MAR10	MAY10
APR10	\$26,600	3,000	1,350	JAN10	MAR10
APR10	\$26,600	3,000	1,350	JAN10	MAR10
MAR10	\$26,600	3,000	1,350	JAN10	MAR10
MAR10	\$26,600	3,000	1,350	JAN10	MAR10
FEB10	\$27,800	3,000	1,250	DEC09	FEB10
FEB10	\$27,800	3,000	1,250	DEC09	FEB10
JAN10	\$26,900	3,500	1,500	OCT09	JAN10
JAN10	\$26,900	3,500	1,500	OCT09	JAN10
ALL09	\$26,000	5,000	1,100	JAN09	DEC09
DEC09	\$26,400	3,500	1,300	JUN09	DEC09
NOV09	\$25,900	500	200	JUN09	OCT09
OCT09	\$25,900	500	200	JUN09	OCT09
SEP09	\$26,000	2,000	650	MAY09	JUN09
AUG09	\$26,000	2,000	650	MAY09	JUN09
JUL09	\$26,000	2,000	650	MAY09	JUN09
JUN09	\$26,000	2,000	650	MAY09	JUN09
MAY09	\$25,400	3,000	1,150	MAR09	MAY09
APR09	\$25,100	2,000	750	FEB09	MAR09
MAR09	\$25,600	3,000	1,000	JAN09	MAR09
FEB09	\$25,400	3,000	1,150	DEC08	FEB09
JAN09	\$25,100	5,000	1,900	NOV08	JAN09
ALL08	\$24,200	7,000	1,400	JAN08	DEC08
DEC08	\$24,400	5,000	1,800	NOV08	DEC08

NOV08	\$24,500	5,000	2,100	SEP08	NOV08
OCT08	\$23,900	1,500	650	JUN08	SEP08
SEP08	\$23,900	1,500	650	JUN08	SEP08
AUG08	\$23,900	1,500	550	MAY08	JUL08
JUL08	\$23,900	1,500	550	MAY08	JUL08
JUN08	\$24,300	1,000	400	APR08	JUN08
MAY08	\$23,900	5,000	1,650	MAR08	MAY08
APR08	\$23,900	5,000	1,950	MAR08	APR08
MAR08	\$24,000	5,000	1,950	JAN08	MAR08
FEB08	\$24,000	3,900	1,950	NOV07	JAN08
JAN08	\$24,000	3,900	1,950	NOV07	JAN08
ALL07	\$21,300	11,000	3,050	FEB07	NOV07
DEC07	\$24,000	3,900	1,950	JUL07	NOV07
NOV07	\$24,000	3,900	1,950	JUL07	NOV07
OCT07	\$23,800	3,000	1,500	JUN07	OCT07
SEP07	\$21,800	7,000	2,600	MAY07	JUL07
AUG07	\$21,800	7,000	2,600	MAY07	JUL07
JUL07	\$21,800	7,000	2,600	MAY07	JUL07
JUN07	\$21,000	9,000	2,850	APR07	JUN07
MAY07	\$19,900	11,000	3,100	MAR07	MAY07
APR07	\$20,000	11,000	3,200	FEB07	APR07
MAR07	\$19,000	6,000	2,700	FEB07	MAR07
FEB07	\$19,200	4,000	1,800	NOV06	FEB07
JAN07	\$19,000	4,000	2,000	NOV06	NOV06
ALL06	\$18,000	6,000	1,800	FEB06	NOV06
DEC06	\$19,000	4,000	2,000	NOV06	NOV06
NOV06	\$18,600	4,000	1,750	SEP06	NOV06
OCT06	\$18,000	4,000	1,600	AUG06	SEP06
SEP06	\$18,000	4,000	1,600	AUG06	SEP06
AUG06	\$17,100	4,000	1,500	APR06	AUG06
JUL06	\$17,100	4,000	1,750	APR06	JUN06
JUN06	\$17,100	4,000	1,750	APR06	JUN06
MAY06	\$18,100	4,500	1,650	MAR06	APR06
APR06	\$17,800	5,000	1,700	FEB06	APR06
MAR06	\$17,800	5,000	2,200	FEB06	MAR06
FEB06	\$16,600	4,000	1,600	NOV05	FEB06
JAN06	\$16,700	4,000	1,750	NOV05	NOV05
ALL05	\$14,300	15,000	3,650	JAN05	NOV05
DEC05	\$15,700	7,000	2,800	OCT05	NOV05
NOV05	\$15,700	7,000	2,800	OCT05	NOV05
OCT05	\$16,400	9,000	3,900	JUL05	OCT05
SEP05	\$17,800	6,000	2,850	JUL05	JUL05
AUG05	\$17,000	6,000	3,000	JUN05	JUL05
JUL05	\$15,600	8,000	3,450	MAY05	JUL05
JUN05	\$12,600	2,000	900	MAR05	JUN05
MAY05	\$12,300	1,000	500	MAR05	MAY05
APR05	\$11,300	10,000	3,750	FEB05	MAR05
MAR05	\$11,400	10,000	3,400	JAN05	MAR05
FEB05	\$10,900	10,000	3,650	DEC04	FEB05
JAN05	\$11,500	1,000	600	JUL04	JAN05
ALL04	\$10,200	4,000	1,150	JAN04	DEC04
DEC04	\$11,000	2,000	800	JUN04	DEC04

RC 42

BACKGROUND & LEGISLATIVE HISTORY  
ON AS 16.05.251(i), HB 251 (2006)  
Lance Nelson, Sr. AAG, Dep't of Law, January 11, 2011

The Board's authority to allow permit-stacking is set out in AS 16.05.251(i), which was enacted in 2006 as House Bill 251 (HB 251):

Notwithstanding AS 16.43.140(c)(5), the board may adopt, at a regularly scheduled meet at which the board considers regulatory proposals for management of a specific salmon fishery, a regulation to allow a person who holds two entry permits for that salmon fishery an additional opportunity appropriate for that particular fishery.

Earlier, CFEC statutes had in 2002 provided that a person could own two salmon permits, but could not fish under the second permit:

(c) A person may hold more than one interim-use or entry permit issued or transferred under this chapter only for the following purposes:

...

(5) consolidation of the fishing fleet for a salmon fishery; however, a person may hold not more than two entry permits for a salmon fishery under this paragraph, but the person who holds two entry permits for a salmon fishery may not engage in fishing under the second entry permit.

AS 16.05.140(c)(5). The gist of HB 251 was that the Board, on a fishery-by-fishery basis, could authorize a holder of two salmon permits to operate both permits with an opportunity to harvest greater than the holder of a single permit.

The board has used this authority to allow dual set gillnet permit holders to fish with double the amount of gear available to single permit holders in the Bristol Bay and Kodiak set gillnet fisheries. 5 AAC 06.331(u); 5 AAC 18.332(j)

As stated in legislative committee meetings below by the bill's sponsor and others, it gives the Board an extra tool to

- reduce the amount of gear in the water and therefore reduce competition,
- consolidate the fishery,
- reduce the large number of latent permits caused by low prices,
- make fisheries more efficient,
- make the fisheries more economically viable,
- avoid permit buybacks, which would make it harder for new entrants to come into the fishery,
- avoid surges of latent permits coming back into the fishery when things look better,

## HB 251 (2005-2006) Committee Minutes Excerpts

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### HOUSE FISHERIES; April 11, 2005 8:44:00 AM

#### HB 251-COMMERCIAL FISHING MULTIPLE PERMIT HOLDER

8:48:40 AM

CO-CHAIR THOMAS announced that the next order of business would be HOUSE BILL NO. 251, "An Act authorizing the Board of Fisheries to adopt regulations regarding fishing by a person who holds two entry permits for a salmon fishery."

8:49:01 AM

REPRESENTATIVE RALPH SAMUELS, Alaska State Legislature, presented HB 251 as sponsor. He explained:

[The bill] would give some authorization to the Board of Fisheries to assign fishing privileges for those who already hold one permit in a salmon fishery; they would be able to buy a second permit. ... Market forces already prompt permit holders to buy or sell permits. This bill would not require anybody to buy or sell a permit. ... It would add another option for specific fisheries to deal with situations where salmon prices are falling, and that's contributed to large numbers of outstanding permits. It would allow the [Board of Fisheries] to have another tool to reduce the amount of gear in the water ... and try to consolidate some of the fisheries a little bit. ... I've talked to [Co-Chair Thomas] quite a bit here about some potential amendments.

8:50:19 AM

REPRESENTATIVE HARRIS asked if the bill has a lot of support from United Fishermen of Alaska (UFA) or other fishing groups.

REPRESENTATIVE SAMUELS replied, "UFA talked to me about it. I made some calls to some folks back in my hometown out in Bristol Bay, and I think mostly people are going to be supportive of this."

8:51:10 AM

MIKE SAUNDERS commented, "I'd like to make sure that the

information that was sent to [Representative] LeDoux's office from the department regarding this idea when it was a [Board of Fisheries] proposal number 378 is submitted as evidence to the committee."

CO-CHAIR THOMAS replied that the committee did not have this information.

MR. SAUNDERS stated, "I'm in opposition to [HB 251] because I see this as granting the [Board of Fisheries] authority for social engineering, and the outcome of this bill would redistribution of wealth amongst fishermen, at least in Southeast Alaska." He remarked that he didn't want to have to buy another permit in order to compete with other fishermen who have two permits; many people in Haines cannot afford to buy an additional permit.

8:53:12 AM

REPRESENTATIVE HARRIS asked Mr. Saunders who he was representing.

MR. SAUNDERS replied that he is the president of the Lynn Canal Gillnetters Association. He noted that when this idea was a Board of Fisheries proposal, he ran a letter-writing campaign that produced about 30 letters in opposition to the idea.

8:53:55 AM

CHARLES TREINEN testified in support of HB 251. He noted that he is a fisherman involved in several different fisheries for over 25 years. He said, "It's a market-based way to reduce the number of permits and reduce the number of latent permits in a fishery. Latent permits are a real problem and are a drag on investing in a fishery." He continued:

If a person ... or a group doesn't want any kind of permit-stacking, they're capable of opposing it at the [Board of Fisheries] level and there are numerous advantages to having that tool in the toolbox of the [Board of Fisheries] in a situation where you have too many permits, a lot of latent permits, and you need to have a way to consolidate permits without doing a buyback. Buybacks are very difficult to enact and costly for government and maybe not feasible financially for the ... people that stay in the fishery.

MR. TREINEN explained that in Bristol Bay, two permits can fish on a single vessel but the vessel is only allowed one-third more gear. Therefore there is less gear in the water than there would be if there were two vessels with one permit each.

8:58:41 AM

JASON KOONTZ stated that he is a commercial fisherman and a tender operator in Bristol Bay. He testified in support of HB 251. He commented:

[The bill] would allow the guys to use some permits that aren't being utilized. It would allow some guys to increase their production. With the lower price of salmon, it's important that guys are able to generate some income to really make it a viable fishery. If it's not viable guys like me with a tender are not going to be able to participate. ... We should give the [Board of Fisheries] as many tools as they need to revamp our salmon industry.

MR. KOONTZ emphasized that young people need this bill as encouragement to stay in the fishery, and that a buyback would eliminate the possibility for young people to enter the fishery.

9:01:05 AM

SIMON SCHAAD, stated that he is a junior at the Homer High School and a permit holder in Bristol Bay. He commented that he supports the bill because, "it would really help the Board of Fisheries for the future of the fishery. ... And it's the cheapest and quickest way to reduce the overpopulation of this fishery."

9:01:50 AM

TIM MIKKELSEN stated that he and his wife fish two permits in Bristol Bay, and they support HB 251. He said:

We like [the bill] better than a buyback system in that we've already paid for two permits and we'd hate to be taxed or something to get rid of more permits. It will reduce the amount of gear in the water, so I believe it will be a benefit to those who buy a second permit and to the people who don't have two permits just because there'll be less gear in the water. And it would also just be easier to make business decisions on the fishery.... If you have permits out



there that people can grab up when it looks good it takes away the profitable years for those who stay in it. Every time it looks like a good run or a good price, then a bunch more people jump in and it still makes everything marginal; we know in fishing we have bad years, and it's nice to have some good years and be able to count on that rather than it just kind of getting wiped away by people who want to take a shot in the dark.

9:03:34 AM

GERALD GUGEL stated that he is a third generation fisherman who started salmon fishing in 1953. He noted that he has three herring permits, a Kodiak salmon permit, and a Bristol Bay permit. He testified in support of HB 251. He said that he supported the move to limited entry fishing permits, however, he opined that most areas ended up with too many permits. The fisheries have been poor lately, and he emphasized the importance of having several permits so that one can be flexible.

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9:07:36 AM

MR. GUGEL continued:

What I have seen here is that many people are fishing in different salmon fisheries. The thing is that many of them are actually doing it illegally, one way or another. So there's a problem that's presented by the way the situation is right now. ... What I have done it the past with my seven kids: now my Bristol Bay permit has actually gone from Laura, it's gone to Esther, it's been in Samuel's name.... With cod and crab and all these other areas going [Individual Fishing Quota (IFQ)], the ability to be able to be flexible is becoming more and more difficult. ... [The bill is] an awesome way to control the number of permits. One of the things that bothers me right now: in Kodiak we're down to 100 boats but I know that the minute there's any real sparkle at all in the fishery, you've got 200 permits sitting out there that are very easy to move right back into the fishery. And so the potential of becoming financially viable stands in jeopardy with those permits drifting out there. ... Any way here by which we can eliminate some of those permits and give a slight benefit to them I think would really help the system, much better than a tax

situation, much better than a buyback program.

9:09:54 AM

PETER THOMPSON stated that he has lived and fished in Kodiak for 25 years and also has held a Bristol Bay salmon permit for 18 years. He testified in support of HB 251. He commented:

The salmon industry has been in economic disaster for the last five years or so and we do need to look at anything and everything that can make it more economically viable for those that attempt to remain in the salmon business. Fleet consolidation is a concept whose time has come. Most of the limited entry fisheries in the state are plagued by having too many permits. Last year the [Commercial Fisheries Entry Commission (CFEC)] came out with an optimum numbers study that indicated that the number of Bristol Bay salmon drift net permits should be reduced by as much as half. An example of how permit-stacking regulations can be applied is available from the Bristol Bay salmon drift net fishery. In 2003 the [Board of Fisheries] changed a regulation that allowed a vessel to fish one-third more gear as long as there were two permit holders on board. Specifically the regulation allowed the double-permitted vessel to fish 200 fathoms of gear instead of the standard 150 fathoms. As a consequence, instead of 300 fathoms of net in the water for two permits, only 200 fathoms was fished. Because there is a significant cost to getting an additional vessel in the water, it can be cost effective to get an incremental fishing power increase even if it is less than a whole gear unit for an individual vessel. As a tool for reducing fishing effort and improving the economics of the fishing fleet the Bristol Bay permit-stacking regulation was effective in reducing effort during its inaugural 2004 season.

9:11:57 AM

MR. THOMPSON continued:

The requirement to have two separate permit holders on board is cumbersome, likely to create conflict, as two captains on a boat doesn't work, and creates incentives to engage in gray market permit trades.... I also want to stress that permit-stacking options are

much more flexible than many other fleet consolidation options such as permit buybacks. They're market-based and reversible, because an individual fishing operation could easily choose to go back to using one permit at any time and be unburdened of the cost of owning two. For those who are concerned about the prospect of escalating permit prices, the issue is not really the permit cost; it's how to pay for it. There is clearly a need to make commercial fishing a vibrant and viable contributor to the individual businesses, communities, and the state. Eliminating a statutory impediment to permit stacking simply gives fishing businesses another tool to use in making operational decisions. All vessels will share in having few vessels participating through stacking of permits.

9:15:07 AM

LEROY COSSETTE stated that he lives in Kodiak and has fished in Bristol Bay since 1966. He testified in support of HB 251. He clarified that the bill would reduce the amount of fishing gear used by 66 percent for every permit that is stacked, which for 100 boats is about 10,000 fathoms of gear. He said, "We need the money in Bristol Bay; it's down to sharecroppers wages up there now. This is the way the legislature can help us put some real economics back in Bristol Bay like we had in the ... 80s and 90s."

9:16:33 AM

BOB THORSTENSON, President, United Fishermen of Alaska, testified in support of HB 251. He commented that there are different levels of interest in the bill in different areas of the state, noting that people in Southeast are generally not interested in the idea while people in Kodiak and Bristol Bay are interested. He said:

We're not in favor of this for the whole state, of course, and we're not going to impose this upon anybody who doesn't want it. It's going to have to go through a very rigorous [Board of Fisheries] restructuring program that's being implemented, so ... this will be years out; it'll take awhile for this to actually take place.

9:17:51 AM

SCOTT McALLISTER stated that he has been purse seining primarily

in Southeast Alaska for 30 years. He testified in support of HB 251. He said:

In recent years latency has become a very, very prevalent problem within the fisheries. It's very difficult to make decisions both on how you're going to ... make future decisions for quality improvements [and] efficiency upgrades within your fishery ... knowing that there's a lot of latency out there within the permit structure of a fishery.... So this [bill] gives the [Board of Fisheries] an opportunity to deal with not just the latency problem but with these efficiency problems or quality problems....

9:19:39 AM

FRANK HOMAN, Commissioner, Commercial Fisheries Entry Commission, Alaska Department of Fish and Game, testified in support of HB 251. He said:

The commission supports the concept of moving ahead with permit-stacking.... It's another tool in the toolbox, and the thing that would be necessary for any fishery: it's not going to be imposed on anybody. It would have to go to the [Board of Fisheries] and they would do an analysis of the fishery and take public testimony, and so each fishery would be a case-by-case basis. They'd have the opportunity during their analysis and discussion ... to monitor any permit stacking to see how it develops in the marketplace, and who's buying and selling permits, and how the affect is on the latent permits. So I think there's a lot of safeguards in it and there's a lot of opportunity to try a new tool.

9:21:13 AM

MAC MEINERS stated that he is a permit holder in Kodiak and Southeast Alaska. He testified in support of HB 251.

9:21:38 AM

REPRESENTATIVE HARRIS moved to report HB 251 out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, HB 251 was reported from the House Special Committee on Fisheries.

**Apr 22, 2005**

**House Resources Friday, April 22, 2005 2:33:00 PM**

HB 251-COMMERCIAL FISHING MULTIPLE PERMIT HOLDER

CO-CHAIR SAMUELS announced that the final order of business would be HOUSE BILL NO. 251 "An Act authorizing the Board of Fisheries to adopt regulations regarding fishing by a person who holds two entry permits for a salmon fishery."

CO-CHAIR RAMRAS moved to adopt HB 251, labeled 24-LS0770\F, as a working document.

HENRY WEBB, Staff to Representative Ralph Samuels, Alaska State Legislature, said HB 251 is the logical conclusion to the legislation that allowed fishermen to hold two permits. This bill would allow the Board of Fish to assign additional fishing privileges for those who hold more than one permit in a salmon fishery, he added. Market forces prompt permit holders to buy or sell their permit, and this bill would not require anyone to buy or sell their permit. Mr. Webb said HB 251 would permit the board to allow additional fishing privileges. It would also allow specific fisheries to deal with situations where low salmon prices have contributed to large numbers of outstanding or latent permits. The committee substitute (CS) requires the fish board to consider this issue only in their normal three-year cycle, and it makes a technical amendment recommended by the Department of Law to conform this legislation to Commercial Fisheries Entry Commission statute.

CO-CHAIR SAMUELS said, "The point of the bill is to let the board look at ways in some of these, where they've got so many permits and the buy-back probably is not going to happen, is to allow to get more net out of the water, where if I fish and Representative Ramras fishes, I can buy his permit and the board could say, OK, we used to have four shackles of gear, and if I own both permits, I'm allowed to have three. I've got two, he's got two. And let the board of fish work out the ways to get around the details."

3:34:12 PM

REPRESENTATIVE LEDOUX asked if the bill would allow a person with two entry permits to have a larger boat.

MR. WEBB said it would be up to the board. It doesn't proscribe that, he said. "It doesn't proscribe anything. It says the board will be able to determine ... allocative decisions and whatnot. They'll be able to determine what they want to do with gear or boats or anything under the sun, as long as it fits in with the constitution and existing statute. They could decide the particulars," he said.

REPRESENTATIVE LEDOUX said under section 3 the board might be able to allow for a larger boat.

CO-CHAIR SAMUELS said the intent is more gear, not a larger boat. "We can certainly work on the language to ensure that."

3:35:48 PM

MR. WEBB said the board can change the boat length now.

JERRY MCCUNE, United Fishermen of Alaska (UFA), Juneau, said UFA supports the bill. The Board of Fisheries just allowed two permit holders for one vessel in Bristol Bay and have an extra shackle of gear, he noted, so this is for all the fishermen in Bristol Bay who hold a second permit to be able to go to the board and make a request. It is a really good way to do fleet consolidation if that fits someone's fishery, because he or she doesn't have to have any money, he said. It also gives options, but it won't fit every fleet. He noted that the bill covers restructuring proposals, so there would be public hearings. He said, "The 32-foot is in regulation, so the board has that purview. The 58-foot was taken out of statute and put in area-by-area that you could bring it up in Prince William Sound, you could bring it up in Southeast, or you could bring it up in Kodiak. But you have to go before the board to remove the 58-foot limit."

3:39:24 PM

PETER THOMPSON, Fisherman, Kodiak, said the salmon industry has been an economic disaster, and the state should make it more valuable for anyone who attempts to remain in the industry. Fleet consolidation is a concept whose time has come, he said. He stated that he is tired of task forces and talks that are followed by no real action. "Waiting for the state of Alaska or Uncle Ted to bail us out or buy back permits is over," he said.

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Giving the board the tools to effect change is a good step. For every stacked permit in Bristol Bay, 100 fathoms of net are removed from the water, he figured. There are 1,857 drift permits in Bristol Bay, allowing for 5,571 shackles of drift

gear. If just one third of the permit holders stacked permits, either with another permit holder or one individual with two permits on a single vessel, that would take over 22 percent of the gear out the water in the bay, he concluded. "That would be equal to eliminating 70.5 miles of drift net." He said the permit holders he has talked to support the intent of HB 251.

3:42:13 PM

FRANK HOMAN, Commissioner, Commercial Fisheries Entry Commission, said the commission supports the bill for the purpose of fleet consolidation and effort reduction. He added that it is a simple, non-mandatory tool for the board to use. People would have to come before the board to state their case before using the provision, he said.

3:43:09 PM

CO-CHAIR SAMUELS said the reason he wrote this legislation was to "let the private sector start eliminating some of the net in the water." There are fears that in Bristol Bay, 20 to 30 percent of the permits aren't actually used, and those will be the ones that are sold, thereby increasing the number of nets in the water, he said. The other concern is that village residents would be hurt because they can't afford to buy a second permit. He said he tried to find language "to put sideboards on it," but he ran into constitutional problems. The Board of Fisheries is a better forum to have this discussion, and all the communities can come forward at that time. He believes the market place can take better care than a non-existent government buy back.

3:46:19 PM

REPRESENTATIVE ELKINS moved to report CSHB 251, version 24-LS0770\F, out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, CSHB 251(RES) passed out of committee.

- SENATE RESOURCES  
Jan 25, 2006

- Senate Wednesday, January 25, 2006 3:34:00 PM

CSHB 251 (RES) - COMMERCIAL FISHING MULTIPLE PERMIT HOLDER

CHAIR WAGONER announced CSHB 251(RES) to be up for consideration.

REPRESENTATIVE RALPH SAMUELS, sponsor of HB 251, said it would allow the Board to assign additional fishing privileges to those who hold two permits in a commercial salmon fishery. The point is to let the debate take place at the Board of Fisheries where all the interested groups can have their input.

REPRESENTATIVE SAMUELS gave an example of how owning another permit would work in a fishery where someone is already allowed to fish two shackles of gear. The Board might say that he can fish three permits (shackles?) since he already is taking gear out of water and increasing the efficiency of the entire fleet. "The goal is to try to make more efficient use of some of the permits that are not being used right now." This measure is supported by the Commercial Fisheries Entry Commission (CFEC) and others.

3:36:44 PM

SENATOR RALPH SEEKINS arrived.

SENATOR BERT STEDMAN asked if this concept would allow someone to own multiple seine permits in multiple areas.

REPRESENTATIVE SAMUELS replied that the Board of Fisheries could debate that issue if it chose to.

3:37:19 PM

CHAIR WAGONER explained that they are basically considering stacking permits in one fishery, not all of them.

REPRESENTATIVE SAMUELS also pointed out that line 5 says the Board may allow a person who holds two entry permits for "a" salmon fishery to engage in the fishery.

SENATOR FRED DYSON asked if it would allow two different individuals who held a gear license to fish on a single boat with three shackles of gear.

CHAIR WAGONER answered no, they are restricted to the number of set shackles per single boat. You can't fish two permits on one boat.

3:39:00 PM

SENATOR DYSON said it seemed to him that allowing two permit holders to fish on one boat would attain the same goal if one



bought or transferred the permit to the other, as long as the boat is limited to some additional increment of gear, but not twice as much.

REPRESENTATIVE SAMUELS agreed that the end result would be the same.

3:40:13 PM

CHAIR WAGONER asked if the Board of Fisheries could grant that option if this bill passes.

REPRESENTATIVE SAMUELS replied that he didn't have a problem with inserting that amendment.

3:41:00 PM

SENATOR BEN STEVENS arrived.

PETER THOMPSON, Kodiak fisherman, said he held a Bristol Bay salmon permit for 19 years and supported HB 251. He related that the salmon industry has been in an economic disaster for the last five or so years and everything that can make it more economically viable should be tried and consolidation is a concept whose time has come. He explained that Bristol Bay has 1,857 drift permits, which allows 5,571 shackles of gear. If only one-third of the permit holders stacked a permit either with another permit holder or one individual with two permits on a single vessel, it would take 1,240 shackles out of the water reducing the net by 22 percent. That would be equal to eliminating about 70.5 miles of drift gillnet in Bristol Bay.

MR. THOMPSON said he had a petition signed by 31 Alaskan Limited Entry permit holders in support of this tool.

3:44:54 PM

SENATOR SEEKINS asked if the signatures had residences in Kodiak or just a mailbox.

MR. THOMPSON replied Kodiak residences.

3:45:49 PM

ROBIN SAMUELSON, Dillingham, opposed HB 251 and said its scope needed to be narrowed. Bristol Bay has lost 50 percent of resident permits since 1973. He thought that the current system of allowing permits to be owned by one person was good enough. "What you're hearing here, Mr. Chairman, is those with the most money are going to survive in this fishery. It's a way of life out here - our fishery." He said the buy-back program is dead because of the permit stacking is allowed.

CHAIR WAGONER asked if he thought the diminishing number of permits owned by residents was due to taxes or sales to other sources.

MR. SAMUELSON replied that it was probably a combination of both. The cost of participating in the fishery is also rising. It all has a cumulative effect.

3:51:40 PM

SENATOR DYSON asked if there are times during early and fall fishing when two guys could fish more gear off one boat that would be helpful to local folks.

MR. SAMUELSON replied no, because most of the processors are full enough running for hatchery King Salmon either in Prince William Sound or Southeast and the fall fishery has all but dried up. However, they are trying to institute village co-ops with small processing plants to help keep the economy going.

SENATOR DYSON asked if the processors were there in the fall, would that make it more economical for the local fishermen to fish two permits with two people in one boat.

MR. SAMUELSON replied possibly, but processors are gone by around July 25. Last year, one buyer stayed after that and bought coho from all the river systems. They were processed in Naknek.

3:53:55 PM

ANDY GOLIA, Dillingham, opposed HB 251 saying that permits are already leaving the region and this measure would result in more non-residents using more gear.

3:57:34 PM

PETER ANDREW, Dillingham, said he had been fishing in Bristol Bay for over 25 years and opposed HB 251. Fishermen are already faced with lack of processing capacity. Most limits were 8,000 lbs., but the guys who were stacking got 10,000 lbs. "I've been in the village and I don't think this is working for our local folks."

CHAIR WAGONER asked if permits were being stacked last year.

MR. ANDREW answered that this was the second year stacking was used, but it's not working favorably for the local people.

4:00:01 PM

MARK EDENS, Homer, said he had fished commercially there for 30 years, but both he and his son would love to fish in Bristol Bay. He already has a boat and would buy a permit, but he cannot secure a market and he viewed that as the main problem with that fishery.

STEVE TUTT, Homer, said he is a Bristol Bay fisherman and has seen the dramatic positive effects of this "fishermen-funded buyback" in Bristol Bay. Although he understood the local fishermen's point of view in that they don't want to lose anymore permit holders, he supported existing permit statutes and regulations governing this issue and didn't think adding to them was in the best interests of the local fishermen. He opposed HB 251.

4:04:10 PM

KONRAD SCHAAD, Homer, said he has been fishing in Bristol Bay since the mid-80s. He supported HB 251 because it eliminates permits and makes the fishery more profitable for the people who remain in it.

4:07:30 PM

KURT KVERNVIK, Petersburg, said he has fished in Bristol Bay since 1985 and supported HB 251, because he thought it would benefit the fleet up there. Over the last five years, he could have bought a permit for \$20,000 and now they are up to \$80,000. The price isn't being driven by people stacking their permits over the last couple of years. It is happening because of larger runs and higher prices. He sympathized with the Dillingham area residents losing permits, but didn't think that the measure in HB 251 would affect that.

RICK WILLIAMS, Petersburg, said he is a Bristol Bay fisherman and supported HB 251. He thought having less gear in the water is important and it's better to have four shackles on one boat than two boats with three shackles each.

4:12:24 PM

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FRANK HOHMAN, Commercial Fishery Entry Commission (CFEC), clarified how the two permits concept evolved. He said the Commission supported HB 251 because it gives the Board another tool to assist in fleet consolidation. He related how four years ago, in the discussion about fleet consolidation in Bristol Bay because too many boats and people weren't able to make a living and the price of salmon was down for a lot of other reasons, the board looked for a way to make operations more economical. The Legislature granted the board the authority to allow one permit holder to hold two permits, but the second one couldn't be

fished. The object of that was to remove one permit from the fishery using the funds of its participants. Additional state or federal funds would not be used. This way worked for a couple of years although only a few people took advantage of it.

Two or three years ago, the Board of Fisheries adopted a regulation that further allowed two permits on one vessel to fish an extra increment of gear, but this required two people each with a permit to be on board. The incentive for doing that was to be able to fish a little extra gear. This was another attempt to consolidate the fleet and reduce fishing power. Taken to its extreme, it would reduce it by about two-thirds, because the second permit could only fish one-third of the gear.

HB 251 is a further refinement of this concept and allows one person on a vessel to fish an extra amount of gear. It accomplishes the same thing as Senator Dyson mentioned of removing a permit from the fishery.

He emphasized that the Board of Fisheries would have to receive a proposal from the affected fishermen and have extensive public hearings before adopting it. This bill doesn't cause that to happen in itself.

4:17:13 PM

SENATOR ALBERT KOOKESH said that Bristol Bay fishermen use shackles, but Southeast Alaska seiners use one net and he asked how that two-permit holder concept would work on a seine boat.

MR. HOHMAN answered if the same fishery in Southeast felt this tool would be beneficial to them, those fishermen could take the proposal to the Board of Fisheries for a hearing and that's where the gear issues would be discussed.

4:19:43 PM

SENATOR KOOKESH asked how many people are on the commission and if they formally vote on bills.

MR. HOHMAN replied that CFEC has three commissioners and they didn't vote on bills. They had just finished the two-year Bristol Bay Optimum Study that helped them realize this would be a useful tool. The study indicated that the range of permits should be at 900 - 1,500 from approximately 1,850 permits.

4:23:13 PM

CHAIR WAGONER asked if this bill would apply to all fisheries.

MR. HOHMAN replied that it could apply to any salmon fishery.

4:23:32 PM

SENATOR BEN STEVENS asked if the board adopted regulations that allowed two individuals on one vessel to have extra gear allocation or was that authority given by the legislature.

MR. HOHMAN replied that the board was able to adopt that regulation, because it had to do with the amount of gear that could be used.

SENATOR BEN STEVENS asked if the board already had the authority to adopt this regulation now since it had already given a vessel the authority to increase its gear amount.

MR. HOHMAN replied that while the board has the authority to allow two persons on one vessel to fish extra gear, it doesn't have the authority to pass a regulation allowing one person to have two permits and HB 251 allows one person to have two permits.

SENATOR BEN STEVENS asked if the legislature approved the authority for an individual to hold two permits without increased gear allocations.

MR. HOHMAN answered yes.

SENATOR BEN STEVENS asked further if the Board of Fisheries wrote regulations saying if two permit-holders are on a single vessel, that vessel has increased gear allocation.

MR. HOHMAN indicated that was correct.

SENATOR BEN STEVENS summed up question asking, "The question is does the board have the authority to do it for one person or one vessel or is it two persons and one vessel?"

MR. HOHMAN replied, "The board does not have the authority for one person and two permits.... That's what this legislation would do."

SENATOR BEN STEVENS countered, "But it was interpreted that the board did have the authority to give one vessel two permits with increased gear?"

MR. HOHMAN responded, "Because it was a gear allocation - is my understanding."

SENATOR BEN STEVENS said he thought the board might already have

authority to do this since it has already authorized an increased gear allocation to a single vessel.

4:27:23 PM

CHAIR WAGONER said that inquiry would be made and asked if stacking permits was an action taken by the board or the legislature.

MR. HOHMAN replied that it was an action by the board.

4:28:51 PM

SENATOR BEN STEVENS asked how many vessels have two permit-holders on board.

MR. HOHMAN replied that CFEC didn't have good information on who participated in that way in the last year. He explained that a fisherman can hold two permits, but the second one can't be fished.

4:31:02 PM

SENATOR BEN STEVENS commented that realistically the only group that would be affected would be the 26 individuals who own two permits in Bristol Bay. So, that would be the group that would petition the board for additional time or areas, which it hadn't done. He wondered why the following items in HB 251 on page 1 were inserted:

(2)at additional times or in additional areas; or

(3)under other conditions as the board considers appropriate for the conservation, development, and utilization of salmon fishery resources."

CHAIR WAGONER responded that that inquiry would be made.

4:31:56 PM

SENATOR BEN STEVENS cautioned the committee that this measure would create separate times for individuals who have stacked gear versus regular gear versus set net gear and might be presenting the opportunity for "a real snake fight to start here."

CHAIR WAGONER assured the committee that the bill wouldn't move today.

4:32:20 PM

SENATOR SEEKINS said it appears to him that AS 16.43.140(c)(5), which is referenced on line 5, would override the proposed bill.

It says: "A person may hold not more than two entry permits for a salmon fishery under this paragraph. The person who holds two entry permits for a salmon fishery may not engage in fishing under the second entry permit."

MR. HOHMAN agreed and added that's why the "notwithstanding" phrase was in there - because there is a prohibition.

SENATOR SEEKINS said he couldn't see any prohibition for two permits to fish off the same boat. He asked Mr. Hohman if he knew of one.

MR. HOHMAN replied, "Not to my knowledge except for what you just mentioned."

4:34:45 PM

SENATOR ELTON said he sees this as adding a tool for the Board of Fisheries to use, but the legislature always hears concerns from coastal economies about migration of permits out of the region. He asked Mr. Hohman in his judgment, what would the net effect of the concept in HB 251 be on the migration of permits.

MR. HOHMAN replied that it's a hard call. He presented a little more background on limited entry permits saying that the legislature created them to be freely transferred. To encourage Alaskans to retain their permits and to provide them with incentive to purchase permits, the state, because a limited entry permit cannot be used as collateral with any lending institution, created a loan program that allows individual Alaskan residents to borrow money at a favorable rate. The Division of Investments has loan programs and arrangements with regional groups to try to help keep permits in the regions by providing assurances and loan guarantees. This tool will allow the board to have the ability to put conditions on a permit that would allow consolidation of the fleet and, in theory, should increase the average earnings for the individuals still fishing.

The safeguard is that any proposal to do this must come before the board that would have to analyze the fishery to determine whether it would allow the consolidation and have to take extensive public testimony. Coupled with the state's programs to assist residents, he thought this would be a positive measure in fleet consolidation.

4:41:53 PM

SENATOR ELTON asked what kind of deference the board gives to the socio-economic consequences of the changes they allow to fisheries.

MR. HOHMAN replied that conservation is a key element, but the socio-economic aspect is important also.

4:43:07 PM

SENATOR BEN STEVENS asked how many entry permits are in the salmon industry in the state.

MR. HOHMAN replied 10,000.

SENATOR BEN STEVENS pointed out that there is participation in this particular instance by only 44 individuals.

4:45:03 PM

MR. HOHMAN explained that CFEC does an annual study of permit movement by fishery he offered to get that study for the committee.

4:46:03 PM

STOSH ANDERSON, Kodiak, supported HB 251. He pointed out that it wouldn't change the allocation between the drift fleet and the set net fleet. Adding this authority to the Board of Fisheries' tools would help it achieve the optimum number of permits for the benefit of people who participate in the fishery. Economics would help determine the level of participation rather than an arbitrary decision.

CHAIR WAGONER announced that he would hold this bill for further discussion.

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## SENATE RESOURCES Jan 30, 2006

• **Senate Monday, January 30, 2006 3:36:00 PM**

### CSHB 251 (RES) - COMMERCIAL FISHING MULTIPLE PERMIT HOLDER

CHAIR THOMAS WAGONER announced CSHB 251 (RES) to be up for consideration.

SENATOR SEEKINS moved to adopt SCS CSHB 251 (RES), Version I, as the working document. There were no objections and it was so ordered.

SENATOR ELTON objected for discussion purposes.



TIM BENINTENDI, staff to Representative Ralph Samuels, sponsor of HB 251, said the sponsor supported the CS. It streamlines and clarifies the language and, as a result, the bill has more support.

SENATOR SEEKINS remarked that the CS would allow an additional fishing opportunity, but not for using additional or modified gear or being at additional times or areas.

MR. BENINTENDI replied that on the contrary, it allows for any or all of those additional privileges.

CHAIR WAGONER reiterated that it just gives the board the authority.

3:58:03 PM

SENATOR BEN STEVENS thanked the sponsor for considering his requests from the last meeting. Together they found that all of the items listed in the original bill are already under the authority of the Board of Fisheries in AS 16.05.251. The CS just gives the board the authority to allow for boats with two permits.

3:59:39 PM

Senator Elton removed his objection and SCS CSHB 251(RES), version I, was adopted.

3:59:53 PM

SENATOR SEEKINS moved SCS CSHB 251(RES) from committee with individual recommendations and attached fiscal note. There were no objections and it was so ordered.

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HB 251 REQUIRE COMMITTEE MINUTES

RICK WILLIAMS, Petersburg, said he is a Bristol Bay fisherman and supported HB 251. He thought having less gear in the water is important and it's better to have four shackles on one boat than two boats with three shackles each.

JAN 25 2006

RC 43

CFEC  
COMMISSIONER  
OR

4:12:24 PM

FRANK HOHMAN, Commercial Fishery Entry Commission (CFEC), clarified how the two permits concept evolved. He said the Commission supported HB 251 because it gives the Board another tool to assist in fleet consolidation. He related how four years ago, in the discussion about fleet consolidation in Bristol Bay because too many boats and people weren't able to make a living and the price of salmon was down ~~for a lot of other reasons~~, the board looked for a way to make operations more economical. The Legislature granted the board the authority to allow one permit holder to hold two permits, but the second one couldn't be fished. The object of that was to remove one permit from the fishery using the funds of its participants. Additional state or federal funds would not be used. This way worked for a couple of years although only a few people took advantage of it.

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MR. HOHMAN replied that CFEC has three commissioners and they didn't vote on bills. They had just finished the two-year Bristol Bay Optimum Study that helped them realize this would be a useful tool. The study indicated that the range of permits should be at 900 - 1,500 from approximately 1,850 permits.

KIP THOMST

RC 44

January 11, 2011

Good morning. Chairman Webster, Board Members and Staff,

My name is Kip Thomet and I'd like to speak on Proposal 71. I own a Kodiak setnet permit. My wife also owns a permit. We fish together on the West side with our 13 yr old son and two additional crew.

Although we could take advantage of this permit stacking ability, we adamantly oppose this proposal.

I'm opposed to consolidating a fishery and further restricting access to the benefits of permit ownership in a fishery that is not suffering from anything other than weak runs.

Though the salmon runs are weak, the prices are good. Currently we are suffering from weak runs. Runs rebuild and are cyclical.

ENABLING LEGISLATION

I have supplied you with the sponsor statements for HB286 and HB251.

It is very clear what the intent of this legislation is. It's to consolidate a fishery by reducing excess permits and removing gear from a fishery.

I also have the Resource Committee minutes for HB 251. In these minutes, CFEC Commissioner Frank Homan clarifies how the two permit concept evolved. Intent is very clear. I wish I had time to share this.

Proposal 71 not only allows, but encourages consolidating the benefits of permit ownership into fewer hands in a fishery that, in no way, can be seen as a fishery in need of consolidating.

The benefits of consolidation aren't even achieved with this regulation.

All this proposal does is allows for the benefits of ownership to be enjoyed by less rather than more, and it allows for the benefits to continue even when an individual is absent.

~~Moreover~~, as mentioned in testimony, It also reduces paperwork and is more convenient than going through the CFEC for permit transfers!

I also object to what I see as a disturbing shift in policy from demanding active participation to one that allows for benefits to be received even when absent. Many of the letters in support of this proposal mention this convenience. It troubles me.

In all other state fisheries, the State demands active participation and prohibits absenteeism but makes allowances for these in cases of hardship.

The question that I think the Board should be asking is What is it about this Kodiak set-net fishery that distinguishes it from any other salmon fishery in the state, or any state fishery for that matter? What makes it unique in it's need for the ability to stack permits?

Lastly lets not forget, According to the Alaska Supreme Court, "Article VIII of Alaska's Constitution is better served when more participants can be included in a fishery rather than fewer."

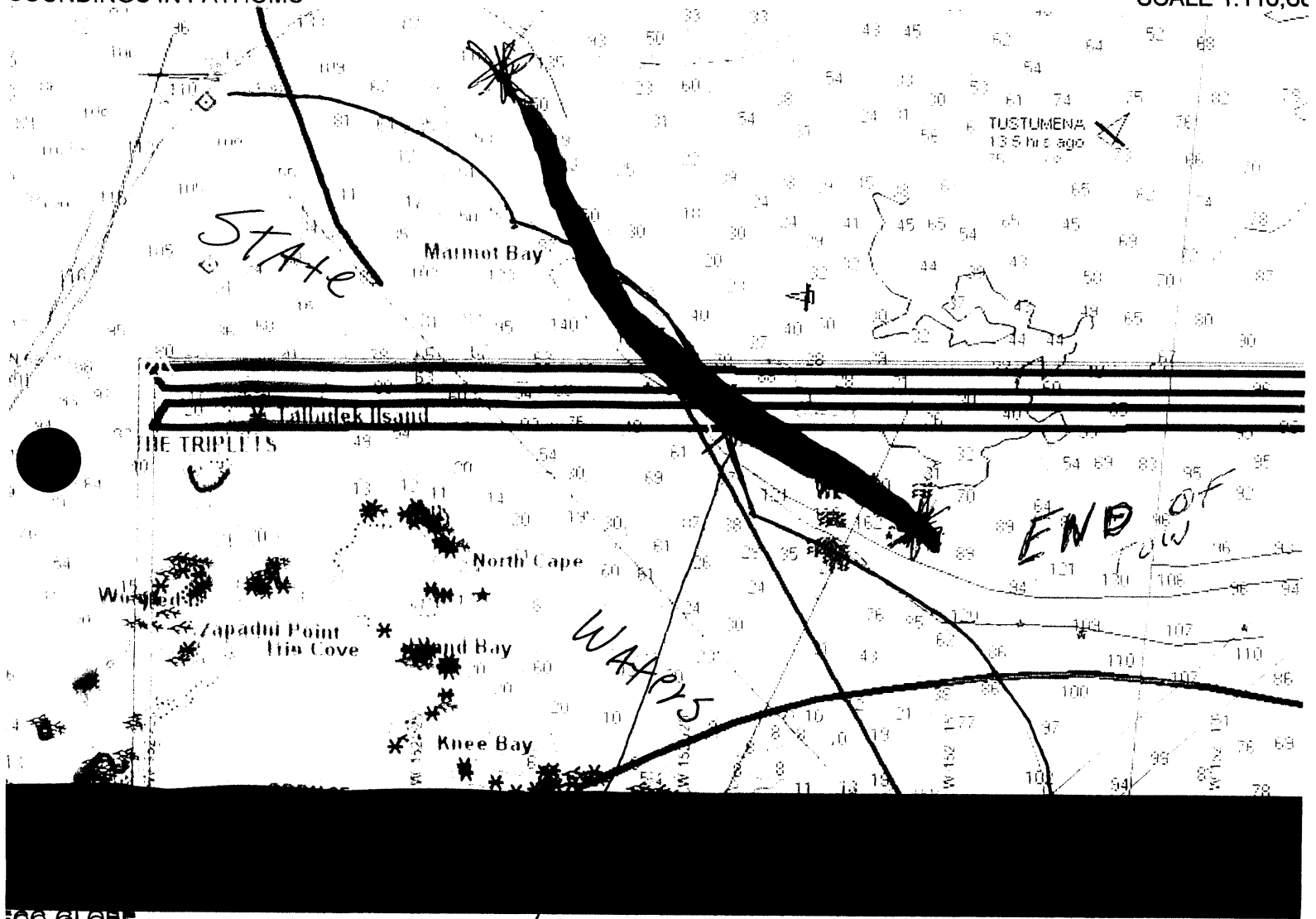
Submitted By @IANCY MCCIAREN

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TOW

SOUNDINGS IN FATHOMS

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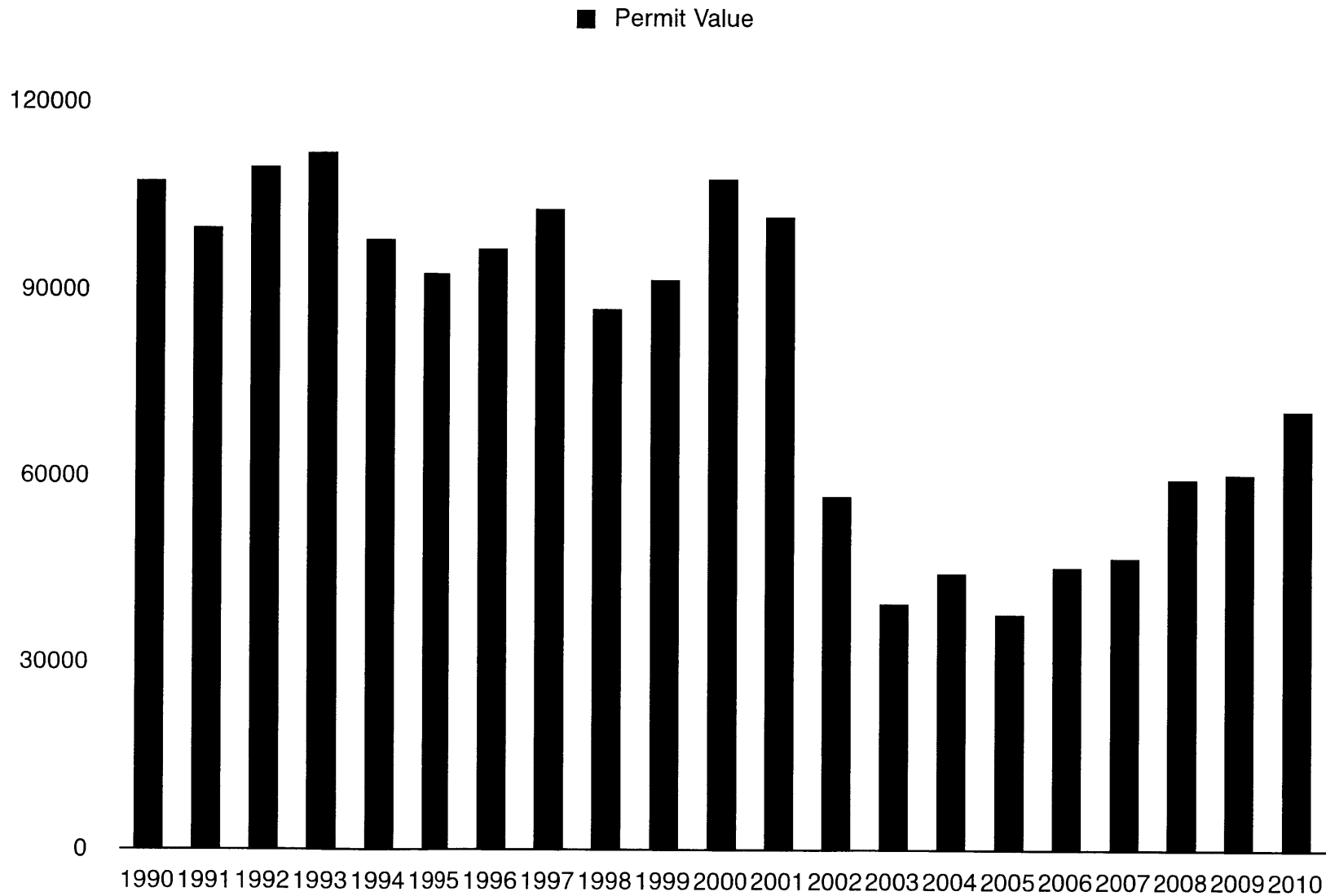


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Set Net CFEC ESTIMATED PERMIT VALUE REPORT 1990-2010

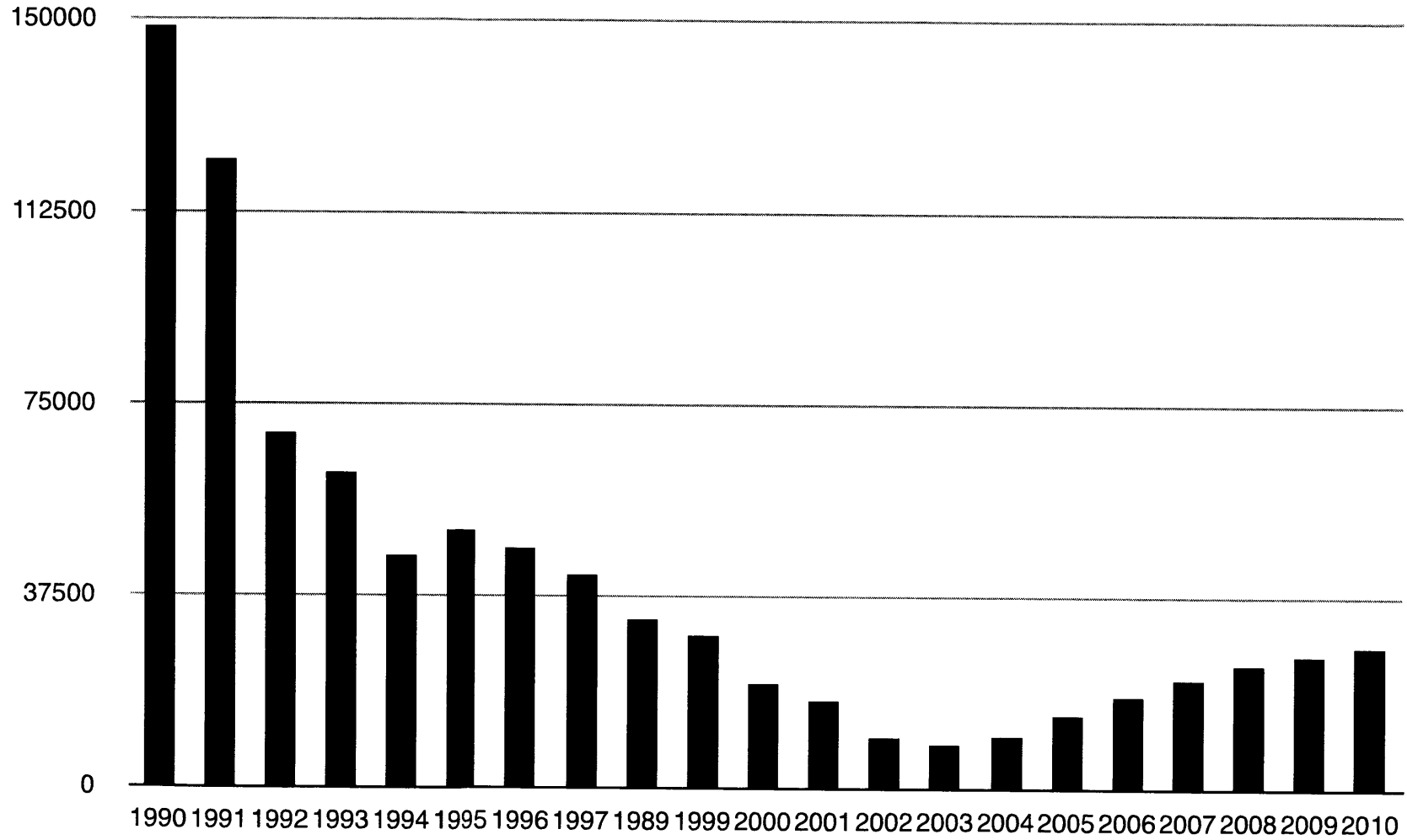


*Submitted by Rich Blane*

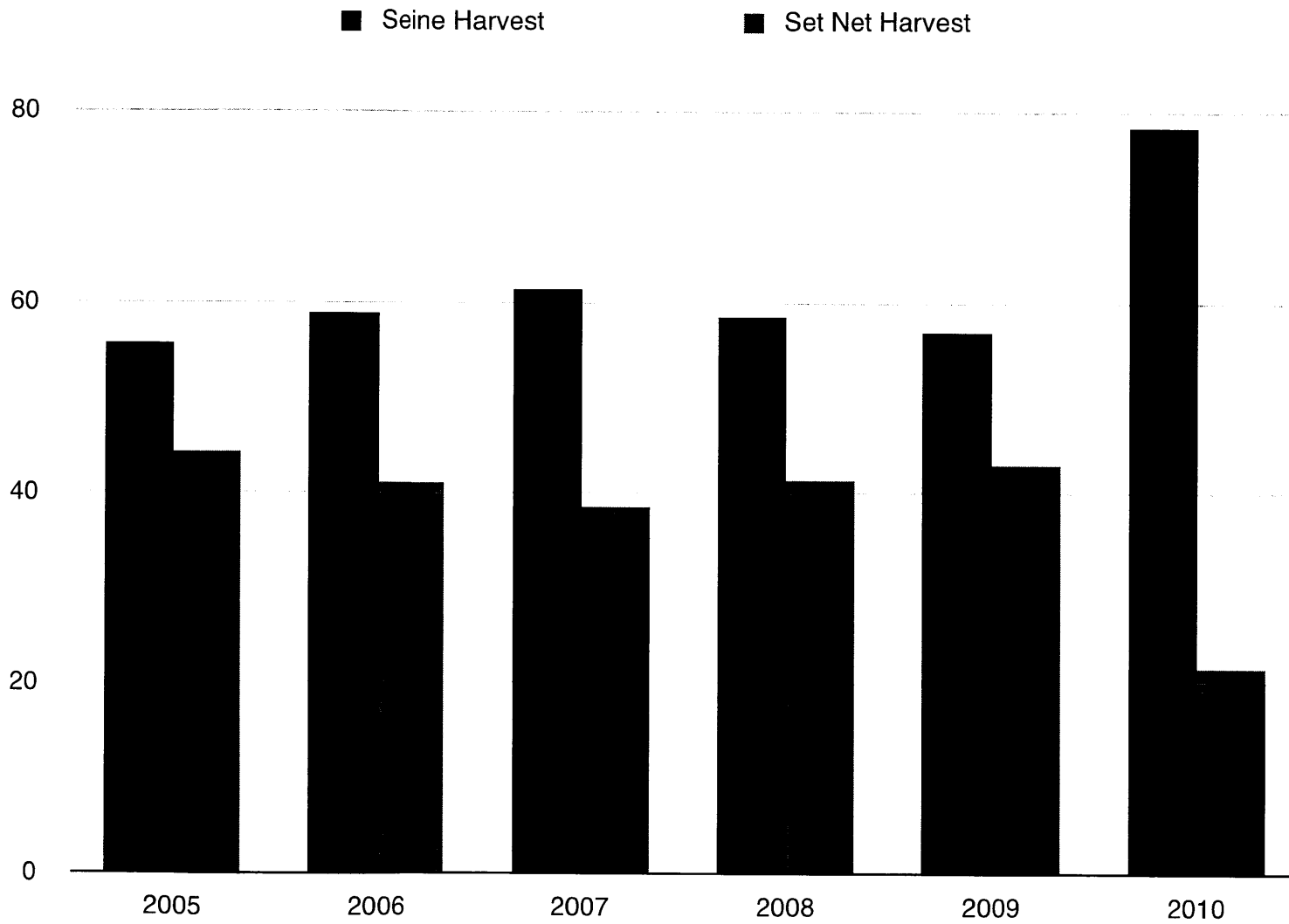
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CFEC ESTIMATED SEINE VALUE REPORT 1990-2000

■ Permit Value

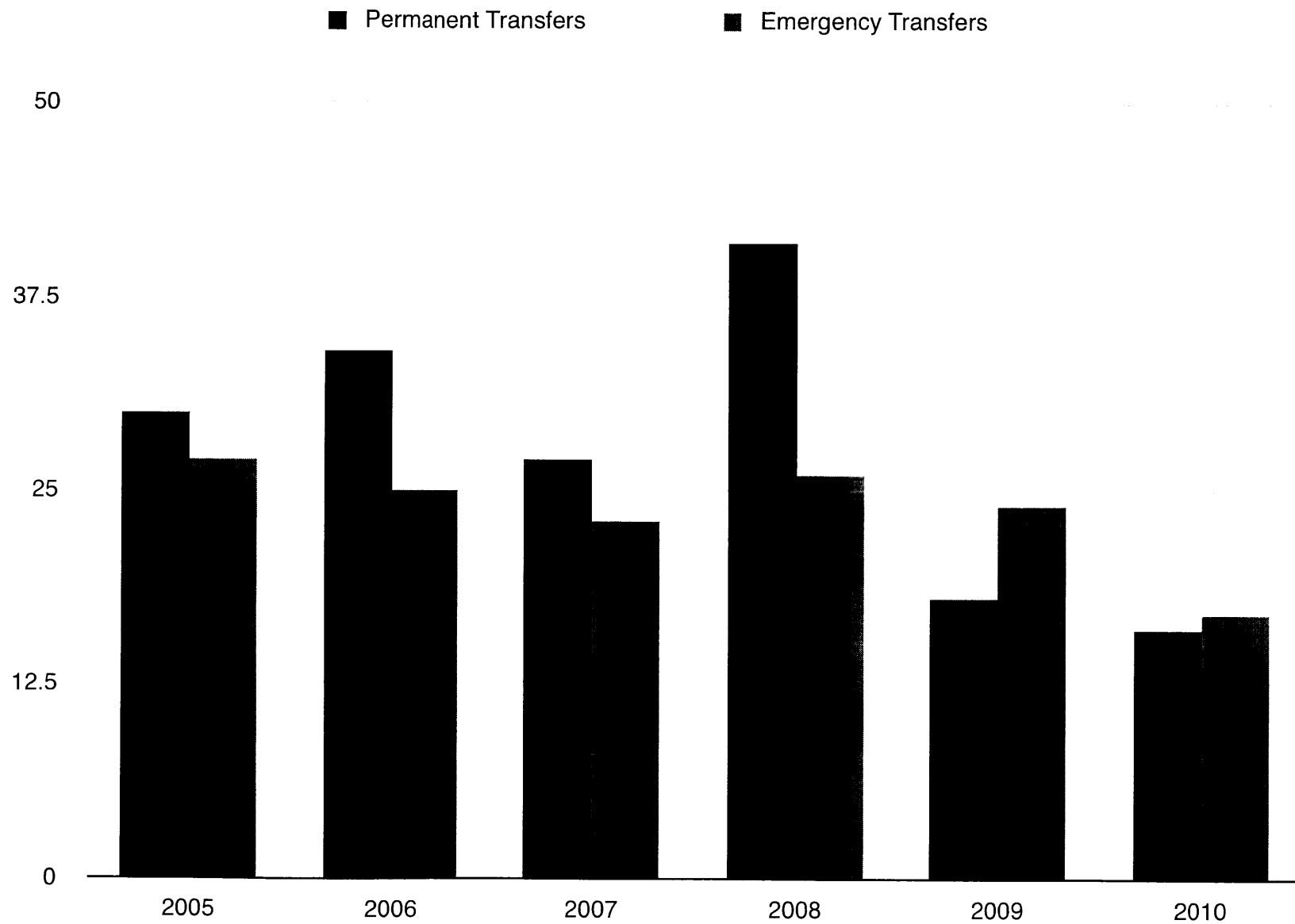


NUMBER OF SOCKEYE HARVESTED BY SEINE & SET NET 2005-2010



*Submitted by Rich Blane*

# NUMBER OF PERMANENT AND EMERGENCY PERMIT TRANSFERS 2005-2006

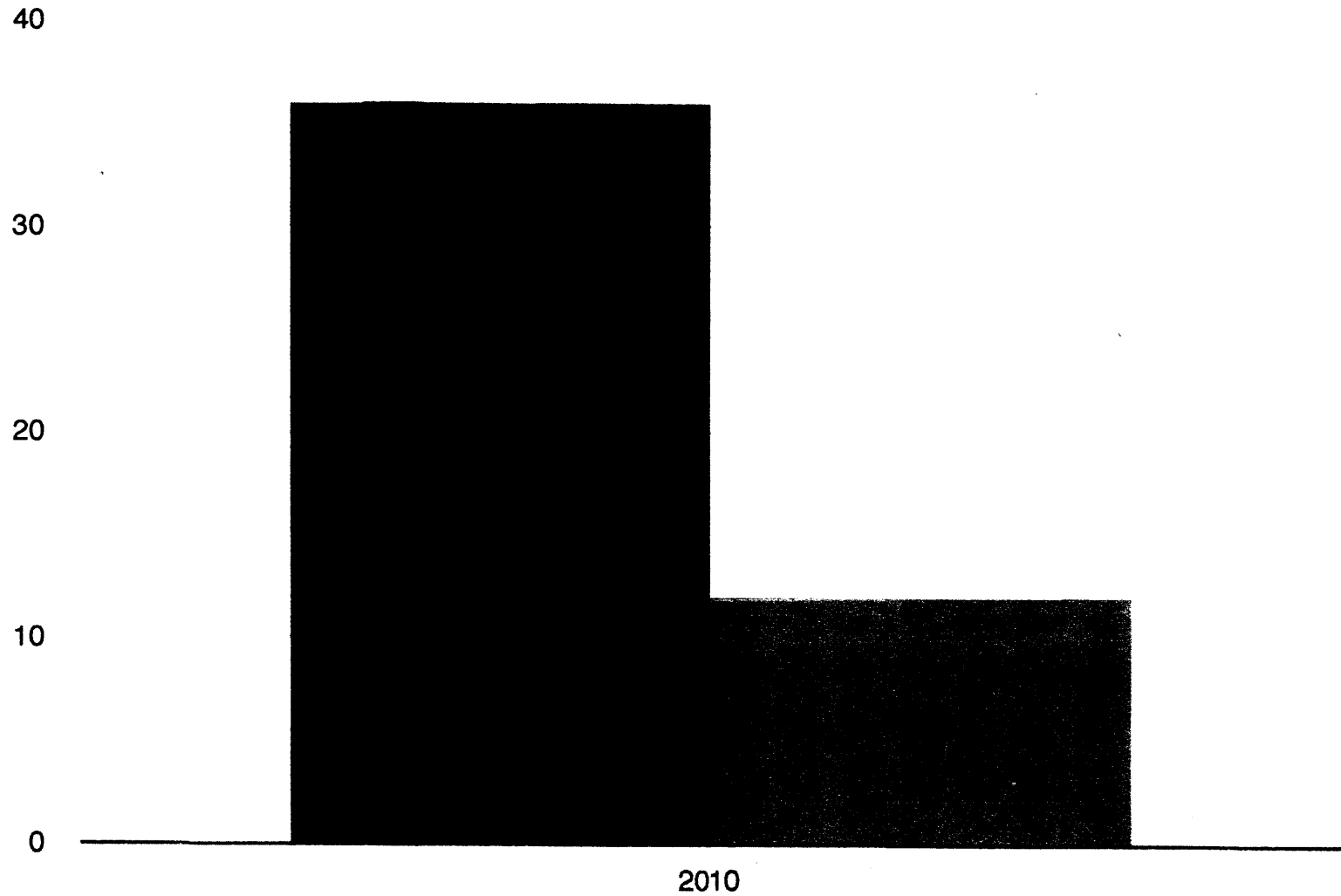


*Submitted by Rich Blane*



# RESIDENT NON-RESIDENT DUAL PERMIT HOLDERS 2010

■ Resident Dual Permit Holders    ■ Non-Resident Dual Permit Holders



*Submitted by Rich Blome*

# RESIDENT & NON-RESIDENT PERMITS RENEWED 2009

■ Resident S04K permits

■ Non-Resident S04K Permits

140

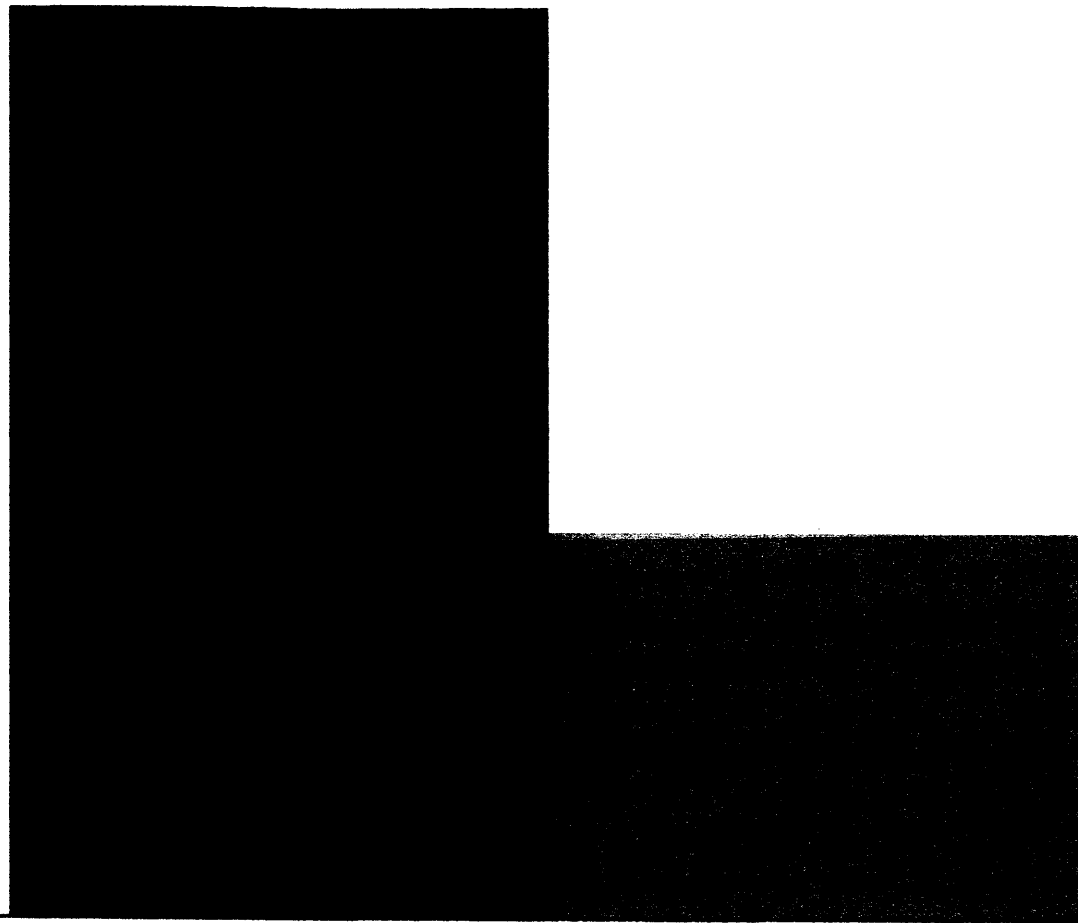
105

70

35

0

2009



In regards to proposals 52 and 53 I have a couple of suggestions to consider:

- 1- Tighten the definition of pelagic trawling by applying the State definition rather than the federal definition in these state waters
- 2- Require bottom sensors on the gear
- 3- As the fishery only goes on for a few days, require 100% observer coverage to provide credibility for the trawl fleet and confidence for the adjacent villages.

- Federal definition of Pelagic trawling can be found in the Federal Register 679.7 (a)(14)  
It states in part:

The existing performance standard for a pelagic trawl gear prohibits a vessel engaged in directed fishing for pollock from having 20 or more crabs of any species with a carapace width of more than 1.5" at the widest dimension on board at any one time. Crabs were chosen for the standard because they inhabit the seabed and if caught with trawl gear, indicate that the trawl gear has been on the bottom.

- See definition of State definition in General provisions book

Submitted by Therese Peterson



# Using accessible watershed size to predict management parameters for Chinook salmon, *Oncorhynchus tshawytscha*, populations with little or no spawner-recruit data: a Bayesian hierarchical modelling approach

M. C. LIERMANN

Northwest Fisheries Science Center, NOAA Fisheries, Seattle, WA, USA

R. SHARMA

Columbia River Inter-Tribal Fish Commission, Portland, OR, USA

C. K. PARKEN

Pacific Biological Station, Fisheries and Oceans, Nanaimo, BC, Canada

Submitted by  
ADF+G  
at the  
request of  
Board member  
Smith

**Abstract** Escapement goals for Chinook salmon, *Oncorhynchus tshawytscha* (Walbaum), populations tend to be highly uncertain due to variability in, and in some cases complete absence of, spawner-recruit data. A previous study of 25 populations from Oregon to Alaska demonstrated that watershed size is a good predictor of unfished equilibrium population size. Here this relationship is further developed by evaluating a series of Bayesian hierarchical models of increasing complexity. The model that performed best included a temporal random walk to account for patterns in the spawner-recruit residuals and life history-specific distributions for the productivity parameter.

**KEYWORDS:** capacity, fish-habitat model, hierarchical model, life history, maximum sustainable yield, population dynamics.

## Introduction

Spawner-recruit relationships for Pacific salmon, *Oncorhynchus* spp., tend to be highly uncertain due to unexplained environmental variability, little or no available data, and measurement error introduced through estimation of maturation rates, harvest rates and spawner abundance (Schnute & Kronlund 2002). Management based on spawner-recruit relationships is, therefore, also often very uncertain. In the traditional management approach, each population is analysed separately. Information from other populations may be used informally, for example in the choice

of the spawner-recruit function, but parameter estimates are based solely on the data from that population. Although one would not expect populations to share exactly the same demographical parameters (e.g. productivity), populations of the same species and life history type should have similar demographical parameters. Therefore for situations where demographical parameters are uncertain, as is the case with most spawner-recruit models (Hilborn 2001; Schnute & Kronlund 2002), incorporating parameter values from other similar populations into the analysis can lead to less uncertainty (Hilborn & Liermann 1998). Hierarchical models provide a logical framework for

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sharing parameter information across populations and over the last decade have been used increasingly by fisheries scientists (Liermann & Hilborn 1997; Myers *et al.* 1999; Myers 2001; Chen & Holtby 2002; Minte-Vera 2004).

The mixed-population character of Chinook salmon, *Oncorhynchus tshawytscha* (Walbaum), fisheries along western North America has led to an abundance-based management approach for population aggregates and harvest regimes intended to achieve goals, such as maximum sustainable yield, for many populations (PSC (Pacific Salmon Commission) 2004; PFMC (Pacific Fishery Management Council) 2003). Because spawner-recruit data are not available for many of these populations, there is a critical need for approaches that include other sources of population information. In a study of 25 west-coast Chinook salmon populations, the spawner level at maximum sustainable yield<sup>1</sup> ( $S_{MSY}$ ) and unfished equilibrium population size ( $E$ ) were shown to be closely related to the size of the available watershed (Parken *et al.* 2006). Based on these relationships, a simple two-stage regression-based approach was proposed for estimating  $S_{MSY}$  and  $E$  for populations without spawner-recruit data. First,  $S_{MSY}$  and  $E$  are calculated for each population with spawner-recruit data; and second, linear relationships are estimated relating the log of these  $S_{MSY}$  and  $E$  values to the log of watershed size ( $W$ ). This process is repeated for stream- and ocean-type life histories resulting in four linear models. These models can then be used to predict  $S_{MSY}$  and  $E$  for populations without spawner-recruit data. Because these values represent two points on the spawner-recruit curve, they uniquely define the curve and can be used to derive any function based on the curve.

Although the two-stage modelling approach of Parken *et al.* (2006) provides informative results, it suffers from several shortcomings that can be addressed by a Bayesian hierarchical modelling approach. First, uncertainty in spawner-recruit parameter estimates vary substantially between populations because of differences in recruitment variability and the location and range of spawner values. In the two-step approach this is not accounted, but in the hierarchical model the influence of a population's parameter estimates is determined by the degree of uncertainty with which it is estimated. Second, when both watershed size and spawner-recruit data are available for a new population not included in this

analysis, they are automatically combined in the posterior distribution when using a Bayesian approach. For the two-step approach, use of both sources of data for a population will require some hybrid of frequentist and Bayesian approaches. Third, because of the somewhat *ad hoc* nature of the two-step approach, the best method for adding features to the model is not obvious. For the Bayesian hierarchical model there is a consistent, straightforward approach for integrating other sources of data and assessing alternate model structures.

In this document, a series of Bayesian hierarchical models are constructed to further develop the relationships found in Parken *et al.* (2006). Starting with the same basic allometric relationships between water size ( $W$ ) and capacity, the model is incrementally expanded to include life history-specific distributions for the productivity parameters and a temporal model to explain patterns in the spawner-recruit residuals. The models are assessed individually based on their agreement with the data using posterior predictive distributions (Gelman *et al.* 1996) and relative to each other using the deviance, numbers of upper level parameters and out-of-sample validation.

## Methods

### *The data*

Spawner-recruit data and watershed size were compiled for 25 populations of Chinook salmon in Alaska, Oregon, and Washington, USA and British Columbia, Canada (Table 1). Recruitment was defined as the number of adults from the same age-class that would have survived to maturity without harvest, and spawners was calculated as the number of 2-ocean age and older fish (stream-type Chinook salmon implies an age-3 fish and ocean-type an age-2 fish). Watershed size was defined as the total drainage area ( $\text{km}^2$ ) minus the area upstream of man-made barriers and natural barriers on 4th order or 5th order stream segments (Strahler 1957) for respective stream-type or ocean-type Chinook salmon populations (Healey 1991). These criteria are based on how populations of stream- and ocean-type Chinook salmon utilise habitat and how barriers on different sized streams affect this habitat (Parken *et al.* 2006). The choice of watershed size as a metric of habitat capacity was based on well tested relationships between watershed size and quan-

<sup>1</sup>Here MSY refers to the maximum vertical difference between the function describing median recruitment (e.g. Ricker 1954) and the one-to-one line, or roughly (assuming deterministic dynamics), the maximum constant harvest that results in a non-trending population.

**Table 1.** Chinook salmon populations used in the analysis with life history type, watershed size, latitude, the first year of data, number of years of spawner-recruit data, contrast (max(S)/min(S)), the maximum likelihood estimate (MLE) for  $S_{MSY}$  and the  $S_{MSY}$  posterior median for the full hierarchical model

Population	Life history type*	Watershed size (km <sup>2</sup> )	Latitude	First year	Years	Contrast	$S_{MSY}$ MLE	$S_{MSY}$ posterior median
Chena	S	4515	64.8	1986	10	5	3508	4570
Salcha	S	5620	64.5	1987	9	6	3875	4855
Klukshu	S	260	60.1	1976	16	3	890	957
Situk	O	176	59.4	1976	18	5	586	890
Taku	S	15 539	58.4	1973	19	5	25 460	21 181
King Salmon	S	93	58.0	1971	21	6	136	236
Andrew Creek	S	126	56.7	1975	24	7	626	668
Stikine	S	15 337	56.6	1977	22	9	15 340	13 983
Unuk	S	2213	56.1	1977	22	4	3630	3467
Chickamin	S	1696	55.8	1977	22	7	1930	2181
Blossom	S	176	55.4	1977	22	25	737	731
Keta	S	192	55.3	1977	22	8	905	844
Kitsumkalum	S	2255	54.5	1984	14	4	7826	7107
Harrison	O	7611	49.2	1984	15	8	57 919	52 939
Cowichan	O	1227	48.8	1981	19	8	3744	6045
Skagit	O	4198	48.4	1971	28	5	54 723	27 271
Quillayute	O	1313	47.9	1981	11	5	4289	5863
Queets	O	1164	47.5	1977	18	5	3691	4004
Humtulpis	O	635	47.0	1977	18	19	3535	4699
Chehalis	O	4390	47.0	1976	20	19	9451	18 533
Lewis Fall-Run	O	816	45.9	1964	28	6	5791	6318
Nehalem	O	1728	45.7	1967	25	13	7108	7818
Upper Columbia Spring-Run	S	114 434	45.6	1939	31	8	49 044	52 558
Siletz	O	523	44.9	1967	25	10	3455	3878
Siuslaw	O	2010	44.0	1965	27	47	13 918	13 202

The spawner-recruit, latitude, and watershed size data are from Parken *et al.* (2006) (with some minor updates). The population names refer to the rivers in which the populations spawn.

\*O, ocean-type; S, stream-type.

tities such as total channel length and stream area (Horton 1945; Hack 1957; Leopold *et al.* 1992; Rodriguez-Iturbe & Rinaldo 1997), which have been used successfully to predict abundance of stream fish (e.g. Fausch *et al.* 1988; Bradford *et al.* 1997). While a combination of more specific habitat features may correlate better with unfished equilibrium population size, watershed size performs well (Parken *et al.* 2006) (Fig. 1) and is relatively easy to calculate from available data across the geographic range of this study. A complete description of the data can be found in Parken *et al.* (2006) (some of the data have been updated since publication).

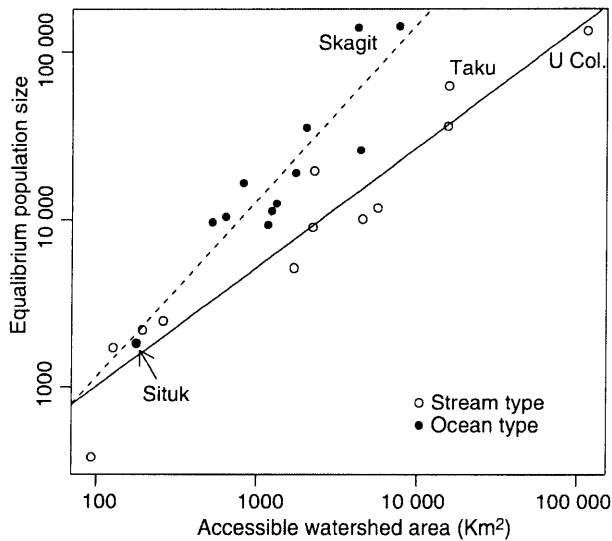
#### The modelling approach

A series of hierarchical models was developed building on the relationships developed in Parken *et al.* (2006). The absolute and relative performances of these models were then assessed to select a model to be used for prediction.

**The base model** The spawner-recruit data for each population was modelled using the Ricker (1954) spawner-recruit function:

$$R_{i,j} = S_{i,j} \exp \left[ r_j \left( 1 - \frac{S_{i,j}}{E_j} \right) + w_{i,j} \right], \quad (1)$$

where  $R_{i,j}$  and  $S_{i,j}$  are the  $i$ th year's recruits and spawners for population  $j$ . The parameter  $r_j$  is the log of the slope where  $S_{i,j} = 0$ , and  $E_j$  (the unfished equilibrium population size) is the non-zero value where  $R_{i,j}$  is equal to  $S_{i,j}$ . From here forward the unfished equilibrium population size will be referred to as the equilibrium population size. The  $w_{i,j}$  are normally distributed independent random variables with mean 0 and population-specific standard deviations  $\sigma_j$ . The Ricker (1954) spawner-recruit function was chosen because it tends to give more realistic parameter estimates than other spawner-recruit functions (Myers *et al.* 1999) and has been used extensively with Chinook salmon data (PSC (Pacific Salmon Commission) 1999).



**Figure 1.** The maximum likelihood estimates of equilibrium population size plotted against accessible watershed area for stream and ocean life history types. U Col. represents the Upper Columbia Spring-Run population. The point representing the Blossom River population is obscured by the Situk River point.

In the second level of the hierarchical model, the Ricker parameters  $r_j$  and  $E_j$  are modelled as:

$$\log(E_j) = a + a_D L_j + (b + b_D L_j) \log W_j + k_j \quad (2)$$

$$\log(r_j) = r_M + h_j \quad (3)$$

Here  $L_j$  is the life history type ( $L_j = 0$  for stream-type and  $L_j = 1$  for ocean-type). The intercept and slope for the relationship between  $\log E_j$  and  $\log W_j$  are therefore  $a$  and  $b$  for stream-type fish and  $(a + a_D)$  and  $(b + b_D)$  for ocean-type fish. The  $\log W_j$  values are centred (the mean is subtracted from

all values) to aid in computation. The  $W_j$  are equal to these centred values exponentiated. All further references to  $\log W_j$  and  $W_j$  will indicate the centred values. The  $\log(r_j)$  values are assumed to follow a distribution with mean  $r_M$ . The  $k_j$  and  $h_j$  values are normally distributed random variables with means equal to zero and standard deviations  $E_{SD}$  and  $r_{SD}$ . This level of the model differs from Parken *et al.* (2006), where they defined relationships for both  $E_j$  and  $S_{MSYj}$  but not  $r_j$ . The  $r_j$  and  $E_j$  parameterisation used here was chosen because it is simpler (three less upper level parameters) and productivity,  $r_j$ , is more biologically interpretable than  $S_{MSY}$ .

The parameters  $E_{SD}$  and  $r_{SD}$  are assigned uniform priors on the interval from 0 to 100 (see Gelman *et al.* 1995). The priors for the parameters defining the relationship between  $\log E_j$  and  $\log W_j$  (Equation 2) are all specified using the normal distribution. Because the natural log of watershed size,  $\log W_j$ , is centred, the intercepts ( $a$  and  $a + a_D$ ) should be approximately equal to the mean  $\log$  equilibrium population size, mean  $(\log E_j)$ . The mean for the prior on  $a$  was therefore set to 10, which is approximately the average of  $\log$  recruitment across all 25 populations. While this use of the same data in both the prior and likelihood is not technically correct, a large standard deviation was used (31.6) and the sensitivity to prior assumptions was tested (see below). For the other regression parameters, the prior means were set to 0 with large standard deviations (31.6). Notice that a standard deviation of 31.6 corresponds to a precision (inverse of the variance) of 0.001.

Finally, the prior on the population-specific precisions ( $1/\sigma_j^2$ ) for the spawner-recruit process error is assigned a diffuse gamma distribution with shape and rate parameters both assigned 0.0001 (Gelman *et al.* 1995).

**Table 2.** The priors used in the final model (model 3 in Table 3) and alternate priors used to assess the sensitivity of the results to prior choice

Parameter	Base prior	Alternate prior
$r_M$	Normal (0.6, SD = 0.45 or prec = 5)	Normal (0, SD = 0.71 or prec = 2)
$r_{SD}$	Uniform (0, 100)	Uniform (0, 20)
$E_{SD}$	Uniform (0, 100)	Uniform (0, 20)
$a$	Normal (10, SD = 31.6 or prec = 0.001)	Normal (7, SD = 31.6 or prec = 0.001)
$a_D$	Normal (0, SD = 31.6 or prec = 0.001)	Normal (0, SD = 10 or prec = 0.01)
$b_b$	Normal (0, SD = 31.6 or prec = 0.001)	Normal (0, SD = 10 or prec = 0.01)
$b_D$	Normal (0, SD = 31.6 or prec = 0.001)	Normal (0, SD = 10 or prec = 0.01)
$r_D$	Normal (0, SD = 31.6 or prec = 0.001)	Normal (0, SD = 10 or prec = 0.01)
$1/(r_{wSD})^2$	Gamma (0.001, 0.001)	Gamma (0.0001, 0.0001)
$1/\sigma^2$	Gamma (0.001, 0.001)	Gamma (0.0001, 0.0001)

Normal distributions are expressed using both standard deviation (SD) and precision (prec =  $1/SD^2$ ). Here the gamma distribution is parameterised with the shape and rate parameter.

**Trend in residuals using a random walk** Substantial trends in the spawner-recruit residuals were found by Parken *et al.* (2006). Dorner *et al.* (2008) demonstrated that random walks can be used to model trends in salmonid productivity effectively. This approach was adopted here with the addition of a random walk process to equation 1.

$$R_{i,j} = S_{i,j} \exp \left[ r_j \left( 1 - \frac{S_{i,j}}{E_j} \right) + rw_{i,j} + w_{i,j} \right] \quad (4)$$

$$rw_{i,j} = rw_{i-1,j} + z_{i,j} \text{ where } \sum_i rw_{i,j} = 0 \text{ for all } j \quad (5)$$

Here the sum of the random walk components ( $rw_{i,j}$ ) for a population is set to zero (mean is zero) to simplify interpretation of the other parameters. Therefore, when  $rw_{i,j}$  is at its average value for a given population (0), the spawner-recruit productivity is  $r_j$  and the equilibrium population size is  $E_j$ . The  $z_{i,j}$  follow a normal distribution with mean zero and population-specific standard deviation  $rw_{SD,j}$ . A diffuse gamma prior is assigned to the random walk precisions,  $1/rw_{SD,j}$ , where the shape and rate parameters are 0.001.

**Life history-specific distributions for productivity** Analyses in Parken *et al.* (2006) also suggest that the average productivity for the stream-type populations may be somewhat lower than the average productivity for ocean-type populations. The model was expanded to incorporate this by adding an offset to the mean of the  $r_j$  values in equation 3.

$$\log(r_j) = r_M + r_D L_j + h_j \quad (6)$$

Here, the mean of  $\log(r_j)$  is  $r_M$  for stream-type and  $r_M + r_D$  for ocean-type populations. The parameter  $r_D$  is assigned a normal prior with mean zero and standard deviation 31.6.

**A different capacity parameter** The spawner level at which maximum recruitment occurs ( $B$ ) is a possible alternative index of capacity to the equilibrium population size,  $E$ .

$$R_{i,j} = S_{i,j} \exp \left[ r_j - \frac{S_{i,j}}{B_j} + rw_{i,j} + w_{i,j} \right] \quad (7)$$

With this parameterisation, the interpretation of  $B_j$  does not change with  $rw$  (a disadvantage of the  $E$  parameterisation). However, it is not clear whether  $B$  or  $E$  is a better capacity parameter to link with watershed size. Therefore both models are considered.

#### Constructing posterior predictive distributions for management parameters

Posterior distributions for management parameters based on the spawner-recruit function can be constructed for one of the 25 populations in this study and for other populations with and without spawner-recruit data. To construct a posterior distribution for a management parameter for one of the 25 populations in the analysis, one can use the Monte Carlo Markov Chain (see below) samples for  $r_j$  and  $E_j$ . To account for the random walk, separate estimates can be generated for each year in the time series by including samples

**Table 3.** Model fit and comparison

Model	Description	Model comparison		Model fit (posterior predictive $P$ -values)			
		Dev.	OOS error	$W$ vs $E$ residuals		$S$ vs $R$ residuals	
				vs latitude	vs $W$	vs year	vs $S$
1	Base model	916	0.852	0.39	0.63	17	2
2	Random walk	509	0.561	0.45	0.41	1	1
3	Random walk & LH specific productivity	495	0.590	0.41	0.38	1	1
4	Random walk & LH specific productivity using $B$ instead of $E$ for capacity	500	0.654	0.48	0.42	1	1

The deviance (Dev.) and out-of-sample predictive error (OOS error) provide criteria for comparing models, while individual model fit can be evaluated using the posterior predictive  $P$ -values for autocorrelation in the residuals at the two levels. For the watershed size ( $W$ ) vs equilibrium population size ( $E$ ) residuals, the  $P$ -values are presented for the residuals against latitude and watershed size. For the spawners ( $S$ ) vs recruits ( $R$ ) residuals, the number of  $P$ -values (out of 25) that fell above 0.9 or below 0.1 is recorded for residuals against time (year) and spawners. Posterior predictive  $P$ -values close to 0 or 1 suggest problems with the model fit.



from the  $rw_{i,j}$  values. For other populations without spawner-recruit data, the posterior distribution for parameters governing the relationship between  $\log(W)$  and  $\log(E)$  ( $a$ ,  $a_D$ ,  $b$ ,  $b_D$  and  $E_{SD}$ ) can be used to construct the posterior predictive distribution for  $E_{new}$  given a watershed size. This combined with the posterior predictive distribution of productivity,  $r_{new}$ , for the desired life history (based on  $r_{MU}$ ,  $r_D$  and  $r_{SD}$ ) completely specifies the spawner-recruit function and any management parameter derived from it. In Table 4, posterior predictive distributions are provided for  $r_{new}$  (for ocean- and stream-type populations) as well as posterior distributions for  $a$ ,  $a_D$ ,  $b$ ,  $b_D$ ,  $k_{new}$  that can be used with equation 8 to produce posterior predictive distributions for  $E_{new}$ .

$$E_{new} = \exp\left(a + a_D L + (b + b_D L) \log\left(\frac{W}{1502.6}\right) + k_{new}\right) \tag{8}$$

Here,  $L$  is the life history type (0 = stream, 1 = ocean) and  $W$  is the watershed size ( $\text{km}^2$ ). For a population with spawner-recruit data (but not one of the 25 in this study), distributions for  $E_{new}$  and  $r_{new}$  can be used as prior distributions for a spawner-recruit analysis. The expected variability introduced by the random walk can be approximated by noting the ranges for the 25 populations with spawner-recruit data.

**Monte Carlo Markov Chain analysis**

Monte Carlo Markov Chain (MCMC) integration was used to estimate posterior distributions for the parameters of interest (e.g. Gelman *et al.* 1995). The WinBUGS (Spiegelhalter *et al.* 1999), R (R Development Core Team 2009) and R2WinBUGS (Sturtz *et al.* 2005) software were used. The two-step regression

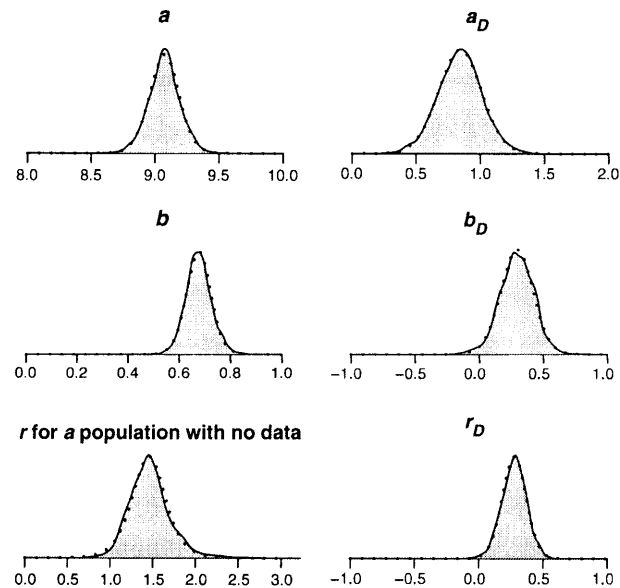
**Table 4.** The mean, standard deviation (SD) and degrees of freedom (d.f.) for  $t$ -distributions approximating the posterior distributions for the parameters in equation 8:  $a$ ,  $a_D$ ,  $b$ ,  $b_D$ ,  $k_{new}$ ,  $r_{new}$  (stream-type) and  $r_{new}$  (ocean-type). These distributions can be used as priors for new populations that were not part of the analysis in this paper

Parameter	Mean	SD	d.f.
$a$	9.06814	0.11478	19.5863
$a_D$	0.83779	0.16817	39.4269
$b$	0.67462	0.04819	15.2964
$b_D$	0.29302	0.12911	24.7695
$k_{new}$	0	0.29662	8.8186
$r_{new}$ (stream)	1.45468	0.19769	5.6308
$r_{new}$ (ocean)	1.92200	0.26517	6.8560

approach of Parken *et al.* (2006) was used to assign initial values, and the chain was run for 11 million iterations with a 1 million iteration burn in and thinning to every 1000th draw. The resulting chains were analysed for convergence by inspecting the parameter traces, autocorrelation plots and plots of the parameters against each other to assess cross correlation. The convergence diagnostics of Geweke (1992) and Heidelberger and Welch (1981), as implemented in the R package CODA (Plummer *et al.* 2006), were also applied.

**Sensitivity to prior choice**

An attempt was made to use priors that were non-informative (i.e. let the data speak for themselves) or based on well established prior information (e.g. other data or previous analyses). However, deriving or even defining non-informative priors is non-trivial for complex models (e.g. Millar 2002). Posterior sensitivity to choice of prior was therefore assessed by one-at-a-time exchanging each base prior with an alternate prior



**Figure 2.** Posterior distributions of the parameters describing the relationship between the equilibrium population size and accessible watershed size and the relationship between productivity and life history type (equations 2 and 3). The intercept and slope for the relationship between equilibrium population size and watershed size are  $a$  and  $b$  for stream-type and  $(a + a_D)$  and  $(b + b_D)$  for ocean-type. The lower left plot is the posterior predictive distribution of  $r$  (productivity) for a stream-type population with no spawner-recruit data. The  $r_D$  parameter represents the difference between the means of the stream- and ocean-type distributions of  $r$  for populations with no spawner-recruit data. The dashed lines represent the  $t$ -distribution used to approximate the posterior distributions (Table 4).

substantially different from the base prior (Table 2). Cases where changing the prior for any parameter resulted in a large change in the posterior distributions of interest were noted in the results.

### Model evaluation

Model fit was examined at both levels of the hierarchical structure: (1) the upper level describing the relationship between watershed size and population capacity (equation 2); and (2) the lower level describing the relationship between spawners and recruits (equation 1). For the relationship between capacity and watershed size, the posterior distributions of the  $k$  values were plotted against watershed size and latitude to investigate potential patterns as in a standard regression (i.e. patterns in the mean or variance of the residuals). The residuals from the spawner-recruit relationship (the Ricker model) were plotted against year and spawners. These graphical assessments at the two levels were formalised using posterior predictive  $P$ -values (e.g. Gelman *et al.* 1996). Posterior predictive  $P$ -values are defined as

$$\Pr[T(y^{\text{rep}}, \theta) \geq T(y, \theta) | H, y], \quad (9)$$

where  $y$  is the data,  $y^{\text{rep}}$  is data simulated from the posterior distribution,  $\theta$  is the parameters,  $H$  is the model, and  $T$  is a statistic used to assess fit (the number

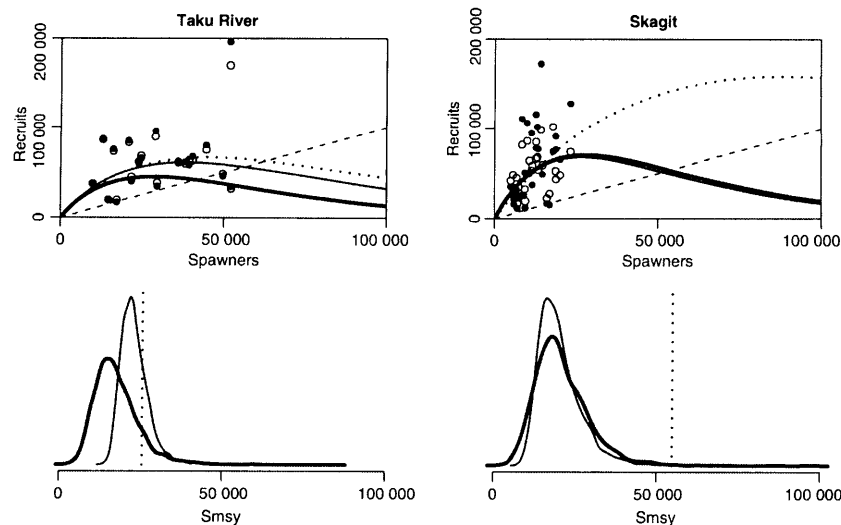
of runs, for example). Values close to 0 or 1 indicate problems with the model fit. Posterior predictive  $P$ -values were calculated for autocorrelation in the residuals at both levels.

The relative predictive performance of the different models was evaluated using the deviance (e.g. Spiegelhalter *et al.* 2002), the number of upper level (population) parameters, and an out-of-sample validation statistic. The out-of-sample statistic was calculated by implementing the model without the last year of data for each population and then calculating the mean squared difference between the omitted recruit value and the median of the posterior predictive distribution for the recruit value using the random walk value from the previous year. If the models with random walks are over fitting the time trends one would expect this out-of-sample error to be larger for the random walk models than the model without the random walks.

## Results

### Model evaluation and comparison

Model fit at the upper level ( $W$  vs  $E$  or  $B$ ) appeared satisfactory with no obvious trends in the residuals when plotted against latitude or watershed size (Table 3). For the spawner-recruit relationships, strong temporal trends were observed in the residuals for the base model. However, addition of the random walk to the model



**Figure 3.** The data and posterior distributions for Taku and Skagit rivers populations. Plotted in the upper panels are the spawner-recruit data, the maximum likelihood fit (dotted line), the fit based on the posterior medians (narrow solid line), the fit based on the posterior predictive distribution for the population with no SR data (thick solid line) and the replacement line (dashed line). The filled circles represent un-adjusted spawner-recruit data, and the open circles represent the recruitment adjusted by the median of the random walk values. In the lower panels are the maximum likelihood estimate of  $S_{\text{MSY}}$  (vertical dotted line), the  $S_{\text{MSY}}$  posterior distribution and the  $S_{\text{MSY}}$  posterior predictive distribution for a population with the same watershed size but with no spawner-recruit data. The line coding is the same as above.

effectively removed these trends and substantially decreased the deviance (Table 3). These results were supported by the posterior predictive  $P$ -values for both runs and autocorrelation (Table 3). The out-of-sample mean squared error was lower for the random walk models (Table 3) and suggested that the added complexity of the random walk was justified by improved prediction. A difference in mean productivity ( $r$ ) by life history type was demonstrated by Parken *et al.* (2006) by applying a two-sample  $t$ -test to individual estimates of productivity. Adding a life history-specific mean productivity to the model reduced the deviance by more than 10, suggesting that the addition of the single  $r_D$  parameter was justified. Also, as noted above, the posterior distribution for  $r_D$  included very little probability less than zero. While the two full models with the  $B$  and  $E$  parameterisations performed similarly, the deviance and out-of-sample predictive error were slightly lower for the model with  $E$ . This is the model that was used to generate the remaining results.

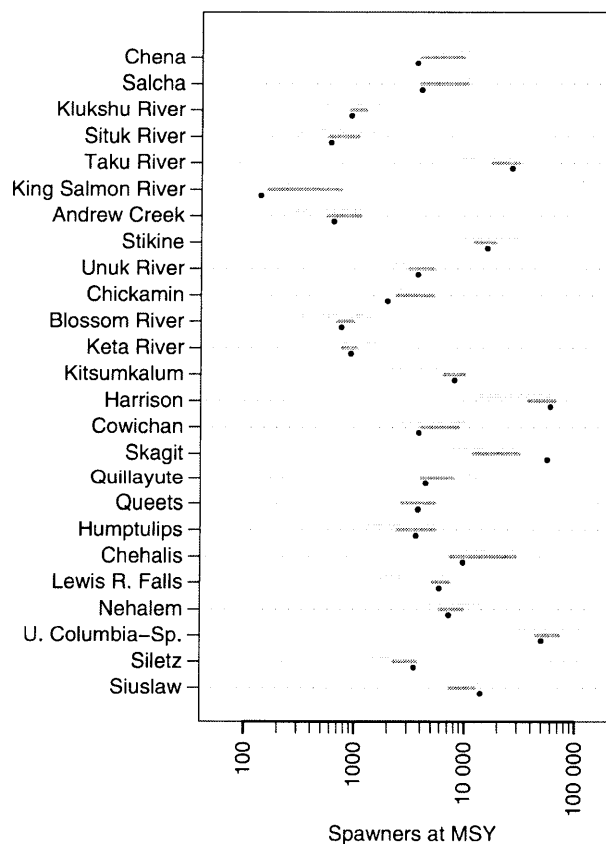
*Inference and predictions based on the joint posterior distribution*

The posterior distribution for the slope,  $b$ , of the relationship between watershed size and equilibrium population size has no observed probability to the left of 0, supporting the hypothesis that there is a positive relationship between the two quantities (Fig. 2). In addition, the posterior distributions for both  $a_D$  and  $b_D$  are well to the right of zero, suggesting that the relationship varies for the two life history types. Using the medians of these distributions, the estimated relationship between equilibrium population size and watershed size is  $E = 20021W^{0.97}$  for the ocean-type life history and  $E = 8665W^{0.67}$  for the stream-type life history. Recall that  $W$  is centred by dividing by its geometric mean. The median of the posterior predictive distribution for log-productivity,  $r$ , is 1.92 for the ocean-type life history and 1.46 for the stream-type life history. Exponentiating these values produces recruits per spawner at the origin ( $S = 0$ ) of 6.81 for ocean-type populations and 4.31 for stream-type populations.

To illustrate how these models can be applied to individual populations, two different  $S_{MSY}$  posterior distributions for the Taku River and Skagit River populations were calculated: (1) the posterior distribution based on the full hierarchical model; and (2) the posterior predictive distributions for a watershed with the same watershed area but no spawner-recruit data (Fig. 3). In addition, a vertical dotted line represents the  $S_{MSY}$  value from the maximum likelihood fit of the Ricker model to the spawner-recruit data for that

population. The spawner-recruit data from the Taku River precisely defines the equilibrium population size and, therefore, has a strong influence on the posterior distribution of the full hierarchical model, pulling the posterior distribution towards the maximum likelihood estimate and forming a narrower distribution. For the Skagit River, however, the spawner-recruit data contains very little information about the equilibrium population size and therefore has little affect on the posterior distribution. For most of the 25 populations the maximum likelihood estimate of  $S_{MSY}$  fell within or was very close to the 90% highest posterior density (HPD) region derived from watershed size (i.e. based on the second distribution described above) (Fig. 4).

The Taku River and Skagit River populations also illustrate how the random walk model accounts for temporal trends in the recruit residuals. For the Skagit River population there is a strong trend in the residuals



**Figure 4.** The 90% highest posterior density (HPD) regions for  $S_{MSY}$  for all of the stocks with spawner-recruit data. The lower dark bar is the HPD region based on the  $S_{MSY}$  posterior distribution. The top bar (light grey) is the HPD region based on the  $S_{MSY}$  posterior predictive distribution for a population with the same watershed size but with no spawner-recruit data. The dot represents the maximum likelihood estimate for  $S_{MSY}$ , estimated for each population separately.

from the base model. First the residuals decline in the 1980s and then move back up in the 1990s (Fig. 5). This pattern is effectively modelled by the random walk. For the Taku River population the random walk is relatively constant reflecting the lack of an obvious large trend similar to the Skagit River population. The relative effect of these two random walks is reflected in the temporal change in  $S_{MSY}$  (Fig. 5).

The posterior predictive distributions were estimated for  $r_{new}$  and  $E_{new}$  for the Klinaklini River in British Columbia, Canada using Table 4 and equation 8 to demonstrate how these results can be used to make inference about populations that are not part of this analysis. The Klinaklini River population is stream-type and has an accessible watershed size of 1561 km<sup>2</sup>. The median and 95% HPD region for  $r_{new}$  is 0.96, 1.45, 1.95 and for  $E_{new}$  is 14 900, 19 900, 25 700.

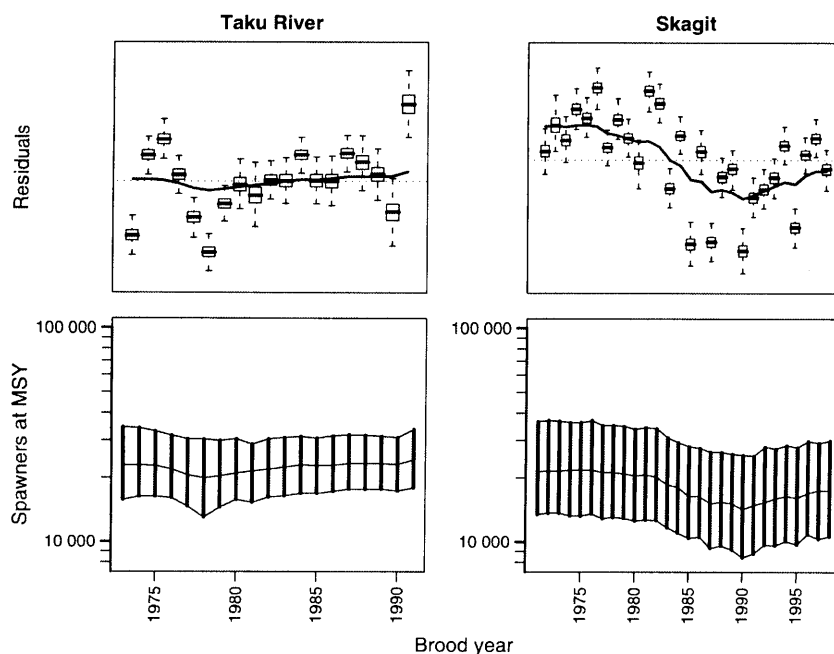
#### Monte Carlo Markov Chain diagnostics and sensitivity to prior choice

The MCMC chains appear to converge based on inspection of the traces, autocorrelation statistics and Geweke (1992), and Heidelberger and Welch (1981) convergence statistics. The autocorrelations with lags 1–50 were between –0.1 and 0.1 for all parameter chains. The posterior distributions of the model parameters showed very little sensitivity to the choice

of priors. No substantial differences were noted when the posterior distributions based on the different priors in Table 2 were superimposed.

#### Discussion

In this analysis, a series of Bayesian hierarchical models were used to examine the relationship between spawner-recruit parameters and accessible watershed area. Although the results generally confirmed the findings of Parken *et al.* (2006), the modelling approach differed considerably. First, in place of multiple models linked through a series of analysis steps, the hierarchical modelling approach used here combined the sub-models into a single model that could be easily described and analysed using Bayesian statistics. Second, whereas Parken *et al.* (2006) used  $S_{MSY}$  and  $E$  to parameterise the Ricker function, here  $S_{MSY}$  was replaced with the productivity parameter  $r$ , providing a more commonly used parameterisation on which to add further model complexity. Assessment of model fit demonstrated strong temporal trends in the spawner-recruit residuals for many populations when using the base model. These trends were effectively modelled through the addition of temporal random walks to the spawner-recruit relationships. This added model complexity appeared to be justified by improved predictive performance. A difference in



**Figure 5.** Upper panels are box plots of the residuals for the base model with the median values for the random walk from the final model superimposed. The dotted line represents 0. Lower panels are variation in  $S_{MSY}$  over time due to the random walk (median and 90% HPD region).

mean productivity for ocean- and stream-type populations, described by Parken *et al.* (2006) was confirmed here by comparing models with and without life history-specific mean productivity. Application of the model as a management tool for populations with and without spawner-recruit data was demonstrated. Two populations were used as examples to demonstrate how differing information content in the spawner-recruit data can affect the results for a population.

The relationship between habitat and capacity expressed by the models here and in Parken *et al.* (2006) are simple relative to the current conceptual understanding of salmonid-habitat interactions. However, only a limited number of habitat variables are available for all populations in the data set; and, with only 25 populations, adding much more complexity to the habitat capacity relationship will likely lead to over fitting. This, of course, does not justify avoiding model critique. Other simple models may provide a better description of the data, and a misleading model may be worse than no model. A number of different models based on the available data were examined by Parken *et al.* (2006). Other considered variables included latitude and mean annual discharge. Chinook salmon populations north of 56° N latitude are virtually all stream-type, and most ocean-type populations are from more southern latitudes (Taylor 1990). This makes it difficult to differentiate between models based on life history type and latitude. However, when models based on life history and latitude were compared, life history explained more variability (Parken *et al.* 2006). Also, the two populations that go against the pattern between latitude and life history support the life history model. The Upper Columbia Spring-Run population is a low latitude stream-type population that tends to group with the stream-type populations, while the Situk River population is a high latitude ocean-type run that is consistent with either the ocean- or stream-type populations (Fig. 1). Mean annual discharge is another logical metric that certainly affects Chinook salmon habitat. However, it is highly correlated with accessible watershed, and Parken *et al.* (2006) showed that it provided less predictive power. Two exciting areas in which the models in this paper can be expanded include measures of habitat capacity that utilise more knowledge about what constitutes salmonid-habitat (e.g. Sharma & Hilborn 2001) and spatially varying time series of ocean conditions that explain patterns in ocean survival (e.g. Pyper *et al.* 2005). However, collecting these data and narrowing the set of models to avoid excessive hunting for relationships will require substantial effort.

While the flow of information between populations in the full hierarchical model will tend to provide more robust results that are less easily swayed by errant individual pieces of data, it is not a panacea. There are a number of problems that can lead to poor inference. First, the model assumes that the group of populations is representative of the larger population of interest. The 25 populations used for this analysis cover most of the North American geographic range of Chinook salmon populations, exhibit both stream and ocean life history types, and inhabit a wide range of watershed sizes. However, the group of populations for which good quality spawner-recruit data were available was determined by the management history of these regions and is not necessarily representative of west-coast Chinook salmon populations. Therefore, when using the model to infer demographical characteristics for other Chinook salmon populations, interpretation of the results should include consideration of how those populations compare to the 25 populations of this analysis. A second potential problem relates to the way the model combines the data across populations. One of the advantages of the hierarchical model is that it naturally weights the data from the different populations. However, this assumes that the uncertainty in the spawner-recruit relationship is accurately captured by the model. Because spawner-observation error is not accounted for in the model and likely varies considerably between populations, the relative weighting for the different populations may not always be optimal. Fortunately a synthesis of data from 28 Chinook salmon populations, 10 of which were included in this analysis, found that most populations had a combination of spawner-observation error and exploitation rate that was unlikely to introduce large bias in spawner-recruit analyses that would be of concern to managers (PSC (Pacific Salmon Commission) 2008). Third, although a number of measures of model fit were used to look for deficiencies in the final model, inadequacies in models can be difficult to find, especially in complex models such as hierarchical models. For example, the life history-specific distributions of productivity each are assumed to have a single mode. While the data tend to support this, they are not completely inconsistent with, for example, bimodal distributions. Fourth, any systematic bias in the data will likely translate to incorrect inference and predictions. Recruitment, for example, is very difficult to reconstruct from the available mixed-stock fisheries data. Bias in recruitment data is, therefore, possible and would be difficult to detect. Finally, interpreting the results requires an understanding of how the population estimates are affected by the hierarchical

structure. The model shrinks the individual  $r$  and  $E$  values towards the mean relationships. While this reduces the mean square error of the estimates, it also introduces systematic bias, especially for values far from the mean or for populations with uninformative spawner-recruit data. This should be understood when providing management advice.

Convincing evidence in Parken *et al.* (2006) suggests that watershed size provides a good first estimate of population capacity when Chinook salmon population data are not available. Their two-step regression approach is straightforward, easy to explain and based on simple statistical methods. However, combining all of the data into a single Bayesian hierarchical analysis provides significant advantages. Variation in parameter uncertainty across populations, due to varying quality and quantity of spawner-recruit data, is accounted for. When spawner-recruit data are available for a population, it can be simply and logically combined with the watershed size-based prediction to provide a single estimate of a management parameter. The Bayesian hierarchical approach provides a natural framework for incorporating additional environmental information as it becomes available and exploring different model structure. Finally, assuming the 25 populations are representative of Chinook salmon populations coast wide, inference can be expanded beyond the 25 populations to develop optimal harvest strategies for population groups harvested in mixed-stock fisheries. There is immense societal and monetary value to managing accurately the mixed-population Chinook salmon fisheries along the west coasts of Canada and the United States. While substantial resources have been applied towards constructing spawner-recruit series to achieve this goal, spawner-recruit data are notoriously noisy, vary considerably in quality and quantity between populations and are often unavailable for populations of Pacific salmon. It is therefore only logical that decisions be informed by methods such as hierarchical modelling that more fully exploit the available data.

### Acknowledgments

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# 10 Reasons to Pass Proposal 71 Kodiak Set Gillnet Specifications

RC 49

1. Virtually all Kodiak set gillnet permits were actively fished each opening before the regulation change. The "stacking" provision hasn't changed the amount of gear in the water and consequently hasn't negatively impacted other salmon fishermen.
2. Many Kodiak salmon set net operations consist of multiple permits held by immediate or extended family members. These operations are "joint ventures" with the family helping throughout the year to prepare and manage the operation. "Stacking" permits within the family doesn't "consolidate" the fishery or change the nature of the fishery or inhibit access to the fishery --- these permits would not be sold.
3. The Kodiak salmon fishing openings often span a period of more than 90 days. There is a 60 day wait period between permit transfers. Consequently, it is difficult to transfer a family permit more than once during a lengthy season when a number of unexpected events can arise that would require a permit holder to be away for a short period of time.
4. CFEC data indicates that the "stacking" provision has been primarily used as anticipated. Over 90% of the transfers have been to immediate or extended family.
5. Average annual Kodiak setnet permit earnings have been less than \$30,000 for the past three years. It is difficult for an individual to maintain a fish camp with these earnings. Without "stacking" individuals that do not have a spouse or child active in the fishery could be forced out of the fishery - primarily because they are single.
6. Limited Entry permits cannot be leased. Concerns about consolidation assume that permits will be transferred to create an "absentee ownership" class of permit holders. However, if the only nexus to the permit "stacked" is money, the permit is leased.
7. Only a few Kodiak salmon setnet permits are sold annually. Permits were available for sale before the stacking provision and are available now. Virtually all permits are sold with the setnet "camp" and the "location" of the net. Stacking hasn't impacted the availability of setnet permits. Economic return rather than "stacking" will primarily determine permit sale availability.
8. Set net "camp" locations on Kodiak Island are limited due to National Wildlife and native corporation ownership. If the fishery moved to a one camp per permit profile, there are not additional camp sites available. Consequently, the fishery will always be comprised of camps with multiple permits. Eliminating permit stacking will not result in more single permit operations.
9. Because many Kodiak setnet operations are multiple permit camps, stacking allows the operations to retain enough permits to capitalize sale of the camp. Diminished stacking opportunities may actually inhibit the sale of setnet camps because the buyers may not have enough individuals to hold permits to adequately capitalize the purchase of the camp.
10. Nothing in fishing is permanent. Limited entry without stacking lasted for 40 years. Stacking has been allowed for 3 years. If stacking results in negative consequences to the fishery it can be changed.

Submitted  
by

Rich Balance





**Kenai Peninsula Fishermen's Association**

*Ensuring the Sustainability of Our Fishery Resources*

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January 12, 2011

Boards Support Section  
Alaska Department of Fish and Game  
P.O. Box 115526  
Juneau, AK. 99811-5526

ATTN: Alaska Board of Fisheries

Chairman: Webster

PROPOSAL 70 – OPPOSE

AS sec 16.05.253 The Board of Fisheries may require a person who holds a limited entry permit or an interim-use permit under AS 16.43 to be physically present at a beach or riparian fishing site during the operation of net gear or other stationary fishing gear at the site, except when traveling to or from the location of...

5 AAC 39.107 (d) (e) offers definition and clarification, (f) (g) allow certain unique area specific exceptions and definitions.

We agree that the State protection officers should have discretion in enforcing these rules due to the unique situation each of the states approximately 4500 salmon set net permits operate within.

Clearly, it is the responsibility of the individual permit holder to maintain *competent supervision* of the gear *while in operation*.

PROPOSAL 71 – SUPPORT

AS 16.05.251 Regulations for the Board of Fisheries

(i) ...a regulation to allow a person who holds two entry permits for that salmon fishery an additional fishing opportunity appropriate for that particular fishery.

AS 16.43.140 (c) (5) *relates to a "consolidation of a fishery."*

RC 50

We do not believe that the purpose of this proposal is to accomplish this task. Rather it is a simple request to continue to further provide a reasonable opportunity to harvest resources without the additional burden of unnecessary regulation.

The Departments comments are clear, ...*does not believe that there are biological concerns with salmon stocks due to dual permits.*

The legislature has provided the Board with the ability to assist those individuals who make the investment to continue to operate in a manner they feel appropriate to benefit their families and their communities.

Many setnet operations are just a continuation of historical family and extended family businesses. These family cooperatives are not unlike the farming communities of the past of which many are no longer in existence.

***Our points:***

***Does not affect any current allocation plan***

***Does not adversely affect any conservation necessity***

***Does not open any new areas***

***Does not add any additional gear then is not already allowed (CFEC)***

***It does improve economic viability***

***It does improve the cohesiveness of an extended family operation***

***It does allow flexibility to elderly permit and site owners***

***It does reduce unnecessary expenses and paper work***

***It does enhance a reasonable opportunity to harvest a resource under current State law.***

Thank you,

Paul A. Shadura II  
Executive Director

RC 51

(3) "exclusive economic zone" means all the waters seaward of the territorial sea to a boundary line drawn in such a manner that each point on the line is 200 nautical miles from the baseline from which the territorial sea is measured;

(4) "lost" means involuntarily sunk or destroyed;

(5) "overall length" means the horizontal distance between the outboard side of the foremost part of the stem and the outboard side of the aftermost part of the stem, excluding fittings and attachments;

(6) "person" has the meaning given in AS 16.43.990;

(7) "retired" means sold for scrap, or voluntarily sunk or destroyed by the owner;

(8) "statewide weathervane scallop fishery" means the commercial taking of weathervane scallops in all internal waters of this state and the territorial sea;

(9) "territorial sea" means the territorial sea of this state. (Eff. 5/6/2004, Register 170)

Authority: AS 16.43.100 AS 16.43.450  
AS 16.43.110 AS 16.43.460

Article 17

Transfer of Entry and Interim-Use Permits.

Section

- 1700. Requirements for transfer
- 1705. Lease, encumbrance, attachment, distraint, or retained right of repossession prohibited
- 1707. General requirements regarding a request for permanent transfer of an entry permit
- 1710. Voluntary transfer: permit holder's notice of intent to permanently transfer an entry permit under AS 16.43.170(b)
- 1712. Voluntary transfer: permit holder's request for permanent transfer of entry permit under AS 16.43.170(b)
- 1714. Involuntary transfer: proposed transferee's request for permanent transfer of an entry permit under AS 16.43.170(g)
- 1716. Voluntary transfer: denial of permit holder's request for permanent transfer of entry permit
- 1718. Involuntary transfer: denial of proposed transferee's request for permanent transfer of entry permit
- 1720. (Repealed)
- 1721. Determination of need regarding permit holder
- 1723. Commission's right of first refusal under AS 16.43.170(h) to purchase entry permit
- 1725. Permanent transfer of an entry permit under AS 16.43.140(c)(5)
- 1730. (Repealed)
- 1731. (Repealed)
- 1735. Designation of agents by commission
- 1740. Emergency transfers
- 1742. Transfer and reissuance of entry permits
- 1745. (Repealed)
- 1746. (Repealed)
- 1750. Transfer upon death of the holder
- 1760. Administrative hearings
- 1765. (Repealed)
- 1770. Definitions for 20 AAC 05.1700 — 20 AAC 05.1770

Editor's note: As of Register 103, this article was redesignated as Article 17. Before Register 103 it appeared as Article 7. As of Register 103, the sections in this article were renumbered as 20

AAC 05.1700 -- 20 AAC 05.1770. Before Register 103, the sections were numbered as 20 AAC 05.700 -- 20 AAC 05.770. The history notes for the sections in this article were not changed by the renumbering, and reflect the history of the section both before and after the renumbering.

20 AAC 05.1700. Requirements for transfer.

(a) An entry or interim-use permit may be transferred only through the commission in accordance with AS 16.43 and this chapter.

(b) A person who has contracted to buy an entry permit may not contract to sell or assign that entry permit before the entry permit is transferred to the person through the commission.

(c) It is a violation of this chapter for a permit holder to allow another person to use the holder's permit without first transferring the permit to that other person through the commission. A permit holder who allows such use, and the unauthorized user, are subject to penalties as provided in AS 16.43. (Eff. 12/18/74, Register 52; am 12/27/79, Register 72; am 2/29/84, Register 92; am 11/13/94, Register 132)

Authority: AS 16.43.100 AS 16.43.170  
AS 16.43.110(a)

Editor's note: All forms referred to in 20 AAC 05.1700 -- 20 AAC 05.1770 can be obtained from the Commercial Fisheries Entry Commission, 8800 Glacier Hwy., Suite 109, P.O. Box 110302, Juneau, AK 99811-0302.

20 AAC 05.1705. Lease, encumbrance, attachment, distraint, or retained right of repossession prohibited.

(a) Except as provided in AS 16.43.150(g), an entry permit may not be

(1) pledged, mortgaged, leased, or encumbered in any way, including any contractual or legal device that purports to require the transfer or forfeiture of a permit or otherwise constrain the rights of the holder to possess or transfer an entry permit;

(2) transferred with any retained right of repossession or foreclosure, or on any condition requiring subsequent transfer, even if set out as an alternative to another action; or

(3) attached, distrained, or sold on execution of judgment or under any other process or order of any court, or otherwise involuntarily transferred except due to an execution on a holder's interest in a permit as provided in AS 16.43.170(g) and (h) and 20 AAC 05.1700 -- 20 AAC 05.1770.

(b) The provisions of this section do not apply to approved emergency transfers under AS 16.43.180 and 20 AAC 05.1740. (Eff. 11/13/94, Register 132)

Authority: AS 16.43.100 AS 16.43.170  
AS 16.43.110(a) AS 16.43.180  
AS 16.43.150(g)

Editor's note: Before 11/13/94, Register 132, the substance of 20 AAC 05.1705 was contained in former 20 AAC 05.1731.

**20 AAC 05.1707. General requirements regarding a request for permanent transfer of an entry permit.**

(a) A request for permanent transfer of an entry permit must be made to the commission on the form designated and provided by the commission under this chapter and must include a certification by the proposed transferee of facts establishing the transferee's present ability to participate actively in the fishery to which the permit applies. The transferee's signature on the certification must be witnessed by a notary public, postmaster in this state, or other officer authorized by state or federal law to take oaths, affirmations, or acknowledgements. Upon request by the commission, the proposed transferee shall produce documentation of the facts supporting the proposed transferee's certification and shall furnish any other information that the commission finds necessary to support the request for permanent transfer of the entry permit. For purposes of this chapter, there is a rebuttable presumption that the proposed transferee is unable to participate actively in the fishery if (1) for setnet permits, gear code 04, the proposed transferee has not attained age 10; and (2) for other permits, the proposed transferee has not attained age 16. The rebuttable presumption established in this subsection does not apply to gear codes 18 (shovel), 12 (hand picking), and 21 (pound).

(b) A request for permanent transfer of an entry permit must be supported by documentation and such other supporting information as is required by the commission. If the required documentation or information in support of a request for permanent transfer is not submitted to the commission within 60 days after notification by the commission that the information is required, the commission will deny the request for permanent transfer of the entry permit.

(c) If the transferor in the permanent transfer of an entry permit is a minor, the parent or guardian of the minor must obtain a court order ratifying the minor's contract under AS 13.26.205(b), before the commission will approve the permanent transfer. (Eff. 11/13/94, Register 132; am 12/29/2000, Register 156)

Authority: AS 16.43.100 AS 16.43.150  
AS 16.43.110 AS 16.43.170

**20 AAC 05.1710. Voluntary transfer: permit holder's notice of intent to permanently transfer an entry permit under AS 16.43.170(b).**

(a) The holder of an entry permit not subject to the restrictions of AS 16.43.170(c) or (e) may establish a filing date, effective date, and expiration date for the permanent transfer under AS 16.43.170(b) of the holder's entry permit by filing a completed and signed notice with the commission on the form designated Holder's Notice of Intent to Permanently Transfer Entry Permit, provided by the commission. The holder need not name a proposed transferee

when filing a notice form under this section. The commission will return to the holder a copy of the notice form that states the filing date, effective date, and expiration date for permanent transfer of the entry permit by the holder.

(b) A holder may revoke the holder's notice any time before the holder files a Holder's Request for Permanent Transfer of Entry Permit form under 20 AAC 05.1712. A revocation must be in writing and must be signed by the holder. A revocation takes effect when it is filed with the commission.

(c) A holder may file with the commission a completed and signed notice form at any time after the effective date of the holder's previous notice form. If a subsequent notice form is filed before the expiration date of the holder's previous notice form, the effective date of the subsequent notice form is the date it was filed with the commission.

(d) A person who has applied for an entry permit or is eligible to apply for an entry permit under 20 AAC 05.500 may file a notice of intent to transfer an entry permit. For purposes of the transfer, the effective date of an unexpired notice of intent is the date of the original issuance of the entry permit, or the date 60 days after the filing of the notice, whichever is later. (Eff. 12/18/74, Register 52; am 10/30/82, Register 84; am 11/26/87, Register 104; am 5/20/90, Register 114; am 11/13/94, Register 132; am 12/29/2000, Register 156)

Authority: AS 16.43.100 AS 16.43.170  
AS 16.43.110

**20 AAC 05.1712. Voluntary transfer: permit holder's request for permanent transfer of an entry permit under AS 16.43.170(b).**

(a) A permit holder's request for the permanent transfer of the holder's entry permit under AS 16.43.170(b) shall be made on the form designated Holder's Request for Permanent Transfer of Entry Permit, provided by the commission.

(b) The holder and the proposed transferee shall complete the Holder's Request for Permanent Transfer of Entry Permit form, including the transfer survey portion of that form. On the affidavit portion of the request form, the holder and the proposed transferee each shall swear to the commission under penalty of perjury that, to that person's knowledge, the information submitted to the commission on the form and in all supporting documents and other information provided at any time in support of the transfer request is true; that the transfer is not a violation of AS 16.43.150(g) or 20 AAC 05.1705; and that neither the holder nor the proposed transferee is prohibited by law or court order from participating in the transfer. The holder's and proposed transferee's signature on the affidavit portion of the form must be witnessed by a notary public or postmaster. If the holder or proposed transferee fails to complete and sign the request form as required, the commission will deny the holder's request for permanent transfer of the entry permit.

by the commission on the date received by a designated agent of the commission. (Eff. 12/27/79, Register 72)

Authority: AS 16.10.333 AS 16.43.170(a)  
AS 16.10.339

**20 AAC 05.1740. Emergency transfers.** (a) A holder of an entry permit or interim-use permit in a limited fishery or a fishery subject to a moratorium may apply for an emergency transfer of the entry or interim-use permit to another person by making application to the commission on a form provided by the commission.

(b) The commission will grant an emergency transfer of an entry permit if the proposed transferee is not a permit holder in the fishery and is presently able to participate actively in the fishery, and if it is established that illness, disability, death, required military or government service, or other unavoidable hardship of a temporary, unexpected, and unforeseen nature prevents the transferor from participating in the fishery. If the entry permit is not transferable under AS 16.43.170(c) or (e), the emergency transfer will be granted only to allow the continued operation of the transferor's vessel or setnet site and fishing gear. Temporary emergency transfer of an interim-use permit issued under AS 16.43.210(b), 16.43.225, or 16.43.227 or of a permit held by an estate will be granted by the commission to alleviate hardship. Temporary emergency transfer of an interim-use permit in an unlimited fishery issued under AS 16.43.210(a), will be granted by the commission if reasonably necessary in order for the fishing operation to continue until another permit may be obtained.

(c) Where illness, disability, or death precludes communication by the transferor, the commission will, in its discretion, authorize the emergency transfer of an entry permit or interim-use permit upon application by a person other than the transferor.

(d) Unless otherwise limited by the commission, an emergency transfer is effective until the emergency is over, or until the end of the season, or until the transferor submits a request that the permit be returned, whichever occurs first.

(e) The proposed transferor and transferee of an emergency transfer under this section shall provide information and executed releases for information the commission determines is reasonably necessary to establish the basis upon which the emergency transfer is requested. Sufficient proof to verify the basis of the transfer must be submitted when the transfer request is made.

(f) Repealed 1/29/82.

(g) Where illness, disability or other unavoidable hardship, as described in (c) of this section, began or death occurred within 14 days immediately preceding the mailing date of a properly completed Request for Emergency Transfer of Permit form, the commis-

ion or an agent of the commission may certify the application as complete by dating and signing the form. The commission agent will not certify the form as complete unless the form is accompanied by an envelope addressed to the commission with adequate postage. The proposed emergency transferee may fish with the carbon copy of the form for no more than 14 days following the date the form was certified as complete, unless extended by the commission. Upon approval of the request for emergency transfer, the commission will issue a temporary permit card to the emergency transferee. Upon denial of the request, the commission will notify the permit holder and proposed transferee of its decision and of the fact that fishing with the carbon copy of the application form is no longer authorized.

(h) A proposed emergency transferee of a permit may not fish with a carbon copy of a Request for Emergency Transfer of Permit form if the

(1) form has not been signed and dated by an agent of the commission;

(2) request is based on a circumstance, described in (b) of this section, that arose more than 14 days before the form is received by the commission;

(3) annual permit renewal form and fee have not been received and processed by the commission.

(i) If the commission grants an emergency transfer and the basis for the emergency transfer continues at the time the transferor applies for an emergency transfer for the following season, the commission will grant an emergency transfer for that following season. For subsequent seasons, the commission will grant an emergency transfer only upon a showing by the permit holder of

(1) a new unavoidable hardship of an unexpected and unforeseen nature that prevents the permit holder from fishing;

(2) a continuation of the basis for the first emergency transfer in addition to extraordinary circumstances; for purposes of this paragraph, "extraordinary circumstances" are circumstances beyond the control of the permit holder that can be addressed by granting an emergency transfer, such as

(A) the failure of a good faith attempt to participate in the fishery;

(B) a realistic intent to return to the fishery within a reasonable period of time after the first emergency transfer based upon a high probability of removal of the disability or unavoidable hardship that gave rise to the first emergency transfer; or

(C) an intent to permanently transfer the permit that cannot presently be fulfilled in spite of substantial, good faith efforts to do so; "extraordinary circumstances" do not include the effects of economic, biological, or regulatory variable that are normally part of the risk of doing business as a fisherman, such as an

economic choice, retirement from the fishery, permanent illness or disability, or lack of a market for the sale of a permit.

(j) The transferor may revoke an emergency transfer at any time by submitting to the commission or an agent of the commission

(1) a completed Request for Return of Original Permit Card form provided by the commission;

(2) the emergency permit card, or if the card has not been received by the emergency transferee, the transferee's copy of the Request for Emergency Transfer of Permit form; and

(3) if submitted through an agent, an envelope addressed to the commission with adequate postage.

(k) A permittee may not fish with a copy of the Request for Return of Original Permit Card form unless the form has been submitted to the commission through an agent of the commission, and that agent has certified the application as complete by dating and signing the form. A permittee may submit to the commission an otherwise properly completed Request for Return of Original Permit Card form that is not signed and dated by an agent; however a copy of the form may not be retained for fishing.

(l) For the purposes of receiving and certifying as complete a Request for Emergency Transfer of Permit form and a Request for Return of Original Permit Card form, an employee of the Department of Fish and Game or of the Department of Public Safety, division of fish and wildlife protection, is an agent of the commission. (Eff. 12/18/74, Register 52; am 12/27/79, Register 72; am 5/15/81, Register 77; am 1/29/82, Register 81; am 10/30/82, Register 84; am 6/5/83, Register 86; am 2/29/84, Register 89; am 5/20/90, Register 114; am 1/2/92, Register 121; am 7/3/94, Register 130; am 12/29/2000, Register 156)

<b>Authority:</b>	AS 16.43.100	AS 16.43.225
	AS 16.43.110	AS 16.43.227
	AS 16.43.180	

**20 AAC 05.1742. Transfer and reissuance of entry permits.** If the commission finds that a request for transfer of an entry permit is approvable under 20 AAC 05.1716, or is approvable under 20 AAC 05.1718 and the commission does not exercise its right of first refusal as provided in 20 AAC 05.1723, the commission will reissue the entry permit to the proposed transferee. (Eff. 11/13/94, Register 132)

<b>Authority:</b>	AS 16.43.100	AS 16.43.170
	AS 16.43.110(a)	

**Editor's note:** Before 11/13/94, Register 132, the substance of 20 AAC 05.1742 was contained in former 20 AAC 05.1730.

**20 AAC 05.1745. Bristol Bay pilot project.**  
Repealed 12/31/88.

**20 AAC 05.1746. Bristol Bay transfer project.** Repealed. (Eff. 8/20/89, Register 111; repealed 12/29/2000, Register 156)

**20 AAC 05.1750. Transfer upon death of the holder.** (a) An entry permit survives the death of the holder, but an entry permit issued under AS 16.43.250(c) may be emergency transferred under 20 AAC 05.1740 only for the remainder of the calendar year in which the permit holder's death occurred. Except for a permit issued under AS 16.43.250(c) and subject to (h) of this section, a permit will be transferred by the commission directly to the surviving spouse by right of survivorship, or if no spouse survives, to a natural person designated by the permit holder on a designation form provided by and filed with the commission, if any, unless the deceased holder has expressed a contrary intent in a will that is probated. After 90 days following the permit holder's death, the surviving spouse or the person designated by the permit holder may apply for the permanent transfer of the permit into that person's name by submitting a form provided by the commission along with a copy of the permit holder's death certificate, a copy of the permit holder's will, if any, and other documentation specified by the commission. The designation form is only effective if it is filed with the commission before the permit holder's death. A subsequent designation form filed by the permit holder will replace the earlier form if it is filed with the commission before the permit holder's death. An applicant with a limited entry permit application pending before the commission may file a designation form with the commission.

(b) Except for a permit issued under AS 16.43.250(c), if no spouse survives the deceased permit holder and no person has been designated by the permit holder to receive the permit, the rights to the permit pass to the permit holder's estate. The authorized representative of the deceased holder's estate may apply for an emergency transfer of an entry permit pending final disposition of the permit as a part of the holder's estate, by making application to the commission on a form provided by the commission. The emergency transfer must be to a person who is not a permit holder in the fishery and who can establish the present ability to participate actively in the fishery. The commission will approve an application for an emergency transfer under this subsection if the representative establishes that the permit holder is deceased and that the representative is authorized to request the transfer. Unless further restricted by the authorized representative, an emergency transfer under this subsection is effective for the remainder of the year. Except for a permit issued under AS 16.43.250(c), the authorized representative may annually renew an entry permit and may apply for subsequent emergency transfers if he or she establishes that the permit has not been