

Setnet Permit Stacking New Information

We feel that much of the public testimony, and many of the conclusions reached in the CFEC permit stacking presentation were inaccurate.

The main reasons offered by those who were opposed to stacking were:

1. Stacking leads to transfers of permits out of the watershed area.
2. Permit prices increased due to stacking.
3. Stacking reduces new entrants to the fishery.

We realize this is a contentious issue, and that the Board's decision was not easily reached. We also feel that if this information were made available, the vote might have turned out differently.

We respectfully ask Board members to review this new data, and revisit the issue of setnet permit stacking.

Submitted by Kim Rice, Alannah Rice, Eric Beeman, Eddie Clark, Lee Weese, Harlan Baily, Roland Briggs

RE: Argument: Stacking leads to transfers of watershed setnet permits out of area.

Actual data:

1990-- 462 Total setnet permits in BB watershed

2011-- 349 Total setnet permits in BB watershed

21 yr. loss of 113 permits

On average, 5.3 permits/yr have transferred out of BB watershed

Obviously, there is a problem with permits are being transferred out of the watershed.

However in the 2 years since stacking was implemented: (net figures)

In 2010 2 BB watershed setnet permits transferred out of area

In 2011 3 BB watershed setnet permits transferred out of area

Basically, for the 2 years we have had stacking (no data for 2012), surprisingly we have a **50% decrease** in permits transferring out of the watershed.

RE: Argument: Permit prices increase due to stacking.

Actual data:

12-31-2010 (Kodiak stacking sunsets) value of setnet permit \$ 70,700

11-2012(Last month--most recent data) value of setnet permit \$78,100

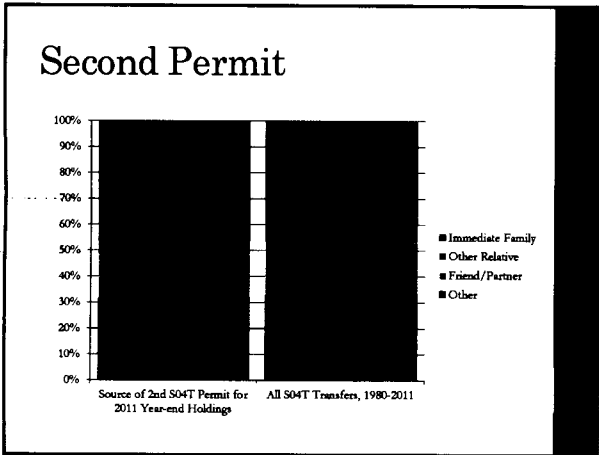
In Kodiak, the only region where stacking was allowed and then sunseted, permit values **actually rose** after stacking was discontinued.

RE: Argument: Stacking hurts new entrants into the fishery.

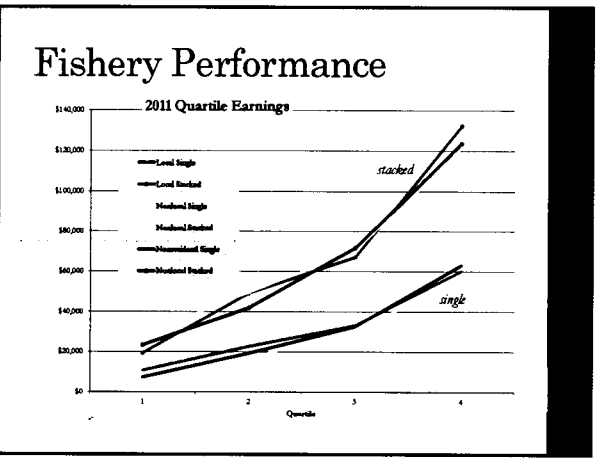
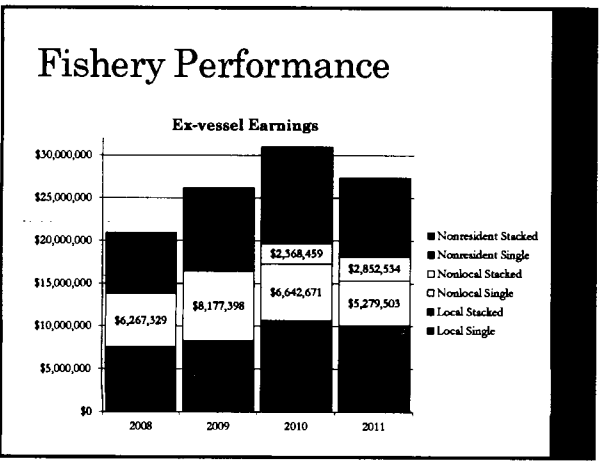
Actual data:

To me, it looks like the transfer sources remained the same.

See chart.



→ The differences between sources of transfer in the stacking years and in years previous to stacking are minute.



Latent Permits by Residency Type

Latent permits by Residency Type

Year	Total Latent	Local	Alaska Residents	
			Nonlocal	Out of State Nonresident
2008	129	53 41.1%	48 37.2%	28 21.7%
2009	139	59 42.4%	45 32.4%	35 25.2%
2010	114	40 35.1%	49 43.0%	25 21.9%
2011	91	33 36.3%	41 45.1%	17 18.7%

This data was put together after a last minute request by Kim Rice. While this data approximates what is occurring, it may or may not be exact. Requests of this nature typically require additional time to review for accuracy. You may note that the "Total Latent" count is off by one. Either way, this data approximates to a close degree the breakout of residency types of latent permits.

sincerely,
 Marcus Gho
 Economist
 CFEC

This shows that there are 33 latent permits in the Bristol Bay Watershed that are not being fished as of 2012