



UNITED FISHERMEN OF ALASKA

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April 4, 2016

Representative David Talerico, Co-Chair
Representative Benjamin Nageak, Co-Chair
House Resources Committee
Alaska State Legislature
State Capitol
Juneau AK 99801

RE: Opposition to HB 112 regarding Commercial Fisheries Entry Commission

Dear Representatives Talerico, Nageak and Committee Members,

United Fishermen of Alaska is the statewide commercial fishing trade association, representing 34 commercial fishing organizations participating in fisheries throughout the state and its offshore federal waters.

This letter is a follow up to our letter of April 3, 2015, in which we expressed our opposition to HB 112 and urged the committee to not take action until the release of the legislative audit that was then in progress. We appreciate that the committee has waited for the audit's results before taking further action.

Now that the audit has been completed, we continue to oppose HB 112 and generally support the conclusions of the audit – especially the recommendation of the legislative audit that CFEC remain as an independent agency, separate and distinct from the Alaska Department of Fish and Game.

We believe that cost savings similar to those projected in Governor Walker's Administrative Order 279 can be accomplished within the agency through streamlining as recommended in the audit, without the disruption to CFEC personnel and operations that would result from a partial transfer of CFEC personnel and functions to ADF&G. Regarding cost savings, we understand that there may be a need for flexibility regarding part time status of CFEC Commissioners.

Regarding organizational efficiency, we understand that the CFEC has accomplished the audit's recommendation to hire an Executive Director and is in the process of streamlining its operations for increased efficiency.

We have separately written to ADF&G Commissioner Cotten with a thorough list of questions regarding the mechanics of the changes that would occur from AO-279 (and similarly with HB 112 for most of the questions). We have not received answers in the two weeks since the letter, an illustration of the complexity and intricacy inherent in such a move.

Alaska's commercial fisheries rely on the limited entry permitting system as the foundation of an orderly, sustainable and highly regulated industry. Commercial fishing permits are in many cases the single largest business investment for commercial fishermen and family businesses, altogether representing approximately \$1 billion in business investment. Alaska's limited entry statutes have been carefully crafted over a span of decades to provide stability in the industry while conforming to federal commerce law. Fishermen rely on the stability of the CFEC and its capability to vigorously defend challenges to limited entry decisions.

We are extremely concerned with what we feel to be short-sighted actions to move CFEC or CFEC functions to ADF&G, and urge you to oppose HB 112.

Thank you for your consideration.

Sincerely,

A handwritten signature in cursive script, reading "Jerry McCune".

Jerry McCune
President

A handwritten signature in cursive script, reading "Mark D. Vinsel".

Mark Vinsel
Executive Administrator