March 4, 2025

Representative Louise Stutes Chair, House Fisheries Committee Alaska State Legislature Juneau, Alaska 99801



Subject: House Bill 117

Dear Representative Stutes and Members of the Fisheries Committee,

Thank you for this opportunity to comment on House Bill 117.

I am writing to express my support for an amended version of this legislation.

I am a 3rd generation setnetter, and lifelong Alaskan. My partner and I were both raised in multi-generational commercial fishing operations, and now own a 2-permit site on the south end of Kodiak Island. I have participated in limited entry fisheries in Cook Inlet, Bristol Bay, Kodiak and Prince William Sound, and we bought our Kodiak operation in 2022. We are strong advocates for family fishing businesses and ways of life, and for well-managed fisheries access programs across Alaska.

My request for amendments is focused on addressing the <u>need for setnet delivery clarification</u>, while upholding the <u>fundamental owner-operator principle of limited entry fisheries</u>.

Adaptations to major management systems have the potential for unintended consequences – such as increased consolidation, increased disparity in stakeholder success, and impeded access for next-generation fishermen. I commend my fishing neighbors for seeking a solution to the immediate challenge of setnet delivery requirements, in a way that preserves the standard longtime practice of cooperative fishing and delivery. I believe we can fully address that challenge, while mitigating any unintended consequences, with these simple edits:

1. Reduce the allowable number of permits-per-cooperative to 3-5 permits, to reduce incentive for over-consolidation of access rights. Co-mingling fish for delivery in small-scale family operations is an important and traditional part of the fishery. The ability to co-op a few permits for delivery purposes will cover that practice. A co-op of 10 permits, however, would be a fishing company of substantial scale. There are no 10-permit setnet camps that operate and deliver from a single vessel, or are short able-bodied participants to the degree that they would require a single cooperative. While a few families statewide have evolved substantial camps and are important fishery stakeholders, they are not a baseline for Alaska's small-scale fisheries access and regulation. A reasonable limit of co-op participants reduces the incentive for further access consolidation.

2. Establish a minimum percentage of deliveries required per permit during the season, with that permit holder present — rather than allowing some co-op permit holders to land zero deliveries. While non-fishing family members are often integral parts of an operation, the nature of our limited entry permits is fundamentally grounded in owner-operator principles. Some flexibility is warranted and reflective of the traditional fishery and the diversity of our family participants. However, expansive flexibility could result in the majority of permit owners not participating in the fishing, and is beyond the intent of limited entry's foundational owner-operator principles.

Access challenges associated with the outmigration of permits from rural communities and from Alaska writ-large are well studied and reported. As we have seen in limited entry and quota share programs in state and federal fisheries, provisions that encourage fisheries access ownership beyond the point of fisheries participation are often primary drivers of the greying of the fleet. We should be diligent when designing any action that could incentivize increased consolidation, slow advancement of young and new entrants into real ownership roles, or reduce active fisheries participation. That said, there is a real and present need to address reasonable delivery flexibility in our family set net operations.

With these few guardrails, I believe we can meet that due diligence while addressing the important challenge at hand.

Heimbuch

Best,

Hannah Heimbuch Twin Peaks Fisheries

Alaska