

AMENDMENT #2

OFFERED IN THE HOUSE

BY REPRESENTATIVE VANCE

TO: HB 195

1 Page 1, line 11, through page 2, line 5:

2 Delete all material and insert:

3 **\*\* Sec. 2.** The uncoded law of the State of Alaska is amended by adding a new section to  
4 read:

5 **LEGISLATIVE FINDINGS.** (a) The Alaska State Legislature finds that there is a  
6 clear and legitimate state purpose in addressing the dire predicament faced by commercial set  
7 net fishers on the east side of Cook Inlet. The predicament stems primarily from the  
8 following:

9 (1) the recent return of king salmon to the Kenai River, which resulted in the  
10 2023 closure of commercial set net fishing on the east side of Cook Inlet;

11 (2) management restrictions adopted in 2024 that limit the use of commercial  
12 set nets in the region that serve to almost close the east side of Cook Inlet to commercial set  
13 netting;

14 (3) the Department of Fish and Game's treatment of the incidental catch of  
15 king salmon by commercial set netters fishing for sockeye salmon as a significant challenge  
16 to conservation efforts;

17 (4) the importance of Kenai River king salmon to the residents of the state for  
18 personal use and to the sportfish guiding industry on the Kenai River; and

19 (5) long-term allocative changes made by the Board of Fisheries to how the  
20 state's fishery resource is allocated, with data from the Department of Fish and Game  
21 indicating a substantial reduction in commercial set netter fishing times on the east side of  
22 Cook Inlet over the years, from upward of 500 hours annually in the late 1980s to an average  
23 of 200 hours annually in recent years; while the management changes may be intended to

1 balance fishery interests statewide, the commercial set net fishery on the east side of Cook  
2 Inlet is uniquely vulnerable because of its location amid the state's largest and expanding  
3 population base.

4 (b) The Alaska State Legislature finds that, for over 150 years, generations of  
5 commercial set netting families have been central to the legacy of the historic commercial set  
6 net fishery on the east side of Cook Inlet. Since the 1840s, commercial set netters have  
7 harvested salmon that has sustained local communities and reached tables worldwide.  
8 Commercial set netting is a long tradition in the region, used in early international fishing  
9 expeditions to the water on the east side of Cook Inlet and generating salmon for the first  
10 cannery at the mouth of the Kasilof River in 1882. From the founding of that cannery, the  
11 cannery industry expanded rapidly, with 37 canneries along the state's coast by 1892. When  
12 fish traps were prohibited, set nets were essential for independent fishers, ensuring the  
13 continuation of commercial salmon harvesting for canneries. Commercial set net fishing has  
14 been a sustainable tradition that has profoundly influenced the cultural and economic fabric of  
15 the east side of Cook Inlet.

16 (c) The Alaska State Legislature finds that this Act, including the limitations on  
17 eligibility for the buy back of a commercial limited entry permit for the set net fishery on the  
18 east side of Cook Inlet, is rooted in the specific challenges these particular commercial fishers  
19 face. Unlike other fisheries, the commercial set net fishery on the east side of Cook Inlet has  
20 been subject to targeted closures, severely limiting the ability of commercial set net fishers to  
21 fish commercially in recent years. This fishery relies on sockeye salmon returns to the Kenai  
22 and Kasilof Rivers, which are experiencing management pressures generated by the demands  
23 of the region's growing population.

24 (d) The Alaska State Legislature finds that the Department of Fish and Game's 2023  
25 Upper Cook Inlet Commercial Salmon Fishery Season Summary sheds light on the stark  
26 realities faced by commercial set netters fishing the east side of Cook Inlet. The fishery was  
27 closed throughout the 2023 season because of a dismal forecast for Kenai River late-run large  
28 king salmon. Consequently, there was no commercial salmon harvest in the commercial set  
29 net fishery on the east side of Cook Inlet, further exacerbating the economic challenges  
30 confronting these fishers. In contrast, other fisheries in the region and around the state were  
31 able to operate under varying conditions. Some even experienced bountiful seasons.

1           (e) The Alaska State Legislature finds that it is significant that the Upper Subdistrict  
2 of the Cook Inlet Central District area remained completely closed throughout the summer of  
3 2023. While other districts and subdistricts operated under different management conditions,  
4 the closure of commercial set net fishing in this subdistrict underscores the unique challenges  
5 faced by this segment of the fishing industry. As such, the Alaska State Legislature finds that  
6 it is imperative to address the specific needs and concerns of commercial set netters operating  
7 on the east side of Cook Inlet through targeted legislative measures, such as those proposed in  
8 this Act.

9           (f) The Alaska State Legislature finds that the buy-back program established by this  
10 Act addresses the inadequacies of applicable existing statutory provisions. The existing buy-  
11 back provisions, which allow for the establishment of taxes on existing operators, do not  
12 address the specific needs of commercial set netters operating on the east side of Cook Inlet.  
13 Taxing permit holders who operate outside the east side of Cook Inlet to fund buy backs for  
14 commercial limited entry permits fished on the east side of Cook Inlet is not viable.  
15 Therefore, this Act's establishment of a smaller management area exclusively for commercial  
16 set netters fishing on the east side of Cook Inlet is crucial to ensuring the effectiveness and  
17 fairness of this Act's buy-back program.

18           (g) The Alaska State Legislature finds that allowing certain qualified commercial  
19 limited entry permit holders to sell their permits to the Alaska Commercial Fisheries Entry  
20 Commission while excluding other commercial fishers is essential to the integrity and  
21 effectiveness of the buy-back program. By restricting eligibility to those with a demonstrated  
22 history of involvement in the fishery, this Act prevents opportunistic speculation and ensures  
23 that only individuals who were genuinely invested in the fishery on the east side of Cook Inlet  
24 are eligible. That portion of this Act prevents a person from acquiring a limited entry permit  
25 solely for the purpose of profiting from this Act's buy-back provisions."