



THE STATE  
of **ALASKA**  
GOVERNOR SEAN PARNELL

Commercial Fisheries Entry Commission

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**Bob Tkacz**

**Laws for the Sea**

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**February 21, 2013**

**Dear Bob,**

**We appreciate your fisheries coverage, but we find the February 18th article about SB 54 (extension of sunset date on the state waters limited scallop fishery) confusing. Although based on CFEC's preliminary report in response to a legislative inquiry, the article conflates CFEC's limitation of state waters scallops with the separate federal limitation of federal waters scallops (the larger portion of the overall Alaska scallop fishery).**

**The article fails to make clear that SB 54 addresses only the looming sunset of CFEC's**

limitation of the state waters scallop fishery. CFEC has no control over the federal limitation.

We believe the confusion that results from lumping the two separate limitations together led to a number of misstatements.

The article states:

consolidation in the control of vessels in the scallop fishery . . . appear[s] to violate the intent . . . of state . . . law . . . .

\* \* \*

[S]tate law allows a legal person to own only one permit.

\* \* \*

CFEC records indicate that over the decade since the system was first authorized, a group of five men own the permits or control the fishing activity of three of the nine existing scallop permits and four of the same group control five permits . . . .

In fact, CFEC's report shows that, currently in the state limited scallop fishery, no individual or entity holds an interest in more than a single state scallop permit.

**The article further states that “nine of the ten vessels included in an entry moratorium that proceeded (sic) the current permitting system have links to the Alaska Scallop Assoc. . . .”**

**In fact, the report shows that only 4 of the current state vessel permits are connected to the Alaska Scallop Association.**

**The article states:**

**The CFEC report says [that four named individuals] are “principle (sic) shareholders” in businesses that own two state . . . permits.**

**In fact, in compliance with state law, the individuals are shareholders in a single corporation that holds a single state scallop permit.**

**Finally, the article states that the “only independent, Alaska-based vessel active in the fishery is the F/V Wayward Wind” (held through a corporation by members of the Hulse family). The statement ignores the vessel and permit held by William J. Harrington of Kodiak, as well as a third independent permit not currently assigned to a vessel.**

**Apart from the article, CFEC’s tendency to rush our response to legislative inquiries led to our own misstatement: “two CFEC permits have been relinquished in apparent actions to consolidate fishing rights.” Our statement is speculative and without support from the objective information conveyed by CFEC’s report.**

**Only a single permit has been relinquished since the inception of the program. The holder sold its vessel and subsequently relinquished the permit well before the original sunset date thereby ending its connection with the fishery.**

**In the other case, an applicant gave up its right to apply for a state permit and thereby complied with state law prohibiting holding more than a single permit. Compliance with state law does not deserve our criticism.**

**In short, to avoid risks of greater confusion, we would urge limiting coverage of SB 54 to its scope: the limited state waters scallop fishery for which CFEC bears responsibility.**

**In closing, on the subject of responsibility, there have been allegations that the fishery has become too exclusive, which would normally trigger CFEC’s statutory responsibility to examine an optimum number for the fishery. In the event CFEC concluded**

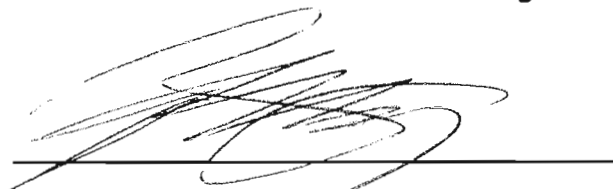
**that there were too few units of gear for the state waters scallop fishery, CFEC would be required to sell more permits to achieve the optimum number.**

**Sunset of the state waters scallop fishery limitation at the end of this year would strip CFEC of this statutory remedy and create the risk that the resulting open-to-entry fishery would be closed.**

**CFEC advocates for extension of the sunset date to avoid these results.**

**Yours truly,**

**Alaska Commercial Fisheries Entry Commission**

A handwritten signature in black ink, appearing to read 'Bruce Twomley', is written over a horizontal line.

**Bruce Twomley, Chair**

**Benjamin Brown, Commissioner**