

**ALASKA STATE LEGISLATURE
HOUSE SPECIAL COMMITTEE ON FISHERIES**

January 17, 2007

8:32 a.m.

MEMBERS PRESENT

Representative Paul Seaton, Chair
Representative Kyle Johansen
Representative Gabrielle LeDoux
Representative Peggy Wilson
Representative Bryce Edgmon
Representative Lindsey Holmes

MEMBERS ABSENT

Representative John Harris

OTHER LEGISLATORS PRESENT

Representative Bill Thomas

COMMITTEE CALENDAR

OVERVIEW(S):

DEPARTMENT OF FISH AND GAME
- DIVISION OF SPORT FISH
- DIVISION OF COMMERCIAL FISHERIES

- HEARD

PREVIOUS COMMITTEE ACTION

No previous action to record

WITNESS REGISTER

ROB BENTZ, Deputy Director
Division of Sport Fish
Alaska Department of Fish & Game (ADF&G)
Juneau, Alaska

POSITION STATEMENT: Presented the Division of Sport Fish
overview.

TOM LAWSON, Director
Division of Administrative Services

Alaska Department of Fish & Game (ADF&G)
Juneau, Alaska

POSITION STATEMENT: Responded to questions regarding the Alaska Department of Fish & Game overviews.

LISA EVANS, Assistant Director
Division of Sport Fish
Alaska Department of Fish & Game (ADF&G)
Juneau, Alaska

POSITION STATEMENT: Responded to question for the Alaska Department of Fish & Game, Division of Sport Fish overview.

PATTI NELSON, Acting Director
Division of Commercial Fisheries
Alaska Department of Fish & Game (ADF&G)
Juneau, Alaska

POSITION STATEMENT: Presented the Division of Commercial Fisheries overview.

ACTION NARRATIVE

CHAIR PAUL SEATON called the House Special Committee on Fisheries meeting to order at [8:32:02 AM](#). Present at the call to order were Representatives Wilson, Johansen, LeDoux, Holmes, and Edgmon. Representative Harris was excused. Representative Thomas was also in attendance.

OVERVIEW: DEPARTMENT OF FISH AND GAME - DIVISION OF SPORT FISH

[8:34:59 AM](#)

CHAIR SEATON announced that the only order of business would be overviews by the Alaska Department of Fish & Game divisions. Additionally, he outlined the committee meeting schedule for the session; including specific agenda items for imminent meetings.

[8:36:14 AM](#)

MR. BENTZ, Deputy Director, Division of Sport Fish, Alaska Department of Fish & Game (ADF&G), introduced the department staff from the testifying divisions. Continuing, he provided a synopsis for the presentation, highlighting the division's core services, fiscal year 2008 (FY 08) budget requests, divisional organizations, legislative targets and measures, identify the fisheries managed, and the FY 06 accomplishments.

MR. BENTZ directed the committee's attention to the Division of Sport Fish handout and began with the Alaska Department of Fish & Game's mission statement, and read the Division of Sport Fish mission statement: "Protect and improve the State's recreational fisheries resources." This mission, he explained, is accomplished via the eight core services provided by the division. He stated that the first core service is stock assessment, noting that this work is performed on both anadromous and resident species important to the sport fisheries of the state.

[8:39:10 AM](#)

CHAIR SEATON invited Representative Thomas to join the committee at the table.

MR. BENTZ resumed his explanation with the second core service, the management of the fisheries, which includes the development and establishment of regulations in conjunction with the Board of Fisheries. The third core service is hatchery production. Mr. Bentz described the state operated hatcheries, which produce king and silver salmon, rainbow and lake trout, Arctic char and Arctic grayling. Responding to a question, he provided that these hatcheries are located on the Fort Richardson and Elmendorf Air Force Bases. Additionally, he said, the department is in the design process of creating two new hatcheries to be located in Fairbanks and Anchorage, as replacement facilities for the existing facilities.

[8:40:51 AM](#)

REPRESENTATIVE LEDOUX inquired whether the new hatchery, to be located in Anchorage, would replace the two which now exist in the area.

MR. BENTZ explained the need for the replacement and demolition of the existing Anchorage hatcheries. It is expected, he said, that the planned hatchery will produce twice as many fish as the two existing hatcheries in a modern, more workable facility.

MR. BENTZ moved to the fourth core service - access, development, and maintenance. He explained that the division builds, buys, leases, and maintains physical access to sport fisheries throughout the state. He followed with habitat assessment as the fifth core service. The division continually evaluates the habitat needs for the managed fish populations. As the sixth core service, information and education, he

explained that the division operates regional outreach programs to inform and educate the public about sport fishing opportunities, regulation requirements, and life histories. The final core services, he stated, are enforcement, and planning and surveys. The division personnel assist in the enforcement of the state regulations and monitor the preference of the public anglers in regard to the sport fisheries.

[8:43:10 AM](#)

CHAIR SEATON asked for clarification of how the division staff enforces fishing regulations.

MR. BENTZ responded that all of the field technicians and permanent staff undergo a week long training course specific for regulatory enforcement. He explained that the focus is on non-confrontational, information gathering, which may lead to involving the appropriate wildlife enforcement officials. In further response, he clarified that although trained division staff have the authority to write violation and citation tickets, it is not a common practice.

The committee took an at-ease from [8:46:01 AM](#) to [8:47:58 AM](#).

[8:47:58 AM](#)

MR. BENTZ continued, directing the committee's attention to a pie chart illustrating the FY 08 projections for each of the core services. He pointed out that over 50 percent of the budget is devoted to fishery stock assessment and management, and specified that these are the cornerstones of the division.

CHAIR SEATON requested further detail on stock assessment techniques.

MR. BENTZ explained that the techniques are species and location specific and underscored that there is no standard research template.

CHAIR SEATON asked whether the majority of stock assessment work is performed on fresh water species.

MR. BENTZ stock answered that assessment work is done on various saltwater species save halibut which is a federally managed. He clarified that the work is targeted on resident and anadromous species.

8:50:15 AM

MR. BENTZ proceeded to the FY 08 budget request page. He explained that the \$3 million increase is on par with the FY 07 request, and stated that this represents general funds used to cover the cost of the Public Employee Retirement System (PERS).

MR. BENTZ introduced the four funding sources, and stated that the majority of the division's funding is derived from user fees; making it unique to other state agencies. He reported that the federal sport fish restoration program provides an excise tax on boating fuels, as well as fishing equipment, outboard motors, and other sport fishing needs. These federal receipts provide 46 percent of the division's budget. The fish and game fund provides an additional [29 percent]. These are dedicated funds which include all sport fish license and tag fees, as well as the sport fishing guide and business license fees. Further, he stated that the fish and game funds are used to offset the federal matching funds. The general funds, provided by the state, represent 10 percent of the budget and are utilized solely to cover personnel benefits such as PERS, health insurance, and risk management issues. The final 15 percent of the budget is comprised of other funds received through various programs including inter agency receipts via reimbursable services agreements (RSAs), designated program receipts, capital improvement projects (CIPs), and statutory designated program receipts (SDPRs).

8:52:56 AM

CHAIR SEATON confirmed that a typical example of an RSA would be the Division of Sport Fish performing an assessment for the Department of Natural Resources.

8:54:01 AM

REPRESENTATIVE JOHANSEN directed attention to the FY 08 budget funding source page and the line item identified as 1036 - commercial fish loan fund. He asked how the \$5.9 thousand indicated would be used.

TOM LAWSON, Director, Division of Administrative Services, Alaska Department of Fish & Game (ADF&G), responded that this funding source came about due to a general fund shortfall experienced in past years. The legislature authorized the commercial fishing loan funds, managed by the Department of Commerce, Community, & Economic Development (DCCED), Division of

Investments to provide these funds to the Alaska Department of Fish & Game, at that time. This figure represents a remnant from that disbursement. He will provide further details to the committee chair.

[8:56:25 AM](#)

REPRESENTATIVE WILSON commented that over the years these funds have been made available to the general fund, due to the successful fisherman's loan program.

CHAIR SEATON pointed out that this is a proposed budget for FY 08, and proposed funding sources for that budget. He commented that the Commercial Fish Loan Fund may be a funding source which is no longer needed.

REPRESENTATIVE WILSON clarified for the committee's benefit that the total amount of funding disbursed to the Alaska Department of Fish & Game is not represented in the \$5.9 thousand figure indicated in the Division of Sport Fish FY 08 budget request.

CHAIR SEATON requested that the full amount of funds received by the Alaska Department of Fish & Game, from the Division of Investments, be disclosed to the committee. He also requested that future presentation handouts be marked with page numbers for everyone's convenience.

[8:59:11 AM](#)

MR. BENTZ directed attention to the next page in the packet, which provided sport fishing statistics by anglers, licenses sold, angler days, and angler expenditures, as reported in the 2005 statewide harvest survey completed by the U.S. Fish & Wildlife Service.

[8:59:55 AM](#)

REPRESENTATIVE THOMAS asked whether there has been a fluctuation in the number of licenses issued.

MR. BENTZ responded that the license numbers have been consistent and increasing at an expected rate of 1-3 percent. However, resident license sales have declined slightly.

CHAIR SEATON stated that the permanent identification card (PID), as issued by Alaska Department of Fish & Game to residents over the age of 65 will need to be reviewed. He

reported that that the issuance and monitoring of these cards, and receipt of replacement cards, is being abused on the Kenai Peninsula. This abuse translates to limits on salmon to be harvested as well as other conflicts. He requested that the Division of Sport Fish examine how the regions are responding to these concerns and be prepared to report the results to the committee. He underscored that these cards were created to serve residents of the state and the department needs to establish means to monitor and assure proper usage; perhaps in conjunction with the Permanent Fund (PFD) records.

9:04:31 AM

MR. BENTZ introduced the six regions of the divisions organization: Region I (Southeast), Region II (Southcentral), and Region III (Interior), Research & Technical Services, Research and Restoration, and the department Headquarters located in Juneau. In the three regional offices and the 22 area offices, the Division employs 245 permanent and 216 seasonal employees. This allows for the division to maintain a high quality of in-season service.

9:06:41 AM

MR. BENTZ explained that, in order to provide a means to measure the division's ability to fulfill its mission, the legislature approved an overall outcome for the division, as attained through three targets and measures. The first target is to provide 2.5 million angler days and sell 450,000 licenses. This target has been exceeded during the past two years. Target 2 is to show a positive trend in trip related expenditures as measured by the National Survey of Hunting and Fishing. He reported that a survey is due out in the next year, however, past survey trends show that the division is on track for meeting this goal. The third target is to increase to at least 75 percent the number of anglers that are satisfied with the variety of recreational fisheries experiences available. The information, which he is able to report, is based on 1997 data. At that time the resident target was at the 65 percent level, and the nonresident target was exceeded at just over 80 percent.

9:09:16 AM

MR. BENTZ, responding to a question, pointed out that the surveys which provided the statistics to measure these goals are not current. However, he reiterated that a survey is currently

being designed for use this year. He offered to make the specifics of that survey available to the committee.

REPRESENTATIVE JOHANSEN asked how the 450,000 target for license sales was arrived at, and whether there is a yearly percentage increase on this number.

9:11:00 AM

MR. BENTZ replied that this is not a "rolling average." He explained that the previous goal of 450,000 was reached, and questioned whether this amount should be raised.

REPRESENTATIVE JOHANSEN commented that it would be good to have a reference point for this figure.

LISA EVANS, Assistant Director, Division of Sport Fish, Alaska Department of Fish & Game (ADF&G), explained that the number of resident and non-resident anglers have remained the same, while the population has increased. Therefore, the percentage of resident anglers is lower than in past years. The focus of the angler satisfaction survey is to determine the reason for this. In addition, the [information and education core service] would focus its efforts on encouraging resident anglers to fish in overcrowded areas.

REPRESENTATIVE JOHANSEN clarified that the percentage of resident anglers is decreasing.

MS. EVANS replied that this is correct.

REPRESENTATIVE LEDOUX, in regard to increased expenditures, questioned whether this might result in a decrease in resident anglers.

MR. BENTZ replied that he is unable to speak to the specifics of this issue, although the percentage of non-resident anglers is higher than in previous years.

CHAIR SEATON surmised that the aforementioned survey would provide these answers.

MR. BENTZ went on to discuss the types of fisheries managed by the division. These include sport, personal, and educational fisheries. In regard to educational fisheries, he stated that in 2006, 13 existed statewide.

CHAIR SEATON inquired as to who holds the educational fisheries permits.

MR. BENTZ replied these are given to tribal and community organizations that are not in subsistence areas and therefore are unable to "hand down" traditional harvest and preservation methods.

[9:16:44 AM](#)

MR. BENTZ moved on to discuss fisheries diversity. The various types of fisheries include: high-use road-accessible, remote, freshwater, saltwater, resident fish species, shellfish, winter, guided, and youth-only. In regard to guided fisheries, he explained that these have increased in both freshwater and saltwater. Youth-only fisheries, he said, were established for youth under 16 years of age.

[9:18:18 AM](#)

REPRESENTATIVE LEDOUX inquired as to where the youth only fisheries are located.

MR. BENTZ replied that these are located in Anchorage and Homer. Youth-only fisheries are "very popular," he said.

[9:19:19 AM](#)

MR. BENTZ then discussed the FY 06 accomplishments. The largest accomplishment, he said, was the sale of \$68 million in bonds, to construct two new fish hatcheries. In addition, the department challenged unnecessary expansion of the federal subsistence program, along with licensing all sport fishing guides and businesses. He explained that the department has implemented a more detailed logbook data collection system.

CHAIR SEATON inquired as to whether this new system contains penalties to prevent "padding" of the logbook.

MR. BENTZ replied that logbooks are required to be turned in on a weekly basis, and effort has been made to report any discrepancies. Class A misdemeanors may be involved.

[9:21:32 AM](#)

REPRESENTATIVE WILSON asked if the information collected may be used in regard to charter fishermen.

MR. BENTZ replied yes.

REPRESENTATIVE EDGMON requested addition details regarding the bonds used to construct the new fisheries.

MR. BENTZ replied that the bonds were sold through Merrill Lynch, Pierce, Fenner & Smith Incorporated (MLPF&S). He stated that he does not know the financial details, and offered to get this information.

CHAIR SEATON commented that this would be helpful. He clarified that these were revenue bonds, adding that the increase in the sport fisheries licenses is intended to "pay off" these bonds.

MR. BENTZ agreed. He went on to say that in FY 06, five access projects were completed, while 23 new projects were initiated. The department also initiated three major stock assessment projects for sockeye salmon in the Cook Inlet. When these are complete, he said, the department will be able to provide the commercial and sport fish managers with additional information regarding the aforementioned stocks. He stated that permits were issued for special use areas and wildlife habitat research and restoration was implemented.

CHAIR SEATON stated that the researchers would need to come before the committee at a later date to discuss the aforementioned assessment projects.

[9:25:04 AM](#)

MR. BENTZ then outlined the FY 08 key challenges: to construct new hatcheries; maintain existing hatcheries until new hatcheries are completed; increase satisfaction among resident anglers; increase staff recruitment and retention; work with federal agencies on sport halibut issues; maintain access to hunting and fishing areas; assure resource development minimizes effects on fish and wildlife habitat.

[9:27:15 AM](#)

REPRESENTATIVE WILSON asked whether there have been pay increases to encourage staff retention.

MR. LAWSON replied no.

REPRESENTATIVE EDGMON, in regard to sport fishing statistics, inquired as to whether this takes into consideration sport fishing lodges and commercial economic activity.

MR. BENTZ replied yes.

[9:28:55 AM](#)

REPRESENTATIVE HOLMES asked for more detail regarding sport halibut issues.

MR. BENTZ explained that the department has provided the North Pacific Council with information, including the number of charter vessels, businesses, amount of fish harvested by charter clients, average weight of fish, and ports of entry. He stated that the department works with the council to analyze the potential impacts of the restrictions currently being reviewed.

CHAIR SEATON asked for information regarding the department's analysis of the International Pacific Halibut Commission's (IPHC) ability to detail the catch per day allowance.

[9:31:38 AM](#)

MR. BENTZ replied that the bag limits are established by the IPHC. These limits are set based on the biological parameters of the halibut stock. He stated that the department does not believe the IPHC has the authority to restrict one angler type over another in order to achieve the aforementioned allocations.

CHAIR SEATON asked if a legal opinion to this affect is available.

MR. BENTZ replied that he would get this information to the committee.

REPRESENTATIVE WILSON surmised that a new opinion may be necessary.

The committee took an at-ease from [9:34:23 AM](#) to [9:40:41 AM](#).

OVERVIEW: DEPARTMENT OF FISH AND GAME - DIVISION OF COMMERCIAL FISHERIES

[9:40:41 AM](#)

PATTI NELSON, Acting Director, Division of Commercial Fisheries, Alaska Department of Fish & Game (ADF&G), began her presentation by reading from the Division of Commercial Fisheries mission statement. Referring to a handout titled "Overview of the Division of Commercial Fisheries," she explained the primary responsibilities of the division, which include managing commercial and personal use, and subsistence fisheries within state waters. The commercial fisheries, she said, are "incredibly diverse," ranging from small boat "near shore" fisheries, to larger, off-shore fisheries. Moving on, she pointed out a graph titled "Exvessel Value of Alaska's Commercial Fisheries (Adjusted to Constant 1977 Dollars)," and explained that this shows the exvessel value of Alaska's commercial fisheries from 1977 to 2006. The term "exvessel value" refers to the post-season adjusted value that is received by the commercial permit holder. She pointed out that each bar is divided into the various types of fisheries.

CHAIR SEATON inquired as to whether mariculture hatcheries are included in the commercial fisheries managed by the department.

[9:44:16 AM](#)

MS. NELSON replied that they are included; however, she stated that she is unsure whether the aforementioned graph reflects this.

MS. NELSON, in response to a question from Representative LeDoux, explained that "mariculture" refers to fish-farming in saltwater. In the state of Alaska, she said, mariculture for shellfish is allowed, although "fin-fish farming" is not allowed.

CHAIR SEATON asked for further clarification regarding the use of "aquaculture" and "mariculture."

MS. NELSON explained that "mariculture" focuses on shellfish and plant species, while "aquaculture" focuses on salmon hatcheries.

REPRESENTATIVE EDGMON, in regard to the Marine Aquaculture Task Force, offered his understanding that the division monitored the meetings, but did not play an active roll. He inquired as to whether this is correct.

MS. NELSON replied that while the division may have had representation at the aforementioned meetings, it is not

directly involved in the decisions made by the task force, as this is a federal group.

[9:46:52 AM](#)

MS. NELSON returned to the graph, pointing out that the exvessel value of salmon fisheries has declined over recent years, while groundfish values have remained constant. She explained that the decline in exvessel value of salmon is a result of lower prices and increased inflation. Exvessel value, she said, shows the amount received by the fisherman for their catch. However, in order to measure the total economic impact of commercial fisheries, a broader perspective must be taken.

MS. NELSON moved on to the next slide, titled "Economic Impact of Seafood Industry on Alaska's Economy in 2001 (Source: Northern Economics, Inc. 2003). This shows the impact of the Alaskan seafood industry on the state's economy. These impacts include: Generating 36,900 full-time jobs, approximately 23,100 of which were held by Alaskans; generating \$932 million in direct payments to labor, with \$370 million going to Alaska residents; a total of \$3 billion in sales generated within the state; more taxes paid to state general fund than any other industry, with the exception of oil and gas.

[9:48:30 AM](#)

REPRESENTATIVE LEDOUX inquired as to the meaning of "full-time equivalent" job.

CHAIR SEATON offered his understanding that this term refers to individuals working half-time, explaining that two of these positions would add up to one full-time position. He added that this also refers to year-round employment.

REPRESENTATIVE WILSON commented that this information would be important during budget discussions.

CHAIR SEATON said "this is ... a standard measure for looking at jobs in the private sector."

[9:50:13 AM](#)

MR. LAWSON agreed that this is correct.

REPRESENTATIVE LEDOUX said "I ... think it's ... interesting that ... two-thirds of the jobs were going to ... Alaskans, and

yet, it looks like less than one-half of the money was going to Alaskans."

CHAIR SEATON asked for more information regarding this.

MS. NELSON offered to provide this information.

REPRESENTATIVE HOLMES inquired as to whether information regarding seasonal employment is available.

MS. NELSON replied that she does not have this information; however, she would provide it to the committee.

CHAIR SEATON requested that the full study be distributed to the committee.

REPRESENTATIVE LEDOUX commented that it would be "interesting to know" whether this has any connection to the privatization of the industry.

[9:52:16 AM](#)

MS. NELSON went on to explain the core services provided by the division. These are: stock assessment and applied research, harvest management, laboratory services, aquaculture permitting, data processing, and information services and public participation. In regard to stock assessment and applied research, she explained that this includes ongoing programs designed for enumeration and understanding of salmon, herring, groundfish, and shellfish stocks. She then explained the various programs and surveys and gave a brief description of pictures showing the various salmon enumeration and sampling projects around the state.

MS. NELSON moved on to discuss harvest management. This includes: assisting the Board of Fisheries in establishing regulations and management plans, opening and closing fishing areas and setting fishing time, collecting harvest and biological data, and writing annual management reports. She stated that the area managers work 24 hours per day when the fisheries are underway, and opined that this is one of the department's strengths. Moving on to the next slide, she discussed laboratory services. The laboratories available are: pathology, coded-wire tag and otolith aging, and genetic stock identification.

[9:57:39 AM](#)

MS. NELSON explained that the fish pathology laboratory monitors and controls finfish and shellfish diseases statewide, conducting over 14,000 diagnostic tests annually. The coded-wire tag and otolith aging laboratory tracks salmon populations using thermal marks induced on fish otoliths, and uses a detailed database to quantify the survival of fish groups, and is part of a standardized salmon measurement program. Other states involved in this program are: Oregon, Washington, Idaho, and British Columbia. The genetic stock identification laboratory, she said, uses genetic markers to identify population units, and is among the worlds top fishery genetics labs.

CHAIR SEATON pointed out a recent disaster in Cook Inlet, and inquired as to the divisions' position on over-escapement, and whether the division would utilize its emergency order authority to prevent this.

MS. NELSON, in regard to the aforementioned Cook Inlet disaster, stated that the department met with the Board of Fisheries to discuss the current management plans, which at times are conflicting. It is difficult, she said, for managers to meet the management objectives, adding that the foremost objective is to meet escapement goals. Over the past two years, she said, managers have been "in quite a quandary," and meetings have been held to decide the next step, based on the regulations. The Board of Fisheries formed a three-member subcommittee, which tasked the department with creating a list of areas which cause difficulties. This list was then returned to the subcommittee, which will then request information from the public in order to initiate proposals prior to the next meeting. She stated that achieving escapement goals is the divisions "primary responsibility." In regard to the Commissioner's ability to "go outside the management plan," she said that this authority was used during the previous season.

[10:04:51 AM](#)

CHAIR SEATON expressed concern with the department's ability to accomplish its primary objective. He stated that in the past, the department has considered meeting minimum escapement goals to be successful. However, he said, while last year this amount was 80 percent, less than half of the runs within this range were maintained. He opined that simply closing fisheries and allowing the systems go beyond the escapement range is not fulfilling the goal.

MS. NELSON stated that a discussion regarding the measurement of escapement goals in various situations would be welcome.

10:08:27 AM

REPRESENTATIVE JOHANSEN, in regard to area biologists, commented that this is a hard position to fill, due to an inability to replace outgoing staff with individuals of equal knowledge. He inquired as to whether there is a proactive management plan for recruitment within the department, in order to allow the aforementioned individuals to retire.

MS. NELSON replied that this is a major concern within the department. Compensation for employees is not competitive when compared to with private sector and federal jobs. The department has created mentoring programs and job training, in order to allow area managers to give specific goals regarding information that should be transferred before retirement. Additionally, she said, the division has received an increment from its Commercial Fisheries Entry Commission (CFEC), to create a career development program. The focus of this program is to develop mentoring programs for youth and working relationships with Universities, in order to increase interest.

REPRESENTATIVE WILSON asked if a survey to gather information on more competitive employers would help with employee retention.

MS. NELSON deferred to Mr. Lawson.

10:14:08 AM

MR. LAWSON explained that over the past year, the state has been utilizing "market based pay guidelines." However, these guidelines were based on 2005 data, which did not produce the desired results. He surmised that the 2006 data will show the divisions inability to compete with private sector and federal jobs. He opined that this is a "band-aid" over the larger issue of the states salary schedule.

REPRESENTATIVE LEDOUX asked what an entry level biologist working for the state would make, in comparison to the same position working for the federal government. In addition, she inquired about a biologist after ten years of employment.

MR. LAWSON replied that the details are not available at this time; however, he surmised that an entry level biologist is a

Range 15, which is around \$30,000-\$40,000 per year. The division does exit surveys of those individuals leaving to work in federal jobs. Generally, these individuals are able to make 20-40 percent more with a comparable level of responsibility.

[10:17:17 AM](#)

CHAIR SEATON offered his understanding that the data from 2005 did not show a difference.

MR. LAWSON replied that the division prefers to find individuals with experience within the state, therefore, not all of the rules were applied. The 2006 data will, he said, hopefully lead to a salary increase.

CHAIR SEATON stated that this is "very important," and requested additional information explaining the vacancies and any problems with filling them. He opined that if only one individual is knowledgeable, this is "not a good situation for the state."

[10:20:23 AM](#)

REPRESENTATIVE JOHANSEN asked if the biologist salary for different divisions is comparable. He opined that the workload is different for the various departments.

MR. LAWSON replied that he does not have this information. Generally, he said, a Fisheries Biologist IV must meet certain specifications, regardless of the division, and therefore should have a comparable workload.

REPRESENTATIVE JOHANSEN commented that this might come up in future budget discussions.

REPRESENTATIVE LEDOUX asked how the salaries are decided upon.

MR. LAWSON replied that when the union contracts expire, the state works with the unions to decide on the terms for the new contracts.

REPRESENTATIVE LEDOUX asked if the Department of Administration does this.

MR. LAWSON replied that this is correct.

REPRESENTATIVE WILSON related her experience with a different department, in which the employees were unable to receive a

raise unless this was extended to all employees in the same class. The survey, she said, is "very important."

10:25:55 AM

MR. LAWSON stated that the job classes are grouped as "families," and the department is attempting to find data that will support the necessary changes. The fundamental issue, he said, is that the salary schedule is inadequate.

CHAIR SEATON requested a listing of ADF&G employees who are in the "retire/rehire" program, along with an explanation of why the position was unable to be filled using the usual hiring process.

MS. NELSON continued with her presentation by discussing Aquaculture Permitting. The division provides technical assistance and permits 30 private non-profit salmon hatcheries, one aquatic shellfish hatchery, and several shellfish farms.

CHAIR SEATON announced that there would be an additional overview on salmon hatcheries and shellfish hatcheries and requested that ADF&G be present at those overviews.

10:29:20 AM

MS. NELSON went on to discuss data processing. There are eight database systems utilized and maintained by the division. These are: fish tickets systems, e-landing electronic catch reporting system, internet accessible in season catch and escapement databases, geographical information systems databases, internet accessible news release database, and seafood processor/buyer intent to operate system.

MS. NELSON moved on to discuss the final core service, information services and public information. This includes: design and maintenance of the division web site, publishing brochures and other informational materials on division programs, producing custom reports from fish ticket and Commercial Operators Annual Report (COAR) databases, administering divisional confidentiality policies, and developing and administering divisional publication policies and procedures.

CHAIR SEATON asked if there have been any problems with reporting and enforcement related to direct market vessels.

MS. NELSON replied that to her knowledge, there have not been. She offered to look into this.

REPRESENTATIVE JOHANSEN asked if there is a public information officer (PIO) working in the department.

MS. NELSON replied that Geron Bruce, assistant director of the ADF&G performs the aforementioned tasks. She then listed the organization of the division, as follows: Southeast Fisheries Management Region - Douglas, Central Fisheries Management Region - Anchorage, Arctic-Yukon-Kuskokwim Fisheries Management Region - Anchorage, Westward Fisheries Management Region - Kodiak, Divisional Headquarters - Juneau. There are numerous offices within each region.

[10:34:50 AM](#)

CHAIR SEATON, in regard to the Kodiak Herring Fishery, commented that the value of the fishery has greatly decreased, with a catch rate which is being determined by the processors, rather than ADF&G. He commented that in the past, a large amount of resources were put into the aforementioned fishery. He asked if the Commercial Fisheries Division has reassessed where the resources are being allocated, in order to be more consistent with the requirements of the fishery.

MS. NELSON replied that the division is currently working to determine ways to reach goals using less funding. The herring fisheries, she said, are being taken into consideration. Returning to her presentation, she explained that during FY 07, the division employed 306 permanent staff and 499 seasonal staff, which were located in 20 permanent offices, 84 seasonal office or field camps, and four large research vessels.

[10:37:10 AM](#)

MS. NELSON moved on to discuss a graph titled "General Fund Appropriations for the Division of Commercial Fisheries - Fiscal Years 1977-2007." She explained that the red line on the graph shows actual dollars, while the yellow line shows these dollars adjusted to 2004 dollars. She pointed out an increase in the mid-1990s, following which is a steady decline.

CHAIR SEATON inquired as to whether the decrease in 2001-2002 was related to the "Habitat Division."

MS. NELSON replied that this was a separate division. She then moved on to a graph titled "Year to Year Change in Appropriations to Division of Commercial Fisheries - Fiscal Years 1977 to 2007." She pointed out the sharp variations, and stated that it is "very difficult to run ongoing programs in the face of this type of variability."

[10:40:45 AM](#)

MS. NELSON, referring to a graph titled "Percentage of Total Expenditures for Core Services," she pointed out that 57 percent of the total expenditures utilized were for stock assessment and applied research. 38 percent was for harvest management, 3 percent was for information services, 2 percent for aquaculture permitting. She commented that the amount of expenditures used for management and research is similar to the Division of Sport Fish. Pointing out that several core services are not listed, she said that these are directly involved with other core services, and therefore are included.

MS. NELSON moved on to the Missions and Measures of the division. The four targets are: exvessel value of commercial harvests and mariculture production above \$1 billion; reproductive goals achieved for more than 80 percent of monitored stocks; develop genetic baselines for Alaskan Chinook chum, and sockeye stocks that will include 100 stocks in each baseline; all aquatic farms operating with current permits. Referring to a graph titled "Exvessel value of commercial harvests and mariculture production about \$1 billion annually," she pointed that that for 2001 - 2005, this target was achieved. The next graph, titled "Reproductive goals achieved for more than 80 percent of monitored stocks," shows the achievement of this goal from 2001-2005. She noted that this includes all species monitored.

CHAIR SEATON reiterated his earlier request for additional information.

[10:44:17 AM](#)

REPRESENTATIVE LEDOUX, in regard to the exvessel value measure, asked how much of the total amount went to Alaskan residents.

MS. NELSON replied that she does not currently have this information; however, she will provide it.

CHAIR SEATON clarified that the question was referring to how much of the aggregate amount went to out-of-state permit holders versus in-state.

REPRESENTATIVE LEDOUX agreed that this is correct.

MS. NELSON moved on to discuss the third measure "Develop generic baselines for Alaskan Chinook, chum, and sockeye stocks that will include 100 stocks in each baseline."

REPRESENTATIVE WILSON asked for an explanation as to why 100 stocks are included in each baseline.

MS. NELSON replied that this "does seem like an arbitrary number." While she was not involved in the development of this particular target, she was involved in developing the baseline collections. She explained that, in order to do stock separation, every fish involved must be included in the baseline. Due to budget constraints, the division focused on the primary 100 stocks statewide, using regional input. The project was started in 2002, and has received "very little dedicated funding." She stated that the progress has been a result of "opportunistic sampling and piggy-backing on other projects, and just doing what we can, so we can get this baseline up and running." Pointing out the availability of genetic techniques to assist in the stock assessment, she commented that a proportion would be "more informative" than a number.

[10:48:21 AM](#)

REPRESENTATIVE JOHANSEN, in regard to the 100 stocks, stressed the importance of having a comparison number in order to have a better understanding.

MS. NELSON agreed that this information should be evaluated differently. In response to questions from Chair Seaton, she explained that the genetic results are cumulative, while the scale samples need to be collected on a yearly basis. She explained that scales represent "stages of life-history," while genetic samples show an evolutionary time scale.

CHAIR SEATON, for the benefit of the committee, explained that "scale analysis" is a growth ring, similar to that of trees. This must be done yearly, he said, due to environmental changes.

MS. NELSON, in response to further comments from Chair Seaton, stated that several methods are used by the department during stock separation studies. These include scale pattern analysis, age marker analysis, coded wire tags, parasite analysis, egg size, and genetics. In addition, single-nucleotide polymorphisms (SNPs) will be utilized.

CHAIR SEATON inquired as to the timeframe of the analysis.

[10:55:38 AM](#)

MS. NELSON replied that it is possible to perform the aforementioned technique "in-season." However, the department does not intend to utilize this technique for in-season analysis in the near future. Instead, it will be used to determine long-term trends in order to assist the Board of Fisheries during its decision making process. In addition, she said, this will help to improve the forecasts, productivity, and understanding of stocks.

MS. NELSON then discussed a graph titled "All aquatic farms operating with current permits." She stated that in 2003, less than [50 percent] of the aquatic farms in the state were operating with current permits. This was a result of staffing changes and backlog. She pointed out that in 2005, over 80 percent are operating with current permits, and surmised that the 2006 data would show over 90 percent.

REPRESENTATIVE LEDOUX inquired as to the status of those farms without current permits.

MS. NELSON offered her understanding that the permits were submitted; however, the permits go through the ADF&G and the [Department of Natural Resources (DNR)], which results in a backlog. The farms, she said, were operating with the understanding that the permits were in place, although they were not.

[10:58:30 AM](#)

REPRESENTATIVE HOLMES inquired as to the steps involved in permitting an aquatic farm.

MS. NELSON replied that she does not currently have this information; however, she would get this to the committee. It is, she said, a multi-agency process that the department would like to "streamline."

MS. NELSON, in response to a question from Representative Wilson, explained that during the most recent permit application period, a large number of permits were applied for, the majority of which were from a non-resident. While she is unsure of the aforementioned individuals intentions, she said, many steps are involved in applying for a permit. She offered her understanding that none of the aforementioned permits have been approved.

[11:01:44 AM](#)

CHAIR SEATON asked if the Department of Natural Resources (DNR) oversees site leases.

MS. NELSON replied yes.

CHAIR SEATON pointed out that the aquatic farm application process is currently open, and a number of sites are available. He reiterated that additional information is needed, and commented that several issues have been identified.

MS. NELSON brought members attention to the final page of the handout, titled "Major Issues." She offered to meet with members privately to answer any questions that they might have, regarding the issues listed. In addition, she said, the ADF&G governor's transition report is now available.

CHAIR SEATON requested that copies of the report be given to the members. He stated that he is a member of the [Pacific Fisheries Legislative Task Force] which will meet on January 26th, 2007. He suggested that questions or concerns be submitted to his office, prior to this date.

[11:06:02 AM](#)

ADJOURNMENT

There being no further business before the committee, the House Special Committee on Fisheries meeting was adjourned at [11:06:11 AM](#).