

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

March 7, 2007

8:35 a.m.

MEMBERS PRESENT

Representative Paul Seaton, Chair
Representative Kyle Johansen
Representative Craig Johnson
Representative Gabrielle LeDoux
Representative Peggy Wilson
Representative Bryce Edgmon

MEMBERS ABSENT

Representative Lindsey Holmes

COMMITTEE CALENDAR

CONFIRMATION HEARING(S)

Alaska Department of Fish and Game

Denby Lloyd, Acting Commissioner - Juneau

- CONFIRMATION(S) ADVANCED

PREVIOUS COMMITTEE ACTION

No previous action to record

WITNESS REGISTER

DENBY LLOYD, Acting Commissioner
Alaska Department of Fish & Game
Juneau, Alaska

POSITION STATEMENT: Provided background information and answered questions.

BEAVER NELSON, Commercial Fisherman
Homer, Alaska

POSITION STATEMENT: Testified in support of the confirmation of Acting Commissioner Lloyd.

JOHN JENSEN
Petersburg, Alaska

POSITION STATEMENT: Testified in support of the confirmation of Acting Commissioner Lloyd.

ACTION NARRATIVE

CHAIR PAUL SEATON called the House Special Committee on Fisheries meeting to order at [8:35:18 AM](#). Representatives Johnson, LeDoux, Edgmon, and Johansen were present at the call to order. Representative Wilson arrived as the meeting was in progress.

CONFIRMATION HEARING

Commissioner, Alaska Department of Fish and Game

[8:35:36 AM](#)

CHAIR SEATON announced that the only order of business would be the confirmation hearing on the appointment of Denby Lloyd as commissioner of the Alaska Department of Fish & Game (ADF&G). He related that the committee should have letters of support from the following: Cordova District Fishermen United, Southeast Alaska Fishermen's Alliance, Alaska Dragger's Association, Bob Wallace, John Murray, and Bob Thorstenson Jr. He then explained that the committee is charged with reviewing and assessing the qualifications of Mr. Lloyd. He reminded the committee that comments should be directed only to fisheries questions as other natural resource issues can be addressed in the House Resources Standing Committee.

[8:40:35 AM](#)

DENBY LLOYD, Acting Commissioner, Alaska Department of Fish & Game (ADF&G), began by informing the committee that he first came to Alaska 35 years ago to attend the University of Alaska - Fairbanks from which he received degrees in biological science and biological oceanography. He noted that he has held a number biology-based positions at the local, state, and federal level throughout Alaska. Positions were held with the ADF&G, North Pacific Fishery Management Council (NPFMC), Office of the Governor, Aleutians East Borough, National Marine Fisheries Service (NMFS), as well as research time with the University of Alaska. He said what his experience has been with habitat issues. Acting Commissioner Lloyd told the committee that he is very heartened by the words and strength of the Alaska State Constitution, which provides a number of basic guidelines such as management for sustained yield, maximum benefit, and for the people of Alaska. He emphasized that without people there would

be no need to manage the resources. Furthermore, these are public resources that require management for the public trust. He opined that anyone who is going to be the commissioner of ADF&G is going to need to represent a broad array of interests while focusing on the protection and development of the resources of the state. He indicated that the commissioner shouldn't get involved in any particular user group's priority or preference other than the subsistence preference. A sense of fair play, utilizing solid scientific information, and upfront policy analysis is necessary to represent the department and the state.

[8:44:47 AM](#)

CHAIR SEATON inquired as to Acting Commissioner Lloyd's view of the relationship of the commissioner's office with the Board of Fisheries (BOF), particularly in relation to the department managing for sustained yield, maximum use, and emergency order authority versus BOF's regulatory policy-setting authority.

ACTING COMMISSIONER LLOYD said that he views the department and BOF as complimentary organizations. The department is charged with providing the scientific and other background information upon which BOF makes a number of policy and regulatory decisions, which the department is charged with implementing. However, the department falls largely outside the arena of making those difficult allocation decisions amongst various user groups. Acting Commissioner Lloyd characterized the department's ability to make emergency order decisions in-season as a strength. For the most part, the emergency orders work well. The department uses this authority routinely to open and close various fisheries so that escapements fall within the goal ranges and all available harvestable surplus is captured by the various fisheries. The difficulty, he opined, is when clear goals haven't been specified. He acknowledged that if conflicting goals occur, judgment calls with regard to how best to manage in-season can create difficulties.

[8:48:03 AM](#)

CHAIR SEATON highlighted that there have been concerns that the specificity of some of the management plans have reached the point of taking away the authority for in-season management. For example, the Upper Cook Inlet has window closures that are date specific rather than based on run timing. He inquired as to how the commissioner can strike a balance between run timing

and a policy with specific dates and times in order to achieve the maximum harvest.

ACTING COMMISSIONER LLOYD commented that the Upper Cook Inlet is probably the location in the state with the most apparent conflict or confusion amongst conflicting goals of the management plan. He explained that typically in commercial salmon fisheries, [the department] is clearly mandated to manage the harvest within specified escapement goals. Emergency order authority is used to attain those escapement goals. However, in the Upper Cook Inlet there are conflicting direct management objectives with BOF's management plans, which specify certain closed windows. The department doesn't have clear guidance on what it should use its emergency order authority for if, for example, more harvest pressure is necessary to keep the escapements below the upper range of an escapement goal. Acting Commissioner Lloyd opined that the department will use its emergency order authority to increase harvests in the case of a large run that was going to exceed the upper end of the escapement goal, if that would clearly damage the run. However, the scientific information on that matter is equivocal and requires an unfortunate level of judgment in the commissioner's office. The department would, ideally, prefer BOF to address the aforementioned question and state the overarching goal.

[8:51:42 AM](#)

CHAIR SEATON surmised then that prior to the issuance of an emergency order there needs to be proof of damage to the run even though it's above the escapement goals.

ACTING COMMISSIONER LLOYD remarked that [the Upper Cook Inlet situation] would be an extreme example. He said that he, as commissioner, would be looking for a clear reason to override the BOF's judgment of two competing user groups.

CHAIR SEATON further surmised then that Acting Commissioner Lloyd's philosophy would be to not use the emergency order authority to achieve the maximum benefit, but rather to do so in order to avoid long-term problems that damage the sustainability.

ACTING COMMISSIONER LLOYD clarified that he would attempt to keep the department from arbitrating what maximum benefit to the people means. The BOF is making public policy decisions. He explained, "One aspect or the benefit is certainly achieving as much of the harvestable surplus for commercial harvest as

possible. And typically, everywhere else in the state that's a clear message, a clear directive to the department." However, in the [Upper Cook Inlet] case, the BOF is also trying to accrue benefits to the sport fishery as well. Acting Commissioner Lloyd specified that he didn't want ADF&G to be in the position of arbitrating the maximum benefit for sport and commercial users and how that equates to the maximum benefit to the people of the Alaska. The aforementioned is more appropriately the job of the BOF.

CHAIR SEATON related his understanding that the department is under the management plan, and therefore can increase the sport harvest from three to six fish. If, even with a six fish limit, there are excess fish, is the situation one in which there is going to be over escapement and the department has no tool for taking those fish "or are we talking about different stocks of fish at this point." He mentioned that he's referring to the Kenai.

[8:55:45 AM](#)

ACTING COMMISSIONER LLOYD mentioned that he has been involved in some of the in-season discussions over the last couple of years. Advice from the Department of Law (DOL) is often sought with regard to the limits of ADF&G's in-season authority. The department, he said, would seek all available opportunities to capture the harvestable surplus within the management plans. When the department has to move outside of the stated management plans of BOF the situation becomes difficult, in terms of applying judgment against the law and the expectations of the users to not unduly prefer one user group over another. The aforementioned is always a dilemma, but it's more so in the Cook Inlet given the intensity of use. The department will be participating with the BOF on the conflicts inherent in the current structure of the management plans. He expressed hope that those discussions will result in some guidance. However, he opined that currently there is a fundamental conflict between the two mandates of the Cook Inlet Management Plan.

CHAIR SEATON opined that the desire is to have the best managed fisheries while allowing the department to have flexibility to manage the fisheries in a manner that achieves the best return for everyone in the state, whether sport or commercial fishers.

[8:57:57 AM](#)

REPRESENTATIVE LEDOUX inquired as to the department's vision with regard to a rationalization plan for ground fish.

ACTING COMMISSIONER LLOYD reminded the committee that the rationalization effort is largely in the federal arena through NPFMC. He further reminded the committee that the governor has requested that NPFMC stand-down from proceeding with Gulf of Alaska ground fish rationalization through October 2007 while the administration prepares a vision for rationalization. In response to Chair Seaton, Acting Commissioner Lloyd related that to many rationalization of fisheries means some form of limitation and control over the number of participants. Under that definition, the salmon license limitation program is a form of rationalization. However, for some rationalization has come to mean a share program in which people are granted the privilege of a certain share of the harvestable surplus of fish. The aforementioned, individual fishery quota (IFQ) programs, are controversial as they limit participation and are often based on one's history of participation in the fishery and from there forward [the IFQs] are sold. This administration has some concern with the aforementioned aspect of rationalization, which is referred to as privatization. The effect of privatization is to take the future stream of benefits of a public resource and vest them into private hands, to which, he opined, this administration will object. He then pointed out that there are ways to achieve the benefits of rationalization, which results in longer seasons and more flexibility for individual operators to harvest in some instances. Some of those benefits can be achieved without privatizing the resource, he opined. He noted that [the department] is keeping an eye on looking at the possibility of deriving such benefits without privatizing resources.

[9:02:17 AM](#)

REPRESENTATIVE JOHANSEN noted his appreciation for Acting Commissioner Lloyd's public service. He then turned to the Pacific Salmon Treaty (PST), which is being renegotiated. He inquired as to Acting Commissioner Lloyd's thoughts on that process.

ACTING COMMISSIONER LLOYD informed the committee that the PST is due to expire at the end of 2008, and thus renegotiated positions need to be in place by 2009. He noted that the negotiating sessions have already begun. The PST is between Canada and the United States, but it still places the various participating states against each other. For instance, Alaska's

interests aren't necessarily the same as those of Washington and Oregon for access to harvestable surpluses of chinook, sockeye, and coho. The team in place consists largely of members who have successfully represented the state in the past. He informed the committee that David Bedford would remain the deputy commissioner of ADF&G and his focus is mainly oriented toward the PST and the Pacific Salmon Commission process. Gordy Williams, also very experienced in the PST, is on staff. There are also a number of technical assistants, both full-time and part-time, as well as contract employees. Some of the issues include harvest sharing between Lower 48 states and Canada as well as the federal administration's push to address salmon recovery in the Pacific Northwest through harvest reductions rather than through habitat mitigation and amelioration of the effects of dam programs [in the Pacific Northwest]. Alaska, he opined, must be vigilant in providing the science that defends Alaska's harvest regimes while remaining familiar with those of the Lower 48 and Canada.

REPRESENTATIVE JOHANSEN noted his appreciation for keeping staff with experience in this area as it's important to fishermen in Southeast Alaska.

[9:05:47 AM](#)

CHAIR SEATON then turned the discussion to the International Pacific Halibut Commission (IPHC). He inquired as to the state's philosophy in relation to halibut issues as well as the captain and crews who fish during the commercial operations of a charter vessel.

ACTING COMMISSIONER LLOYD characterized the matter as a complex issue that is driven by an international treaty between the U.S. and Canada. He highlighted that halibut have been managed for over 100 years by the IPHC. However, through the Northern Pacific Halibut Act the allocation decisions within the U.S. have been delegated to the respective councils, which is NPFMC for Alaska. The council for Washington and Oregon is the Pacific Management Council (PMC). He related that he has come to understand that the IPHC addresses the overarching biological decisions each year and sets the allowable harvest levels leaving the allocation of those to NPFMC and the federal government through NMFS. The commercial harvest is managed under the IFQ program while the sport harvest is controlled by the long-standing two fish per day bag limit. The growing halibut charter sector increased its catch to the point that the commercial harvesters were concerned that in the future the

aforementioned would cut into the allowable take by commercial interests. Therefore, the commercial harvester brought the issue to NPFMC and requested a regulatory program that would place a cap on halibut charter take. From that request, there was discussion regarding how the halibut charter industry would be regulated.

ACTING COMMISSIONER LLOYD reminded the committee that last year the halibut charter sector exceeded what NPFMC had laid out as its target guideline harvest level (GHL). Various commercial interests went to the IPHC charging that NPFMC hadn't yet constrained the charter harvest within the guideline. Therefore, they requested that the IPHC place a limit on the halibut charter harvest. The IPHC chose to do so and reduced the daily bag limit for Area 2C, Southeast Alaska, and Area 3A, South Central Alaska, from two fish to one for a specified period in the summer. The department sent a letter to the NMFS expressing concern with the bag limit reduction. The concern was based on the notion that IPHC shouldn't make domestic allocation decisions but rather NPFMC should. However, the [department] realizes that NPFMC didn't take sufficient action to constrain the harvest. Therefore, ADF&G requested that NMFS review IPHC's decision and look for alternatives administratively to achieve the harvest limits in the charter sector while providing NPFMC the opportunity to address the issue internally. Recently, the federal Secretary of State and Secretary of Commerce have denied the IPHC reduced bag limit and NMFS is involved in developing an alternative for Southeast Alaska to achieve the same level of harvest reduction in the charter sector. He pointed out that NMFS has recognized that ADF&G's efforts by emergency order to prohibit retention of halibut by skipper and crew of charter vessels would achieve the necessary harvest reduction in Area 3A, South Central Alaska. Therefore, no further action is necessary this year by NMFS. In South Central Alaska the bag limit will remain at two fish as it has for many years. For 2007, the focus is an effort to find an alternative to reduce to a one fish bag limit that would still provide some harvest reduction. The long-term solution to determine how best to constrain the charter sector's harvest still remains with NPFMC. In fact, [ADF&G] is involved in the final action on a moratorium for new entrants to the charter fishery. There are also discussions with regard to a long-term solution, including IFQs, a limit on angler days, or a license limitation scheme.

[9:13:14 AM](#)

ACTING COMMISSIONER LLOYD, in response to Chair Seaton, confirmed that the skipper and crew restriction is an emergency order by the state in both areas.

CHAIR SEATON asked if there has been any question or problem about the applicability of the state regulation of charter vessels when fishing for halibut.

ACTING COMMISSIONER LLOYD highlighted that because halibut is managed by an international treaty and through the federal government, the state doesn't have the direct authority to manage halibut. Therefore, the emergency order restricting the skipper and crew on charter vessels from retaining fish applies to all sport fish. In a related effort, the department has requested from the state's congressional delegation statutory language that would allow NPFMC to delegate certain management authority for halibut through NPFMC to the state. However, that hasn't been successful.

[9:14:40 AM](#)

ACTING COMMISSIONER LLOYD, in response to Representative Johansen, clarified that the decision to ban skippers and crew from retaining fish was based on the need to reduce the harvest of halibut. He related that there was concern regarding the retention of fish by skippers and crew when clients were on board. Therefore, the department viewed the ban as an acceptable mechanism, although it applied to species beyond halibut.

CHAIR SEATON inquired as to whether there's a restriction on a commercial fishing vessel that has any commercial fish on board such that it can't participate in any sport fishery.

ACTING COMMISSIONER LLOYD answered that he believes that's the case.

[9:15:49 AM](#)

CHAIR SEATON returned to questions related to NPFMC. He then highlighted the conflict in the allocation schemes of the federal government, which is based on the allocation of fishing privileges/rights to investors versus the state's allocation scheme that's based on participation by the individual holding the permit. Chair Seaton inquired as to the commissioner's philosophy as related to the NPFMC process, specifically with regard to fisheries that cross the state and federal line.

ACTING COMMISSIONER LLOYD said that both the investors and participants should be recognized. For the most part, NPFMC has recognized the investors more so than the participants. However, in the halibut program some efforts have been made to require that eligible participants have some background operating vessels and being at sea. He commented that it's arguable whether the aforementioned is sufficient. He also noted that there are some leasing provisions for those who were initially issued quota that bear review. Acting Commissioner Lloyd opined that this administration will scrutinize the existing and any future rationalization programs to bring more aggregate benefits to communities versus to individual harvesting or processing groups.

CHAIR SEATON, noting that six of the eleven voting members of NPFMC were selected by the state, expressed hope that the state's philosophy would prevail in any fishery that takes fish in state waters.

[9:20:00 AM](#)

REPRESENTATIVE LEDOUX highlighted that the next meeting of NPFMC will be to review the crab rationalization program. She asked if Acting Commissioner Lloyd or the administration believes the crab rationalization program should be changed. If so, she asked how should it be changed.

ACTING COMMISSIONER LLOYD answered that at this time the department doesn't have specific recommendations for change. He informed the committee that at the upcoming April NPFMC meeting, the 18-month review of the crab rationalization program will be provided. He estimated that by June, ADF&G will begin to articulate what, if any, changes should be promoted in order to address the items identified in the discussion paper.

[9:21:34 AM](#)

CHAIR SEATON turned to the bycatch and waste problems in the fisheries. He asked if Acting Commissioner Lloyd supports mandating changes of gear if that accomplishes a reduction of bycatch and waste or should the primary species be reallocated.

ACTING COMMISSIONER LLOYD confirmed the goal of reducing bycatch to the extent that bycatch is unutilized. Although forcing people to change gear types is too simplistic a solution, that doesn't mean such shouldn't be reviewed. Still, one must

consider what gear types are most useful for harvesting certain resources. Therefore, he said he would be happy to review possibilities to achieve the overall goal of bycatch reduction.

9:23:16 AM

CHAIR SEATON highlighted the state water Pacific cod fishery, which in 1993 changed its trawl and longline gear to pot gear and saved about 2.5 million pounds of halibut per year. There hasn't been any further move toward such a change.

ACTING COMMISSIONER LLOYD noted that during his time with the Aleutians East Borough he participated heavily in creating the state water Pacific cod fishery in the mid to late 1990s. The gear types were limited to those with de minimis bycatch. The aforementioned made it easier for the BOF to create fishery opportunities while setting a standard for bycatch. Acting Commissioner Lloyd clarified that he would look for such opportunities, but he wanted to stop short of mandating it. For example, there are some fisheries for which that gear type wouldn't work well.

CHAIR SEATON turned to the sable fish industry, which is experiencing a 50-70 percent loss of the catch to whales. He then related his understanding that at this point although the sable fish fishery is a quota fishery, those losses aren't being subtracted from the quotas. He recalled that [the sable fish fishery] switched from longline pot fisheries gear a number of years ago due to competition, although they were extremely effective. He asked if the [department] would assign the loss bycatch as a reduction in the quota or provide the alternative of switching gear.

ACTING COMMISSIONER LLOYD said that he would be happy to entertain such a discussion.

9:26:27 AM

CHAIR SEATON asked if there were any questions regarding subsistence, sport, and personal use fisheries. He then requested that Acting Commissioner Lloyd address the sport fish hatcheries, and whether those will be effective and affordable.

ACTING COMMISSIONER LLOYD answered that the department is on track with the ground work and future construction of the hatchery in Fairbanks. Ground will be broken for the Fairbanks hatchery this summer. He noted that there are some increased

costs associated with the Fairbanks hatchery that the department can cover under the current bonding structure. For the Anchorage hatchery, the department needs to determine how best to backfill the funding in order to construct it. He emphasized that the department fully intends to build both hatcheries, for which he hasn't heard of any fatal flaws for either.

[9:28:06 AM](#)

CHAIR SEATON moved on to the personal use dip net fishery on the Kenai River where there is no constraint for fish waste, which is dumped on the beaches. He inquired as to whose concern this would be.

ACTING COMMISSIONER LLOYD stated that the department is concerned, but it's not within its authority to address the disposition of the waste. He characterized it as a Department of Environmental Conservation (DEC) or a local municipal problem. Perhaps, he suggested, the aforementioned authorities should be engaged about this problem.

[9:29:09 AM](#)

CHAIR SEATON then highlighted that there are a number of efforts for rehabilitation enhancement of various aquaculture stocks in the Cook Inlet area as well as in Prince William Sound and Cordova. He inquired as to Acting Commissioner Lloyd's stand on those enhancement projects.

ACTING COMMISSIONER LLOYD said he isn't familiar with those permits.

[9:30:11 AM](#)

CHAIR SEATON directed attention to the committee packet, which includes a booklet produced by ADF&G titled, "Success in achieving salmon escapement goals in monitored systems." He pointed out that the chart on page 1 specifies that 55 percent of monitored streams were above their escapement goal, which isn't the course desired. However, the chart on page 3 illustrates that 51 percent of the salmon escapements in Southeast Alaska are within the escapement goal range and that from 2001-2006 those stocks below the minimum escapement goal have been reduced. On page 6 the chart relates that the stocks above the escapement goal in South Central Alaska have risen to 55 percent. The stocks above the escapement goal in the Arctic-Yukon-Kuskokwim region have risen to 71 percent as related on

the chart on page 9. The chart on page 12 relates that the Westward region seems to be "holding its own." It appears from these charts that there is a large economic loss to the state, which he requested Acting Commissioner Lloyd discuss in regard to whether the department needs more tools to address the problem.

[9:33:58 AM](#)

ACTING COMMISSIONER LLOYD specified that the department's first goal is to meet the minimum escapement goal in order that there are sufficient fish in the creeks so that the spawning objective is achieved. More recently, the department has realized that there are upper bounds to the desirable biological number of fish desired in any of these systems. Placing up river users' concerns aside, it appears that Chair Seaton is focusing on what he views as a significant number of fish, in some cases, that are foregone harvest opportunities. However, these instances of foregone harvest occur for a number of reasons. For example, in the Arctic-Yukon-Kuskokwim region there are many areas in which the market wasn't available to take advantage of the harvestable surplus. He said he didn't believe it's a regulatory problem in terms of fishery harvest control but rather it's a market problem. He suggested that perhaps the aforementioned could be addressed by the Department of Commerce, Community, & Economic Development (DCCED). However, there are other situations which may be a fishery regulatory matter, such as in situations where there are conflicting objectives. For instance, in Bristol Bay where the department is attempting to ensure that the minimum escapement goal is being achieved in the Kvichak sockeye system, many sockeye have been allowed in the branch river system. Although the department hasn't determined how to parse that out in order to take full advantage of that harvest opportunity, it has taken some steps with the BOF to create an in-river fishery in the branch to capture some of it. Furthermore, there are less precise difficulties such as in Southeast where in some instances the escapement threshold is achieved, but fleet movements and other aspects of the fishery contributed to a higher escapement. He said that he would be happy to further investigate the specifics of this report.

[9:38:05 AM](#)

CHAIR SEATON noted that several attempts have been made to remedy some of these issues, such as the direct market ability and transporters. However, concern still remains with regard to the openers when there aren't enough boats/fishermen around. He

suggested that the department scrutinize the situation and offered to entertain necessary changes in statute to provide the department the ability to better manage these escapements.

9:40:40 AM

REPRESENTATIVE JOHANSEN turned to dive fisheries and mariculture. He recalled that in 1994 there were efforts to start mariculture in Southeast Alaska. However, since then it has been a band-aid approach to these fisheries. He asked if Acting Commissioner Lloyd or the department has any intention of creating a statewide management plan for the expansion of these fisheries.

ACTING COMMISSIONER LLOYD said that there isn't a statewide management policy or plan to expand the dive and mariculture fisheries. These fisheries provide an opportunity for the state to invest in fish and wildlife management that would yield some identifiable returns. In fact, past efforts to have a cost assessment and cost recovery program with Southeast Alaska Regional Dive Fisheries Association (SARDFA) has been an innovative effort to provide base level funding for inventory and quota-setting processes. However, part of the difficulty is the department's long-standing core program that was derived from salmon and expanded into shellfish and groundfish. To move into the dive fishery requires additional funding and re-programming. He remarked that there are probably a number of opportunities in the state in which more investment could yield some attractive identifiable returns. Those discussions will occur within the administration through the budget process.

REPRESENTATIVE JOHANSEN encouraged the department to work on [the dive and mariculture fisheries] and come forward and request necessary funding.

9:45:30 AM

REPRESENTATIVE EDGMON requested that Acting Commissioner Lloyd speak to his vision with regard to genetic stock identification.

ACTING COMMISSIONER LLOYD said that genetic stock identification holds a tremendous degree of promise. For salmon there are many questions, including exactly which stocks are being harvested in which areas. The answers to the aforementioned would be helpful in biological terms as well as for allocation decisions. He recalled the rudimentary tool developed in the mid 1990s to identify chum salmon from major geographic areas. The

aforementioned was very helpful in halting the practice of high seas gillnetting of salmon. Although such a tool was utilized locally, the department would like to know more specific information to do run reconstruction for major rivers out of Bristol Bay, for instance. He informed the committee that the department has developed a statewide baseline study for sockeye, king, and chum using DNA analysis, which is one of the best means to accomplish this task. However, it's a fairly expensive endeavor, he noted.

[9:49:33 AM](#)

REPRESENTATIVE EDGMON related his understanding that [genetic stock identification] could be utilized in a broader context beyond its use as a management tool to include the development of other fisheries outside of salmon.

ACTING COMMISSIONER LLOYD said that genetic stock identification techniques may be utilized to track animals utilized in enhancement efforts in order to gauge the success of those efforts. Therefore, if it's found that the enhancement of king crab can be done and those transplants can be monitored in the wild, it could lead to enhanced fishery opportunities.

REPRESENTATIVE EDGMON recalled that this committee and the House Resources Standing Committee had discussions on geoducks from which he understood the department to say that there isn't a good enough understanding of geoducks to place it in a non-native area. However, he further recalled information that British Columbia, Washington, and Oregon utilized genetic stock identification efforts for geoducks.

ACTING COMMISSIONER LLOYD said that he doesn't know how genetic stock identification pertains to the transplant of an animal to an area to which it isn't indigenous. Even if the technique could distinguish between geoducks from various regions, it doesn't address whether these species should be introduced in locations where they don't normally occur.

[9:52:24 AM](#)

REPRESENTATIVE JOHANSEN expressed concern with discrete stock management practices versus mixed stock management practices. He recalled that in the 1990s legislation addressing discrete stock management was introduced. In Southeast Alaska there are hundreds of streams with various runs. He opined that in a situation in which a stock identified to a specific stream has

problems can impact the entire mixed stock. In such a situation, a fleet may be restricted from harvesting when only one stream is having problems.

ACTING COMMISSIONER LLOYD characterized the aforementioned as an important public policy question. He then stated that all of the commercial salmon fisheries are mixed stock fisheries. In fact, although the Bristol Bay sockeye fishery is considered a terminal fishery, fish bound for other areas to spawn are being harvested. He emphasized that in any discrete stock management discussion, one must keep in mind the maximum benefit tenet of the Alaska State Constitution. Therefore, the protection of one stock shouldn't necessarily require the elimination of fishing of other stocks. The aforementioned means that opportunities to protect that stock biologically while taking advantage of other harvestable surpluses should occur.

[9:54:59 AM](#)

CHAIR SEATON reminded the committee of testimony it heard from high-level staff from the prior administration who questioned whether shellfish mariculture would best fall under ADF&G, DCCED, or the Division of Agriculture. He expressed concern with testimony from a mariculture specialist that read as follows: "Unfortunately we don't have a mandate for this, doing research for shellfish. Most of the monies are going for other commercial endeavors. We have to do it on an opportunistic basis." Chair Seaton asked if mariculture is going to be part of ADF&G's mission or should it be transferred to an agency such as the Division of Agriculture.

ACTING COMMISSIONER LLOYD stated that to the extent that there are biological concerns with what happens with mariculture, ADF&G should maintain some authority. "If it's a question of promoting further opportunities, shy of biological difficulties, I'm not sure I would mind having the Department of Commerce of some other department be the permitting agent," he said. He likened the aforementioned to how the Department of Natural Resources (DNR) is responsible for permitting the use of tide lands for some of these [mariculture] activities. Acting Commissioner Lloyd specified, "It's not a zero priority within the department, and I would hope that's obvious. But, it is the new kid on the block and so, is suffering growing pains and that's something we have to deal with."

[9:57:43 AM](#)

CHAIR SEATON announced that the committee would now take public testimony.

[9:57:59 AM](#)

BEAVER NELSON, commercial fisherman, began by noting that he is a past ADF&G employee. Mr. Nelson characterized himself as an avid sport fisher and hunter who is fairly involved in the BOF process. Drawing upon his various experiences with Acting Commissioner Lloyd, Mr. Nelson reported that Acting Commissioner Lloyd's depth of experience is very valuable and he is easy to work with. Mr. Nelson said that what he likes most about Acting Commissioner Lloyd is that he listens before speaking and is a thoughtful, analytical individual who maintains a good working relationship with his fellow employees. Mr. Nelson opined that Acting Commissioner Lloyd is the best candidate for commissioner.

[9:59:19 AM](#)

JOHN JENSEN related that he has known Acting Commissioner Lloyd for a number of years, both as a commercial fisherman and a member of the BOF. Mr. Jensen said that he highly recommends Acting Commissioner Lloyd for the position of commissioner.

[9:59:53 AM](#)

CHAIR SEATON, upon determining no one else wished to testify, closed public testimony.

[10:00:19 AM](#)

REPRESENTATIVE LEDOUX made a motion to advance the confirmation of Denby Lloyd as Commissioner of the Alaska Department of Fish & Game to the joint session for consideration.

[10:00:37 AM](#)

REPRESENTATIVE WILSON objected to comment. She related that she hasn't received any negative comments about Acting Commissioner Lloyd. She further related her understanding that Acting Commissioner Lloyd is known for his fairness and accountability. She then removed her objection.

[10:01:23 AM](#)

There being no further objections, the confirmation of Acting Commissioner Lloyd was advanced.

[10:01:38 AM](#)

ADJOURNMENT

There being no further business before the committee, the House Special Committee on Fisheries meeting was adjourned at [10:01:48 AM](#).