

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

March 19, 2008

8:38 a.m.

MEMBERS PRESENT

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

MEMBERS ABSENT

Representative Gabrielle LeDoux
Representative Lindsey Holmes

COMMITTEE CALENDAR

ROUND-TABLE DISCUSSION: STATUTORY REGULATOR TOOLS TO ADDRESS
OVER ESCAPEMENT AND FOREGONE HARVEST IN SOUTHEAST ALASKA

- HEARD

PREVIOUS COMMITTEE ACTION

No previous action to record

WITNESS REGISTER

BOB THORSTENSEN
Southeast Seiners Association
Juneau, Alaska

POSITION STATEMENT: Participated in the round-table discussion:
Statutory and Regulatory Tools to Address Over Escapement and
Foregone Harvest in Southeastern Alaska.

GERON BRUCE, Assistant Director
Division of Commercial Fisheries
Alaska Department of Fish & Game
Juneau, Alaska

POSITION STATEMENT: Participated in the round-table discussion:
Statutory and Regulatory Tools to Address Over Escapement and
Foregone Harvest in Southeastern Alaska.

BILL DAVIDSON, Coordinator

Southeast Regional Fin-Fish Management
Division of Commercial Fisheries
Alaska Department of Fish & Game
Sitka, Alaska

POSITION STATEMENT: Participated in the round-table discussion:
Statutory and Regulatory Tools to Address Over Escapement and
Foregone Harvest in Southeastern Alaska.

JOHN HILSINGER, Director
Division of Commercial Fisheries
Anchorage, Alaska

POSITION STATEMENT: Participated in the round-table discussion:
Statutory and Regulatory Tools to Address Over Escapement and
Foregone Harvest in Southeastern Alaska.

MARK STOPHA, Direct Marketer
Alaska Wild Salmon Company
Juneau, Alaska

POSITION STATEMENT: Participated in the round-table discussion:
Statutory and Regulatory Tools to Address Over Escapement and
Foregone Harvest in Southeastern Alaska.

JERRY MCCUNE, Lobbyist
United Fishermen of Alaska (UFA)
Cordova, Alaska

POSITION STATEMENT: Participated in the round-table discussion:
Statutory and Regulatory Tools to Address Over Escapement and
Foregone Harvest in Southeastern Alaska.

LEN PETERSON Direct Marketer
Taku River Reds
Juneau, Alaska

POSITION STATEMENT: Participated in the round-table discussion:
Statutory and Regulatory Tools to Address Over Escapement and
Foregone Harvest in Southeastern Alaska.

MARY MCDOWELL
Pacific Seafood Processors Association (PSPA)
Juneau, Alaska

POSITION STATEMENT: Participated in the round-table discussion:
Statutory and Regulatory Tools to Address Over Escapement and
Foregone Harvest in Southeastern Alaska.

ACTION NARRATIVE

CHAIR PAUL SEATON called the House Special Committee on
Fisheries meeting to order at 8:38 a.m. Representatives Seaton,

Edgmon, Johansen, and Johnson were present at the call to order. Representative Wilson arrived as the meeting was in progress.

OVERVIEW: ROUND-TABLE DISCUSSION: STATUTORY AND REGULATORY
TOOLS TO ADDRESS OVER ESCAPEMENT AND FOREGONE HARVEST IN
SOUTHEASTERN ALASKA.

[8:40:13 AM](#)

CHAIR SEATON welcomed the participants, and explained that, in 2007, Alaska Department of Fish & Game (ADF&G) prepared a summary of statewide salmon fishery escapement data. The reports, contained in the committee packet, indicate where escapements fell short of the minimum, attained the minimum, or exceeded goals. For discussion purposed, those fisheries above escapement goals will be treated as foregone harvest. He explained contributing factors that create over escapement, regardless of management efforts: a remote stream location, a non-economical size run to pursue, and market demand fluctuations. Following the first summary, the committee requested an identification of the value of each stream, by species. Fifty-five percent of the monitored streams were above the upper escapement goal. In situations where this occurs on a regular basis, ways and means to realize an improved harvest needs to be addressed to maximize the economic value of the resource. He reminded the participants that the discussion does not carry a fault finding mission, but rather should bring a variety of perspectives to improve the situation for everyone's benefit.

[8:44:20 AM](#)

BOB THORSTENSEN, Southeast Seiners Association, called attention to the committee packet, report 5J08-02, page 1, titled Abstract Region 1: Southeast Region, Pink Salmon, to ascertain what numbers were used to generate the graph. He said:

It looks like ... the numbers we're using are the numbers that we would take directly off the tables for over escapement. ... If Southeast Alaska is looking for escapement of 12 million ... if you came it at 16 ... million, you'd just take 4 million, subtract, and you're out, right. ... That's how you did it.

[8:45:55 AM](#)

GERON BRUCE, Assistant Director, Division of Commercial Fisheries, Alaska Department of Fish & Game responded, "I believe so."

MR. THORSTENSEN opined how, with aerial surveys, the index stream numbers may be estimated erroneously to a dramatic degree. More importantly, he explained:

What we figured, over the years, what we estimated is, that for every pink salmon that we count there is approximately 2.5 to 3 pink salmon total out there. ... Those numbers actually with an expansion factor would come in ... dramatically higher. These are ... low numbers.

[8:47:38 AM](#)

REPRESENTATIVE JOHNSON inquired about the science, and logic, of using an expansion factor ratio.

[8:48:16 AM](#)

MR. BRUCE asked if the question is about peak escapement numbers or expansion numbers.

MR. THORSTENSEN interjected to clarify:

What you've got here are index numbers. You're trying to take index numbers, turning them into dollars, and they're not real numbers. That's all.

[8:49:27 AM](#)

BILL DAVIDSON, Coordinator, Southeast Regional Fin-Fish Management, Division of Commercial Fisheries, Alaska Department of Fish & Game, explained that there are three escapement goals in the Southeast region waters: southern end, northern inside, and northern outside. The escapement index is based on the 718 pink salmon producing streams in the region, which are surveyed, via small aircraft, throughout the season. The highest count observed is used for the index. The surveyed stream count and part of the index are summed to determine the escapement for a particular regional goal. Within the regional goal, the managers will also have considered historical run timing information, and factored in developing run information. He reported that there are about 2,500 pink salmon producing streams in the region, which are not all part of the index.

Flying an aerial survey, looking vertically down on a population of fish, the estimation tends to be lower than a ground count.

8:52:19 AM

CHAIR SEATON asked if ADF&G has scientifically arrived at the ratio factor of 1:2.3, and found to be reasonably accurate.

MR. DAVIDSON said the department has done studies to establish a multiplier factor. However, with the variables involved in each stream, it is difficult to establish one ratio that can be accurately applied to each system. He said:

We don't really know the exact amount. So the [1:]2.5 is a rough expansion [ratio], trying to fit all cases, when we don't have information in all of the different streams.

8:54:04 AM

CHAIR SEATON queried what the confidence level is when using the 1:3 or 1:2.5 ratio.

MR. DAVIDSON stated, for working purposes, it provides a good general estimate. He clarified:

On smaller size returns the expansion may not be that high. It might be closer to what you see is what you get. On a very large escapement it could be greater than that. ... The index represents the general condition of the area.

8:55:01 AM

CHAIR SEATON requested a description of how commercial management occurs in relation to the index data.

MR. DAVIDSON described purse seine openings, for pink, chum, and sometimes sockeye, throughout the season. Four area offices simultaneously manage individual districts, in accordance with the over-all seasonal management plan provided from the department. The area managers are able to adjust the openings, based on the local CPUE [catch per unit effort] and run strengths. He said that the managers are able to stay out in front of returns, and are reinforced by data from the ongoing aerial surveys."

CHAIR SEATON surmised that the fishery experiences general area wide openings rather than individual openings for specific bays/inlets.

MR. DAVIDSON said to describe a single purse seine opening would take a 6-7 page report detailing each of the 14 districts in the region. The length of each opening varies by location, with an attempt to maintain some regional consistency; it is a complex situation.

[8:58:57 AM](#)

REPRESENTATIVE JOHNSON referred to the extrapolation question to ask, if it appears that there are 100,000 fish, is that the number used without applying a multiplier to the index.

MR. DAVIDSON explained that there is not an adjustment for the multiplier. "It is known and understood that the index of escapements are what they are." he said.

[8:59:33 AM](#)

REPRESENTATIVE JOHNSON asked whether it is possible to be 100 percent off in the actual count.

MR. DAVIDSON allowed that, from an airplane, it could be off by 200 percent. From an airplane at 500-600 feet and flying 70 mpg, the exact number can not be ascertained.

REPRESENTATIVE JOHNSON inquired if that might result in an under as well as over estimation.

MR. DAVIDSON replied that in some systems and given weather conditions, it would be possible.

REPRESENTATIVE JOHNSON asked what is considered the statistical margin of error.

MR. DAVIDSON responded that the focus is to observe the historic data of a stream vs. providing accurate counts. He said that establishing a foregone harvest a challenge.

REPRESENTATIVE JOHNSON observed that, dealing with a 50 percent margin of error, getting a foregone harvest is a very difficult process. The information may not be available in order to associate a dollar amount with the foregone harvest.

[9:02:20 AM](#)

REPRESENTATIVE WILSON inquired whether southeast is a more difficult area to provide definitive numbers, than the other regions of the state. Further, she asked, due to the number of streams in the various districts, is it possible for a district to experience overall low returns despite abundant runs in some systems.

MR. DAVIDSON stated that he has not observed fisheries in other regions of the state, but various approaches are used with differing levels of accuracy to establish escapement numbers. In southeast, aerial surveys are utilized for pink salmon, and river sockeye may be counted via a fish wheel using a mark and recapture program. In response to the second question, he offered that there can be variability in the strength of returns to specific areas within a district. Areas within districts are sometimes closed, when returns are deemed insufficient.

REPRESENTATIVE WILSON clarified that the charts indicate low returns overall, for certain years, but could individual districts have experienced good returns during those years.

CHAIR SEATON clarified that the charts indicate the foregone harvest, the fish estimated above the escapement goal, not the total run. A perfect chart would show no bars, as there would not be over escapement occurring.

[9:05:24 AM](#)

JOHN HILSINGER, Director, Division of Commercial Fisheries, said a variety of methods are used around the state, and described the sonar techniques, and costs involved in obtaining precise counts. It is not feasible to use the most accurate methods in many areas where 300-700 streams need to be monitored. The aerial survey, recognized as an imprecise estimate, does provide a valuable management tool. Since statehood, aerial surveys have been utilized to provide a cost effective, and biologically sound, means for rebuilding runs.

CHAIR SEATON commented that estimating a run, from the air, can be as much an art as a science.

[9:08:02 AM](#)

MR. THORSTENSEN provided that the official Alaska expansion factor for pink salmon, as utilized in negotiations with Canada

by the Pacific Salmon Commission, is a ratio of 1:2.5. Further, he reported that, during the last seasons effort, over escapement was less attributable to the department's ability to manage openings, than it was to the fleet's actual capacity to harvest and process. Despite some over escapement, he opined that the pink harvest concerns have been met through the "good old fashioned economics of the capitalist model."

9:11:31 AM

CHAIR SEATON indicated that increased value credits may be available for processing of pink salmon, which may serve to enhance the economics of the harvest. In areas where strong runs prevail in remote streams, the direct market approach may prove of value, and he pointed out the regulatory changes that support this type of fishery. The legislature would be interested in assisting in other ways that would improve the economic gain of these remote resource sites.

9:12:46 AM

MARK STOPHA, Direct Marketer, Alaska Wild Salmon Company, explained how added value has been implemented in each species, including pink salmon. Because of added value handling, the pink fillet is beginning to find demand in the market place; being recognized as a widely spread affordable product. The concern for this niche market is providing enough high quality fish. He described the frustrations involved in his efforts to comply with the DEC regulations. The sticking point is the requirement for a fully enclosed gutting and gilling room, to protect the product from dust and pests. A direct marketer who handles only their own catch, does not have this requirement, nor does a floating processor, or a vessel that is delivering field dressed catch to a shoreside processor, who are required to have a covered area only. He pointed out that many times, these vessels are performing the same activity within close proximity, while at sea, which is void of dust and pests. Appeal has been made through the rule making petition, under AS 44.62.220, for relief, and to better understand this requirement. The federal regulations provide other means for addressing these same hazards. He said:

That's why we've sent letters out, and we're continuing to press to get some legislative, statutory ... relief from this, because we don't feel ... we ... have anybody to appeal to.

[9:16:17 AM](#)

REPRESENTATIVE WILSON asked if there is room on a 26' boat to comply.

MR. STOPHA responded it requires a 55-60 foot boat, which raises another compliance issue. A direct marketer, doing a few thousand pounds of fish per day loses economically when running a larger vessel. He stressed that this does not constitute a food safety issue, and the fleet needs to be able to use the vessels available.

[9:17:36 AM](#)

CHAIR SEATON recalled:

I had made the amendment and put forward to allow five vessels to work together, up to five, and process on [one] vessel, so that we would get beyond this ..., when we were doing the direct marketing bill ... two years ago. ... The Direct Marketing Association ... didn't support that amendment. ... Before you are going to be able to get this, you're going to have to get all of the direct market folks on board with that, because it was opposed by them. ... It is a problem and ... it would allow some foregone harvest to be taken by smaller operations. ... Absolutely, you're right, it's not a safety issue, or anything else. But the attempt was to put that language in ... the direct market bill and ... it was opposed at the time.

[9:19:37 AM](#)

JERRY MCCUNE, Lobbyist, United Fishermen of Alaska (UFA), asked if this is for at-sea processing, or in the harbor.

MR. STOPHA replied that it only applies on the fishing grounds. He pointed out that, according to Alaska Seafood Marketing Institute (ASMI) information, through 2006 one-third of H&G [headed and gutted] Alaskan product is reprocessed in China, but, with direct marketing, every dollar, and the products reputation, remains in Alaska.

CHAIR SEATON reiterated the legislatures support for direct marketing.

[9:21:19 AM](#)

MR. MCCUNE asked for a further description of the gutting and gilling enclosure required.

MR. STOPHA described, and differentiated, the required hard sided room from the commonly used tarp cover.

CHAIR SEATON clarified that the law allows a direct marketer to handle their own fish, but, if catch is purchased from another vessel, they become a floating processor and must comply with the requirement for a full enclosure. The foregone harvest may be a key approach for resolving this concern.

[9:23:27 AM](#)

LEN PETERSON Direct Marketer, Taku River Reds, said that as a direct marketer, he catches and processes his own fish, and he also purchases fish from other fishermen. He reported that there is an over abundance of pink salmon in southeast, and in 2006 there were so many coming up the Taku River, that he couldn't market all that he caught. The price he receives for his fish, depends completely on who he markets it to. Each pink may bring three dollars, on the direct market, or eighty cents, if the processor is even buying them, making the exvessel value highly variable. The direct market customers are willing to pay for the high quality product, which a seiner is not able to deliver. He stressed:

I need this foregone harvest. I'd like to be able to sell more of the pinks that I process on my boat to Mark [Stopha]. I'd like to be able to buy pinks from other fishermen and process on my direct marketing boat, but I can't by that regulation. ... I'm interested in processing fish on my direct marketing boat that I purchase. I cannot touch them by the regulations as they are now. I can only refrigerate them. So whatever condition I get them in ... I have to hold them until I get to town, ... talk to a shore base processor, and have them custom process my fish. If I catch that fish on my own boat ... I can dress it, I can take care of it, I can pressure bleed it, I can sell it. In this case, though, if I buy it from another fisherman, and increase the value to that fisherman of their catch, I cannot process it until I get to town. ... That law makes no sense to me.

CHAIR SEATON clarified how the amendment was opposed, and concerns were expressed for allowing five fishermen/vessels to work together.

[9:29:07 AM](#)

MR. THORSTENSEN agreed that a unified approach for added value and direct marketing could only result in improved economic gain, for everyone. He speculated what the pink salmon harvest number could be if the regulations allowed the small boats to work together, and added that industrial processing, including involvement with China, would still need to occur. The law currently slows down the fishermen's ability to harvest and process in a timely manner; expediting fish to market is slowed. He reiterated the need for the continued relationship between the traditional seiner and corporate processor, to handle the large volume runs.

CHAIR SEATON noted that the direct, niche markets are worked out easier on a smaller scale. Setting competition issues aside will allow the various entities to work in a united way to help change the existing law. He pointed out how southeast has the potential to do more in the added value arena than the other regions, and reminded participants of the state based tax credit incentive for added value catch endeavors.

[9:34:33 AM](#)

MARY MCDOWELL, Pacific Seafood Processors Association (PSPA), welcomed the participation of the independent, direct marketers, stating that there is opportunity for everyone to benefit given the large volume of the available catch. She pointed out what PSPA is doing to add value in the realm of large scale processing.

[9:35:36 AM](#)

MR. PETERSON mentioned pink salmon cannot all be harvested as food grade. The pet, and supplement, quality product can be utilized by the large processor, but not the small, direct marketer. He pointed out that there is a world shortage of fish meal, which the large processor could cultivate, and be assisted by the direct marketer in a cooperative effort. Further he noted the surplus of fish to be harvested, and the volume available, which cannot be handled at this time.

[9:37:25 AM](#)

CHAIR SEATON inquired how the southeast processors/fishermen are handling carcasses, and if they are taking advantage of roe collection opportunities. Also, he asked whether there is a plan for handling carcasses/egg recovery when a larger than expected run occurs; is dispersal left to nature.

MR. HILSINGER deferred.

MR. DAVIDSON explained how fisheries have been opened to allow roe harvest, ikura [salmon caviar], during times of surplus runs, at the mouths of streams. The carcasses are beneficially utilized, being processed for bait, fish meal, fish oil, and other purposes.

[9:40:02 AM](#)

CHAIR SEATON described carcass disposal issues, in other areas of the state, and asked how it is handled in southeast, particularly in remote stream harvest locals.

MR. DAVIDSON responded that the shore based processors operate under EPA [environmental protection act] standards, for grinding and discharge of carcasses, and some processors have meal plants to create a beneficial use of the by product. Special purpose carcass disposal permits are available, but he said he is not aware that they have been utilized in southeast.

CHAIR SEATON explained how it is handled in south central, and PWS, and offered that, if a plan needs to be devised for southeast, the issue should be brought forward in a timely manner.

[9:43:55 AM](#)

MR. MCCUNE offered that southeast fishermen have moved away from harvesting roe, in order to focus on yielding a fully useable product. Three additional processors have been brought in to handle the pink harvest to assist in maximizing the use of the entire fish.

[9:44:55 AM](#)

CHAIR SEATON moved attention to the sockeye salmon table in report 5J08-03, and asked for comment.

[9:46:18 AM](#)

MR. HILSINGER described the majority of the southeast sockeye systems as being small, with the exception of the Taku River. Also, some of the systems are enhanced with hatchery fish. He requested that Mr. Davidson address the over escapement on the Taku River, and the Redoubt Lake situation. The table in report 5J08-1, page 2, indicates how over escapements fluctuate dramatically with the sockeye runs, making management of this species more difficult than others. These fluctuations occur for various reasons, including when over escapement occurs, resulting in years of abundant fry, which graze down the phyto/zooplankton, setting the stage for a population decrease.

[9:49:02 AM](#)

MR. DAVIDSON addressed the consistent sockeye surplus in the Taku River, pointing out that it is a complex fishery to manage. As a trans boundary river, it is managed in accordance with the Pacific Salmon Treaty, that results in a multiplicity of goals. He offered an example of how surplus sockeye, present in the main stem Taku River, have been managed for limited harvest to provide sufficient escapement into Tatsamenie Lake. Additionally, enhanced chum stocks play a role. Last season saw a chum harvest of 600,000 fish, with a sockeye harvest of 112,000, indicating how fishermen are seeking economic opportunities to harvest more chum; by passing the lower priced pink runs. Yet another problem is the directed chinook harvest, which overlaps with the sockeye run. Fishermen allow the sockeye to escape, in order to target the chinook. Regarding Redoubt Lake, he said that, although it may appear to be ready for harvest, the lake fluctuates greatly in escapement numbers. It is the primary subsistence system in the Sitka area, which takes priority over a commercial opening. Finally, he pointed out that the sockeye populations of southeast primarily exist in small, widely scattered lakes throughout the region, and only 13 systems have established escapement goals. Stock assessment projects imply a need for funding, he finished.

CHAIR SEATON praised the department's efforts in working with the local user groups to solve the management issues. He provided an update on the scheduled round-table discussions.

[9:55:21 AM](#)

MR. PETERSON described an additional conflict that occurs at the mouth of the Taku River, when the run intermingles with the Snettisham hatchery returns, creating hatchery and wild stock management difficulties. Also, he reported that last season was

a down year for chum salmon in the Taku River, with a return of half of what was expected. He opined that the majority of the foregone harvest is comprised of Snettisham hatchery fish. These sockeye average between 2-4 pounds, while the wild sockeye average 8-9 pounds; a more valuable product. The market for the smaller sockeye has not been established, and until that happens they will continue to represent the bulk of the foregone harvest.

[9:58:18 AM](#)

REPRESENTATIVE JOHANSEN referred to report 5J08-01, page 2, to inquire about the consistent "B," below escapement goal, standing of McDonald Lake.

MR. HILSINGER explained that McDonald Lake is a particularly difficult system, with stock numbers that tend to vary dramatically. Although it has experienced abundant returns, in recent years it has not produced well. The department has launched a study to determine what has happened to this system. Further, a restocking plan is under way, along with harvest restrictions, to boost production. The exact reason why sockeye runs vary dramatically in certain systems, such as McDonald Lake, is unknown.

REPRESENTATIVE JOHANSEN asked if the up and down trend appears in the historical escapement goal charts, or has it only occurred recently.

MR. HILSINGER deferred.

MR. DAVIDSON stated that the lake does have historical data indicating a history of fluctuation. He agreed with Mr. Hilsinger, the exact cause remains a scientific mystery.

CHAIR SEATON interjected that over escapement of sockeye, can cause serious detriment to a system, which requires time for recovery.

[10:01:40 AM](#)

REPRESENTATIVE EDGMON suggested that DEC be included in the future meetings.

[10:02:00 AM](#)

CHAIR SEATON thanked everyone for participating and for their interest in uniting efforts towards a more economic fisheries resource harvest.

ADJOURNMENT

There being no further business before the committee, the House Special Committee on Fisheries meeting was adjourned at 10:02 a.m.