

ALASKA STATE LEGISLATURE
HOUSE SPECIAL COMMITTEE ON FISHERIES

February 12, 2009

10:04 a.m.

MEMBERS PRESENT

Representative Bryce Edgmon, Chair
Representative Craig Johnson
Representative Wes Keller
Representative Charisse Millett
Representative Cathy Engstrom Munoz
Representative Robert L. "Bob" Buch
Representative Scott Kawasaki

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

OVERVIEW(S): ALASKA DEPARTMENT OF FISH & GAME; COMMERCIAL
FISHERIES DIVISION

- HEARD AND HELD

PREVIOUS COMMITTEE ACTION

No previous action to record

WITNESS REGISTER

DENBY LLOYD, Commissioner
Alaska Department of Fish & Game (ADF&G)
Juneau, Alaska
POSITION STATEMENT: Provided an overview of ADF&G.

JOHN HILSINGER, Director
Division of Commercial Fisheries
Alaska Department of Fish & Game (ADF&G)
Juneau, Alaska
POSITION STATEMENT: Provided an overview of the Division of
Commercial Fisheries.

ACTION NARRATIVE

10:04:08 AM

CHAIR BRYCE EDGMON called the House Special Committee on Fisheries meeting to order at 10:04 a.m. Representatives Edgmon, Munoz, Keller, Buch, and Kawasaki were present at the call to order. Representatives Millet and Johnson arrived as the meeting was in progress.

OVERVIEW(S): DEPARTMENT OF FISH AND GAME

10:04:56 AM

CHAIR EDGMON announced that the only order of business would be an overview of the Alaska Department of Fish & Game (ADF&G) and a specific overview of the Commercial Fisheries Division.

10:07:04 AM

DENBY LLOYD, Commissioner, Alaska Department of Fish & Game (ADF&G), directed attention to the committee packet and the handout entitled "Overview of the Alaska Department of Fish and Game, February 12, 2009." He then noted that the members should also have a statewide facilities map for the department, which provides a good geographic description of the location of area offices and fishery management programs. Commissioner Lloyd then began his overview. He highlighted that the Alaska State Constitution is unique in that it expressly describes the state's ability to manage its natural resources on a sustained yield basis. In fact, Article VIII of the constitution has a number of key phrases, including the following:

The legislature shall provide for the utilization, development, and conservation of all natural resources belonging to the State, including land and waters, for the maximum benefit of its people.

Fish, forests, wildlife, grasslands, and all other replenishable resources belonging to the State shall be utilized, developed, and maintained on the sustained yield principle, subject to preferences among beneficial uses.

COMMISSIONER LLOYD explained that the aforementioned has been translated into various statutory and regulatory mandates as well as the mission of the department. The mission of ADF&G is: "To protect, maintain, and improve the fish, game, and aquatic plant resources of the state, and manage their use and

development in the best interest of the economy and the well-being of the people of the state, consistent with the sustained yield principle." He highlighted that it refers to sustained yield not maximum sustained yield. Therefore, constant attention must be given to a base abundance while striving to achieve ongoing yields. Commissioner Lloyd then reviewed the goals of ADF&G, which include the following:

Optimize economic benefits from fish and wildlife resources;

Optimize public participation in fish and wildlife pursuits;

Increase public knowledge and confidence that wild populations of fish and wildlife are responsibly managed

COMMISSIONER LLOYD explained that the goals of the department were used to structure the department around core services that are common to all the operating divisions of ADF&G. Fundamentally, ADF&G needs to be able to manage whatever harvest in order to ensure that the biomass base isn't being accessed and thus unduly impacting productivity. The department is also responsible for assessing the stocks that are utilized. Again, the department has a good understanding of potential productivity, which is particularly important in situations when ADF&G attempts to achieve a small degree of harvest.

[10:11:47 AM](#)

COMMISSIONER LLOYD pointed out that another core service of ADF&G is customer service, through which wildlife users or any interested party is provided information. The department is also involved in public involvement, which is manifested through a number of operations. Commissioner Lloyd then emphasized that ADF&G is very concerned about maintaining state sovereignty. He mentioned that there are a number of encroachments on state sovereignty that occurred due to federal legislation such as the Marine Mammal Protection Act. One of the most intense arenas in which the question of sovereignty is being addressed is with the Federal Subsistence Board due to the state being considered noncompliant with regard to federal subsistence since the state follows the Alaska National Interest Lands Conservation Act (ANILCA). He related that the department is striving to maintain state sovereignty and work cooperatively with the Federal Subsistence Board and its charge to provide federal

management of subsistence uses on federal public lands within the state's boundaries. In support of the aforementioned core services, ADF&G has incorporated responsibility for habitat conservation. Habitat conservation correlates with the return of the Habitat Division to ADF&G. He noted that within all the fish and wildlife divisions, the department is concerned with maintaining productive and effective habitat for fish and wildlife resources. The last core service of the department is to maintain a well-motivated, and rewarded workforce. The aforementioned has become increasingly challenging over the past years as there is a growing pay differential between state employment and sister agencies in the federal government and private employment. Therefore, ADF&G has dedicated itself to a substantial effort internally to address various workforce development issues. Commissioner Lloyd pointed out that page 2 of his overview, which provides more details with regard to the ambitions within the core services.

[10:14:45 AM](#)

COMMISSIONER LLOYD directed attention to page 3 of his overview and informed the committee that ADF&G is comprised of the following six divisions: Commercial Fisheries, Sport Fish, Wildlife Conservation, Subsistence, Habitat, and Administrative Services. Additionally, ADF&G administers the activities of the Alaska Boards of Fisheries and Game, the Commercial Fisheries Entry Commission, and the Exxon Valdez Oil Spill Trustee Council. In the commissioner's office, in addition to the commissioner's position there are two deputies, an assistant commissioner, and a number of special assistants. The department's fiscal year (FY) 09 operating budget is \$180 million from 16 funding sources. About \$58 million of the total was state general funds and the remainder consists of license fees and federal budget contributions. The FY 10 operating budget request, he related, is for \$180 million of which \$58 million is state general funds.

[10:16:42 AM](#)

COMMISSIONER LLOYD highlighted that ADF&G is involved with many different agencies during the course of management of fish and wildlife in Alaska as well as offshore Alaska. Central to some of the negotiations are interactions with the North Pacific Fishery Management Council (NPFMC). He noted that he has a seat on NPFMC in order that the state can be on the look out for the benefits to the state regarding federal decisions made for fisheries between 3-200 miles outside of Alaska's waters. The

department has a seat, although in a non-voting seat, on the Pacific Fishery Management Council, which covers waters off the coast of Washington, Oregon, and California. The department also deals internationally with the North Pacific Anadromous Fish Commission and domestically with the Pacific States Marine Fisheries Commission. Furthermore, ADF&G deals directly with the University of Alaska-Fairbanks School of Fisheries and Ocean Sciences Advisory Council and the Alaska Sea Grant Advisory Council. Commissioner Lloyd noted that he is an ex officio secretary, non-voting member, of the Boards of Fisheries and Game. He reviewed the various other responsibilities of the commissioner, including holding a non-voting seat on the Federal Subsistence Board. The department provides much of the factual information upon which the Federal Subsistence Board relies to perform its duties.

[10:18:55 AM](#)

REPRESENTATIVE KELLER inquired as to when the department wouldn't manage resources for the maximum sustainable yield.

COMMISSIONER LLOYD explained that the constitution refers to maximum benefit to the people and the sustained yield principle, but not maximum sustained yield. Therefore, in many instances one could argue that translates into an attempt to achieve maximum sustained yield. Commissioner Lloyd pointed out that the maximum benefit may not be maximum yield in the case of the sport fishery in which there may not be interest in the most pounds but rather in the best beneficial use.

[10:21:02 AM](#)

REPRESENTATIVE KELLER opined that the aforementioned seems to be managing for maximum yield.

COMMISSIONER LLOYD pointed out that maximum benefit doesn't necessarily align itself with actual poundage or yield of fish.

[10:21:30 AM](#)

REPRESENTATIVE BUCH inquired as to how the state is represented in the North Pacific Fishery Management Council (NPFMC).

COMMISSIONER LLOYD specified that the commissioner of ADF&G has a seat on all the relevant federal regional councils. He then highlighted that there are 11 voting members of the NPFMC of

which 6 of the voting members are from Alaska. Therefore, [Alaskan representatives] have the majority of votes.

REPRESENTATIVE BUCH requested a breakdown of the various representation opportunities Alaska has with the entities specified [on page 3 of the overview document].

CHAIR EDGMON noted that this is available on the NPFMC web site.

[10:23:28 AM](#)

REPRESENTATIVE BUCH clarified that he is interested in knowing the state's involvement in all the organizations listed on page 3 of the overview document under the heading "Other Designated Responsibilities for the Commissioner."

COMMISSIONER LLOYD offered to meet with Representative Buch.

[10:24:03 AM](#)

REPRESENTATIVE MUNOZ recalled that at the February 10, 2009, meeting on the Southeast herring and sac roe fisheries a scientist opined that ADF&G didn't have an accurate stock model for herring and that perhaps it was due to underfunding or other factors.

COMMISSIONER LLOYD, noting that he wasn't present at that meeting, characterized the state's herring program as fairly fundamental. He suggested that the herring program is probably better in Southeast Alaska than in most other locations. Commissioner Lloyd said that there is probably always room for improvement. He then noted that the herring fishery isn't one on which the department has focused in the last few years. However, the exception is the Sitka Sac Roe fishery, which has been maintained continuously for the last 15-20 years.

[10:25:29 AM](#)

REPRESENTATIVE MUNOZ further recalled from the February 10, 2009, hearing testimony that much of the anecdotal information suggested that the herring stocks are disappearing from many areas. There is concern that herring may be depleted, and therefore she suggested the department should review herring since it's the base of the food chain and upon which many species depend.

COMMISSIONER LLOYD informed the committee that all of the Southeast herring stocks are under review by the National Marine Fisheries Service (NMFS). In the Southeast regional office there is recognition that some stocks aren't as productive or abundant as they once were. However, the department believes that Southeast herring, as a whole, "is in healthy shape."

[10:27:22 AM](#)

REPRESENTATIVE JOHNSON related he has heard from several people that the deoxyribonucleic acid (DNA) sampling gathered by ADF&G is flawed and can't be trusted as an accurate measure as to where the fish are living. He then asked if the Upper Cook Inlet DNA sampling is of value.

COMMISSIONER LLOYD related his belief that the DNA sampling program is good. In fact, it has been proven over time to provide increasing ability to discern stocks at a finer level over the last 10-15 years. He explained that in the mid 1990s the department used electrophoresis, the process of separating proteins as an indication of genetic stock structure, which provided a basic level of information. The newer information is based on single-nuclei-tide polymorphisms (SNPs), which provide a much finer look at the stock structure in the mixed stock fisheries in the inlet. Perhaps the criticism is that even with increased discernment, every question can't be answered. Commissioner Lloyd opined that ADF&G's program has developed a strong ability to determine, in general, the stock movements through the inlet. He conceded that the department's ability to characterize in real time, on a daily or weekly basis, hasn't been achieved. However, he pointed out that the department has never suggested the aforementioned.

[10:30:00 AM](#)

REPRESENTATIVE JOHNSON asked if, through DNA testing, it's possible to ascertain from what stream a fish originated, within 90 percent accuracy.

COMMISSIONER LLOYD answered that in some cases it's possible. The classification tests used often use a 90 percent verification as a threshold against which the information is considered reliable or not. However, he clarified that he didn't know the details of the study to claim that in all cases each base line spawning stock is discernable at 90 percent.

[10:31:12 AM](#)

COMMISSIONER LLOYD, in response to Chair Edgmon, explained that the Board of Fisheries (BOF) meets on a three-year rotation. Therefore, every area of the state is scheduled to host a BOF meeting on a three-year rotation. The geographic location of meetings is determined by the BOF by vote and the schedule is usually laid out a year or so in advance. There is the desire to have meetings in the areas the fisheries are conducted while being tempered with travel and meeting logistics as well as the composition of the fleets participating in the fisheries. Commissioner Lloyd acknowledged the strong concern of those in the Bristol Bay region who want to have the next Bristol Bay meeting in the region. He related that the last [Bristol Bay] BOF meeting was held in Dillingham. However, because of some logistical constraints and the desire to make the board meeting more accessible to those who fish in Bristol Bay but live in other regions of the state, of which there are a high percentage, a meeting in a central location was determined to be appropriate. Commissioner Lloyd related his sense that the BOF should meet in the region of the fisheries, although he said he hasn't become resolute about that because there are a broad suite of interested fishermen. He related his understanding that the BOF is considering requests regarding the location of the Bristol Bay BOF meeting.

[10:36:05 AM](#)

CHAIR EDGMON noted his observation that a useful byproduct of the 90-day legislative session is that it appears committees are traveling to remote areas of the state and holding meetings. He opined that the benefits of such are immeasurable. He announced that he is going to encourage the BOF to meet in outlying areas, including the upcoming December Bristol Bay meeting.

COMMERCIAL FISHERIES DIVISION

[10:38:02 AM](#)

JOHN HILSINGER, Director, Division of Commercial Fisheries, Alaska Department of Fish & Game (ADF&G), began his overview, entitled "Overview of the Division of Commercial Fisheries," by highlighting the mission statement of the Division of Commercial Fisheries, which is to:

Manage, protect, rehabilitate, enhance, and develop the fisheries and aquatic plant resources in the interest of the economy and general well being of the

state, consistent with the sustained yield principle and subject to allocations established through public regulatory processes.

MR. HILSINGER then turned to the responsibilities of the division, of which first and foremost is to manage the commercial personal use and subsistence fisheries within state waters. The aforementioned represents a wide variety of salmon, herring, shellfish, and groundfish fisheries that occur within state waters. The division also manages many of the shellfish and groundfish species in federal waters, such as the Bering Sea King, Tanner, and Snow Crab fisheries as well as scallops. He noted that the division manages some rock fish species out to 200 miles. The division manages the aforementioned species in federal waters because the federal government recognized that the state had a better developed program and better capabilities to manage those species, even in federal waters. The division, he related, conducts a lot of applied research and plans and permits the fish and shellfish hatcheries and aquatic farms. The division deals with the negotiations of fishing agreements with Canada through the Pacific Salmon Treaty and the Alaska-Yukon Treaty. He noted that the division coordinates extensively with the federal agencies, including NMFS, the Federal Subsistence Board, and the International Pacific Halibut Commission (IPHC). Mr. Hilsinger highlighted that the division manages a wide variety of fisheries from the salmon fisheries in the Kuskokwim Bay, which are characterized by small open skiffs, to the Bering Sea crab fisheries, which are characterized by large modern vessels fishing far offshore. He informed the committee that the exvessel value of Alaska's commercial fisheries amounts to about \$1.6 billion, of which 50 percent is from groundfish, 25 percent is from salmon, 14 percent is from shellfish and halibut each, and herring amounts to about 1 percent of the total exvessel value. The chart entitled "Exvessel Value of Alaska's Commercial Fisheries" illustrates that the exvessel value has been increasing over the last six to seven years. There has been an increase in the value of salmon.

MR. HILSINGER then turned the committee's attention to the slide entitled "Economic Impact of Seafood Industry on Alaska's Economy in 2007." A recent economic study of the commercial fishery found that the commercial fishery generates about 78,000 jobs in the seafood harvesting, processing, and support industries. Alaskans hold approximately 49,000 of these jobs. The seafood industry generated about \$774 million in direct payments to labor of which \$237 million went to Alaska residents.

10:42:45 AM

REPRESENTATIVE JOHNSON recalled an overview by the Department of Transportation & Public Facilities (DOT&PF) when it was reported that there were a large amount of jobs at the airport. He further recalled asking at that overview whether individuals who fly fish are counted as an airport job or a fisheries job. The answer was that such a job would probably be counted as both an airport and a fisheries job. Therefore, he asked what is the real number of [fisheries] jobs [held by Alaskans].

MR. HILSINGER said that he didn't know the direct answer, but noted that he had a copy of the study Northern Economics performed that he offered to provide to the committee. He commented that he is trying to indicate, in general, the importance of the fishery as it's an indication of how seriously the division takes its responsibility to manage the industry.

10:44:11 AM

REPRESENTATIVE JOHNSON expressed the need for accuracy with the job count and the funds being expended in an industry.

MR. HILSINGER restated that he would be happy to make the report available to the committee for its scrutiny. He noted that Gunnar Knapp [with the Institute of Social and Economic Research] recently provided a fairly thorough analysis of both the sport fishing study and the commercial fishing value study to the Cook Inlet Task Force, which he said he found helpful in understanding the comparisons between the two industries.

10:46:27 AM

REPRESENTATIVE KELLER asked if the exvessel poundage is available to compare the market with different categories of the fishing industry.

MR. HILSINGER offered to provide that information to the committee.

10:47:11 AM

MR. HILSINGER returned to his overview presentation, and related that the Northern Economics study illustrates a large economic impact from commercial fishing, which is an indication of the importance the division places on trying to provide the best

management program possible. The commercial fishery is one of the largest contributors to the state behind the oil and gas industry. Mr. Hilsinger then turned attention to the slide entitled "Division of Commercial Fisheries Core Services." The core services of the division include stock assessment and applied research, harvest management, laboratory services, aquaculture permitting, data processing, and information services and public participation. In the stock assessment and applied research arena, the division performs a large number of projects, many of which are related to salmon escapement enumeration. He noted that the division runs fish counting weirs, towers, sonar projects, foot, and aerial surveys. In many cases, the division develops estimates of juvenile salmon production. Furthermore, the division conducts shellfish and ground fish surveys. In almost all coastal areas of the state the division performs herring spawn deposition surveys and hydro acoustic surveys as well as aerial surveys for herring and dive surveys for a variety of species. The division also does a large amount of biological samplings for the biological characteristics of age, sex, and length of the catch. Mr. Hilsinger highlighted that the division has a tremendous genetics program, possibly the largest fisheries genetic laboratory in the world. He noted that the division utilizes a large coded-wire tag sampling program and an otolith sampling program.

[10:49:52 AM](#)

REPRESENTATIVE BUCH inquired as to the location of the fisheries genetic laboratory.

MR. HILSINGER related that the gene observation laboratory is located in Anchorage. That laboratory has the capability to process between 50-70,000 genetic samples a year. He recalled that the division was involved in a large project in Western Alaska in which chum and sockeye salmon were sampled from all the commercial and subsistence fisheries beginning at Chignik and moving up the Alaska Peninsula to Norton Sound. The project collected 220,000 genetic samples. A normal genetics laboratory processes 5,000-10,000 samples per year, while Alaska's laboratory processes 15-30 times that number.

[10:51:51 AM](#)

REPRESENTATIVE KAWASAKI related his observation that the Yukon River king return is anticipated to be the lowest in decades. With all of the science available today, it seems odd that there

aren't conclusive findings. Therefore, he questioned whether Mr. Hilsinger believes enough money is being provided for scientific analysis.

[10:52:57 AM](#)

MR. HILSINGER responded that the Yukon king is a significant issue as it's an area with the greatest economic need of the state. He recalled being the regional supervisor for the Alaska Yukon-Kuskokwim region in the early 1990s when the program was rudimentary. That program has improved dramatically, he opined. In fact, there's now sonar at Pilot Station that provides a good indication of what's entering the river. Furthermore, there's an advanced program at Eagle that provides an accurate indication of the number of fish going across the border into Canada. The aforementioned has resulted in the knowledge that twice as many king salmon are crossing the boarder into Canada than previously thought. Therefore, the division has been able to rethink the escapement goals in Canada. The information relates that the Canadian king salmon are producing at very low levels, about one return per spawner whereas normally the salmon would produce three to four returns per spawner. Although the [division] doesn't have the ability to know precisely why production is so poor, there is the ability to forecast the return. The aforementioned allows management plans to be made and problems anticipated. In fact, there is an increment, which used to be funded by the federal government, that will provide additional funds to replace those projects formerly funded by the federal government. Mr. Hilsinger opined that there are programs that the division would like to have occur on the Yukon and the state would like to take steps to ensure those are funded.

[10:56:16 AM](#)

REPRESENTATIVE KAWASAKI remarked that he will definitely keep an eye on the Yukon area increment. In response to earlier comments by Mr. Hilsinger's testimony, [the Yukon king salmon run] is not only an economic issue but also a sustenance issue for many.

[10:56:36 AM](#)

CHAIR EDGMON pointed out the villages of Emmonak and Kotlik are concerned with the ability to harvest. He then sought comment from Mr. Hilsinger regarding any efforts of the department to

manage the fishery differently in light of the governor's interest in getting relief to the Lower Yukon.

10:57:27 AM

MR. HILSINGER said that the staff and department have been involved in a number of efforts to improve the management of the subsistence fishery. He opined that the [Yukon River fishery] is difficult to manage. The Yukon River, from the mouth to the head waters, is about 2,000 miles, and it takes a fish eight weeks or more to swim that distance. If fishery restrictions are implemented in order to meet spawning escapement goals, there can be a variety of outcomes for river communities. He explained that fish travel up the [Yukon River] in pulses. Therefore, if the pulse occurs when the fishery is open, the village may harvest all the fish it needs. However, if the pulse occurs when the fishery is closed, they may not be able to harvest what it needs. Furthermore, later pulses may not have as many fish. The aforementioned is why staff is meeting with communities along the river in order to obtain input from the users regarding how best to implement any necessary restrictions. Staff has also been meeting with some of the people involved in the commercial fisheries [on the Lower Yukon River]. The question is how to allow harvest of the summer chums while protecting the chinook. There have been discussions regarding potential test fisheries located outside the mouth of the river as it may provide more advanced warning of when the fish are running. The division is trying to meet with residents of the communities in order to develop a management plan that allows everyone to make the most of the resource.

11:01:00 AM

REPRESENTATIVE MUNOZ requested comment on the department's role in restoring herring stocks. She then inquired as to whether enough is being done to restore herring stocks.

MR. HILSINGER echoed Commissioner Lloyd's comment that the herring program in Southeast Alaska is probably the best in the state. Not only are aerial surveys performed, which is typically the only stock assessment tool, in Southeast Alaska but there are also test fisheries, spawn deposition dive surveys. Last year, in Sitka some of the greatest spawn density was found. He noted that extensive catch sampling is also performed in Southeast Alaska, such that there is information regarding the size, age, and sex ratio. The aforementioned information is input into two different models to indicate the

abundance of herring. The predictions of those models are substantiated through aerial surveys, which he touted as excellent. With regard to whether the aforementioned is enough, Mr. Hilsinger opined that's a good question. He then pointed out that the herring budget has eroded over the years and although there are some missing aspects that the department would like to have in place to improve the herring management, growth of the stocks have been observed year-to-year. Mr. Hilsinger said he didn't see a cause for concern since the herring population is growing. However, he acknowledged that the future impact of things such as climate change or increases in hump back whales can't be assessed. He offered that herring stocks may not be rebounding in some areas due to increased predation by hump back whales.

[11:05:41 AM](#)

REPRESENTATIVE MUNOZ asked if Mr. Hilsinger believes there could be a correlation between fewer herring and fewer salmon.

MR. HILSINGER said that although certain salmon species feed on herring, there doesn't seem to be a direct correlation between the fluctuations of herring stocks.

[11:06:52 AM](#)

CHAIR EDGMON recalled hearing testimony at a prior meeting that the Pacific herring is a bell weather species, which measures the overall health of the ecosystem in the Southeast fisheries. He further recalled testimony that there is a downward trend of the stocks as a whole. Testimony related that the department wasn't responsive in terms of looking at the fishery in a more holistic manner, such that more global events like climate change and increased predator presence are taken into consideration. The charge, he recalled, was that perhaps the department needs to update or modify its models.

MR. HILSINGER said that the department is open to working with other scientists, but there has not been an opportunity for ADF&G to review the data that was presented to the committee on February 10, 2009, and review how those models relate to the department's model. He noted that one of the professors at the University of Alaska has been enlisted to help improve the model. He related his understanding that there have been improvements to the department's model.

[11:09:26 AM](#)

REPRESENTATIVE BUCH inquired as to how much of the 2,000 miles of the Yukon River is managed by ADF&G.

MR. HILSINGER specified that the Yukon River runs about 1,200 miles to the Canadian border and there's an additional 800 miles of river in Canada. Those 800 miles of river in Canada are managed by the Department of Fisheries and Oceans in Canada. As part of the Pacific Salmon Treaty there is a Yukon Agreement. There is a Yukon River Panel and a Yukon River Joint Technical Committee, both of which are comprised of U.S. and Canadian people. The aforementioned entities meet twice annually and the panel makes many of the decisions regarding the management of the fishery, such as the number of fish allowed across the border into Canada.

[11:10:40 AM](#)

MR. HILSINGER, continuing his overview, informed the committee that there are a number of other stock assessment surveys, including the extensive dive surveys and shellfish and groundfish surveys. In terms of harvest management, the division spends much of its resources assisting the Board of Fisheries in establishing regulations and management plans. Area staff spread across the state open and close fisheries, monitor stocks, collect biological data, and report on that information. He then noted that the pathology laboratory is responsible for reviewing and approving transfers of fish and shellfish. In fact, the pathology laboratory has disease samples from a great array of areas around the state. Therefore, those who want to transport fish or shellfish have to be permitted and reviewed by the pathologist to ensure there are no disease concerns. The coded-wire tag and otolith aging laboratory is extremely important with regard to the management of hatchery stocks. The hatcheries mark their fish such that the division can identify those fish in commercial fisheries, and therefore the division can determine what portion of the commercial catch is bound for which hatchery. As mentioned earlier, the genetic stock identification laboratory is one of the largest and is such a valuable tool that every fishery in the state is requesting more genetic stock identification information. He pointed out that the in-season information can provide the manager more timely information with regard to how the stocks move through. Although the genetic stock identification laboratory is large, it remains limited in regard to its capacity to perform work in-season. He noted that in-season work is performed on the Yukon River chinook run in order

to identify the portion of Canadian fish as the run goes through in an attempt to reduce the harvest rate on those Canadian fish.

MR. HILSINGER then turned to aquaculture permitting, and informed the committee that the division permits the private nonprofit salmon hatcheries, the Aquatic Shellfish Hatchery in Seward, and all aquatic shellfish farms.

[11:14:54 AM](#)

MR. HILSINGER moved on to the slide entitled "Data Processing." He specified that each commercial landing is required to provide a harvest report. The electronic catch reporting system, e-Landing, allows processors to enter data electronically. Currently, e-Landing is used for groundfish and crab and it's being expanded to include salmon. Salmon is a challenge because the fish are delivered to relatively small tenders. The overwhelming response from the processors has been positive as they seem to love the [e-Landing] system, in general. The e-Landing system allows companies to report to the division on an almost instantaneous basis while allowing the companies to download that information into their own accounting system. The aforementioned eliminates the double-entry of data. Mr. Hilsinger noted that the division has worked toward obtaining Internet-accessible catch and catch reporting and developing a database. For example, the Mariner Database in Bristol Bay is from which one receives the daily run updates on-line.

[11:17:02 AM](#)

MR. HILSINGER, referring to the slide entitled "Information Services and Public Information," highlighted that the division designs and maintains the division's web site, publishes a large number of brochures and reports. In fact, the division's web site and the report database have over 3,000 scientific reports that are accessible.

[11:17:58 AM](#)

MR. HILSINGER pointed out that the division is divided into the following four regions: Southeast, Central, Arctic Yukon-Kuskokwim, and Westward, plus headquarters. He explained that the Central Fisheries Management Region includes Prince William Sound, Cook Inlet, and Bristol Bay. The Westward Fisheries Management Region includes Kodiak, Chignik, the Alaska Peninsula, and the Bering Sea. The Arctic Yukon-Kuskokwim Fisheries Management Region accounts for the northern two-thirds

of the state. He then related that the division has 310 permanent full-time staff, 472 seasonal staff who are primarily engaged in biological sampling, fish counting, and surveys. The division has 20 permitted offices, and 84 seasonal offices and field camps. The division's presence, he opined, probably supersedes that of any other state agency. The division operates six large research vessels, of which two are in Southeast, two in the Central region, and two in Kodiak that work in the Westward region.

[11:19:18 AM](#)

MR. HILSINGER, referring to the slide entitled "Missions and Measures," reviewed the following four targets of the division:

1. Exvessel value of commercial harvests and mariculture production above \$1 billion
2. Reproductive goals achieved for more than 80 percent of monitored stocks
3. Develop genetic baselines for Alaskan Chinook, chum, and sockeye stocks that will include 100 stocks in each baseline
4. All aquatic farms operating with current permits

MR. HILSINGER, referring to the graph entitled "Exvessel Value of Commercial Harvests and Mariculture Production in Alaska," reported that in recent years the exvessel value has been well above \$1 billion and has [progressively] increased. He then turned attention to the graph entitled "Reproduction Goals Achieved," which illustrates that currently the reproductive goals are achieved for more than 90 percent of [monitored] stocks. The graph entitled "Development of Genetic Baselines for Alaska Salmon Stocks," illustrates that the baseline goal of 100 stocks for Alaska chinook, chum, and sockeye each has been met. In fact, chinook has 110 stocks. There are well over 80 stocks for chum salmon and about 90 stocks for sockeye. The aforementioned is an area that the division targets by sending crews out to expand the baseline because the quality of genetic analysis is directly related to the quality of the baseline data. With regard to the goal of having all aquatic farms operating with current permits, Mr. Hilsinger pointed out that's now at 100 percent.

[11:21:53 AM](#)

MR. HILSINGER informed the committee that the total FY 10 budget request for the division is \$60,488.8, which is similar to the FY 09 request for \$60,269.9. The total FY 10 budget request amounts to \$36 million in general funds, \$8.7 million in federal funds, and the remaining \$15.8 million is from a variety of sources. He highlighted two increment requests in the FY 10 budget request. One of the increments is the Yukon River Subsistence for \$80,000, which includes a Nenana test wheel video monitoring system. He explained that use of the video camera means that an individual doesn't have to monitor the wheel 24 hours a day in order to count fish. This system, he opined, is a fairly effective means of counting fish without spending a lot of money. The Yukon River Subsistence increment also includes the fall chum salmon drift test fishery, which was an ongoing project for many years and was cut by the Office of Subsistence Management. He related that the fall chum salmon fishery is difficult to manage because the fish come in short pulses and between those pulses there's very little entry. Therefore, the timing for the fishery and the ability to assess abundance is related to the ability to determine those pulses, with which the drift test fishery will help. The other increment is the Bering Sea/Aleutian Islands Crab Research, which was funded by NMFS. The funding for that research was cut last year and the legislature provided a one-time increment of \$1 million to cover that research during FY 09. The division would like to continue that research, which includes king crab pot surveys, snow/tanner crab biology, and observer data entry. He explained that under the new over-fishing limits in the federal program, all mortality is considered in the over-fishing limit. Therefore, if a crab boat catches undersized or female crab and releases them, a certain mortality factor is assigned to that catch and counts as part of the overall mortality. The higher the incidental mortality is the lower the amount people are allowed to catch, and therefore it's important to have accurate mortality estimates which this project provides as well as growth information used for setting guideline harvest levels. With regard to the observer data entry, Mr. Hilsinger explained that the crab boats in the Bering Sea are required to carry and pay for observers who collect much important biological information. This project pays for the entry of that data into the database. Therefore, without the funding for this project there would be no way to enter the data into the database and utilize it in the management of the fishery.

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MR. HILSINGER reviewed the major issues facing the division, including recruitment and retention of staff. Some of the recent recruitments, even for the higher level positions, haven't had a sufficient hiring pool from which to choose. Another major issue is declining federal funds, which the legislature addressed last year when it appropriated a \$5 million increment to replace federal funds that were cut. Those funds were for Bering Sea crab research and near-shore research. Funding instability creates staff and morale problems. Mr. Hilsinger pointed out that the division is involved with renegotiation of the Pacific Salmon Treaty, Federal Subsistence Management, Gulf of Alaska Groundfish rationalization, and federal extraterritorial jurisdiction, which was faced with the Sitka herring stock. He highlighted the issues of Marine Stewardship Council Re-certification and Cook Inlet salmon management. The geoduck aquatic farm industry is an industry in which the division has tried to work with the farmers to develop better regulations. The last major issue he highlighted was the need to develop a better safety program for the 475 people in field camps, who often fly in small aircraft, have close encounters with bear and other wildlife, and use equipment including firearms, boats, and scuba gear.

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CHAIR EDGMON thanked Commissioner Lloyd and Mr. Hilsinger for their presentations.

[11:31:26 AM](#)

ADJOURNMENT

There being no further business before the committee, the House Special Committee on Fisheries meeting was adjourned at 11.31 a.m.