

ALASKA STATE LEGISLATURE
HOUSE SPECIAL COMMITTEE ON FISHERIES

February 13, 2024

10:06 a.m.

MEMBERS PRESENT

Representative Sarah Vance, Chair
Representative Kevin McCabe
Representative CJ McCormick
Representative Ben Carpenter
Representative Craig Johnson
Representative Louise Stutes
Representative Rebecca Himschoot

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

HOUSE BILL NO. 195

"An Act relating to the powers of the Alaska Commercial Fisheries Entry Commission; relating to administrative areas for regulation of certain commercial setnet entry permits; establishing a buy-back program for certain setnet entry permits; providing for the termination of state setnet tract leases under the buy-back program; closing certain water to commercial fishing; and providing for an effective date."

- HEARD & HELD

PREVIOUS COMMITTEE ACTION

BILL: HB 195

SHORT TITLE: COOK INLET: NEW ADMIN AREA;PERMIT BUYBACK

SPONSOR(S): REPRESENTATIVE(S) RUFFRIDGE

05/08/23	(H)	READ THE FIRST TIME - REFERRALS
05/08/23	(H)	FSH, RES
02/06/24	(H)	FSH AT 10:00 AM GRUENBERG 120
02/06/24	(H)	Heard & Held
02/06/24	(H)	MINUTE(FSH)
02/13/24	(H)	FSH AT 10:00 AM GRUENBERG 120

WITNESS REGISTER

WES HUMBYRD, representing self
Homer, Alaska

POSITION STATEMENT: Testified in opposition to HB 195.

DENNIS EFFENBECK, representing self
Kenai, Alaska

POSITION STATEMENT: Testified in support of HB 195.

TED CROOKSTON, representing self
Kenai, Alaska

POSITION STATEMENT: Testified in support of HB 195.

ALAN CROOKSTON, representing self
Kenai, Alaska

POSITION STATEMENT: Testified in support of HB 195.

ROBERT WILLIAMS, representing self
Kasilof, Alaska

POSITION STATEMENT: Testified in support of HB 195.

LOREN LEMAN, representing self
Anchorage, Alaska

POSITION STATEMENT: Testified in support of HB 195.

STEVE VANEK, representing self
Ninilchik, Alaska

POSITION STATEMENT: Testified in opposition to HB 195.

SCOTT SUMMERS, representing self
Kenai, Alaska

POSITION STATEMENT: Testified in support of HB 195.

TIM KEENER, representing self
Kenai, Alaska

POSITION STATEMENT: Testified in support of HB 195.

JOANN WICHERS, representing self
Kenai, Alaska

POSITION STATEMENT: Testified in support of HB 195.

RUSSELL CLARK, representing self
Kenai, Alaska

POSITION STATEMENT: Testified in support of HB 195.

GARY HOLLIER, representing self
Kenai, Alaska

POSITION STATEMENT: Testified in support of HB 195.

TEAGUE VANEK, representing self
Ninilchik, Alaska

POSITION STATEMENT: Testified in opposition to HB 195.

JOHN MANLEY, representing self
Kenai, Alaska

POSITION STATEMENT: Testified in support of HB 195.

JOHN MCCOMBS, representing self
Ninilchik, Alaska

POSITION STATEMENT: Testified in opposition to HB 195.

AARON DUCKER, representing self
Kasilof, Alaska

POSITION STATEMENT: Testified in support of HB 195.

BRUCE MANLEY, representing self
Kasilof, Alaska

POSITION STATEMENT: Testified in support HB 195.

DAVID MARTIN, representing self
Clam Gulch, Alaska

POSITION STATEMENT: Testified in opposition to HB 195.

GARY DEIMAN, representing self
Ninilchik, Alaska

POSITION STATEMENT: Testified in support of HB 195.

DAVID WICHERS, representing self
Kenai, Alaska

POSITION STATEMENT: Testified in support of HB 195.

DANIEL WICHERS, representing self
Kenai, Alaska

POSITION STATEMENT: Testified in support of HB 195.

JOHN MILLS, representing self
Kasilof, Alaska

POSITION STATEMENT: Testified in support of HB 195.

SARAH FROSTAD-HUDKINS, representing self
Kenai, Alaska

POSITION STATEMENT: Testified in support of HB 195.

CARRIE HOLLIER, representing self
Kenai, Alaska

POSITION STATEMENT: Testified in support of HB 195.

PAULINE MILLS, representing self
Kasilof, Alaska

POSITION STATEMENT: Testified in support of HB 195.

LISA GABRIEL, representing self
Kenai, Alaska

POSITION STATEMENT: Testified in support of HB 195.

JEFF BEAUDOIN, representing self
Kasilof, Alaska

POSITION STATEMENT: Testified in opposition to HB 195.

ERIC NYCE, representing self
Homer, Alaska

POSITION STATEMENT: Testified in support of HB 195.

VICTORIA COLEMAN, representing self
Kenai, Alaska

POSITION STATEMENT: Testified in support of HB 195.

LANCE ALLDRIN, representing self
Nikiski, Alaska

POSITION STATEMENT: Testified in support of HB 195.

MELISSA GOOD, representing self
Kodiak, Alaska

POSITION STATEMENT: Testified in support of HB 195.

TRAVIS EVERY, representing self
Kenai, Alaska

POSITION STATEMENT: Testified in favor of HB 195.

GREG JOHNSON, representing self
Vancouver, Washington

POSITION STATEMENT: Testified in support of HB 195.

REPRESENTATIVE JUSTIN RUFFRIDGE
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: As prime sponsor, answered questions during the hearing on HB 195.

KEN COLEMAN, Vice President
Kenai Peninsula Fishermen's Association
Kenai, Alaska

POSITION STATEMENT: Answered questions regarding HB 195.

GLENN HAIGHT, Commissioner
Commercial Fisheries Entry Commission (CFEC)
Alaska Department of Fish & Game
Juneau, Alaska

POSITION STATEMENT: Answered questions from the committee concerning HB 187.

ACTION NARRATIVE

[10:06:23 AM](#)

CHAIR SARAH VANCE called the House Special Committee on Fisheries meeting to order at 10:06 a.m. Representatives Himschoot, McCormick, Carpenter, McCabe, and Vance were present at the call to order. Representatives Stutes and C. Johnson arrived as the meeting was in progress.

HB 195-COOK INLET: NEW ADMIN AREA;PERMIT BUYBACK

[10:07:12 AM](#)

CHAIR VANCE announced that the only order of business would be HOUSE BILL NO. 195, "An Act relating to the powers of the Alaska Commercial Fisheries Entry Commission; relating to administrative areas for regulation of certain commercial setnet entry permits; establishing a buy-back program for certain setnet entry permits; providing for the termination of state setnet tract leases under the buy-back program; closing certain water to commercial fishing; and providing for an effective date."

[10:07:22 AM](#)

CHAIR VANCE opened public testimony on HB 195.

[10:07:52 AM](#)

WES HUMBYRD, representing self, testified in opposition to HB 195. He talked about his background as a fisherman. He explained that with a buyback program, "if you're going to buy back any one permit, you need to buy them all back." He believes it is unconstitutional unless everyone can participate. He also said he thought the fishermen were being put out of business.

[10:09:15 AM](#)

DENNIS EFFENBECK, representing self, spoke in support of HB 195. He described his background as a fisherman. He believes buyback program will give more opportunities for fishing the Eastside setnet fishery, and it is time to buy back some of the permits and give the rest of the fishermen a chance to survive. He said the setnetters have been "regulated out", and it is hard to even make a living.

[10:10:29 AM](#)

TED CROOKSTON, representing self, spoke in support of HB 195. He described his background as a fisherman and the changes he has seen during his 58 seasons fishing. Setnetting was a stable fishery on the shoreline. It was an unusual circumstance that created a big influx of permits which made sense at the time, but now it's out of balance. He is in favor of the buyback because it is a restoration program. If the fishery is reset, it has the potential to thrive again.

[10:12:39 AM](#)

ALAN CROOKSTON, representing self, spoke in support of HB 195. He described his background as a fisherman. He explained that he has a site he cannot fish, and he cannot sell. He characterized it as a valuable site, but he has no way to harvest the sockeye salmon under the current regulations. He emphasized that the status quo cannot continue, and that they will be starved out with a negative impact on the local economy. Six of the past seven years have been economic disasters. The buyback program would allow some people to recover some of their costs, and the reduced number of nets would have a positive effect on the remaining fishermen.

[10:15:31 AM](#)

REPRESENTATIVE STUTES referred to Mr. Crookston's comment about having a site that he could not fish and he could not sell. She inquired whether that was because of regulations or because of a lack of buyers due to a lack of fish.

MR. CROOKSTON replied that it was the lack of fishing. For example, if he shows a setnet buyer his books, the last six years are dismal, so the buyers won't buy.

[10:16:38 AM](#)

ROBERT WILLIAMS, representing self, spoke in support of HB 195. He gave his background as a fisherman and his involvement in setnetter boards. He emphasized that the bill really needs to be moved out of the legislature and "get it going." He pointed out there was very little cost to the state. The buyback program has been discussed at the board meetings where members discussed the pros and the cons. Surveys have been sent out to the membership, and of those who responded, a majority favored the buyback program. He said that "if we can't get it out of the legislature, we are dead in the water."

[10:18:08 AM](#)

LOREN LEMAN, representing self, spoke in support of HB 195. He described his background as a fisherman. His family has fished near Ninilchik for the past 110 years. During the past 40 years there has been a reassignment of salmon resources. During the last five or six years, the area's fishermen have been limited by gear reduction and early closure of the fishery, ostensibly to protect the Kenai River king salmon. Sadly the 2023 season didn't open at all. This bill is a bold approach to secure a voluntary reduction of gear which will help with management and increase the opportunity of those who choose to continue fishing. He estimated the cost of the buyback would be 52 million dollars. That is a lot of money, but he estimated that was about the economic impact of last year's closure of the sockeye setnet fishery in that area.

[10:21:15 AM](#)

REPRESENTATIVE CARPENTER asked for clarification regarding why this program would allow others to continue to fish.

MR. LEMAN explained that if 200 permits are retired, that would create greater opportunity for those who stay in the fishery.

REPRESENTATIVE CARPENTER inquired whether fewer nets change the calculus in the regulatory decisions to allow fishermen to fish.

MR. LEMAN replied that he thought it would. He also opined that some of the Board of Fish plans are unwise, and he hopes this year the board will see that some of its plans don't make a lot of sense and there is a better way to manage.

REPRESENTATIVE CARPENTER asked whether his organization supports the bill.

MR. LEMAN said he thought some board members would be testifying, so they could answer that question.

[10:24:04 AM](#)

REPRESENTATIVE MCCABE inquired whether there were any objections from his group when the state increased the number of permits for the area.

MR. LEMAN responded that Representative McCabe is referring to an issuance of probably 735. However, he believed the greater problem was in the mid-seventies when there was a re-assignment of permits from other areas to the Eastside. This created a greater take on the resources.

[10:26:44 AM](#)

STEVE VANEK, representing self, spoke in opposition to HB 195. He explained that he was party to a lawsuit concerning limited entry permits which went to the Alaska Supreme Court. The court determined that permits are not property because they can be revoked by the legislature without compensation. If the legislature passes the bill, and the state pays for the buyback, then the state is admitting that a permit is property. Also, reducing the number of setnets is not going to help the king salmon. The only thing that will help the kings is to stop fishing in the spawning beds. This is a management issue and a Board of Fish issue.

[10:30:37 AM](#)

SCOTT SUMMERS, representing self, spoke in support of HB 195. He described his background as a fisherman. When the fishermen came to the Eastside from the westside in the 1980s, it changed things. He would love to have a crystal ball and know that this bill is going to increase the productivity of the fisheries that are still left, but there is a concern that regardless of the buyback, they will still be stuck in the corridor. A lot of this is a regulation and allocation issue. He is in support of bill because his gear is literally rotting because it is not a viable fishery. He pointed out that some people who testified focused on the number of permits, but that ignores the fact that sports fishing is still unregulated. Nothing has been done to curtail the guides in the river. Because of the regulations, his site is virtually worthless.

[10:33:51 AM](#)

TIM KEENER, representing self, spoke in support of HB 195. He explained that he has been working on the buyback program for almost ten years. It makes sense on every level. The reality of the situation is that the fishermen simply cannot fish. As a whole, this bill will ensure that there is proper escapement into the river and will ensure that the people who want to stay and fish can have an economically viable fishery. This program is supported by organizations representing both commercial fishing and sport fishing.

[10:36:36 AM](#)

JOANN WICHERS, representing self, spoke in support of HB 195. She briefly described her background as a fisherman. If the bill passes, she would like to use the funds for her children and grandchildren to move into another fishery. They love this way of life and are sad to see where it is at this point.

[10:37:21 AM](#)

RUSSELL CLARK, representing self, spoke in support of HB 195. He pointed out that the funds would not come from the state but would be from outside sources. The funds would boost the local economy, help restore some of what has been taken away. The Eastside setnetters have borne the brunt of restoring the Kenai king salmon. He gave an anecdote which illustrated how fewer nets would have a positive effect. He also pointed out that the Eastside setnet fishery is very important to maintain proper escapement up the Kenai River.

[10:39:58 AM](#)

GARY HOLLIER, representing self, spoke in support of HB 195. He described his background as a fisherman. He described the number of setnets that would be economically viable on the Eastside. He emphasized that there was no state money and that it would be voluntary. The setnetters are an integral part of the economy, and the buyback would help Alaska residents rather than people from out of state that come to fish. He said he found it ridiculous that the state of Alaska would not change part of the Commercial Fisheries Entry Commission (CFEC) to help residents of the state.

[10:42:15 AM](#)

REPRESENTATIVE STUTES asked Mr. Hollier what he paid for his permit since he was an original CFEC holder.

MR. HOLLIER replied that his cost for the permit was zero since he qualified for a limited entry permit.

[10:42:45 AM](#)

TEAGUE VANEK, representing self, spoke against HB 195. He briefly described his fishing background. He believes the answer to the management problem facing the Alaska Department of Fish and Game (ADF&G) is not to eliminate the setnet salmon fishery, but instead to allow ADF&G and the Board of Fish to make management decisions. If the legislature really wants to help this fishery, then it needs to pass legislation mandating that the primary goal of management is achieving maximum sustained yield for all species of salmon.

[10:44:35 AM](#)

JOHN MANLEY, representing self, spoke in support of HB 195. He reminded the committee that the buyback program is voluntary, and the sports fish groups are for it. It will help the setnetters who keep their permits.

[10:45:23 AM](#)

JOHN MCCOMBS, representing self, spoke in opposition to HB 195. He said it was ironic that there were approximately a million and a half sockeye between the Kenai and the Kasilof River, but the bill proposes reducing gear. Managers cannot save king salmon with unlimited guides, unlimited dip netters, and unlimited traffic on the spawning beds. All this is unsustainable. Unless king salmon can be protected where they spawn, there will be no kings.

[10:46:16 AM](#)

AARON DUCKER, representing self, spoke in support of HB 195. He said he has not able to fish. He was shut down completely the last two seasons.

[10:46:51 AM](#)

BRUCE MANLEY, representing self, spoke in support of HB 195. He described his background as a fisherman. He pointed out that the money will not come from the state.

[10:48:36 AM](#)

REPRESENTATIVE STUTES asked where the money will come from for the buyback.

MR. MANLEY replied that Senator Murkowski has been working on the program in Washington, D.C. Funding from NOAA is also a possibility.

[10:49:57 AM](#)

DAVID MARTIN, representing self, spoke in opposition to HB 195. He suggested that the committee read the bill in its entirety and mentioned what the legislature could and should do. He opined that the problem is due to mismanagement. The buyback bill will not solve the issues of the setnetters. The management decisions by the Board of Fish demonstrate its political agenda. He described the statistics of the king salmon history since the 1980s. The buyback program gives false hope to the setnetters who hope to fish more. They will not. The proposal is unfair to future generations. There are plenty of fish for all user groups, but they are not managed according to scientific principles.

[10:52:39 AM](#)

GARY DEIMAN, representing self, spoke in support of HB 195. He described his family's setnet fishing business and said they have been regulated out of business. He explained that he participates in the Board of Fisheries process, and he doesn't see any changes. The fisheries have been allocated to the dip netters and the sports fishermen.

[10:53:37 AM](#)

DAVID WICHERS, representing self, spoke in support of HB 195. He described his background as a setnetter in Cook Inlet, explaining that his family has five permits. He said he is in full support of HB 195.

[10:54:05 AM](#)

DANIEL WICHERS, representing self, spoke in support of HB 195. He described his background, working with his family as a setnetter except for a period of time when he was in the air service.

[10:54:44 AM](#)

JOHN MILLS, representing self, spoke in support of HB 195. He explained that it was a win-win for everyone involved: the fishermen who would like to get a fresh start in another fishery or those who want to stick it out on the Eastside. He believes that with fewer fishermen there is a greater chance of fishing time. This bill may be the only way to give fishermen more time to fish. Last year he was kept from fishing a single day.

[10:55:49 AM](#)

SARAH FROSTAD-HUDKINS, representing self, spoke in support of HB 195. She said she represents her family's 100-year-old legacy. She works on same plot as her grandfather where he had his fish trap. She described the complexity of her family's fishery and how it has been devastated the last several years. A buyback could be a way to regain stability.

[10:57:25 AM](#)

REPRESENTATIVE STUTES asked Ms. Frostad-Hudkins how many permits she owns.

MS. FROSTAD-HUDKINS replied that her family has four permits.

[10:57:42 AM](#)

CARRIE HOLLIER, representing self, spoke in support of HB 195. She likes that the bill gives fishermen a choice whether to participate or not. She referred to the testimony of her father, Gary Hollier, and clarified his answer about the cost of his permit under limited entry and the money he has invested.

[10:59:02 AM](#)

PAULINE MILLS, representing self, spoke in support of HB 195. She described her background in commercial fishing. She said that she has seen the Eastside fishery go from a viable fishery to over-escapement of the resource and little to no fishing time. She explained that the buyback will benefit all user groups. Although her children fished from a young age, they left the state because this was not a future that would be sustainable.

[11:00:47 AM](#)

LISA GABRIEL, representing self, spoke in support of HB 195. She described her fishing background. She hopes the buyback will revitalize the fishery. It offers financial viability and stability for fishermen. It is fair and voluntary. In the past 20 years, the Eastside fishery has declined dramatically because of the reductions in time, area, and gear imposed by the Board of Fish. In 2023 there was a complete closure of the fishery.

[11:03:09 AM](#)

JEFF BEAUDOIN, representing self, spoke in opposition to HB 195. He described the history of limited entry. He questioned the legality of the buyback program. He also said that there is no scientific evidence that the program would result in a sustained yield of the sockeye on the Kenai or the Kasilof Rivers.

[11:07:22 AM](#)

ERIC NYCE, representing self, spoke in support of HB 195. He described his work and the costs involved with his permit. Originally, he was opposed to the buyback because he thought the state and the Board of Fish would make policy based on the best scientific data. He now believes the Eastside setnetters are being willfully allocated out of the fishery. It has become apparent that the state will not manage the fisheries based on biological data and instead will pander to dip netters and sports fishermen.

[11:09:25 AM](#)

VICTORIA COLEMAN, representing self, spoke in support of HB 195. She described the impact of the setnet fishery closures on her family as well as the local community.

[11:09:57 AM](#)

LANCE ALLDRIN, representing self, spoke in support of HB 195. He explained that he is fairly new in the setnet fishery and bought in 20 years ago. He sees it as the only way to exit the fishery with a little bit of dignity and buy into another fishery. He pointed out that the inability to fish the Eastside fishery is not due to a lack of the resource. There are plenty of fish to meet every user group's needs, but their allocation has simply been taken away.

[11:11:08 AM](#)

MELISSA GOOD, representing self, spoke in support of HB 195. She described her family's fishing background. Fishing is an integral part of her family, both in terms of economic value and cultural value. The buyback program will give fishermen the choice of reducing their participation in the fishery or getting out of it.

[11:12:19 AM](#)

TRAVIS EVERY, representing self, spoke in support of HB 195. He said that due to the political reallocation actions of the Board of Fish and continuously growing population of other user groups, a reduction of setnetters is the only path forward. Eastside setnetters take the brunt of the fishery closures and reallocation of resources. In its current state, the setnet fishery is no longer viable.

[11:13:25 AM](#)

GREG JOHNSON, representing self, spoke in support of HB 195. He pointed out that setnetting was a sustainable fishery, but over time significant allocations and modifications have been made. If and when the chinook return, there is still a management plan that has made setnetting unviable. This bill would be a needed reset of the fishery and is appropriate. He posited that fishermen are eternal optimists, and that his family will shrink their operation and carry forward on a smaller scale.

[11:15:03 AM](#)

The committee took a brief at-ease at 11:15 a.m.

[11:15:40 AM](#)

CHAIR VANCE closed public testimony and encouraged those who did not have a chance to testify to submit their written testimony.

[11:16:30 AM](#)

REPRESENTATIVE STUTES asked Representative Ruffridge, the sponsor of HB 195, for details regarding the lottery in the bill, specifically, if a person's name is drawn in the lottery, whether it would be for one permit or for all the permits owned by that person.

[11:16:59 AM](#)

REPRESENTATIVE JUSTIN RUFFRIDGE, Alaska State Legislature, as prime sponsor of HB 195, answered that a person would be putting in for a lottery of permits for a specific site. If those were drawn, those waters would be closed to fishing, so they need to be particularly regulated to that site.

REPRESENTATIVE STUTES asked a series of questions based on a hypothetical owner of six permits. If, under this scenario, that person's name was drawn in the lottery and that person chose to sell only three permits, would the waters linked to those six permits be closed. She pointed out that if that were the case, the person would be the owner of three permits that were unfishable.

REPRESENTATIVE RUFFRIDGE explained that whether a person sold all or a portion of their permits, the intent is to close more waters to fishing.

REPRESENTATIVE STUTES questioned whether a portion of the permits can be sold if they are tied to a specific portion of water.

[11:20:05 AM](#)

REPRESENTATIVE MCCABE explained his understanding of how the lottery would work.

REPRESENTATIVE RUFFRIDGE reiterated his response and deferred to Ken Coleman for clarification.

[11:22:33 AM](#)

KEN COLEMAN, Vice President, Kenai Peninsula Fishermen's Association, responded to questions regarding the lottery proposed under HB 195. He explained that each individual permit is assigned to a specific area, so a person who enters the lottery would be offering up one permit with its three nets and a specific location. If a person's permit is drawn in the lottery, then that particular area for that permit and those three nets would be withdrawn and closed to fishing.

REPRESENTATIVE STUTES explained her understanding that there would be fewer permits fished, but that does not necessarily equate to fewer people fishing. She pointed out that most of the people who called in were multiple permit holders, so it doesn't preclude them from fishing the balance of their permits.

[11:26:53 AM](#)

REPRESENTATIVE RUFFRIDGE said he would like to reframe the question based on the testimony he heard which is that last year nobody fished. Zero people put a net in the water to setnet. As a result of that, there were 2.3 million sockeye that escaped into the Kenai River. That is too many fish. The goal is to manage a sustainable fishery. Part of a sustainable fishery is to catch a certain number of fish in order to provide food security or industry. How do we make it to the point where people can people fish again? The question is whether the reduction of nets in the water will reduce the number of total bycatch for Chinook salmon that are terminally fished out of the Kenai River. This is why the Kenai River Sportfishing Association supports this bill. The question really is not whether fewer people are fishing, but rather whether people are allowed to fish.

[11:29:16 AM](#)

REPRESENTATIVE MCCABE said he had two questions. First, he referred to language in HB 195, page 5, lines 11 through 18, which talks about an election but doesn't give details concerning what kind of majority is required. He suggested that Legislative Legal Services might need to look at this. His second question concerned how the makers of the bill came up with the number \$260,000 for each permit buyout.

REPRESENTATIVE RUFFRIDGE explained that the \$260,000 takes into account the previous 10 years of not being able to fish. There is an economic factor associated with the loss of a return on the investment. The fishing association calculated the approximate value, but there is room to move on the number.

REPRESENTATIVE MCCABE observed that it seems the state is compensating a group of fishermen for 10 years of bad fishing, and that is not the way the free-market works regarding setnetting. He gave an example from Kodiak Island setnetting.

[11:33:25 AM](#)

REPRESENTATIVE RUFFRIDGE commented that, in fairness, this area is not bad fishing. The fish are abundant. The Kenai area is on par with all the other great fisheries in Alaska, but the difference is that the state is attempting to modulate the fishery to protect one species, the king salmon. He said that

the setnetters can explain how they have changed their fishing techniques in order to conserve the large Kenai king. He pointed out that the sockeye are everywhere, and a person with a dip net can go to the mouth of the Kenai and catch three or four at one time. Dip netting is a subsistence fishery, and it is protected. He went on to say that setnetters are sitting on the beach during multiple great fishing years due to a regulation decision. There are management concerns that have brought setnetters and Kenai residents to this position. There must be a solution of some sort because there are fishermen in great fishing years that are being told, "You cannot fish."

[11:35:58 AM](#)

REPRESENTATIVE HIMSCHOOT asked whether there are other remedies to the situation such as recalling inactive permits. She posited that a three-net permit could be designated a two-net permit by the state. She also requested the date of an optimization study conducted by the state.

REPRESENTATIVE RUFFRIDGE deferred to Commissioner Haight.

[11:36:54 AM](#)

GLENN HAIGHT, Commissioner, Commercial Fisheries Entry Commission (CFEC), Alaska Department of Fish & Game, answered questions from the committee. In response to Representative Himschoot's questions, he explained that the question of the nets would be handled by the Board of Fish. The permit allows 105 fathoms of gear, and it can be split up into three or four nets. Reductions in gear could relieve some of the pressure. The optimum number study was finalized in May 2023.

REPRESENTATIVE HIMSCHOOT asked whether there have been other buybacks by the state.

COMMISSIONER HAIGHT replied that there have been two. About 20 years ago there was a Southeast Alaska salmon purse seine buyback. There were three stages of that buyback, one of which was grants from the federal government, and the other two were loans. The other buyback was the Bering Sea and Aleutian Island crab buyback.

REPRESENTATIVE HIMSCHOOT questioned whether HB 187 avoids some of the problems that came up with the previous two buybacks.

COMMISSIONER HAIGHT stated that the purse seine buyback resulted in some people claiming buyback funds who had not fished a purse seine permit. He said that the specifications outlined in HB 187 would prevent that type of situation because it is open only to people who have fished their permits during specific years.

[11:39:58 AM](#)

REPRESENTATIVE STUTES referenced the conditions of the Bering Sea crab fisheries buyback in which the fleet received a federal loan, and payments for that loan were a percentage of each catch. She asked whether the recipients of the Eastside setnet buyback would pay back loans in a similar manner.

COMMISSIONER HAIGHT acknowledged that the crab fleet did pay back the loan "after the fact." He also explained that buyback provisions were in the Limited Entry Act and were outlined in the initial 1973 limited entry statutes. It was envisioned it would be paid back by the remaining permit holders. He pointed out the difference between the Southeast seiners and the Bering Sea crabbers, describing those two fisheries as healthy fisheries where they have a good expectation of a good return. He said that the Eastside fishery does not necessarily have that expectation, so this buyback would involve public sector and federal funds.

REPRESENTATIVE STUTES said she just heard Representative Ruffridge say it was a very healthy fishery.

COMMISSIONER HAIGHT clarified that the resource is there, and the price can potentially be good, but the question is whether the setnetters can get their nets in the water. It is in part an allocation issue, but certainly with king salmon conservation, it is a big issue.

[11:42:36 AM](#)

CHAIR VANCE asked Commissioner Haight to provide a history regarding action that has been taken to reduce the nets with the current permits and the changes in the nets in the water.

COMMISSIONER HAIGHT responded that the optimum numbers study by the Commercial Fisheries Entry Commission did provide a broad look at this question in Findings and Results from a Modified Optimum Numbers Study on the Cook Inlet Eastside Set Gillnet Fishery [hard copy included in the committee packet]. He referred to page 25 of the report which shows the fishing days

over the years and shows an average of 500 fishing days in the late 1980s but more recently averages 200 days.

COMMISSIONER HAIGHT also addressed an earlier question posed by Representative Stutes regarding the number of permits a person can hold. In the Eastside fishery, an individual can hold two permits. When a person says they own six permits, for example, that refers to a group of permit holders, often family members, who are fishing together. He explained that his understanding is that when a permit on a leased site is retired, then that leased site is taken out but that most of the fisheries are not on leased sites. Referring again to the optimum numbers study, he used Ninilchik as an example, and explained that there are 16 Department of Natural Resources (DNR) leases and 107 permits. The permits could be retired, but not necessarily the leased site unless the permits were assigned to that leased site.

REPRESENTATIVE STUTES asked a question about what happens when setnet permits are bought back and whether that area is then also closed to sports fishing or other gear types.

COMMISSIONER HAIGHT said he did not have that information.

[11:46:10 AM](#)

CHAIR VANCE referred to the information in the report regarding the Eastside fishery and asked whether the end goal was to close that entire section to commercial fishing.

[11:46:39 AM](#)

REPRESENTATIVE RUFFRIDGE replied that closing the fishery was not the end goal.

CHAIR VANCE asked about the lottery and whether the end result would be to close portions of the Eastside to commercial fishing.

REPRESENTATIVE RUFFRIDGE answered in the affirmative.

[11:47:14 AM](#)

REPRESENTATIVE HIMSCHOOT asked Commissioner Haight for additional clarification about the buyback program. She enquired whether the permits remaining after the buyback would still not guarantee the ability of permit holders to put their nets in water because that is a Board of Fish decision.

COMMISSIONER HAIGHT answered that for the permit holders remaining after the lottery, the jeopardy is in their ability to advocate at the Board of Fish. Some fishermen believe they have a better chance of keeping their nets in the water if there are fewer nets. He said that absent a durable allocation where the fishermen can be assured of some level of harvest, there is risk.

[11:48:34 AM](#)

REPRESENTATIVE CARPENTER explained that he had a question that he wanted to have on record, whether there was an answer or not. He reiterated what he has heard about the Eastside setnetters being a specific subset of the fishing fleet. Constitutionally Alaska has a sustained yield principle by which resources are supposed to be managed. There is a constitutional requirement of no exclusive right of fishery even though the state has given wide latitude to manage who can fish within the fishery. There is a provision that no person shall be divested of the right to use the water without just compensation and that the laws and regulations shall apply equally to all persons similarly situated. The first part of HB 187 says that the intent is to reduce the number of setnet fishers, decrease pressure on commercial fishing in Cook Inlet, create a sustainable setnet fishery, and allow for more fish for river users. The question is whether there has been an assessment by the Legislative Legal Services regarding this legislation being in keeping with constitutional provisions.

REPRESENTATIVE RUFFRIDGE responded that he will look into that. He thanked Representative Carpenter for bringing up the constitutional aspect, explaining that last year the dip netters, the drift fishers, and the trawlers were all out and everybody got fish. During this time, the Eastside setnetters sat on the beach unable to fish. He suggested the setnetters would argue that there was a constitutional failure in the management of that fishery in an equal way for everyone, and that the state has failed them. This bill is an attempt to solve the situation. He opined that this legislation is the result of the question asked by Representative Carpenter, but the constitutional question has apparently not been addressed during the past several years.

[11:54:07 AM](#)

REPRESENTATIVE CARPENTER addressed the constitutional issue again, opining that, at least on the surface, it looks like a violation of the provision that says the setnetters should not be divested of the right to use the waters without just compensation. He would like to see that question asked of Legislative Legal Services and put on the record. He further commented that if the state is in a situation where policies of the state are violating the constitution either from executive, legislative, or a subordinate board that has been established, the answer is to correct that problem rather than create a statutory remedy. He asked whether fishermen will actually be able to fish if the nets in the water are reduced.

[11:56:00 AM](#)

CHAIR VANCE thanked Representative Carpenter for drawing the committee's attention to this matter and replied that she will ask for a legal analysis on this question. She then addressed Commissioner Haight, asking him whether CFEC has had a legal analysis done regarding this issue.

COMMISSIONER HAIGHT responded that there has not been a recent legal analysis.

[11:56:48 AM](#)

REPRESENTATIVE STUTES asked what percent of permits are on state leased land.

COMMISSIONER HAIGHT called attention to page 12 of the report which shows how many permits are on land leased from the DNR.

[11:58:58 AM](#)

CHAIR VANCE announced that HB 195 was held over.

[11:59:17 AM](#)

ADJOURNMENT

There being no further business before the committee, the House Special Committee on Fisheries meeting was adjourned at 11:59 a.m.