

SCOMM

#17:25



Official Business

Alaska State Legislature

House of Representatives

Pouch V
State Capitol
Juneau, Alaska 99811

Representative Nels A. Anderson Jr.

LIMITED ENTRY SYMPOSIUMS

FINAL REPORT

On October 11, 12 and 13 symposiums were held in Dillingham, Naknek and Illiamna respectively. During all of these meetings problems regarding the limited entry system in Bristol Bay were discussed and possible solutions to these problems were proposed. Representatives Nels Anderson and Terry Gardiner, as well as John Williams of the Legislative Affairs Agency and Commissioners Al Adasisk and John Garner presided at the symposiums. This was the first time that this sort of educational effort was ever conducted on limited entry in Bristol Bay. In addition to educating the people in Bristol Bay, it also provided valuable education to the Limited Entry Commissioners regarding the problems with the system in this area. Commissioner Adasiak said in Dillingham that he had never realized how many valid questions the people in Bristol Bay had.

The major issues of the symposiums are as follows:

Late Applications

People at the symposiums stated that these were often the result of a lack of knowledge or understanding by Bristol Bay residents. Two solutions to this problem which were discussed were the legislative creation of

a new application period or an out of court settlement or court settlement by which the Commission would agree to accept new applications.

Limitation of Applicants to Gear Holders

People felt that extended involvement in the fishery as a non gear holder should provide eligibility points. This issue was the basis of a Legal Services law suit against the Entry Commission in which a judgement was recently made against the Commission. This suit has been appealed to the Supreme Court.

Movement of Permits into non-resident Possession

This appears to be an increasingly significant trend which caused some concern among symposium participants. Potential solutions discussed were: 1) removal of free transferability of permits and development of a system where unused permits revert to the state for reissuance on the basis of an apprenticeship training system; 2) establishment of a regional non-profit permit brokerage in Bristol Bay; 3) providing capital gains tax credit for permits sold to Alaskan residents; 4) creation of a restricted class of permit buyers who qualify through previous participation in the fishery; 5) have a buy-back program which applies only to permits held by non-residents.

High Permit Prices Which Exclude Young People

Potential solutions to this problem included the restriction of free-transfer and development of a more liberal state loan program for use in the purchase of permits.

Some specific proposals coming out of the symposiums were as follows:

- Establishment of a regional office of the Entry Commission in Bristol Bay
- Establishment of a limited entry education program
- Improvement of airport facilities in the Bay to alleviate marketing problems

- Issuance of more permits in the drift net fishery
- Creation of a study group to review all legal and policy aspects of revising the limited entry program
- Creation of regional advisory groups
- Creation of a permanent legislative committee on limited entry
- Establishment of a requirement that permits be fished or else forfeited to the state.
- Passage of legislation to close brokerage activities
- Exemption of autumn humpy fishery in Bristol Bay from limited entry

Enclosed are several documents relating to the limited entry symposiums.

LAW OFFICES OF
ALASKA LEGAL SERVICES CORPORATION
P. O. BOX 181
DILLINGHAM, ALASKA 99576
TELEPHONE 842-5653

October 27, 1978

Kenneth E. Vassar
Legislative Counsel
Legislative Affairs Agency
Pouch Y
Juneau, Alaska 99811

RE: late applications for Limited Entry Permits.

Dear Mr. Vassar:

Thank you for your letter of October 24 regarding legal services' position on late applications in Bristol Bay. Although our position could be stated in one sentence--we believe no-one should be denied a permit to which he or she is otherwise entitled because of the failure to timely file an application--I think it appropriate to discuss some of the points which have become apparent regarding the late application situation and our view of the Commission's obligations in light of these points.

First of all it should be noted that legislation is not necessary at all if the Commission agrees to accept late applications; this can be accomplished simply by enacting a new regulation amending 20 AAC 05.510. Legislation would thus be necessary only if the Commission is unwilling to accept late applications or imposes restrictions unacceptable to our clients.

There are many reasons why people did not timely file applications, as demonstrated vividly in the first few days of trial last month in Wassillie v. Adasiak. The number of such persons can be best stated by the Commission itself, but a few observations are necessary on this point.

The number of persons technically eligible to apply for entry permits who did not do so is, I suspect, substantial--several thousand statewide for those fisheries coming under Limited Entry in 1975. The Commission understandably does not wish to engage in a repeat performance of the Isakson situation: large expenditures of time and money for very few permits actually issued. For example, there are approximately 700 persons whose name appears on the

Commission's Fisherman's History File as potentially eligible to apply for an S03T (Bristol Bay drift gillnet) permit who did not do so. I would doubt that more than 50 of these persons could amass enough "points" to actually obtain such a permit.

Our response to the Commission's administrative-burden argument is two-fold. First, of course, we fully support their being granted a substantial amount of money to hire whatever personnel are necessary to deal with this situation. We would request any appropriation directed towards this effort to be a top priority of our lobbyist in Juneau during the 1979 session.

We have also offered to accept an application period with significantly less Commission obligations than has previously been the case. For example, if amicable settlement were reached in our lawsuit, we are prepared to agree that the Commission has no outreach obligations beyond publicizing the new period. Although local Native groups may wish to seek grants to assist in the effort, the Commission would not have responsibility for the job.

It is undoubtedly true that any new application period would create some confusion, leading some people to believe they could now qualify for permits, etc.. There is no answer for this (although BBNA request for an education project goes towards solving it) except to adequately fund the Commission to respond. There would be no point in soliciting applications from people with less than the number of points at which permits are being granted at, except in those cases where an applicant is unsure of his or her fishing history, and we are certainly not interested in raising expectations for those with no chance of obtaining a permit.

It is understandable that the Commission would like to finalize things in those fisheries which came under Limited Entry in 1975 and move on to other programs. Our response to this is simply that the expense and administrative burden is minimal compared to the benefits such an effort would yield. Witnesses testified in the Wassillie trial who were on welfare who are eligible for permits but for their failure to timely file an application. Bristol Bay drift gillnet permits are now selling for amount in excess of \$50,000---it is not realistic to expect village Alaskans to be able to afford to purchase a permit.

A problem noted by the Commission is that granting permits now would cause them to exceed the "maximum numbers" set

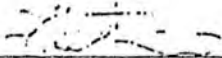
for each fishery. In some cases that number has already been exceeded. But, as pointed out earlier, the number of new permits will not be (to our knowledge) excessive. The past season was a record year and next year is predicted to be another excellent year. Certainly, the fact that the 200 mile limit was enacted after the "maximum numbers" were established is a relevant factor, as is the potential buy-back program. In short, we do not believe the impact upon the fisheries to be significant.

To summarize, it is our position that a new application period should be established for those persons eligible in 1975 to apply for entry permits but who did not do so. If the period is long enough--say, one year--we would agree that no outreach need be done by the Commission..

Because of the Wassillie case, we have many pages of briefs and material on this subject which we would be happy to supply to you if you felt it would be helpful--please feel free to contact us on this subject at any time.

Sincerely,

David B. Snyder
Frederick Torrissi
ALASKA LEGAL SERVICES CORPORATION

BY: 
FREDERICK TORRISI

cc: John Garner
Terry Gardiner
Nels Anderson, Jr.
John Williams
Kay Larson

LAW OFFICES OF
ALASKA LEGAL SERVICES CORPORATION
P. O. BOX 141
DILLINGHAM, ALASKA 99571
TELEPHONE 842-8653

October 31, 1978

Rep. Terry Gardiner
P.O. Box 6062
Ketchikan, Alaska 99901

re: late applications for limited entry

Dear Representative Gardiner:

You have asked us for a legislative remedy for those persons who failed to obtain entry permits to which they were otherwise entitled solely because of their failure to timely file applications with the Commercial Fisheries Entry Commission. Towards that end we offer the following; please feel free to contact us at any time regarding this:

Be it enacted:

Section 1. Findings of Fact.

The legislature finds that

(1) Many persons otherwise entitled to entry permits by virtue of A.S. 16.43 and the regulations promulgated thereunder have not received permits solely because of their failure to submit an application to the Commission prior to the closing date for applications set by the Commission pursuant to A.S. 16.43.260(b).

(2) In order to prevent economic distress among fishermen and those dependent upon them for a livelihood, to regulate entry into the commercial fisheries without unjust discrimination, and to ensure that permits are awarded on the basis of hardship, as defined in A.S. 16.43.250 and the regulations promulgated thereunder, it is necessary to ensure that those persons eligible for permits are not denied them solely because of a failure to timely apply.

Section 2. Application period.

A.S. 16.43.260 is amended to add the following:

(f) The Commission shall accept applications for entry permits from all persons previously eligible to apply for them for one year from the effective date of this act.
All applications so accepted shall be

processed as if they had been submitted during the application period set by the Commission, except that a reasonable time must be afforded for the submission of supporting evidence.

Section 313 - Maximum numbers.

Applications accepted under §260(f) shall be processed according to the regulations applicable to the fishery into which entry is sought. Permits shall be granted to all persons who demonstrate hardship equal to that shown by persons previously granted permits, even if this results in a greater number of permits being issued than is otherwise authorized by this chapter. This section does not authorize the Commission to revoke any permit previously granted.

Thanks for your co-operation on this.

Cordially,

DAVID B. SNYDER
GEOFFREY T. COMFORT
FREDERICK TORRISI
ALASKA LEGAL SERVICES CORPORATION

BY: _____
FREDERICK TORRISI

FT:ilk

cc: Richard Burnham, Assistant Attorney General
John Garner, Commercial Fisheries Entry Commission
Nels Anderson, Jr., Dillingham, Alaska
Kenneth E. Vassar, Legislative Affairs Agency
John Williams, Legislative Affairs Agency
Kay Larson, Bristol Bay Native Association

October 16, 1978

M E M O R A N D U M

SUBJECT: Limited Entry Symposiums in Bristol Bay

TO: The Honorable Neil Anderson
The Honorable Terry Gardiner

FROM: John Williams
Research Analyst

During the two limited entry symposiums in Dillingham and Naknek (October 11 and 12) several problems and possible solutions regarding the application of a limited entry system in Bristol Bay were discussed. It is my intent to outline the problem areas and to present the various options that were discussed as possible remedies. If you are aware of omissions in the following list, please let me know so that I may accomplish whatever research is necessary prior to the follow-up session tentatively scheduled for October 23.

1. Late Applications. Several witnesses talked of the problem of Bristol Bay residents not meeting application deadlines, generally for reasons of lack of knowledge or understanding. This problem is central to the suits against the Entry Commission brought by Alaska Legal Services. Two possible remedies were discussed: (1) legislatively create a new application period and (2) either an out of court settlement in which the Commission will agree to accept applications from persons who were not informed or for various reasons including geographical remoteness did not meet the filing deadline, or a judgment which directs to the Commission to accomplish some remedy of a broader spectrum.
2. Limitation of Eligible Applicants to Gear License Holders. Legal Services suits also address the issue of extended involvement in the Bristol Bay fishery by commercial fishermen who have never had a gear license, thus making such persons ineligible to apply for a limited entry permit. It was felt that perhaps extended involvement may show as much dependence on the fishery as one year of involvement as a gear license holder. One suggestion was to amend the law to allow sustained activity in a fishery as a crewman to count as the equivalent of one year as a gear license holder.

3. **Permits Moving into Non-Resident Possession.** Although the numbers are not overwhelming, there is a trend developing which shows an increased number of non-residents owning Bristol Bay permits. Several ideas for curbing this trend were discussed, the most radical being the removal of the free transferrability of the permits and having the state reissue all unfished permits based on an apprenticeship ranking scheme. Other items discussed included: (1) setting up a regional non-profit brokerage in the Bristol Bay region to help insure that when permits do transfer, Bay residents have an opportunity to buy the permits; (2) giving capital gains tax credit for permits sold to resident Alaskans; (3) creating a class of qualified buyers who are the only eligible buyers of permits, based on participation in the fishery; and (4) to have the buy-back program apply only to permits held by non-residents.
4. **Permit Prices are too High/Young People Excluded.** The limitation on the number of permits issued for fisheries covered by the limited entry program makes it difficult for a fisherman/father to assist more than one son or daughter into the fishery. This problem has been exacerbated by the free market value of Bristol Bay permits. Several Bay area residents feel that it is nearly impossible to get young people into the fishery in the future. The possible removal of the free transferrability aspect was discussed in relation to this problem. We also discussed leaving the free transferrability provision only for intra-family transfers but having the state reissue all other permits on an apprenticeship ranking scheme. We also discussed various ways and means of liberalizing the state loan program to make it more beneficial for residents, and a combination of loan program revamping and the creation of a pool of qualified buyers.
5. **Other Suggestions.** Several other recommendations were made at the symposiums, including: (1) a regional office of the Entry Commission in Bristol Bay; (2) a limited entry education program, (3) allowing the pooling of points earned by family members so that at least one permit could be made available to a resident fishing family which received no permit; (4) in the case of partners who shared in ownership of vessel and gear but fished with only one gear license, to allow points earned as a gear license holder to be divided between partners; (5) more adequate airport facilities in the Bay to alleviate the marketing problems realized this year; (6) issue more permits in the drift net fishery; (7) change the provision of present law which requires the Commission to receive fair market value for all new permit issuances; (8) create a study group to look at all legal and policy aspects of revising the limited entry program; (9) create regional advisory groups with which the Commission could consult; (10) create a permanent legislative committee on limited entry; (11) require that a permit be

October 16, 1978

fished or forfeited to the state for reissuance; (12) pass new legislation to require disclosure of brokerage activities; and (13) to exempt the fall Bristol Bay humpy fishery from the limited entry program to allow young people and non-permit holders to fish.

We will be investigating several of the suggestions that were made at the meetings. As you are aware, some of the proposals hinge on critical constitutional aspects of limitation of entry into common property fisheries. Legislative Affairs Legal Division could address the legal issues, but you will probably want a more wide-spread inspection.

Please let us know of additions or corrections you may desire. We will try to address a number of these issues prior to the follow-up session.

JW:dh

STATE OF ALASKA
THE LEGISLATURE

LEGISLATIVE AFFAIRS AGENCY

RECEIVED

SEP 24 1978

OT/mg

COMMERCIAL FISHERIES
ENTRY COMMISSION

POUCH Y - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3200

MEMORANDUM

October 24, 1978

SUBJECT: Late applications for Limited Entry Permits
TO: Alaska Commercial Fisheries Entry Commission
FROM: Kenneth E. Vassar
Legislative Counsel 

As noted in the attached memorandum from John Williams, we have been requested to prepare a summary of your position, as well as that of Alaska Legal Services, relating to late applications for limited entry permits in the Bristol Bay region toward the end of determining potential legislative solutions to this problem.

To enable us to accomplish this endeavor, please submit written statements of your position to me at your earliest convenience. As soon as all statements have been received, a summary of your statement will be prepared and presented to Alaska Legal Services; and you will be provided with a summary of the statement of Alaska Legal Services. You will then each have an opportunity to prepare rebuttals and submit them to me. I will then prepare a neutral summary presenting the arguments and rebuttals of both parties.

Please keep in mind that we are exploring only potential legislative remedies for the late application situation.

KEV:jdn

Attachment

STATE OF ALASKA THE LEGISLATURE

LEGISLATIVE AFFAIRS AGENCY

FOUCH Y - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3800

October 23, 1978

MEMORANDUM

SUBJECT: Limited Entry

TO: The Honorable John Sackett

FROM: John Williams
Research Analyst

Representative Nels Anderson asked that I send you the enclosed material plus a brief description of the informal meeting held on Saturday, October 21. The Saturday meeting was attended by Messrs. Adasiak and Garner from the Entry Commission, Kay Larson from the Bristol Bay Native Association (BSNA), Representatives Anderson and Gardiner, and Mr. David Snyder of Alaska Legal Services (Dillingham). We discussed the various issues outlined in the October 17 memo to Messrs. Anderson and Gardiner (enclosed). The items were classified as either (1) lending themselves to immediate investigation or (2) requiring a more thorough investigation by a legislative study group.

Items which were considered in the first category included:

- (1) Late applications. It was agreed that Legislative Affairs would prepare a summary of the positions of both the Entry Commission and Alaska Legal Services on this matter. Given this background information, Representative Anderson will then give further direction for the preparation of legislative language to be introduced in the next session.
- (2) Eligible applicants: It was agreed that Legislative Affairs with the cooperation of the Entry Commission would look at the preparation of an extensive questionnaire mailing to commercial fishing license holders based on computerized data, retrospective to 1969. The questionnaire would attempt to provide better information on determining the scope of problems related to individuals harmed by the initial permit issuance regulations, and to assist in understanding the nature of the various grievances.
- (3) Amending the provisions of the state loan program: It was agreed that one means of alleviating the problem of permits moving to non-resident possession was to further the intent of the state loan

program provisions for loans for permit purchase by liberalizing the requirements for receiving a loan. Legislative Affairs will be addressing this matter.

- (4) Further assistance to rural Alaskans: It was agreed that a mechanism was needed to provide further educational and advisory assistance to rural Alaskans regarding limited entry. After much discussion, it was agreed that the Entry Commission would work with BSA to develop a means whereby this could be accomplished. The likely outcome will be legislative language requesting funding for whatever structure is decided upon.
- (5) In addition to the above, the commissioners agreed to look further into the matter of ADF&G personnel discouraging residents of the Bristol Bay region from fishing during particular years in the early 70's. Residents of the region expressed concern over an apparent contradiction in state policy of on the one hand discouraging fishing during poor run years and on the other giving much weight to commercial fishing during what may be the same years for purposes of qualifying for an entry permit.

Most of the remainder of the issues mentioned in the October 17 memo were felt to be of such magnitude as to require a thorough investigation into the legal, economic, and social aspects of the problems and recommended remedies. It was generally agreed that the working group would encourage the creation of a limited entry study group, sufficiently funded to perform professional evaluations of the issues and provide for extensive public input. It was felt that such an effort would require in excess of \$100,000 to accomplish the mission, and that the effort would be most effective if handled by a special legislative committee (perhaps an interim committee).

JW:dh

Enclosures

cc: The Honorable Mels Anderson
The Honorable Terry Gardiner
Allan Adasiak, Commercial Fisheries Entry Commission
+ John Garner, Commercial Fisheries Entry Commission
David Snyder, Alaska Legal Services
Ken Vassar, Legislative Affairs Agency

TO: [Kenneth E. Vassar
Legislative Counsel
Legislative Affairs Agency

DATE: November 14, 1978

FILE NO:

TELEPHONE NO:

FROM: AVRUM M. GROSS
ATTORNEY GENERAL

SUBJECT: CFEC Position on
Late Applications

By: 
Richard M. Burnham
Assistant Attorney General

This memorandum is being provided in response to your October 24, 1978, memorandum to the Alaska Commercial Fisheries Entry Commission wherein you requested that the Commission prepare a summary of its position concerning the acceptance of late applications. As we understand it, the purpose of this summary is to assist the legislature in exploring potential legislation addressing late applicants. We submit this memorandum with the understanding that it may not be used in the Wassillie et al. v. Adasiak et al. litigation for any purpose. Furthermore, our submission of this memorandum is not to be interpreted as agreement by the Commission that any legislative remedy of the late application situation is either appropriate or necessary.

As we understand it, the legislature's exploration of the possibility of legislation addressing late applicants is a result of concerns raised by various constituents. Most of the concerns are issues in the Wassillie litigation. In that case, plaintiffs have alleged that (1) the Commission failed to provide the entry permit application completion assistance set forth in the Consent Agreement, dated March 10, 1975, signed by the parties shortly after the litigation began, and (2) that even if the Commission did comply with the Consent Agreement, principles of constitutional law require the Commission to do more than was originally agreed to by the parties to the Consent Agreement. In plaintiffs' view, constitutional principles require the Commission to contact each and every person potentially eligible to apply for an entry permit and to offer application completion assistance in person.

With respect to late applications in general, the Commission has always appreciated the situation of people denied entry permits solely because they failed to submit a timely application. It was for that reason the Commission engaged in a massive effort during the 1975 application period to inform Alaskans of the deadline for applying for entry permits and of the availability of assistance in completing entry permit applications. Undoubtedly, however, irrespective of how long an application period is provided

or the amount of publicity concerning a deadline, there will always be people who miss the deadline, just as there are always people who miss the April 15 deadline for filing tax returns.

The reasons people failed to timely apply for entry permits vary greatly. Some people declined to apply because they did not like the limited entry law. Now that limited entry is an established fact and permits have risen in value, these people now wish to have a "free" permit. Some people quit fishing prior to the 1975 application period but again, because of the present value of permits, they now would like a "free" entry permit.

The Commission believes that it made every reasonable effort to notify individuals of their right to apply for an entry permit, and has fully complied with the relevant law and with all requirements of the Consent Agreement entered into in the Wassillie case.

The Commission also believes, however, that in certain isolated villages some native Alaskans may not have received sufficient assistance to complete an application, and that acceptance of late applications from this group may be warranted, though not legally required.

The Commission does not believe this group is statewide, nor does it believe it is existent even throughout the Bristol Bay region. The difficulty is defining the exact nature of the class and specifying who is included. The Commission would agree to the acceptance of late applications from this small group so long as the following is ensured:

- (1) that the group to be allowed to apply is defined with reasonable specificity, or better, if the aggrieved parties are named;
- (2) that the required publicity about the new application right and type of assistance required is agreed to by Alaska Legal Services; (Legal Services has indicated that radio announcements over the Dillingham radio stations would suffice for the Bristol Bay region.)
- (3) that the time within which an application must be submitted is specified in the legislation;
- (4) that the acceptance of late applications and evidence will in no way affect the rights or obligations of any other applicant;

- (5) that the Commission will not be subjected to litigation on behalf of those not receiving the benefits of any legislation regarding late applicants;
- (6) that the number of new permits to be issued will not be of sufficient quantity to require revoking outstanding permits;

As to how many late applicants are in a position reasonably to claim they should now be allowed to apply, we do not know. Depending on how the class of eligible applicants is defined, the number could range from less than 100 people to several thousand. As to how many of these people could obtain enough points for a permit were they allowed to apply, that too varies with the nature of the group.

There are at least four major problems which would be raised by legislative efforts to accommodate any group of late applicants.

1. Who Will Be Allowed to Apply?

Possibly the most difficult problem for the legislature in addressing the late application situation would be describing which group of persons would be eligible to submit late applications. Efforts by the legislature to define the group of eligible persons would certainly engender substantial amounts of litigation over the question of whether the limitation to a particular group is lawful and whether certain individuals fall within the legislative description of the eligible group. Were the legislature merely to establish another application period for everyone, serious problems would result, as more fully discussed below.

2. Another Application Period For Any Group
Would Cause Substantial Confusion
Concerning the Limited Entry Program

The limited entry program is necessarily a complex program to begin with. The initial 1975 application period was followed by a second application period in 1977 as a result of the Isakson v. Rickey decision. The Commission's experience with that application period was that few people understood the reason for the second application period and most believed that anyone could apply. When the applications of persons ineligible to apply under the Isakson decision were rejected, a tremendous number of administrative hearing requests and actual hearings resulted. The result was great

confusion among the applicants and a burden on the Commission. If a third application period is now to be allowed, the Commission will again be swamped with applications, especially given present permit values, from all persons statewide who either do not understand the purpose of the new application period or who merely wish to take a shot at getting a permit. The Commission, of course, will have to sift through all applications in order to find those few submitted by persons actually eligible to apply under a third application period. The result again will be a burden on the Commission and a substantial increase in confusion concerning the limited entry program. At some point in time, if there is to be a limited entry program, there must be an end to the period for submitting applications.

3. The Acceptance of Late Applications May Necessitate Revoking Permits Already Issued

The limited entry law requires that, except in one unrelated circumstance, only a set number of permits may be issued for each fishery. This set number is called the "maximum number", and is equal to the highest number of units of gear operated in the fishery during any one calendar year from 1969 to 1972.

Since it was expected that there would generally be more applicants than permits to issue, it was necessary to develop a system of ranking the relative qualifications of each applicant for a permit. Permits were then to be issued in the order of rank. A point system was used to accomplish this; an application deadline date ensured that all applicants were before the Commission at the time the ranking began. Permits were then issued beginning with those with the most points, and going down until the maximum number of permits had been issued. This maximum number was to be exceeded only if the number of applicants who would suffer "significant economic hardship" if not issued a permit exceeded the maximum number.

Following the establishment of maximum numbers, and the issuance of permits, the Isakson decision mandated a new application period for a new group of applicants. The Commission decided, given the anticipated small number of permits that would be issued as a result of the Isakson application period, to issue additional permits even in excess of the maximum number, rather than revoke permits already issued, in order to stay within the maximum number. If under a new application period the Commission must issue additional permits, then the excess over the maximum numbers may be such that the Commission will have no choice but to revoke permits in the fishery in order to protect both the resource and the livelihood of the fishermen already participating.

4. A New Application Period Will Not
Necessarily Take Care of the Problem

During the initial application period in 1975, the Commission spent over \$50,000 on application assistance contracts with native organizations and other organizations and individuals to pay for travel to villages and for media efforts to inform people of the deadline for applying and of the availability of assistance in completing applications. Despite this effort, it is claimed by some that there are substantial numbers of people who never received word of the deadline or who for some other reason did not apply prior to the deadline. If a new application period is established, there of course can be no guarantee that every single eligible person who did not apply the last time will apply this time. The question this poses is, if a person does not apply during another new application period, will the result be a fourth application period somewhere further down the road? At some point it must be said that everyone has had a reasonable opportunity to apply and that there is no further obligation on the part of the state. No matter when this point is reached, there will always be people who were eligible to apply but who did not do so.

Conclusion:

The purpose of the limited entry program was to stabilize levels of participation to protect the resource and to make sure people who relied on fishing were able to make a decent livelihood from fishing. With the increase in salmon runs in the last couple of years, and the increase in the price paid for salmon, fishing is suddenly more attractive to more people. In other words, the limited entry program has worked. Now, because it has worked, everyone wants to participate. This is precisely the situation which led to the decline of the fisheries in the 60's and the early 70's, which necessitated passage of the Limited Entry Act. If every time the health of the fisheries increases, more people are allowed to fish, there will essentially be no limited entry. Furthermore, while permits are issued during good years, one or two bad years in a row will find the fisheries tremendously overcrowded compared to the number of fish and the result will be the very threat to the resource which limited entry was passed to eliminate.

Entry permits may be obtained not only from the Commission, but also by devise, purchase, or other transfer from the present holder of a permit to someone who doesn't have a permit. To assist persons wishing to obtain entry permits, the legislature last session amended A.S. 16.10.310 to make it easier for fishermen wishing to purchase an entry permit to obtain funding for the purchase. We suggest that should the legislature conclude that some people who should

Kenneth Vassar
Legislative Affairs
November 14, 1978
Page 6

have permits do not, consideration be given to making it easier for them to obtain the funds necessary to purchase a permit rather than altering the Limited Entry Act in order to get more free permits to such people. By this means, the number of permits outstanding would be unaffected.

While this memorandum has been reviewed by the Commercial Fisheries Entry Commission, the commissioners have asked me to relay their willingness (which is mine as well) to continue discussions on this matter in the hope of clearly identifying any problems and if they are identified, defining their nature and magnitude and developing appropriate solutions for them.

RMB:sd:cb

MEMORANDUM

State of Alaska

TO: John Williams
Legislative Affairs

DATE: December 18, 1978

FILE NO:

TELEPHONE NO:

FROM: Derrill L. Johnson 
Executive Director

SUBJECT: A Preliminary Estimate on the
Number of Questionnaires Needed
and the Cost of Production of
those Questionnaires

As per our discussion on 12/15/78, Roger Kolden researched the Commercial License file which lists crew members, vessel license holders and gear license holders for each year as follows: 1969 - 19,514; 1970 - 22,504; 1971 - 21,250; 1972 - 21,516; 1973 - 24,042; 1974 - 21,764; 1975 - 22,051; 1976 - 24,984; 1977 - 26,235; giving a total population of 203,860. Using an average number per year of 22,651 license holders and figuring approximately 7,550 turnover each year over an eight-year span, you will end up with 83,053 as a total population of people in the commercial license file for the years 1969 through 1977. This was calculated as follows:

22,651 is the average per year for 1969 through 1977
7,550 an average turnover per year

$22,651 + (8 \text{ years} \times 7,550) = 83,053$ as the total population.

It is estimated that a four-page questionnaire will be used on which it will be printed both front and back of each page. This equals 16 keypunched cards per questionnaire at an average cost of 15-20¢ per card. Using 15¢ per card for 83,053 questionnaires at a total key-punch cost of \$2.40 per questionnaire it will cost \$199,327.20 minimum. Using 20¢ per card for the 83,053 questionnaires at a cost of \$3.20 per questionnaire for keypunching, equals \$265,769.60 maximum. The reason I used these two different figures is that we have had approximately a 25 percent increase in our keypunch charges each year. These figures show only the estimated population and the estimated keypunching costs.

Additional costs will be incurred for the mailout of the questionnaire and the cost of return envelopes for each of these questionnaires. Figuring the weight of each questionnaire to be mailed out and to be returned and the total postage would be 56¢ per questionnaire. This will include both the initial mailout and the return postage X the 83,053 questionnaires = \$46,509.68 for postage.

It will take approximately 450,000 sheets of paper to print the four-page questionnaire front and back and a one-page cover letter at a cost in approximately \$6,000. This figure will include collation, stapeling, but not the cost of actually staffing and mailing out the questionnaires.

John Williams

(2)

December 18, 1978

You have a total breakdown for the portion that I have discussed in this memo of printing, which includes paper, collation and stapeling of approximately \$6.0, keypunch costs of approximately \$200.0, postage of approximately \$46.5 for a total estimated cost of \$252.5.

There may be ways to reduce the population from 83,053 to a more manageable group by doing a preliminary mailout of 3 x 5 postage cards to further update the addresses and also determine some preliminary data as to whether these individuals would be the proper ones to sample. A similar type survey was done at the very beginning of the limited entry program and proved quite effective.

Attached is a copy of the names of the native corporations who have provided some type of assistance for the Commission over the past years. If you have any further questions regarding the figures I have generated here, please do not hesitate to give me a call. Remember that these figures are preliminary estimates and a certain amount of refinement should be done in the final proposal.

Attachment

Lawyer G.
Upper Center, AK 99573

~~John Gunderson, Exec. Adm.
Aleut League Corp.
33 Gambell
Anchorage, AK 99501~~

Joe Upicksoun, President
Arctic Slope Regional Corp.
P. O. Box 566
Barrow, AK 99723

Mary Longley, Exec. Dir.
Cooking Straits Native Corp.
Box 1008
Nome, AK 99762

Wells Anderson, Exec. Dir.
Pristine Bay Native Corp.
P. O. Box 237
Sillingham, AK 99576

Upper River Native Assoc.
Lawyer H.
Upper Center, AK 99573

Kawerak, Inc.
P.O. Box 505
Nome, AK 99762

Kauneluk Association
P.O. Box 256
Kotzebue, AK 99752

ELACAP
P.O. Box 449
Juneau, AK 99802

Anchorage, AK 99501

Chugach Natives, Inc.
912 East 15th Avenue
Anchorage, AK 99501

Larry Oskolkoff, Exec. Dir.
Cook Inlet Region, Inc.
1211 West 27th Street
Anchorage, AK 99503

Doyon, Limited
First & Hall Streets
Fairbanks, AK 99701

Kake Tribal Corp.
P. O. Box 263
Kake, AK 99830

Gwitcha-Gwitch'In-Ginkhye
P.O. Box 134
Fort Yukon, AK 99740

Kodiak Area Community
Development Corp.
P.O. Box 571
Kodiak, AK 99615

North Pacific Rim Native
Association
433 W. 9th, Suite 200
Anchorage, AK 99501

Upper Tanana Development
Corporation
Box 377
Tok, AK 99780

Kodiak Regional Native Corp.
P. O. Box 746
Kodiak, AK 99615

John Schaeffer, Exec. Dir.
Nana Regional Corp.
P. O. Box 49
Kotzebue, AK 99752

~~John Borbridge, President
Sealaska Corporation
811 West 12th Street
Juneau, AK 99801~~

Sealaska Corporation
Suite 400
1 Sealaska Plaza
Juneau, AK 99801

Aleutian/Pribilof Islands
Assoc., Inc.
430 C Street, Suite 303
Anchorage, AK 99501

Aleutian/Pribilof Island
Assoc. Fish Co-op
430 C Street, Suite 303
Anchorage, AK 99501

Koyukon Development Corp.
P.O. Box 29
Galena, AK 99741

Совместное/Аляска
Сотрудничество/Развитие

Yupiktak Bista, Inc.
Box 219
Bethel, AK 99559

Munam Kitlutsisti
Box 267
Bethel, AK 99559