

**HB**

**107**

# FISCAL NOTE

STATE OF ALASKA  
1995 LEGISLATIVE SESSION

N° 1  
Bill Version: CS HB 107(fish)  
(H) Publish Date: 2/10/95

Revision Date: 1/30/95  
Title: Relating to limited entry permits  
Sponsor: Rep. Grussendorf  
Requester: Rep. Grussendorf

Dept. Affected: Fish and Game  
BRU: Commercial Fisheries (Limited) Entry Commission  
Component: Limited Entry Program Administration  
COMPONENT SERIAL NO. 0471

**Expenditures/Revenues**

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ( )						
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**FUND SOURCE**

(Thousands of Dollars)

	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1006 GF/MHTIA						
Other						
<b>TOTAL</b>	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY95) cost: \$ 0.0

**POSITIONS**

	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary.)

Prepared By: Roger Koiden Phone: 789-6160  
Agency: Commercial Fisheries (Limited) Entry Commission Date: 1/30/95

Approved by Commissioner: Frank Homan Date: 1/30/95  
Agency: Commercial Fisheries (Limited) Entry Commission

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# DEPARTMENT OF FISH AND GAME

## POSITION PAPER

Bill No. HB 107

Sponsor: Representative Grussendorf

Division: Commercial Fisheries Management and Development

Bill Title: Restrictions to Certain Limited Entry Permits

Department Position: Support

### Background/Legislative Intent:

This legislation would allow CFEC to restrict the fishing capacity of fisheries entering into a limitation program. Limited entry was originally designed for salmon and herring fisheries where a single unit of gear, such as a seine or gillnet, is used. In crab, groundfish, and many developing fisheries, the unit of gear is variable and fishing capacity of the fleet is a function of vessel size - larger vessels carry more pots, shots of longline, or accommodate more divers. In some fisheries the fishing capacity has continued to increase following limitation due to increases in vessel size and corresponding increases in amount of gear fished. As a result, the biological and management advantages of limitation are significantly diluted.

### Analysis of Bill/Program Effects:

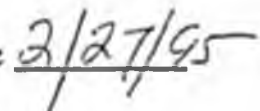
Rational management to ensure conservation and maximize reproductive potential of a fish resource depends on: (1) effort levels that allow fisheries to be opened and managed without risk of overfishing; (2) fishing seasons of sufficient length to allow accumulation of adequate fishery performance data to validate preseason guideline harvest levels and assure that overfishing does not occur; and (3) reasonable control of gear to prevent loss. Excessive fishing capacity can lead to shortened seasons and fewer data upon which to make management decisions. Such derby style fisheries place both fishermen and resource at a higher level of risk.

Under this legislation, limitation should serve to set a ceiling on fishing capacity of a fishing fleet. It would enable CFEC to implement a program where limited entry permits would be tied to, for example, a vessel size, pot limit, or Board of Fisheries specified fixed or proportional quantity of gear.

Commissioner's Signature

  
Frank Rue, Commissioner

Date



Position Paper

S.E. DUNGENESS CRAB ASSOCIATION  
Box 262, Petersburg, Ak. 99833

January 26, 1995

Representative Alan Austerman  
Room 434, State Capital  
Juneau, Ak. 99801-1182

Dear Rep. Austerman:

I would like to provide a few comments on HB 109 and hopefully win your support on this important legislation.

When the Limited Entry Act was passed in 1974 it was designed for salmon and herring fisheries. These fisheries use one unit of gear (i.e. a seine or a gillnet) and when a particular fishery was limited all the participants were using the same type and amount of gear; neat, simple, and predictable.

Other fisheries often use multiple units of gear (i.e. longline/skates, shrimp/pots, crab/pots) and in these fisheries the Limited Entry Act has posed problems.

In the S.E. dungeness crab fishery growth in the late 1980's created enough concern for the crab resource to prompt the Commercial Fisheries Entry Commission to study limited entry possibilities. The CFEC found that the fleet consisted of a large proportion of part-time fishermen (because of the passive nature of the fishery) who fished considerably less than the 300 pot limit and while qualifying for a limited entry permit would potentially increase the actual gear fishing over pre-limited entry levels. While seeing a real need for participant limitation CFEC could not grant limited entry because of this problem. The Board of Fish also cannot adequately address this situation. The fleet of 325 averages less than 150 pots with approximately 30-40,000 actual pots in the water. Even with a severe cut in pot limits of 50% to 150 pots there is potential to increase effort significantly as well as penalizing those

Support Letters

who do use this fishery as their main source of income. Instead, industry, ADF&G, and the CFEC worked with the 1991 Legislature to pass/create a moratorium for the S.E. dungeness crab fishery in order to study the possibilities of managing this resource.

In the fall of 1994 meetings were held in Juneau, Ketchikan, Sitka, Petersburg, and Wrangell and the overwhelming consensus was to try a tiered approach where fishermen would be given permits tied to gear levels consistent with their past participation. All agreed that this idea was fair because of its inclusive nature and yet provided a solid control for a multi-gear fishery.

This approach can be applied to many fishery resources and gear types as yet uncontrolled but in real need of conservation. The CFEC will be able to design specific limited entry programs that will solve many of the problems of fishery resource conservation as well as provide fair levels of participation.

We urge you to support this amendment and thank you for your time.

Sincerely,

William Flor, SEDCA

SOUTHEAST DUNGENESS CRAB ASSOCIATION

P.O. BOX 262

PETERSBURG, ALASKA 99833

907-772-9248

December 22, 1994

Dear Representative Grussendorf:

It's been almost four years since we passed the moratorium legislation which placed our S.E. Dungeness fishery in it's current moratorium status. This will expire Jan. 2, 1996.

At the request of the S.E. crab fleet the Commercial Fisheries Entry Commission held hearings this fall to try and work out a solution for a more permanent limited access scheme. Four main ideas were discussed: traditional limited entry, IFQ, tiered pot system, and fractional licensing. CFEC is reluctant to impose a traditional limited entry because of a possible increase in effort. (We currently fish a 300 pot limit but average 150 pots, hence the possibility to double the gear in the water.)

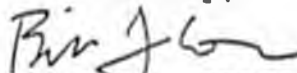
The other three ideas discussed required some type of legislative work. Both IFQ and fractional licensing were seen as too contentious and complicated with little possibility of success.

The tiered pot system was embraced by CFEC and the fleet both for it's fairness and possibility of achievement. Simply stated it places a crabber within a gear strata (i.e.300/200/100) depending upon past effort. The fairness of this idea lies in that no one is excluded. There are many variations but our hope is that a sufficiently simple bill can be worked out that could achieve passage.

We have contacted CFEC to draft a proposed tiered system bill which we hope you would introduce and support.

Timing is critical. Our moratorium expires after this year and without further protection the S.E. Dungeness fishery will be in serious trouble (Ca., Or., and Wa. limited their dungeness fisheries this year.) We're counting on you to continue your support and looking forward to working with you.

Sincerely,

  
Bill Flot, SEDCA

c.c. Senator Robin Taylor,  
C.F.E.C.

SOUTHEAST DUNGENESS CRAB ASSOCIATION  
P.O. Box 262  
Petersburg, Alaska 99833  
907-772-9248



December 21, 1994

Commercial Fisheries Entry Commission

Dear Mr. Twomley and staff:

Enclosed is a copy of our letter requesting Rep. Grussendorf and Senator Taylor to introduce and support a tiered pot system bill. As we talked this fall we are counting upon you to draft a bill which will include the major ideas discussed in your hearings and embrace a sufficient simplicity so as to increase our chances of passage.

Our financial status this time around is such that we won't be able to hire a lobbyist to track the bill, therefore, we are also counting heavily upon your help in this area.

We are optimistic about this effort but hope you realize that if it fails a traditional limited access, even if it requires serious pot reductions, must be imposed before the moratorium expires as this fishery will never be able to withstand the certain flood of new participants.

Looking forward to hearing from you!

Sincerely,

Handwritten signature of Bill Flor.

Bill Flor, SEDCA

**PETERSBURG FISHERIES**

Division of  
ICICLE SEAFOODS, INC.  
PO BOX 1147  
PETERSBURG, ALASKA 99833  
907-772-4294  
FAX 907-772-4473



February 11, 1995

House Fisheries Committee  
Alan Austerman, Chairman  
Carl Moses  
Kim Elton  
Scott Ogan  
Gary Davis

Dear House Fisheries Committee:

After having the opportunity to further review and asses new information presented to me regarding HB107, I would like to lend my support to the Bill at this time.

However, I would like to emphasize my belief that the C.F.E.C. should allow for a competitive fishery equitable to the investments of both large and small operators, with regard to their "grandfathered" participation.

It is important that the act allow for further restrictions on fishing capacity (ie. quantity of gear) should the stocks become stressed. In attempting to relieve this stress on the stocks I would hope that the C.F.E.C. would seriously consider the limitations put on the smaller capacities when establishing criteria in an effort to maintain economic viability for all harvesting participants.

Sincerely,

John G. Baird  
S.E. Fleet Manager

cc: CFEC  
Senate Resource Committee

# SENATE COMMITTEE REPORT

DATE: 3/9/95

FURTHER: Finance

DATE TURNED INTO OFFICE: 4-24-95

Resources Committee considered CS FOR HOUSE BILL NO. 107(FSH)

"An Act relating to restrictions attached to certain commercial fisheries limited entry permits."

and recommends:

- be replaced with S <sup>CS</sup> CS/HB 107 (RES)
- adopt previous CS \_\_\_\_\_
- attached amendment(s)
- adopt Letter of Intent by \_\_\_\_\_ Committee
- further referral to the \_\_\_\_\_ Committee

Senate Bill:  
 same title  
 new title  
 House Bill:  
 same title  
 technical change  
 new: SCR \_\_\_\_\_  
*SCR coming*

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>Chris L. Taylor</i>	✓	<i>[Signature]</i>	✓		
		<i>[Signature]</i>	✓		
		<i>[Signature]</i>	✓		
CHAIR: <i>[Signature]</i>	✓				

**NEW FISCAL NOTE(S):**

Department	Date	Zero	Fiscal

**PREVIOUS FISCAL NOTE(S):\***

Department	Date	Zero	Fiscal
<i>FISH + GAME / COM FISH</i>	<i>2/10</i>	✓	

APPROPRIATION -- no fiscal note

\*include fiscal notes accompanying Governor's bill

**SENATE CONCURRENT RESOLUTION NO.  
IN THE LEGISLATURE OF THE STATE OF ALASKA  
NINETEENTH LEGISLATURE - FIRST SESSION**

**BY THE SENATE RESOURCES COMMITTEE**

**Introduced:**

**Referred:**

**A RESOLUTION**

1 Suspending Uniform Rules 24(c), 35, 41(b), and 42(e) of the Alaska State  
2 Legislature concerning House Bill No. 107, relating to restrictions attached to  
3 certain commercial fisheries limited entry permits.

4 **BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

5 That under Rule 54 of the Uniform Rules of the Alaska State Legislature, the  
6 provisions of Rules 24(c), 35, 41(b), and 42(e) of the Uniform Rules, regarding changes to the  
7 title of a bill, are suspended in consideration of House Bill No. 107, relating to restrictions  
8 attached to certain commercial fisheries limited entry permits.

9-LS1113A  
Utermohle  
4/24/95

**SENATE CONCURRENT RESOLUTION NO.  
IN THE LEGISLATURE OF THE STATE OF ALASKA  
NINETEENTH LEGISLATURE - FIRST SESSION**

**BY THE SENATE RESOURCES COMMITTEE**

**Introduced:**

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# WORK ORDER REQUEST FORM

W.O. [19] LS-1113

KEYWORDS: UNIFORM RULES ASSIGNED: Utermohle

REQUEST FOR: Resolution TAKEN BY: Utermohle

SUBJECT: Suspend UN RLS; Title Change for HB 107

REQUESTED FOR: SC SRES BY: Annette Kreitzer PHONE: 465-4907

DELIVER TO: Sen. Loman, Attn: Annette, Cap. 113

INSTRUCTIONS: Prepare "title change resolution" for HB 107.

<p>OBTAIN</p>	<p>SPECIAL DRAFTING INSTRUCTIONS ATTACHED ( ) AUTHORIZED TO CONFER WITH _____ _____ RETURN _____ _____ TO REQUESTOR APPROVED: <u> X </u> DIRECTOR, LEGAL SERVICES</p>
<p>REVIEWED _____ IN <u>04/24/95</u> DUE _____ TYPED: Draft _____ Date _____ Final _____ Date _____ PROOFED _____ DELIVERED _____</p>	<p>SPECIAL INSTRUCTIONS to TYPING/PROOFING _____ _____ Request for DRAFT</p>



# Alaska State Legislature

Session:  
State Capitol  
Juneau AK 99801-1182

MEMO

Interim:  
716 W 4th Avenue  
Anchorage AK 99501-2133

TO: George Utermohle, Attorney  
Legal Services  
via fax: 2029 3 pages (AM F.1)

FROM: Annette E. Kreitzer, Aide to  
Senate Resources Committee

DATE: April 23, 1995

RE: Committee Substitute and Concurrent Resolution for HB 107

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The amendment LS0409F.1 was adopted in the Senate Resources Committee to be incorporated into a final Resources Committee Substitute for CSHB 107(FSH).

As I understand it, this would require the preparation of a concurrent resolution to allow the title change. Please prepare the concurrent resolution even though HB 107 has a further referral to the Senate Finance Committee where further amendments may be made.

AMENDMENT #1

*Amendment  
no objection*

OFFERED IN THE SENATE  
TO: CSHB 107(FSH)

BY SENATOR TAYLOR

1 Page 1, line 1:

2 Delete "restrictions attached to certain"

3 Page 2, after line 4.

4 Insert a new bill section to read:

5 \*\* Sec. 2. AS 16.43.140(c) is amended to read:

6 (c) A person may hold more than one interim-use or entry permit issued or  
7 transferred under this chapter only for the following purposes:

8 (1) fishing more than one type of gear;

9 (2) fishing in more than one administrative area;

10 (3) harvesting particular species for which separate interim-use or entry  
11 permits are issued;

12 (4) if authorized by regulations of the commission, fishing an entire  
13 unit of gear in a fishery in which the commission has issued entry permits for  
14 less than a unit of gear under AS 16.43.270(d); under this paragraph, a person  
15 may hold two or more entry permits for a fishery, however, the person may not

16 (A) fish more than one unit of gear in the fishery; or

17 (B) acquire an additional entry permit for the fishery after  
18 the person has acquired entry permits that cumulatively authorize the use  
19 of one or more units of gear in the fishery."

20 Renumber the following bill section accordingly.

21 Page 2, line 24:

22 Insert a new bill section to read:

1   \*\* Sec. 4. AS 16.43.990(9) is amended to read:

2                   (9) "unit of gear" means the maximum amount of a specific type of  
3   gear that [WHICH] can be fished by a person under [A SINGLE GEAR LICENSE  
4   SUBJECT TO] regulations established by the Board of Fisheries defining the legal  
5   requirements for that type of gear."

### Amendment to HB 107

This amendment (version 9LS0409\F.1) dated 3/23/95 would authorize the Commercial Fisheries Entry Commission to allow a commercial fisherman to hold and fish a group of gear permits for a specific fishery not to exceed the maximum number of pots (units of gear) authorized by the Board of Fisheries.

The amendment's purpose is to provide more flexibility for fishermen to enter and exit the fishery by allowing the purchase and sale of smaller increments of gear.

For example, if the maximum hypothetical number of pots authorized by the Board of Fisheries in the dungeness fishery was 300 and a fisherman held a 100 pot entry permit, that fisherman could purchase a 200 or 300 pot permit or two 100 pot permits or more, but could not fish more than the maximum number of pots authorized.

Under this amendment, imited entry permits of any numerical value cannot be legally consolidated, but could be sold individually or collectively at market value.

March 20, 1995

Senate Resources Committee

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Dear Senator:

Regards to: HB 107;SB 42

A fishing permit in the State of Alaska, constitutes a privilege to fish. One person should not be more privileged than another, just because of his level of fishing during a selected couple years.

The privilege should create an equal opportunity for all those participating, and future participants.

House Bill 107 and Senate Bill 42 is addressed to allow a select group of fishermen to participate at maximum historic levels of the past, while saddling the remaining group of those participating in the same fishery with the burden of resource conservation through reduced levels of effort and competition.

The State, when constructing a new type of limited entry program, should avoid repeating the malady and inequity created by the Federal IFQ program for longline fisheries, which benefitted and tremendously rewarded so few, and left the majority of others with very little or nothing.

This legislation, in regards to the S.E. Dungeness Crab Fishery, might not be necessary through the use of existing management tools. The current Limited Entry Program could be used, and action by the Board of Fish and Game, reducing the maximum allowable pots fished per permit, would contain the level of effort, protect the resource, and maintain a viable and equitable fishery.

Another option that addresses the needs of the S.E. Dungeness Crab Fishery would require amending the current bills or adopting new ones to conform to the "Fractional Licensing Limited Entry Proposal", as outlined in the attached CFEC document.

Thank you,

Dennis K. Rogers  
P.O. Box 542  
Petersburg, Ak 99833

## Alternative Limited Entry Programs Suggested By Fishermen

### 2. Fractional Licensing Limited Entry Proposal

Fractional licensing ideas have recently been discussed in the economics literature and in NPFMC documents. Again, there could be many different versions of such a proposal.

Under a version of a fractional licensing proposal described to CFEC, the commission would initially issue permits for the same number of pots. For example, the commission might decide that everyone who receives a limited entry permit would receive a permit that would allow them to fish up to 150 pots.

This proposal would also allow for "stacking" of permits. For example, if a person with a 150 pot permit wanted to fish 300 pots, the person would have to purchase another permit and then have the commission combine them into a single permit for 300 pots. The "stacking provision" in this fractional licensing proposal could lead to a reduction in the number of operations after limited entry through voluntary contracting among fishermen.

Again, any Board of Fisheries regulations on the maximum number of pots which could be utilized also would need to be followed. This proposal would also require substantial changes to the limited entry law.

#### Pros:

- Might better control the growth in fishing capacity after limited entry than would the current LE program. To the extent the program is enforceable, the number of pots fished would not increase after initial allocation.
- Would provide a natural market mechanism for fleet reductions.

#### Cons:

- Would need changes in the limited entry law to allow for program
- Pot limits per permit may be difficult to enforce
- Some persons would initially be forced to take a reduction in the number of pots which they could fish.

Senators:

I have been a full time resident and commercial fisherman in Alaska for 22 years, and will continue to be so into the future.

Having been involved with several of the limited entry fisheries, I have found the current system to be a viable and equitable management tool for the most part.

I am opposed to HB 107, as it will create unequal opportunities for fisherman, and as applied to the S.E. Dungeness crab fishery is unnecessary. There are other methods to contain this fishery under the existing management options that are fair to everyone involved and future participants.

Lets not promote a resource grab similar to the Federal IFQ program.

Thank you.

Dennis K. Rogers.

Senate Resource Committee  
Senator Lehman, Chairman

I will not be able to attend the teleconference this afternoon and have prepared the following statement as my testimony in regards to H.B. 107.

Thank you in advance for presenting this to the members of the Resource Committee

Sincerely,

Demetrius K. Rogers

Petersburg

Senate Resource Committee

APR 20 1995

State Capitol

Juneau, Ak. 99801

Dear Senators,

I support legislation to allow C.F.E.C. to adopt and implement a tiered pot system for the Dungeness crab fishery in Southeast. We are currently under a moratorium which ends in January '96. If the fishery goes back to open access or if CFEC imposes limited entry in the traditional form, effort will undoubtedly increase dramatically. In either case ADF&G will no-doubt decrease the pot limit. This would make dungeness a sideline instead of a mainstay fishery. A tiered form of limited entry will keep it basically as it is now, where the 40 or so people who produce, and many more who supplement other fisheries or business's with dungeness, can continue. It also wouldn't exclude anyone in the fishery, just keep them at current levels.

I am not alone in my views, there are quite a few dungeness fishermen in Gustavus, I just wish more would express themselves.

Thank You.



Tom Traibush

Dear fellow crabbers,

We are now faced with the problem of how and/or what to do, if anything, about limited entry. I attended the meeting CFEC held in Juneau in late September. It is clear to me that we must try to find our own solutions, and CFEC is open to and encouraging our suggestions.

I feel it is essential to come up with a plan that is acceptable to, not only us, but CFEC and Fish and Game as well. It is my opinion that both agencies think that there is too much gear on the grounds already. If we choose to go back to "open access" ADF&G will propose and get a pot limit reduction from the Board of Fish. I do not like this option. I'm not against some form of an IFQ program. The problem I see is that ADF&G can't figure out what the quota will be from year to year. They don't get any money for research or biomass studies. It doesn't matter that this isn't right, the fact is the biologists don't get out in the field, and therefore can't come up with a quota. This leaves us with some kind of limited entry.

My ideas are as follows;

A tiered pot system with three tiers, 300 pots, 200 pots, and 100 pots, issued by CFEC on the basis of past history and production. It is quite clear that most of the crabs are caught by a few fishermen. The catch rates vary from year to year but about 20% of the fishermen catch about 75% of the crabs each year. This shows that we have a core group of around 50 individuals. These people own 300 pots. The next group might be people that have just gotten into the fishery. They produce, but don't have the history. Or they may be long time crabbers who just don't produce that much. They get a 200 pot limit. The largest group in the dungie fishery is the group that lands under 10,000 lbs. They receive a 100 pot limit.

History tells us that when limited entry is imposed, effort immediately increases, dramatically. To offset this, the three tiers will all have 100 of their pot limit non-transferable. This will reduce an already capped limit of effort. When a person with a 300 pot limit decides to retire, he/she can sell or transfer only 200 pots. The other 100 pots cease to be allowed in the fishery. Of a 200 pot limit only 100 are transferable and those with 100 pots none may be transferred. This will allow everyone who qualified in the moratorium to fish, while at the same time, not rewarding people who don't put much effort into it. This system basically starts everyone at the same level they are currently at. The full-time crabbers with a history have much more invested than the newcomers of the late 80's and 90's.

(2)

The reduction of pots when transferred may be the single most important aspect of any kind of limited entry we come up with. If we don't have a tiered system of some kind, and give all, approximately 327 qualified entrants, a 300 pot limit, ADF&G, CFEC and the Board of Fish will reduce us to 100 or 150 pot limit. At 150 pots x 327 entrants = 49050 pots. The Dungeness fishery averages 2.8 million lbs. (1982/83 -1991/92 seasons) This averages #57 per/pot x 150 pots = 8550 lbs. Most of us can't support much on this, certainly not a family. You can bet that if we do have a system like this, 95% if not 100% of the permits will wind up fishing a full string! This proposed tiered system starts with a maximum of around 50,000 pots. 50 x 300 pots + 100 x 200 pots + 150 x 100 pots. I seriously doubt that much gear would ever be set. Remember, over 50% of the permits fished land less than 10,000 lbs. In 1993 of 209 permits that landed crab 34 were less than 1000 lbs. 51 less than 5000, and 35 less than 10,000. 120 of 209 don't participate much now. Most of these are people who got in just to have a permit. If they have a 100 pot limit and can't transfer them, most will faze out or acquire more pots. In either case the number of pots allowed in the fishery is reduced. If a guy with 100 pots buys 100 pots from two people, (both have 200 pot limits, of which 100 pots are transferable) 500 maximum total pots, between three people, is reduced to 300. And still only 200 of those are transferable. For round numbers, 50 individuals/300 pots, 100/200 pots, 150/100 pots, will give us 20,000 transferable pots. This means that after one full cycle of transfers, the maximum no. of pots is 35,000 (50 x 200 + 100 x 100 + 150 x 100 = 35,000), with a potential to reduce to 20,000 pots over the long haul. Again, most of the original 150 x 100 pot individuals will faze themselves out. I see this system reducing the effort to 25-30,000 pots in the first few years, and stabilizing around 20,000 pots in 7-10 years.

This approach should satisfy CFEC, along with those who truly have a stake in, and care about the future of the Dungeness fishery. It is CFEC's job and function to approve, adapt, implement, etc. a system that takes into account the past history, level of participation, economic dependency, and investment, (time, money, knowledge etc.) of those qualified for the fishery.

I feel this is a simple, practical, fair, and enforceable solution. As it stands now we don't have much enforcement. We can develop a buoy sticker system that will help, example; A blue triangle for the 100 pot limit entrants, a green circle/200 pot group, and a red square/300 pot group. ADF&G can do this about like the Tanner crab, pot/ring-net stickers. They can also issue a list of the fishermen, their ADF&G number, pot limits and type of sticker to be displayed, to all the participants. This will help the fleet police itself.

(3)

There are many options we can take on this type system. I favor a transferable/ non-transferable, much like the troll fleet, both power and hand troll have transferable / non-transferable permits. Whatever system we opt for, it should best represent the historic producers and keep the integrity of the dungie fleet as it was before the moratorium. I look forward to hearing your ideas and comments.

Thank you,

Tom Traibush  
Box 88  
Gustavus, Ak. 99826

P.S.

I urge you to write CFEC with your views on this. They need to hear from YOU!

CFEC  
8800 Glacier Hiway  
Suite 101  
Juneau, Ak. 99801

**FAX TRANSMISSION**

**To:** Senate Resources Committee

**Fax:** 465-3810

**Date:** 3-9-95

**Message:** 2 page letter to follow

A fishing permit in the State of Alaska, is a privilege to fish. I don't believe one person should be more privileged than another, just because of his level of fishing during a selected couple of years.

The privilege should be equal to all those participating, and in the future, ~~also~~ those who wish to participate.

We need to avoid repeating the malady and inequity constructed by the Federal IFQ program, which benefited and tremendously rewarded so few, and left the majority of the others with very little or nothing. I would hope that the Federal IFQ program would be an example of what to avoid rather than use it as a precedent!

It is my suggestion that those fortunate enough to have qualified for a permit under the moratorium, be given an equal share of the Dept. of Fish and Games recommendation of the optimum amount of pots for the S.E. Pungeness Fishery, and allow a person to purchase and "stack" the permit for a unit of gear, within the individual ceiling. Thereby allowing a person to fish at whatever level he desires, as has been the nature of fishery in the past.

Senate Bill 42 and House Bill 101 00

not address the resource problem, it addresses allowing a select few to participate at maximum historic levels of the past, and eliminating competition and future competition.

The problem that needs to be addressed is pot reduction, for the protection of the resource.

I am very adamantly opposed to the current Senate and House bill or any thing that resembles a resource grab by a few individuals, as happened in the Federal longline fisheries.

Legislation allowing the "stacking" of units of gear in this fishery, along with a Board of Fish and Game measure allowing the Entry commission to adjust the allowable pot limit, to conform to ADF and G recommendation would most benefit the resource, and create a viable and equitable fishery for all of the participants and future participants.

The urgency to develop a plan is well realized by all of us. But, lets not rush into a misdirected program we will regret in the future!

Thank You

Dennis K. Rogers

P.O. Box 542

Petersburg, AK 99833

# FISCAL NOTE

STATE OF ALASKA  
1995 LEGISLATIVE SESSION

BILL NO. HB 107

Revision Date: 1/30/95 Dept. Affected: Fish and Game  
 Title: Relating to limited entry permits BRU: Commercial Fisheries (Limited) Entry Commission  
 Component: Limited Entry Program Administration  
 Sponsor: Rep. Grussendorf  
 Requester: Rep. Grussendorf COMPONENT SERIAL NO. 0471

**Expenditures/Revenues**

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ( )						
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**FUND SOURCE**

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1006 GF/MHTIA						
Other						
<b>TOTAL</b>	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY95) cost: \$ 0.0

**POSITIONS**

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary.)

Prepared By: Roger Kolden Phone: 789-6160  
 Agency: Commercial Fisheries (Limited) Entry Commission Date: 1/30/95

Approved by Commissioner: Frank Homan   
 Agency: Commercial Fisheries (Limited) Entry Commission Date: 1/30/95

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# DEPARTMENT OF FISH AND GAME

## POSITION PAPER

Bill No. HB 107

Sponsor: Representative Grussendorf

Division: Commercial Fisheries Management and Development

Bill Title: Restrictions to Certain Limited Entry Permits

Department Position: Support

Background/Legislative Intent:

This legislation would allow CFEC to restrict the fishing capacity of fisheries entering into a limitation program. Limited entry was originally designed for salmon and herring fisheries where a single unit of gear, such as a seine or gillnet, is used. In crab, groundfish, and many developing fisheries, the unit of gear is variable and fishing capacity of the fleet is a function of vessel size - larger vessels carry more pots, shots of longline, or accommodate more divers. In some fisheries the fishing capacity has continued to increase following limitation due to increases in vessel size and corresponding increases in amount of gear fished. As a result, the biological and management advantages of limitation are significantly diluted.

Analysis of Bill/Program Effects:

Rational management to ensure conservation and maximize reproductive potential of a fish resource depends on: (1) effort levels that allow fisheries to be opened and managed without risk of overfishing; (2) fishing seasons of sufficient length to allow accumulation of adequate fishery performance data to validate preseason guideline harvest levels and assure that overfishing does not occur; and (3) reasonable control of gear to prevent loss. Excessive fishing capacity can lead to shortened seasons and fewer data upon which to make management decisions. Such derby style fisheries place both fishermen and resource at a higher level of risk.

Under this legislation, limitation should serve to set a ceiling on fishing capacity of a fishing fleet. It would enable CFEC to implement a program where limited entry permits would be tied to, for example, a vessel size, pot limit, or Board of Fisheries specified fixed or proportional quantity of gear.

Commissioner's Signature Frank Rue  
Frank Rue, Commissioner

Date 2/27/95

# MEMORANDUM

STATE OF ALASKA  
COMMERCIAL FISHERIES ENTRY COMMISSION

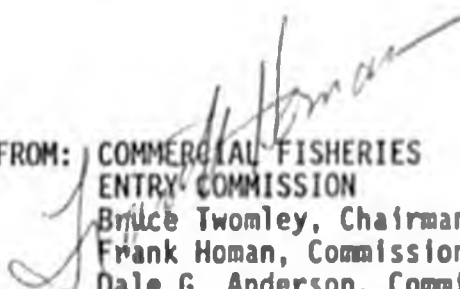
TO: Senator Loren Leman  
Chair  
Senate Resources Committee

DATE: April 19, 1995

FAX NO: 789-6170

TELEPHONE NO: 789-6160

SUBJECT: Position Statement for  
CSHB107(FSH)

  
FROM: COMMERCIAL FISHERIES  
ENTRY COMMISSION  
Bruce Twomley, Chairman  
Frank Homan, Commissioner  
Dale G. Anderson, Commissioner

## CFEC POSITION STATEMENT

CFEC supports CSHB107(FSH). Under Alaska's current limited entry program, CFEC can limit the number of persons (permit holders) in a fishery but does not have the explicit authority to limit the fishing capacity of similarly situated classes of entry permit holders within a fishery. The legislation is forward oriented and only applies to fisheries limited in the future after completion of the public hearing process. It will have no impact on established limited fisheries. This legislation does not alter or limit the powers of the Board of Fisheries to impose additional restrictions of fishing capacity. CSHB 107 would provide CFEC with improved resource conservation tools.

The impetus for this legislation was generated by the Southeast Alaska Dungeness crab fishers after public hearings and research during the current moratorium. The need for immediate action is in the impending expiration of the CFEC moratorium on new entrants into the fishery. By law (AS 16.43.227), this moratorium will expire on January 2, 1996. A majority of participants at the public hearings favored a limited entry program for this fishery. If CFEC does not move to limit the fishery before January 2, 1996 it will return to open access.

The current limited entry program has proven effective in limiting the growth in fishing capacity and effort when administered in salmon and herring fisheries when utilization is already maximized. However, the existing program thwarts the Commission's efforts to achieve effective resource conservation goals in Alaska's fisheries that employ a broad spectrum of vessel size and quantity of gear. Simply limiting the number of participants will fail to contain growth in fishing capacity and effort.

In such fisheries, smaller more part-time operations would tend to sell out to larger more full-time operations after limited entry. For example, this is true of the Southeast Alaska Dungeness crab fishery where many small boat participants currently fish a small number of pots on a part-time basis. This is also true in many of the state's other crab fisheries and state managed groundfish fisheries. By setting the fishing capacity of entry permits roughly at pre-limitation levels, entry limitation would do a better job of resource conservation by controlling the growth of excessive fishing capacity and effort.

This legislation would also help preserve the diverse nature of the fleet in such fisheries and help ensure that some of the entry permits in limited fisheries will be available and more affordable to smaller part-time and entry level operations.

Many of Alaska's valuable fisheries that coastal communities depend on may soon be facing an influx of new fishermen because of recent limitation programs and closures in other jurisdictions. In some of these fisheries, access restrictions may be needed in the near future to help conserve stocks and preserve the benefits of development for Alaska. This legislation would allow limitation programs better designed to fit the diverse nature of Alaska's fisheries.

# Alaska State Legislature

REPRESENTATIVE  
BEN GRUSSENDORF  
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FINANCE COMMITTEE

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House of Representatives

## SPONSOR STATEMENT

### HOUSE BILL 107

"An Act relating to restrictions attached to certain commercial fisheries limited entry permits."

In 1994 the Commercial Fisheries Entry Commission held meetings, at the request of the Southeast Crab Fleet, to come to agreement on a management plan for Dungeness crab. The meetings were held in Juneau, Ketchikan, Sitka, Petersburg, and Wrangell. This bill allows the Commercial Fisheries Entry Commission to implement the consensus reached at those meetings.

This bill does not alter or limit any powers of the Board of Fisheries. Under section 3 of the bill, the Commercial Fisheries Entry Commission is given the authority, if it chooses to exercise it, to implement the tiered pot system that was determined to be the fairest solution to the limited entry problem.

The pot limit must be based on the past participation in the fishery. It has the benefit of limiting the pressure on the resource. The present maximum limit is 300 pots. Since the 1980's catches averaged 2.5 million pounds. Last year dungeness crab was worth \$4.5 million dollars to fishermen in Yakutat, Kodiak and Southeast Alaska. Without establishing the tiered pot limit for entry permits, the effect of limited entry could actually increase the pressure on this valuable economic resource.

HB 107 will allow the Commercial Fisheries Entry Commission to manage a natural resource and to preserve an economically viable industry. I respectfully request your support.

Sponsor Statement

1

**DIVISION OF LEGAL SERVICES  
LEGISLATIVE AFFAIRS AGENCY  
STATE OF ALASKA**

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Mail Stop 3101

130 Seward Street, Suite 409  
Juneau, Alaska 99801-2103

**MEMORANDUM**

February 9, 1995

**SUBJECT:** Sectional Summary of CSHB 107 (FSH); An Act relating to restrictions attached to certain commercial fisheries limited entry permits.

**TO:** Representative Ben Grussendorf

**FROM:** George Utermohle *GU*  
Legislative Counsel

You have requested a sectional summary of CSHB 107 (FSH); An Act relating to restrictions attached to certain commercial fisheries limited entry permits.

As a preliminary matter, note that a sectional summary of a bill is not an authoritative interpretation of the bill. The bill itself is the best statement of its contents.

Section 1 of the bill sets out the findings of the Legislature regarding the need to restrict fishing capacity associated with entry permits in certain fisheries.

Section 2 of the bill amends AS 16.43.150(a) to conform with AS 16.43.270(d), as added by sec. 3 of the bill.

Section 3 of the bill adds a new subsection to AS 16.43.270 in order to authorize the Alaska Commercial Fisheries Entry Commission to restrict the fishing capacity that may be employed under certain kinds of entry permits. The commission determines the manner in which fishing capacity is to be limited. The maximum fishing capacity that may be allowed under an entry permit issued under this provision is based on the past fishing practices of the person who initially receives the permit. The restriction on fishing capacity that is attached to the permit may not be exceeded by the permit holder or the permit holder's transferees. This provision may be applied only to fisheries that are subjected to limited entry after this bill takes effect.

If I may be of further assistance, please advise.

GEM:klb  
95-056.klb

Sectional Analysis

# Alaska State Legislature

REPRESENTATIVE  
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## House of Representatives

### MEMORANDUM

**TO:** Senator Loren Leman  
Chair  
Senate Resources Committee

**FROM:** Representative Ben Grussendorf

**DATE:** April 20, 1995

**RE:** CSHB 107, "An Act relating to restrictions attached to certain commercial fisheries limited entry permits."

HB 107 was introduced in response to concerns expressed by the Southeast Dungeness Crab Association and other southeast crabbers for the management of the dungeness crab fishery. The current 300 pot limit set by the Board of Fisheries allows any limited entry management of the crab fishery to actually increase the number of pots fished.

The only change made in the House Special Committee on Fisheries deleted the sentence on page 2 lines 22-23 of the original bill: "The fishing capacity allowed under an entry permit may not be changed after the permit is issued." The Department of Law suggested the amendment, it only clarifies that nothing in this bill shall limit the powers of the Board of Fisheries. Until this change SB 42, which was introduced by Senator Taylor, and HB 107 were identical bills.

I appreciate your consideration in scheduling a hearing for this bill in your committee.

Thank you.