

HJR

10

FISCAL NOTE

STATE OF ALASKA
2001 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: CSHJR 10(FSH)
(H) Publish Date: 02/14/01

Revision Date/Time (Note if correction): _____ Dept. Affected: _____
Title: Groundfish Fisheries and Steller BRU: _____
Sea Lion Component: _____
Sponsor: House Resources Committee
Requester: Special Committee on Fisheries Component Number: _____

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	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						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2001) cost: 0.0

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

Prepared by: Katrina Matheny Phone 465-4925
Division: Special Committee on Fisheries Aide Date/Time 2/7/01
Approved by: _____ Date _____
Agency: _____

Bill History/Action Display



BILL: HJR 10 SHORT TITLE: GROUND FISH FISHERIES AND STELLER SEA LION
 BILL VERSION:
 SPONSOR(S): RESOURCES
 CURRENT STATUS: (H) RES STATUS DATE: 02/14/01
 HEARING: (H) RES Feb 21 1:00 PM CAPITOL 124

TITLE: Relating to the management of the Bering Sea/Aleutian Islands and Gulf of Alaska groundfish fisheries and the protection and restoration of the Steller sea lion.

Jrn-Date	Jrn-Page	Action
01/31/01	<u>0210</u>	(H) READ THE FIRST TIME - REFERRALS
01/31/01	<u>0210</u>	(H) FSH, RES
02/14/01	<u>0313</u>	(H) FSH RPT CS(FSH) 4DP
02/14/01	<u>0314</u>	(H) DP: DYSON, COGHILL, SCALZI, WILSON
02/14/01	<u>0314</u>	(H) FN1: ZERO(H.FSH)
02/14/01	<u>0314</u>	(H) REFERRED TO RESOURCES

Similar Subject Match or Exact Subject Match

ENVIRONMENTAL CONCERNS

FISH & GAME (FISH)

INTERGOVERNMENTAL RELATIONS

Bill Root:

BASIS HAS BEEN RE-PROGRAMMED THIS YEAR
TO REPORT PROBLEMS WITH BASIS INQUIRY

[Return to Basis Main Menu \(22 Legislature\)](#)

[Return to Legislature Home Page](#)

Alaska State Legislature

Representative Beverly Masek
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Representative Drew Scalzi
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House Resources Committee

February 26, 2001

To: Rep. Pete Kott, Chair
Rules Committee

From: Rep. Drew Scalzi, Co-chair
Resources Committee

A handwritten signature in black ink, appearing to read "D.S.", located to the right of the "From:" line.

Re: HJR-10 Ground Fisheries and Steller sea lion

Rep. Kott, please schedule HJR10 for the House Floor at your earliest convenience.

Thank you.

DH:ps

Alaska State Legislature

Representative Beverly Masck
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House Resources Committee

February 20, 2001

Colonel Glen Godfrey
Commissioner of Public Safety
Box 111200
Juneau, AK 99801

Draft

Dear Colonel Godfrey:

It has been brought to my attention as co-chair of the House Resources Committee that the illegal poaching during the 2000 Southeast commercial salmon seine season was at an all time high in closed areas. Transgressions included stealing at night, setting early and fishing over markers. These transgressions were observed by a number of fishermen who wish to increase enforcement before the 2001 season.

This activity is detrimental to honest fishermen and to the resource, especially late in the season when the majority of the run consists of spawning females.

Consequences include: irreversible biological impact, loss of income to law-abiding fishermen, loss of wild stocks, and negative trickle down effect to canneries and other support services in our SE coastal communities.

Although fishermen have told us that they are willing to pay a small assessment to fund increased enforcement, the presence of enforcement at times throughout the season should not create a fiscal impact. It will, however, be an important detriment to illegal fishing activities.

We ask that you please look into this problem with Fish and Game enforcement and area managers for solutions before this year's season begins. I would be happy to discuss this matter ~~with~~ further with you. Alber Hofstad, a long-time Petersburg fisherman, at 772-3880 is representing area fishermen and is an excellent contact for you.

Colonel Glen Godfrey

Page Two

Sincerely,

Drew Scalzi, Co-Chair
House Resources Committee

Bev Masek, Co-Chair
House Resources Committee

Gary Stevens, Co-Chair
House Fisheries Committee

Peggy Wilson, Co-Chair
House Fisheries Committee

DS:ps

cc: Brian Porter, Speaker, House of Representatives
Frank Rue, Commissioner, Fish and Game

Alaska State Legislature

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House Resources Committee

AGENDA February 21, 2001

Call to Order

Roll Call

Bills to be Heard

- | | |
|-------|---|
| HJR10 | Groundfish fisheries & Steller sea lion |
| HB 63 | Electronic Fish and Game licensure |

Other Business

Upcoming Meetings

Monday, February 26, 1 PM – Res. 124

Prof. Gunter Weller, Center for Global Change, International Arctic Research Center, UAF, "Affects of global warming on Alaska's fisheries, forests, agriculture, marine ecosystems, transportation systems and subsistence livelihood.

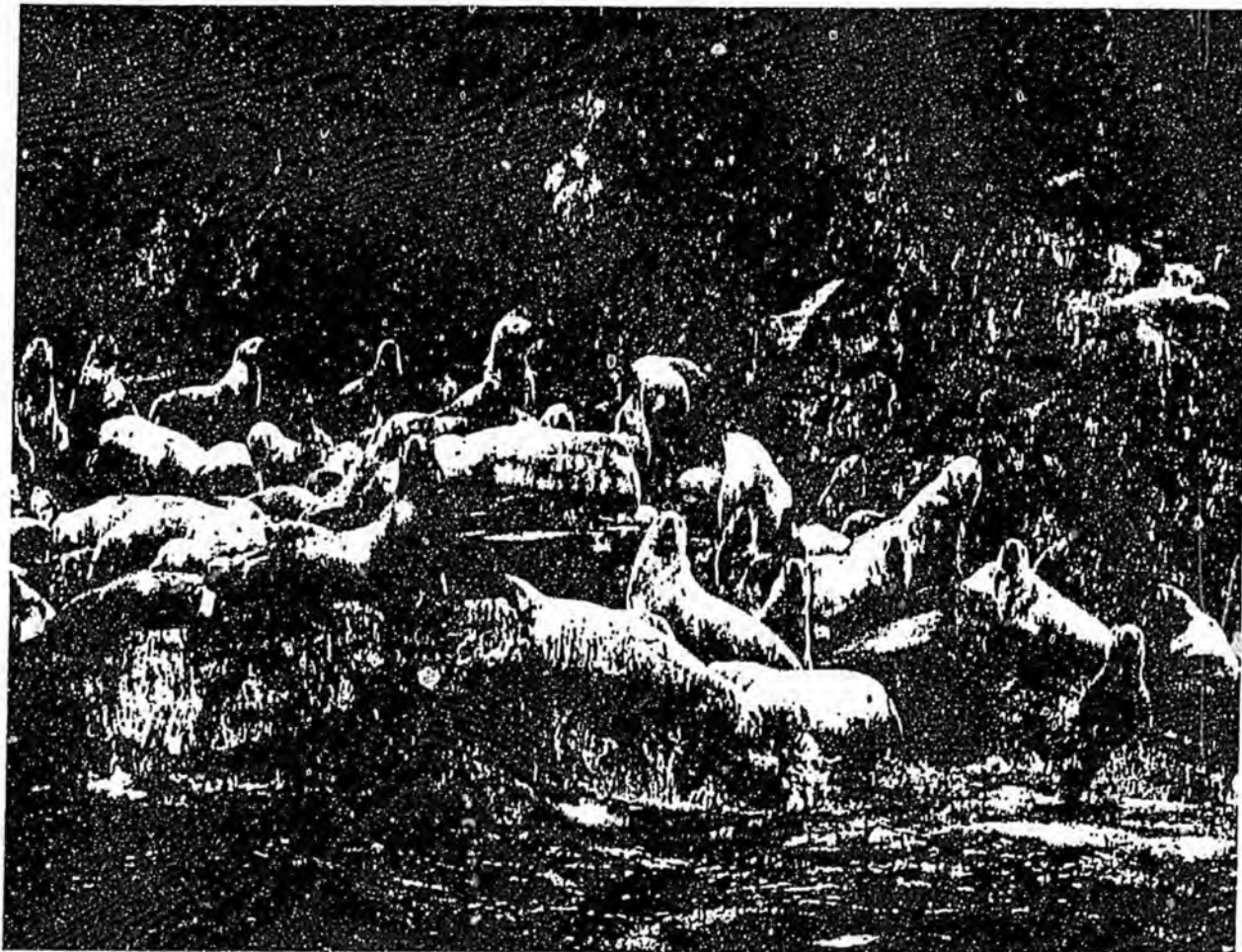
Calissta Corporation and Placer Dome Corporation; Donlin Creek Regional Infrastructure Issues Update

Adjourn

THE
FOLLOWING
DOCUMENT(S)
ARE
POOR
ORIGINAL
COPIES

FY01 Steller sea lion-Groundfish Budget

\$43.15 million



Studies Identified in Steven's Rider

- Available prey
- Predator/prey
- Predation by other marine mammals
- Fishery-SSL interactions
- Regime shift
- Disease
- Survival rates

- Population counts
- Nutritional stress
- Foreign harvests
- Residual impacts of former eradication programs
- Intentional lethal takes
- Non-lethal measures to protect SSL from predators

“Endowed Organizations”

<i>Organization</i>	<i>Funding Level in FY01</i>
NMFS	\$7.85 million
Alaska SeaLife Center	\$6.0 million
ADFG	\$2.5 million
Univ. of Alaska	\$1.0 million
NPUMMRC	\$0.8 million
OAR/PMEL	\$6.0 million
NOS	\$2.0 million
NPFMC	\$2.0 million
Commerce	\$15.0 million
Total	\$43.15 million

National Marine Fisheries Service

FY01 Budget-\$7.85 million

Study (<i>Preliminary</i>)	Cost (000s)
Localized depletion (cod, pollock, Atka mackerel)	1600
Satellite tagging SSL	400
Food habits/foraging behavior	350
Forage fish assessment	550
Regime shift- AI passes (with PMEL)	400
Implement Recovery Plan	2300
Predation studies	750
AKR Management Activities	1500

Alaska SeaLife Center FY01 Budget-\$6 million

Study (<i>Preliminary</i>)	Cost (000s)
Feeding behavior	1000
Remote monitoring/branding	1500
Collection of pups-short term hold	1500
Endocrine and immune function	300
Chiswell Island prey study	500
Chiswell Island predation study	200
Disease and reproductive biology	500
Instrumentation (e.g., implants)	500

Alaska Dept. of Fish and Game

FY01 Budget- \$2.5 million

Study (<i>Preliminary</i>)	Cost (000s)
SSL body condition and life history	2000
Estimation of vital rates	300
Model response to incidental take	150
Survey of blood borne diseases	25
Measurement of contaminants	25

University of Alaska

FY01 Budget- \$1 million

Study (<i>Preliminary</i>)	Cost (000s)
Seasonal diets of SSL at Kodiak	200
Prey availability at Kodiak	300
Prey quality at Kodiak	100
Diet of SSL competitors	200
Killer whale/shark diets at Kodiak	200

North Pacific Universities Marine
Mammal Research Consortium
FY01 Budget- \$0.8 million

Study (<i>Preliminary</i>)	Cost (000s)
Bioenergetics of SSL	250
Bias in scat analysis	35
Telemetry (implants)	40
Amack food quality/SE scat collection	24
Bioenergetic modeling/timing of molt	31
KW predation model/subs. Harvest	120
Diet in Oregon/WA/forage fish abund.	22
SSL vital rates and condition indices ?	120

North Pacific Fisheries
Management Council
FY01 Budget- \$2 million

Study (<i>Preliminary</i>)	Cost (000s)
NAS Independent review	700
Management and legal compliance	1300

Oceanic and Atmospheric Research

FY01 Budget- \$6 million

Study (<i>Preliminary</i>)	Cost (000s)
Analysis of existing environmental data	500
2-yr field study and modeling-combination of PMEL and RFP (CIFAR)	5000
Coordination, communication, outreach	500

National Ocean Survey

FY01 Budget- \$2 million

Study (<i>Preliminary</i>)	Cost (000s)
Competitive process for directed research on predator/prey relationships (CIFAR)	2000

Dept. of Commerce
FY01 Budget- \$15 million

Study (<i>Preliminary</i>)	Cost (000s)
Competitive process for directed research on predator/prey relationships	15,000

% of Funds in FY01 Budget to inhouse
research, contracts, management and reviews
\$43.15 million

- 36% in-house research
- 56% contractual studies (research determined by competitive process)
- 6% management related to ESA/NEPA
- 2% external reviews
- Possible Problem- FY02 budget currently has \$7-10 million assigned to SSL-groundfish research and management
- Possible Problem- Contractual studies may not provide information in time for October 2001 review

This Edition Sponsored by: Pacific Seafood Processors Association

Resource Review

October 2000

A periodic publication of the Resource Development Council, Inc.



"Fishermen, fish processing plants and communities from Cordova to Dutch Harbor have survived and thrived despite earthquakes, volcanic eruptions, tsunamis, freezing spray and fluctuations in fish and shellfish abundance. The question now is can the communities from Cordova to Dutch Harbor survive the Endangered Species Act or will once thriving communities become ghost towns?"

Sea lion restrictions cripple fishing industry, coastal communities

By Chris Blackburn
Alaska Fish Data Bank

When the third quarterly pollock fishery in the Gulf of Alaska opened August 20, more than half the fleet stayed tied to the dock. Out of the 41 vessels that make up the Kodiak pollock fleet, 15 vessels stayed at the dock. Of the 52 vessels in the Sandpoint area

fleet, 35 stayed at the dock. The tie-up was not due to price, but to safety considerations.

The vessels that remained at the dock had been displaced from their fishing areas near shore by Ninth Circuit Judge Thomas E. Zilly who, on July 19, issued an interim injunction effective August 8 which prohibited trawling within 20 nautical miles (NM) of the shore



Many local residents in Kodiak have hard feelings toward environmental groups pressing for an end to trawling in Steller sea lion critical habitat areas.

under the authority of the Endangered Species Act (ESA).

The Gulf of Alaska trawl fleet is mainly composed of vessels less than 60 to 100 feet in length – vessels designed to fish near shore. To venture 20 NM out is exceedingly dangerous.

The vessels that did try to fish the third pollock season found little pollock outside the 20 NM barrier and actually spent more money looking for pollock than the value of the small amounts of pollock they were able to find.

It is the 30-year decline of Steller sea lions in the Central and Western Gulf and Bering Sea/Aleutians that has brought the ugly realities of the ESA to the Alaska fishing industry. Between 1976 and 2000, the Western Area Steller sea lion population has declined from 120,000 animals to 25,000 animals.

According to National Marine Fish-
(Continued to page 4)

Impacts of trawling ban in critical habitat areas

- The ban on bottom fishing could reduce the tax base for local communities by as much as 60 to 70 percent.
- The fishing industry stands to lose well in excess of \$100 million annually from prohibitions on trawling in Steller sea lion critical habitat areas.
- Fishermen will face substantially higher risk factors as the ban forces their smaller boats further off shore into dangerous seas.
- The economic base of coastal communities depend heavily on fish. Revenues from fishing funds schools, hospitals, roads, and local merchants.
- The area closed to trawling is currently at least 50,000 square miles of near-shore ocean from St. Elias to Attu, a distance of 2,000 miles. The distance from the Canadian border to Key West, Florida is 1,800 miles.

Steller sea lion debate rages, judge's decision approaching

(Continued from page 1)

eries Service (NMFS), the number of Steller sea lions declined at a steep rate from 1976 to 1988. By 1988 there were only 40,000 animals remaining. Since 1988 the rate of decline has slowed. It could be said that the situation for sea lions is improving, but this is not how NMFS Protected Resources Division views the picture nor that allowed under the ESA.

Little attention was paid to the Steller sea lion decline until 1990 when sea lions were listed as threatened under ESA. The Alaska Sea Grant Program held a meeting in Anchorage to discuss measures to help sea lion recovery. Prohibiting the shooting of Steller sea lions was agreed to by all fishermen. Beyond a ban on shooting, no one had any ideas to help Stellers because the cause of the decline had not been identified — nor has it been to this day.

The threatened listing in 1990 gave Greenpeace an opportunity to sue NMFS in an effort to reduce the Gulf of Alaska pollock quota. The Gulf communities intervened, as did the State of Alaska under Governor Wally Hickey. The Judge ruled in favor of the

interveners. The Judge also admonished NMFS for failing to update its Supplemental Environmental Impact Statement (SEIS). Despite the admonishment, NMFS failed to update the SEIS.

That failure, in the face of continued declines in the Steller sea lion population, left the door open for the current lawsuit filed by Greenpeace, American Oceans Campaign and Sierra Club.

Updating the SEIS is a long process which the agency is trying to do in a few months. Judge Zilly has turned down the biological opinions submitted so far. The judge has made it clear that he wants a document that explains how all the Alaskan fisheries fit together in the areas of Steller sea lion decline — a request which science may not be able to fulfill due to lack of knowledge.

In the early days of Steller sea lion research, blood samples indicated "nutritional stress" which was translated by marine mammal biologists as meaning sea lions were not able to find enough food. Industry has offered its opinion that rather than not enough food it was more likely that some dietary

elements may have disappeared during the 1975 regime shift during which crab and shrimp vanished in the Gulf of Alaska and Bering Sea while pollock and Pacific cod increased dramatically.

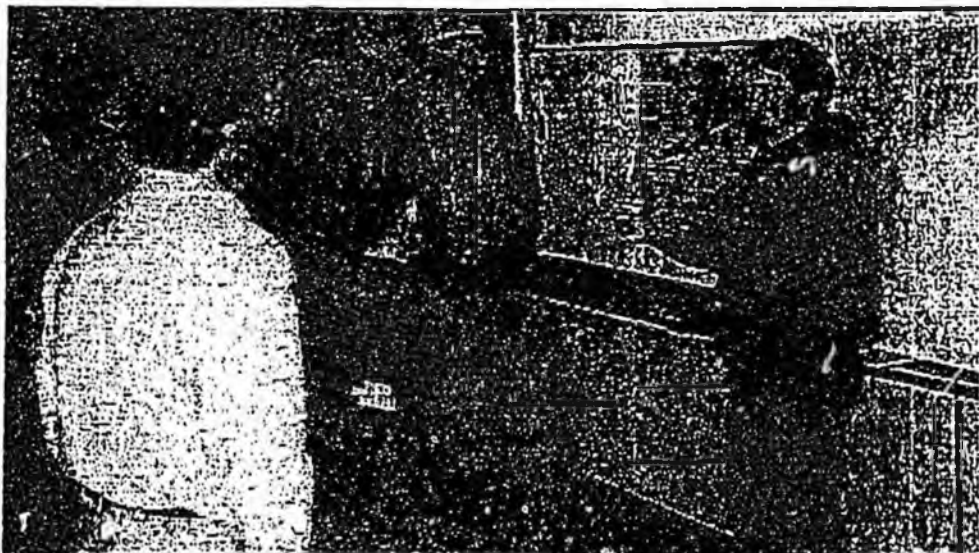
Currently pups leave the rookeries fat and healthy. In fact, according to NMFS, the pups born in areas of sea lion decline are leaving their rookery fatter than the pups born in Southeast Alaska where sea lions are increasing.

There are several hypotheses that could explain the sea lion declines, including the possibility that pollock have overrun the ecosystem or that the decline of fatty fish during the regime shift caused nutritional stress, or that the decline of the ocean productivity is low enough that there is not enough food to sustain the number of Steller sea lions seen in 1996 or that the million metric tons (MT) of arrowtooth flounder biomass in the Gulf whose diet is 90% pollock is out competing sea lions. However, the ESA does not simply wait for nature. The ESA requires action and the only action which can be taken is managing people since nature is unmanageable.

Right or wrong, the only hypotheses available in an ESA action is one that fingers human actions. The Protected Resources Division hypothesis is that fishing is competing with sea lions and depriving them of food. Based on the food competition theory, mitigation measures closing areas to fishing could make sense until it is pointed out that the fish taken by the industry represent 10-20% of the biomass, leaving 80-90% of the fish for sea lions, but the untested conjecture that fishing competes with sea lions is NMFS position.

Judge Zilly is tasked with the role of approving management measures which will, with certainty, reverse the decline of Steller sea lions as required by the ESA. Unfortunately there are no clear, certain answers. Frustrated with NMFS inability to deliver an adequate

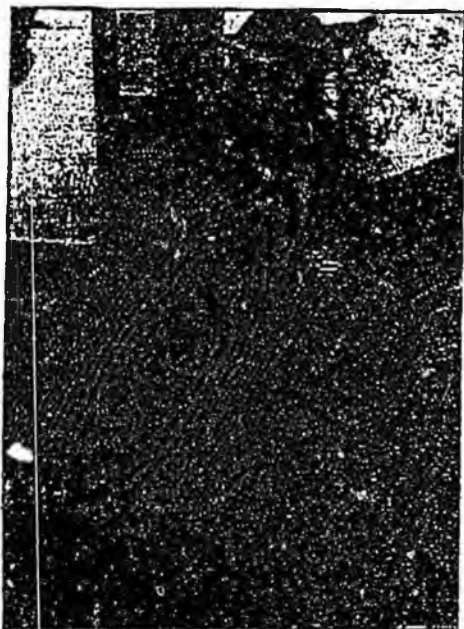
(Continued to page 5)



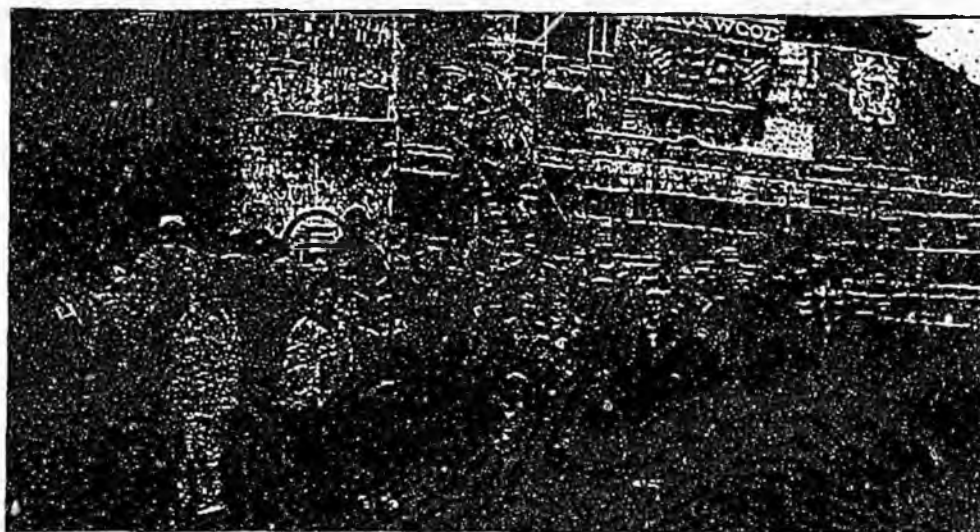
Matt Moir of Alaska Pacific Seafoods briefs RDC board members last month in Kodiak on the Steller Sea Lion Issue. Moir noted that the Kodiak fleet and local processing plants employing hundreds of local residents have been severely impacted by the ban on trawling.

RDC Board visits Kodiak

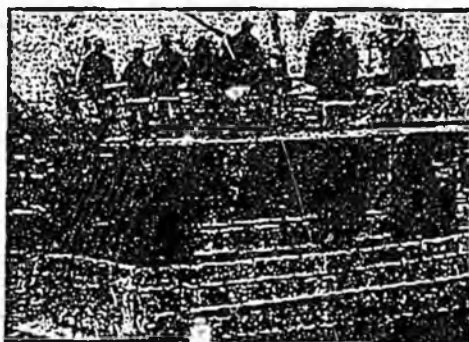
*Community Outreach
September 2000*



Anchorage Mayor George Wuerch watches Kodiak Harbormaster Marty Owen navigate his vessel "The Sea Breeze" along Kodiak's waterfront.



RDC board members pose before the U.S. Coast Guard Cutter Ironwood. The RDC board toured the U.S. Coast Guard base at Kodiak. The base is the largest Coast Guard facility in the U.S.



RDC board members were treated to a waterfront tour of Kodiak's port by Harbormaster Marty Owen.



John Lucas describes the wine-making process at his Kodiak winery.

Steller Sea lion protection measures draw fire in Kodiak

Continued from page 4)



RDC Board member Al Burch of the Alaska Driggers Association leads an RDC delegation to the fleet's docks in Kodiak.

biological opinion as required by the ESA, Judge Zilly granted the plaintiffs' interim injunction which banned trawling within the critical sea lion habitat defined as the 20 NM from the shore. The interim injunction remains in effect until NMFS produces a satisfactory biological opinion. The opinion is due October 31. And no one knows how long the Judge will take to make his decision.

Meanwhile, many boats in the Gulf of Alaska will remain at the dock when the D season pollock fishery opens October 1 rather than risk fishing more than 20 NM from shore. When the boats can't fish or cannot find fish, there will be no work for processing workers, many of which are year-round residents of their communities.

The economic base for Alaska coastal communities is fish. When the pollock C season opened August 20,

there was 23,000 MT of pollock quota available. Because most of the pollock biomass was within the 20 NM critical habitat, the boats that did fish were only able to catch 9,620 MT before the season closed. The 13,413 MT left in the water was worth \$2,217,169 ex-vessel. Also lost was the severance tax and raw fish tax which is a significant part of a coastal community's income base.

Fishermen, fish processing plants and communities from Cordova to Dutch Harbor have survived and thrived despite earthquakes, volcanic eruptions, tsunamis, freezing spray and fluctuations in fish and shellfish abundance. The question now is can the communities from Cordova to Dutch Harbor survive the Endangered Species Act or will once thriving communities become ghost towns?



ALASKA STATE LEGISLATURE

REPRESENTATIVE DREW SCALZI
State Capitol, Juneau
Alaska 99801-1182

OFFICIAL BUSINESS

(907) 465-2689; (800) 665-2689
Fax: (907) 465-3472

Email: Representative_Drew_Scalzi@legis.state.ak.us

HJR:10 Sponsor Statement

Relating to the management of the Bering Sea/Aleutian Islands and Gulf of Alaska groundfisheries and the protection and restoration of the Steller sea lion.

The sharp decline of the Western Area Steller sea lion population from 120,000 to 25,000 animals in the past 30 years prompted a U.S. District Court Judge to impose a groundfish trawl ban on Alaska's coastal waters effective August 2000. The judge stated that the National Marine Fisheries Service (NMFS) violated the Endangered Species Act (ESA) by failing to write an adequate biological opinion for protection of the declining sea lion population. The ban dry-docked fishing fleets from waters within 20 nautical miles of sea lion breeding and resting areas, encompassing approximately 100,000 square miles of prime fishing waters in the Bering Sea and Gulf of Alaska from Prince William Sound to the Aleutian Islands.

Thanks to the direct efforts of Senator Ted Stevens, the August measures were suspended through 2001 and forty-four million federal dollars were allocated to review the biological opinion released by NMFS in November, 2000. Many industry and government experts feel the opinion lacks adequate scientific basis for such restrictions. The North Pacific Fisheries Management Council and the National Academy of Sciences will conduct an independent scientific review of the NMFS biological opinion. Additionally the governor has formed a Steller Sea Lion Restoration Team to assess factors affecting the decline of the species and the need for fishery restrictions.

According to Senator Stevens, the impacts of a ban on this fishery are far-reaching:

- \$1 billion pollack and cod fishery at risk (1,000 boats)
- \$500-800 million dollar impact on fishing industry
- one-half billion dollar impact on the entire state's economy
- commercial fishing loan industry will lose billions of dollars
- lost tax base will make ghost towns in Western Alaska
- Native Alaskan development programs lose \$50 million/year; thousands of Native jobs lost
- social impacts on communities include unemployment and related domestic problems; loss of community infrastructure employment, i.e., teachers, police officers, government officials
- national trade deficit raised by \$250 million

Supporting Senator Stevens' measure to temporarily postpone fishery restrictions until the NMFS biological opinion can be scientifically-reviewed means biology-based management decisions can be implemented for both the protection of the Steller sea lion and Alaska's important trawl fishery.



UNITED FISHERMEN OF ALASKA

February 14, 2001

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(907) 586-2820
(907) 463-2545 Fax
E-Mail: ufa@ufa-fisi.org
www.ufa-fish.org

Representative Drew Scalzi
Interdepartmental Mail Stop 3100
State Capitol,
Juneau, AK 99801

Dear Representative Scalzi,

United Fishermen of Alaska supports HJR10. The management of groundfish fisheries in relation to the Stellar Sea Lion is one of the most important economic issues for the commercial fisheries and communities from the Bering Sea to Prince William Sound.

United Fishermen of Alaska would like to thank you as the sponsor for bringing forward this very important resolution, for the benefit of affected communities and the State of Alaska.

Sincerely,

Tom Gemmell
Executive Director

MEMBER ORGANIZATIONS

Alaska Longline Fishermen's Association • Alaska Trollers Association • At-sea Processors Association • Concerned Area 'M' Fishermen
Cook Inlet Aquaculture Association • Copper River Salmon Producers Association • Cordova District Fishermen United
Kenai Peninsula Fishermen's Association • Kodiak Regional Aquaculture Association • Kodiak Seiners Association • North Pacific Fisheries Association
Northern Southeast Regional Aquaculture Association • Northwest Sotnetters Association • Old Harbor Fishermans Association • Petersburg Vessel Owners Association
Prince William Sound Aquaculture Corporation • Purse Seine Vessel Owners Association • Seafood Producers Cooperative
Southeast Alaska Seiners Association • Southern Southeast Regional Aquaculture Association
United Cook Inlet Drift Association • United Salmon Association • United Southeast Alaska Gillnetters



Alaska Fisheries Development Foundation, Inc.

February 8, 2001

Members
Alaska State House of Representatives
House Resources Committee
Juneau, Alaska

Dear Committee Members:

With this letter the Alaska Fisheries Development Foundation is going on record in support of passage of House Joint Resolution No. 10 relating to the management of the Bering Sea/Aleutian Islands and Gulf of Alaska groundfish fisheries and the protection and restoration of the Steller Sea Lion.

While the ongoing shift in population numbers of Steller Sea Lions merits concern, attention and, ultimately, action, it is very important to base regulatory decision making on sound science.

The current Federal approach is clearly being driven legal and political pressure, rather than a well-documented scientific assessment of the ecosystem. In the long run, management actions taken for other than scientific purposes will result in a complete loss of credibility for the regulatory process. If that regulatory process is perceived to be corrupt, the public will not support it and the "Failure of the Commons" is inevitable.

AFDF was chartered over twenty years ago to lead development of Alaska's underutilized seafood resources. Much of our early work was focused on bringing the groundfish industry into being. It would be tragic if all that has been built around Alaska's groundfish abundance was to fail for such a faulty premise.

Sincerely,

A handwritten signature in black ink, appearing to be "MSJ", written over a white background.

Marc S. Jones
Executive Director, Alaska Fisheries Development Foundation



Resource Development Council for Alaska, Inc.

121 W. Fireweed Lane, Suite 250, Anchorage, AK 99503
Phone (907) 276-0700 Fax (907) 276-3887
e-mail resources@akrdc.org http://www.akrdc.org

Founded 1975

Executive Director
Thaddets J. Owens

2000-2001 Executive Committee:

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Charles W. Johnson, Sr. Vice President
Mark Hanley, Vice President
Uwe L. Gross, Secretary
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Congressman Don Young

Governor Tony Knowles

February 8, 2001

Representative Drew Scalzi
State Capitol, Room 13
Juneau, AK 99801-1182

Re: HJR 10, Groundfish Fisheries and Steller Sea Lion

Dear Representative Scalzi:

The Resource Development Council for Alaska, Inc., (RDC) is writing to express its strong support for HJR 10.

RDC is a statewide organization made up of all resource sectors, business associations, labor unions, Native corporations, tourism providers, local governments and thousands of individuals. RDC's purpose is to expand the state's economic base through the responsible development of our natural resources.

RDC supports the economies of local Alaskan communities which are dependent on the groundfish fishery. To this end, RDC endorses HJR 10, which supports the independent scientific review of the November 30, 2000 biological opinion for the Bering Sea/Aleutian Islands and Gulf of Alaska groundfish fisheries. RDC also applauds Senator Stevens' legislation which delays implementation of the alternatives contained in the biological opinion until the independent scientific review is complete.

Thank you for introducing HJR 10. You have RDC's full support.

Sincerely,

Tadd Owens
Executive Director



ALASKA STATE LEGISLATURE

REPRESENTATIVE DREW SCALZI
State Capitol, Juneau
Alaska 99801-1182

OFFICIAL BUSINESS

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HJR:10 Sponsor Statement

Relating to the management of the Bering Sea/Aleutian Islands and Gulf of Alaska ground-fisheries and the protection and restoration of the Steller sea lion.

The sharp decline of the Western Area Steller sea lion population from 120,000 to 25,000 animals in the past 30 years prompted a U.S. District Court Judge to impose a groundfish trawl ban on Alaska's coastal waters effective August 2000. The judge stated that the National Marine Fisheries Service (NMFS) violated the Endangered Species Act (ESA) by failing to write an adequate biological opinion for protection of the declining sea lion population. The ban dry-docked fishing fleets from waters within 20 nautical miles of sea lion breeding and resting areas, encompassing approximately 100,000 square miles of prime fishing waters in the Bering Sea and Gulf of Alaska from Prince William Sound to the Aleutian Islands.

Thanks to the direct efforts of Senator Ted Stevens, the August measures were suspended through 2001 and forty-four million federal dollars were allocated to review the biological opinion released by NMFS in November, 2000. Many industry and government experts feel the opinion lacks adequate scientific basis for such restrictions. The North Pacific Fisheries Management Council and the National Academy of Sciences will conduct an independent scientific review of the NMFS biological opinion. Additionally the governor has formed a Steller Sea Lion Restoration Team to assess factors affecting the decline of the species and the need for fishery restrictions.

According to Senator Stevens, the impacts of a ban on this fishery are far-reaching:

- \$1 billion pollack and cod fishery at risk (1,000 boats)
- \$500-800 million dollar impact on fishing industry
- one-half billion dollar impact on the entire state's economy
- commercial fishing loan industry will lose billions of dollars
- lost tax base will make ghost towns in Western Alaska
- Native Alaskan development programs lose \$50 million/year; thousands of Native jobs lost
- social impacts on communities include unemployment and related domestic problems; loss of community infrastructure employment, i.e., teachers, police officers, government officials
- national trade deficit raised by \$250 million

Supporting Senator Stevens' measure to temporarily postpone fishery restrictions until the NMFS biological opinion can be scientifically-reviewed means biology-based management decisions can be implemented for both the protection of the Steller sea lion and Alaska's important trawl fishery.



UNITED FISHERMEN OF ALASKA

February 14, 2001

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Representative Drew Scalzi
Interdepartmental Mail Stop 3100
State Capitol,
Juneau, AK 99801

Dear Representative Scalzi,

United Fishermen of Alaska supports HJR10. The management of groundfish fisheries in relation to the Stellar Sea Lion is one of the most important economic issues for the commercial fisheries and communities from the Bering Sea to Prince William Sound.

United Fishermen of Alaska would like to thank you as the sponsor for bringing forward this very important resolution, for the benefit of affected communities and the State of Alaska.

Sincerely,

Tom Gemmell
Executive Director

MEMBER ORGANIZATIONS

Alaska Longline Fishermen's Association • Alaska Trollers Association • At-sea Processors Assn
Cook Inlet Aquaculture Association • Copper River Salmon Producers Association • Cc
Kenai Peninsula Fishermen's Association • Kodiak Regional Aquaculture Association • Kodiak Seiners /
Northern Southeast Regional Aquaculture Association • Northwest Setnetters Association • Old Harbor Fisherm
Prince William Sound Aquaculture Corporation • Purse Seine Vessel Owners Association
Southeast Alaska Seiners Association • Southern Southeast Regional Aqu
United Cook Inlet Drift Association • United Salmon Association • United Sout

SUPPORTING DOCUMENTATION



Alaska Fisheries Development Foundation, Inc.

February 8, 2001

Members

Alaska State House of Representatives
House Resources Committee
Juneau, Alaska

Dear Committee Members:

With this letter the Alaska Fisheries Development Foundation is going on record in support of passage of House Joint Resolution No. 10 relating to the management of the Bering Sea/Aleutian Islands and Gulf of Alaska groundfish fisheries and the protection and restoration of the Steller Sea Lion.

While the ongoing shift in population numbers of Steller Sea Lions merits concern, attention and, ultimately, action, it is very important to base regulatory decision making on sound science.

The current Federal approach is clearly being driven legal and political pressure, rather than a well-documented scientific assessment of the ecosystem. In the long run, management actions taken for other than scientific purposes will result in a complete loss of credibility for the regulatory process. If that regulatory process is perceived to be corrupt, the public will not support it and the "Failure of the Commons" is inevitable.

AFDF was chartered over twenty years ago to lead development of Alaska's underutilized seafood resources. Much of our early work was focused on bringing the groundfish industry into being. It would be tragic if all that has been built around Alaska's groundfish abundance was to fail for such a faulty premise.

Sincerely,

Marc S. Jones
Executive Director, Alaska Fisheries Development Foundation



Resource Development Council for Alaska, Inc.

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February 8, 2001

Representative Drew Scalzi
State Capitol, Room 13
Juneau, AK 99801-1182

Re: HJR 10, Groundfish Fisheries and Steller Sea Lion

Dear Representative Scalzi:

The Resource Development Council for Alaska, Inc., (RDC) is writing to express its strong support for HJR 10.

RDC is a statewide organization made up of all resource sectors, business associations, labor unions, Native corporations, tourism providers, local governments and thousands of individuals. RDC's purpose is to expand the state's economic base through the responsible development of our natural resources.

RDC supports the economies of local Alaskan communities which are dependent on the groundfish fishery. To this end, RDC endorses HJR 10, which supports the independent scientific review of the November 30, 2000 biological opinion for the Bering Sea/Aleutian Islands and Gulf of Alaska groundfish fisheries. RDC also applauds Senator Stevens' legislation which delays implementation of the alternatives contained in the biological opinion until the independent scientific review is complete.

Thank you for introducing HJR 10. You have RDC's full support.

Sincerely,

Tadd Owens
Executive Director

This Edition Sponsored by: Pacific Seafood Processors Association

Resource Review

September 2000

A periodic publication of the Resource Development Council, Inc.



"Fishermen, fish processing plants and communities from Cordova to Dutch Harbor have survived and thrived despite earthquakes, volcanic eruptions, tsunamis, freezing spray and fluctuations in fish and shellfish abundance. The question now is can the communities from Cordova to Dutch Harbor survive the Endangered Species Act or will once thriving communities become ghost towns?"

Sea lion restrictions cripple fishing industry, coastal communities

By Chris Blackburn
Alaska Fish Data Bank

When the third quarterly pollock fishery in the Gulf of Alaska opened August 20, more than half the fleet stayed tied to the dock. Out of the 41 vessels that make up the Kodiak pollock fleet, 15 vessels stayed at the dock. Of the 52 vessels in the Sandpoint area

fleet, 35 stayed at the dock. The tie-up was not due to price, but to safety considerations.

The vessels that remained at the dock had been displaced from their fishing areas near shore by Ninth Circuit Judge Thomas E. Zilly who, on July 19, issued an interim injunction effective August 6 which prohibited trawling within 20 nautical miles (NM) of the shore

Impacts of trawling ban in critical habitat areas

- The ban on bottom fishing could reduce the tax base for local communities by as much as 60 to 70 percent.
- The fishing industry stands to lose well in excess of \$100 million annually from prohibitions on trawling in Steller sea lion critical habitat areas.
- Fishermen will face substantially higher risk factors as the ban forces their smaller boats further off shore into dangerous seas.
- The economic base of coastal communities depend heavily on fish. Revenues from fishing funds schools, hospitals, roads, and local merchants.
- The area closed to trawling is currently at least 50,000 square miles of near-shore ocean from St. Elias to Attu, a distance of 2,000 miles. The distance from the Canadian border to Key West, Florida is 1,800 miles.



Many local residents in Kodiak have hard feelings toward environmental groups pressing for an end to trawling in Steller sea lion critical habitat areas.

under the authority of the Endangered Species Act (ESA).

The Gulf of Alaska trawl fleet is mainly composed of vessels less than 60 to 100 feet in length – vessels designed to fish near shore. To venture 20 NM out is exceedingly dangerous.

The vessels that did try to fish the third pollock season found little pollock outside the 20 NM barrier and actually spent more money looking for pollock than the value of the small amounts of pollock they were able to find.

It is the 30-year decline of Steller sea lions in the Central and Western Gulf and Bering Sea/Aleutians that has brought the ugly realities of the ESA to the Alaska fishing industry. Between 1976 and 2000, the Western Area Steller sea lion population has declined from 120,000 animals to 25,000 animals.

According to National Marine Fish-
(Continued to page 4)

Steller sea lion debate rages, judge's decision approaching

(Continued from page 1)

eries Service (NMFS), the number of Steller sea lions declined at a steep rate from 1976 to 1988. By 1988 there were only 40,000 animals remaining. Since 1988 the rate of decline has slowed. It could be said that the situation for sea lions is improving, but this is not how NMFS Protected Resources Division views the picture nor that allowed under the ESA.

Little attention was paid to the Steller sea lion decline until 1990 when sea lions were listed as threatened under ESA. The Alaska Sea Grant Program held a meeting in Anchorage to discuss measures to help sea lion recovery. Prohibiting the shooting of Steller sea lions was agreed to by all fishermen. Beyond a ban on shooting, no one had any ideas to help Stellers because the cause of the decline had not been identified – nor has it been to this day.

The threatened listing in 1990 gave Greenpeace an opportunity to sue NMFS in an effort to reduce the Gulf of Alaska pollock quota. The Gulf communities intervened, as did the State of Alaska under Governor Wally Hickel. The Judge ruled in favor of the

interveners. The Judge also admonished NMFS for failing to update its Supplemental Environmental Impact Statement (SEIS). Despite the admonishment, NMFS failed to update the SEIS.

That failure, in the face of continued declines in the Steller sea lion population, left the door open for the current lawsuit filed by Greenpeace, American Oceans Campaign and Sierra Club.

Updating the SEIS is a long process which the agency is trying to do in a few months. Judge Zilly has turned down the biological opinions submitted so far. The judge has made it clear that he wants a document that explains how all the Alaskan fisheries fit together in the areas of Steller sea lion decline – a request which science may not be able to fulfill due to lack of knowledge.

In the early days of Steller sea lion research, blood samples indicated "nutritional stress" which was translated by marine mammal biologists as meaning sea lions were not able to find enough food. Industry has offered its opinion that rather than not enough food it was more likely that some dietary

elements may have disappeared during the 1975 regime shift during which crab and shrimp vanished in the Gulf of Alaska and Bering Sea while pollock and Pacific cod increased dramatically.

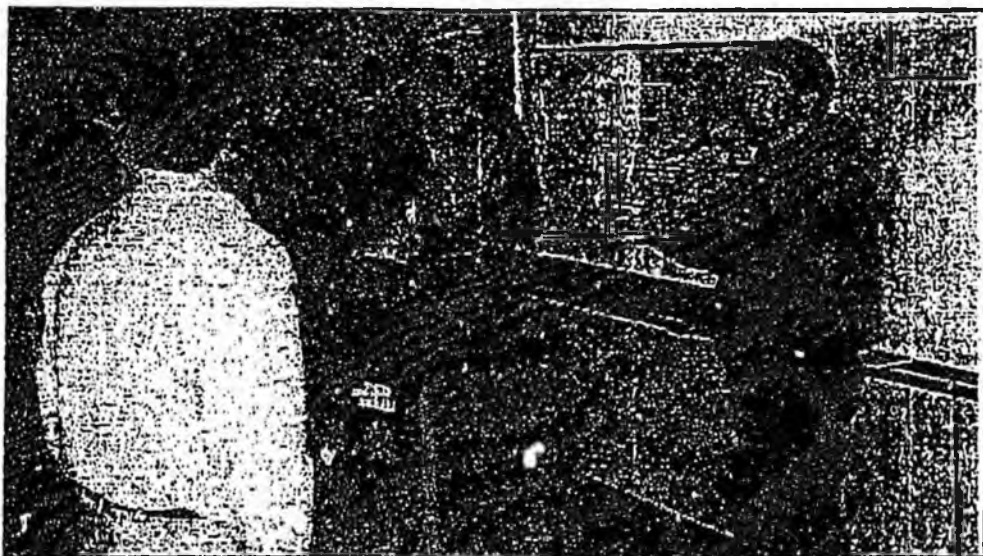
Currently pups leave the rookeries fat and healthy. In fact, according to NMFS, the pups born in areas of sea lion decline are leaving their rookery fatter than the pups born in Southeast Alaska where sea lions are increasing.

There are several hypotheses that could explain the sea lion declines, including the possibility that pollock have overrun the ecosystem or that the decline of fatty fish during the regime shift caused nutritional stress, or that the decline of the ocean productivity is low enough that there is not enough food to sustain the number of Steller sea lions seen in 1996 or that the million metric tons (MT) of arrowtooth flounder biomass in the Gulf whose diet is 90% pollock is out competing sea lions. However, the ESA does not simply wait for nature. The ESA requires action and the only action which can be taken is managing people since nature is unmanageable.

Right or wrong, the only hypotheses available in an ESA action is one that fingers human actions. The Protected Resources Division hypothesis is that fishing is competing with sea lions and depriving them of food. Based on the food competition theory, mitigation measures closing areas to fishing could make sense until it is pointed out that the fish taken by the industry represent 10-20% of the biomass, leaving 80-90% of the fish for sea lions, but the untested conjecture that fishing competes with sea lions is NMFS position.

Judge Zilly is tasked with the role of approving management measures which will, with certainty, reverse the decline of Steller sea lions as required by the ESA. Unfortunately there are no clear, certain answers. Frustrated with NMFS inability to deliver an adequate

(Continued to page 5)



Matt Moir of Alaska Pacific Seafoods briefs RDC board members last month in Kodiak on the Steller Sea lion issue. Moir noted that the Kodiak fleet and local processing plants employing hundreds of local residents have been severely impacted by the ban on trawling.

RDC Board visits Kodiak

*Community Outreach
September 2000*



Anchorage Mayor George Wuerch watches Kodiak Harbormaster Marty Owen navigate his vessel "The Sea Breeze" along Kodiak's waterfront.



RDC board members pose before the U.S. Coast Guard Cutter Ironwood. The RDC board toured the U.S. Coast Guard base at Kodiak. The base is the largest Coast Guard facility in the U.S.



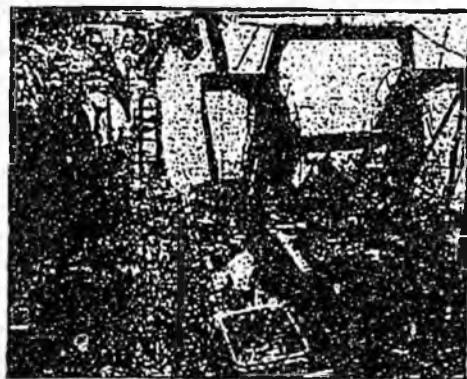
RDC board members were treated to a waterfront tour of Kodiak's port by Harbormaster Marty Owen.



John Lucas describes the wine-making process at his Kodiak winery.

Steller Sea lion protection measures draw fire in Kodiak

Continued from page 4)



RDC Board member Al Burch of the Alaska Dragers Association leads an RDC delegation to the fleet's docks in Kodiak.

biological opinion as required by the ESA, Judge Zilly granted the plaintiffs' interim injunction which banned trawling within the critical sea lion habitat defined as the 20 NM from the shore. The interim injunction remains in effect until NMFS produces a satisfactory biological opinion. The opinion is due October 31. And no one knows how long the Judge will take to make his decision.

Meanwhile, many boats in the Gulf of Alaska will remain at the dock when the D season pollock fishery opens October 1 rather than risk fishing more than 20 NM from shore. When the boats can't fish or cannot find fish, there will be no work for processing workers, many of which are year-round residents of their communities.

The economic base for Alaska coastal communities is fish. When the pollock C season opened August 20,

there was 23,000 MT of pollock quota available. Because most of the pollock biomass was within the 20 NM critical habitat, the boats that did fish were only able to catch 9,620 MT before the season closed. The 13,413 MT left in the water was worth \$2,217,169 ex-vessel. Also lost was the severance tax and raw fish tax which is a significant part of a coastal community's income base.

Fishermen, fish processing plants and communities from Cordova to Dutch Harbor have survived and thrived despite earthquakes, volcanic eruptions, tsunamis, freezing spray and fluctuations in fish and shellfish abundance. The question now is can the communities from Cordova to Dutch Harbor survive the Endangered Species Act or will once thriving communities become ghost towns?