

**SB**

**347**

SFIN

FILE

## SENATE FINANCE COMMITTEE REPORT

DATE: 3/8/04

REPORTED OUT  
MAR 09 2004  
SENATE FINANCE  
COMMITTEE  
SENATE BILL NO. 347

FURTHER:

DATE TURNED  
IN TO OFFICE: 3/9/04

Finance Committee considered

### SB 347 GULF OF ALASKA GROUND FISH MORATORIUM

"An Act relating to moratoria on entry of new participants or vessels into a commercial fishery; relating to the establishment of a moratorium on entry of new vessels into state groundfish fisheries in the Gulf of Alaska and adjacent state marine water; and providing for an effective date."

and recommends:

- be replaced with \_\_\_\_\_ CS \_\_\_\_\_ (\_\_\_\_\_)
- adopt previous \_\_\_\_\_ CS SB 347 (RES.)
- attached amendment(s)
- adopt Letter of Intent by \_\_\_\_\_ Committee
- further referral to \_\_\_\_\_ Committee

**Senate Bill:**  
 Same Title  
 New Title

**House Bill:**  
 Same Title  
 Technical Title Change  
 New Title w/ SCR # \_\_\_\_\_

**NEW FISCAL NOTE(S):**

Department	Date	Fiscal	Indet.	Zero.	FN#

**PREVIOUS FISCAL NOTE(S):**

Department	Date	Fiscal	Indet.	Zero	FN#
<u>F + G</u>	<u>3/5/04</u>	<u>40.8</u>			<u>1</u>

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	DO PASS	DO NOT PASS	NO REC	AMEND
<i>[Signature]</i>			<input checked="" type="checkbox"/>	
<i>[Signature]</i>			<input checked="" type="checkbox"/>	
<i>[Signature]</i>	<input checked="" type="checkbox"/>			
<i>[Signature]</i>	<input checked="" type="checkbox"/>			
COCHAIR: <i>[Signature]</i>			<input checked="" type="checkbox"/>	
COCHAIR: <i>[Signature]</i>	<input checked="" type="checkbox"/>			

MAR 09 2004

SENATE FINANCE  
COMMITTEE

# FISCAL NOTE

STATE OF ALASKA  
2004 LEGISLATIVE SESSION

Fiscal Note Number: 1  
Bill Version: CSSB 347(RES)  
(S) Publish Date: 3/8/04

Revision Date/Time (Note if correction): 3/5/04 5:00 PM Dept. Affected: Fish and Game  
Title: An Act relating to the moratoria on entry of new RDU: Comm. Fish Entry Commission  
participants or vessels into commercial fishery Component: Commercial Fisheries Entry  
Sponsor: Senator Ben Stevens Commission  
Requester: Senator Ben Stevens by request Component No. 471

**Expenditures/Revenues** (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Personal Services	0.0	0.0	0.0	0.0	0.0	0.0
Travel	8.0	5.0	5.0	5.0	0.0	0.0
Contractual	32.8	3.0	3.0	3.0	0.0	0.0
Supplies	0.0	0.0	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0	0.0	0.0
Land & Structures	0.0	0.0	0.0	0.0	0.0	0.0
Grants & Claims	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL OPERATING</b>	<b>40.8</b>	<b>8.0</b>	<b>8.0</b>	<b>8.0</b>	<b>0.0</b>	<b>0.0</b>

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
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CHANGE IN REVENUES ( )	136.0	136.0	136.0	136.0	0.0	0.0
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1037 GF/Mental Health	0.0	0.0	0.0	0.0	0.0	0.0
1156 Receipt Supported Services	40.8	8.0	8.0	8.0	0.0	0.0
<b>TOTAL</b>	<b>40.8</b>	<b>8.0</b>	<b>8.0</b>	<b>8.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2004) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

**POSITIONS**

Full-time	0	0	0	0	0	0
Part-time	0	0	0	0	0	0
Temporary	0	0	0	0	0	0

**ANALYSIS:** (Attach a separate page if necessary)

Implementation of the groundfish moratorium established by SB347 will require modification to CFEC's licensing system. For the first year only, programmer contractual costs are estimated at \$28.8. Additional costs for new forms, postage, long distance charges, and records archive retrievals, travel for adjudicatory hearings, groundfish management and planning meetings and research and preparation of proposals required under 16.43.908(k) are estimated to be \$12.0 for the first year and \$8.0 yearly through FY2008.

Revenue projections assume that the number of annual moratorium vessel permit renewals will equal the average number of vessels that participated in 1998-2003.

Prepared by: Shirley Penrose, Administrative Officer  
Division: Commercial Fisheries Entry Commission  
Approved by: Mary McDowell, Commissioner  
Agency: Commercial Fisheries Entry Commission

Phone 907-790-6960  
Date/Time 3/5/04 5:00 PM  
Date 3/5/2004

# Alaska State Legislature



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Senate District N

## SPONSOR STATEMENT

### Senate Bill 347

"An Act relating to moratoria on entry of new participants or vessels into a commercial fishery; relating to vessel permits for, and the establishment of a moratorium on entry of new vessels into, state Gulf of Alaska groundfish fisheries; and providing for an effective date."

Senate Bill 347 addresses two issues regarding fisheries moratoria. One section of the bill amends AS 16.43.225 to allow the statute to be utilized. Because of its current inadequacies, the law has never been used to place a moratorium on a fishery. All of the moratoria implemented to date have required special legislation. The second issue addressed in the bill is the immediate need to place a moratorium on the Gulf of Alaska groundfish fisheries.

Over the past 12 years, some members of the Gulf of Alaska (GOA) groundfish fishing industry have sought to rationalize the groundfish fishery. Participants want to create incentives that slow the competitive race for fish. The belief is that this will result in a more economically stable fishery that can better respond to changing economic and environmental concerns.

The North Pacific Fishery Management Council (NPFMC) has taken several steps toward rationalization over the past 12 years. The Council formed the first of three committees to address GOA rationalization in the groundfish fishery in 2000. The Council is developing several alternative approaches for new management policies to rationalize GOA groundfish fisheries resulting from four years of Council meetings and input from eight public hearings held throughout Alaska and Seattle during the summer and fall of 2002.

Rationalizing federal fisheries in the GOA could affect State of Alaska fishery management. In October 2003, the Board of Fisheries convened a committee of stakeholders with state, National Marine Fisheries Service, Board of Fisheries, Department of Law, and Council staff. It is called the GOA Groundfish Rationalization Task Force. Their mission is to pursue approaches to provide harvest opportunities under GOA rationalization in state waters that does not conflict with state law.

In February 2004, the Board of Fisheries voted 7-0: (1) to recommend pursuing legislative authority for a moratorium on all new entrants into the groundfish fisheries, excluding jig gear; (2) to recommend maintaining current state groundfish management, or alternatively, allocate a range of harvests for state management based on historic harvest patterns in state waters; and (3) direct the GOA Task Force to continue to explore ways to control harvests within state waters that meet the goals of GOA rationalization and restrictions under state law.

Senate Bill 347 will assist the Department of Fish and Game and the Commercial Fisheries Entry Commission in meeting the objectives outlined by the Board of Fisheries for the development of state water groundfish fisheries in the Gulf of Alaska.

# *Alaska State Legislature*

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## **Introduction to Information in Committee Packet on SB 347**

Senate Bill 347 is a two-part bill. One part (Sections 2-8) amends the existing provisions in the limited entry statutes authorizing CFEC to administratively establish a temporary moratorium on entrants of new participants into a fishery.

The other part of the bill (Sections 1 and 9) statutorily establishes a moratorium in the Gulf of Alaska state waters groundfish fisheries.

The sectional goes through the bill in order. Please note that Sections 1 and 9 pertain specifically to the Gulf of Alaska groundfish moratoria. Sections 2 – 8 amend existing provisions in the limited entry statutes relating to the establishment of moratoriums.

Other information in this bill packet is divided into two sets. One explains the revisions to the current moratorium statute, and the other explains the portion of the bill establishing moratoria in the groundfish fisheries.

**The need to amend the current fisheries moratorium law**  
**Sections 2-8 of SB 347**

**This legislation will advance the goals of developing and protecting Alaska jobs and streamlining government and resource management by providing a tool that can be utilized, where appropriate, to avoid the risk of:**

- Harm to fishery resources
- Economic distress among fishermen
- Over-capitalization
- Closure of fisheries
- A stampede of speculators (permit seekers)
- Having to go directly to permanent limitation, perhaps prematurely, if it remains the only available option.

AS 16.43.225 is the section of the Limited Entry Act authorizing CFEC to establish a moratorium on new entrants into a fishery. A moratorium is intended to provide a temporary halt in growth of a fishery during which the state and the fishing industry have an opportunity to assess the situation and explore options before deciding on permanent action.

However, the criteria and process mandated under the current statute have been so unusable that all of the moratoria implemented to date have required special legislation. In fact, the steps currently required are so cumbersome that undertaking a moratorium under the current statute could be counter-productive and could actually generate the damaging rush into a fishery that a moratorium is intended to prevent. Amendments are needed to correct the flaws in this section of law and make it available as a useful tool for fisheries management.

As fishermen diversify into new species, new fisheries are developing and, in some cases, expanding quickly. If participation levels in a given fishery are growing too rapidly, but it is not clear that imposition of limited entry is appropriate or timely, it is important to have the ability to expeditiously establish a moratorium to contain growth while analysis is done to determine what is needed to ensure the health of the fishery for the longer term. This would include assessment of whether permanent limitation of the fishery is warranted, and if so, how a limitation should be structured to be most fair, best conserve the resource, and provide for the orderly development of the fishery.

Because the current moratorium statute is inadequate, several times in recent years fishermen have had to seek passage of special legislation to statutorily enact moratoria in specific fisheries. In such cases, the lack of a workable means of quickly, administratively implementing a moratorium could have disastrous results for the fishery.

To date, 67 of Alaska's fisheries have been placed under limited entry. Over 130 permitted fisheries remain open access. Many of these will be suited to remaining unlimited in the years to come. Others will be suited to limitation under the Limited Entry Act. Still others, particularly if they experience dramatic rapid growth, may be best served by a timely moratorium, protecting the fishery while long-term solutions are explored. The latter approach will only be a realistic and workable option if AS 16.43.225 is appropriately amended.

**General Moratorium Law**  
**Comparing Main Provisions of under Current Law with**  
**Amended Provisions under CS3B 347(RES)**

Provision	Current Law	SB 347
<p>Steps and entities required to initiate process of establishing a moratorium</p>	<p><u>16.43.225(b)</u>            Commissioner of ADF&amp;G makes findings that a moratorium would meet criteria under 16.05.050(a)(19) and must request approval from Board of Fisheries to petition CFEC for moratorium.</p> <p>Board considers request and findings at its next regular or special meeting that follows receipt of the request and that allows time for 15 days' public notice of board's intention to consider the petition. (AS 16.05.251(g))</p> <p>If Board votes to approve Commissioner's request, Commissioner may then petition CFEC for moratorium.</p> <p>CFEC may then propose a moratorium if it finds a moratorium is warranted under criteria in 16.43.225</p>	<p><u>Bill section 2 -- 16.43.225(a)</u>            CFEC may propose moratorium if it finds a moratorium would meet criteria under 16.43.225 (<i>this would be done after consultation with ADF&amp;G</i>)</p>
<p>Purpose of moratorium/conditions under which moratorium may be established</p>	<p>Listed in current 16.43.225 (a) and 225(b), and 16.05.050(a)(19)</p>	<p><u>Bill section 2</u>            Listed in new 225 (a)</p>
<p>Entities for which a moratorium in new entrants may be established</p>	<p><u>225(e)</u>            Persons</p>	<p><u>Bill sections 2 &amp; 6</u>            Persons, vessels, or both (225 (a))  <i>(Moratorium on entry of additional vessels may be essential to controlling growth of fishery during moratorium.</i>  <u>Note:</u> <i>This does not provide authority for vessel-based permanent limitation)</i></p>

<p>Additional provisions/direction:</p>	<p>Current law silent on these issues, so authority and latitude is left unclear or dependent upon "general authorities" provisions of statutes.</p>	<p><u>Bill section 7</u>  <u>225 (b) (c) &amp; (f)</u>  For fisheries involving more than one resource, gear type or area, CFEC may spell out which of those are authorized under a given moratorium permit.  <i>(Critical tool to be able to deal effectively with complex fisheries with multiple species, gears, and areas involved).</i></p> <p><u>225(g)</u>  CFEC may adopt fishing capacity restrictions for moratorium permits <i>(to avoid significant expansion of fleet's fishing power during moratorium. Could be critical in fisheries with wide range of vessel sizes)</i></p> <p><u>225 (i)</u>  CFEC shall charge annual fees for moratorium permits that reasonably reflect economic return in the fishery <i>(CFEC general authorities do not contain vessel permit fee authority - need explicit authority for vessel moratoria.)</i></p> <p><u>225 (e)(2)</u>  If moratorium established on vessels, moratorium permits are issued to owner, (as of qualification date) of qualifying vessel.</p>
<p>Question of whether participation during moratorium may count toward any future use privilege</p>	<p><u>16.43.260(f)</u>  Participation during moratorium may not be counted.</p>	<p><u>Bill section 7 --225(k)</u>  Participation during moratorium may not be counted, unless otherwise provided by law or regulation.</p>

**Number of Unique Vessels - All Areas**

	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
<b>Halibut</b>						2,774	3,247	3,777	3,925	3,642	4,206	4,409	3,452	3,393	3,450	2,057	1,962	1,925	1,601	1,613
<b>Sablefish</b>						371	606	868	888	768	822	887	1,123	915	1,139	517	503	504	449	433

**Number of days in the fishery**

<b>Halibut Area 2C</b>	10	7	5	5	3	4	3.5	3	4	3	2	2	5	3	3	245	245	245	245	245
<b>Halibut Area 3A</b>	20	13	11	7	5	5	4	3	4	4	3	2	4	2	3	245	245	245	245	245
<b>Halibut Area 3B</b>	20	16	18	10	6	7	5	3.5	4	4.25	2	2	4	2	3	245	245	245	245	245

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## Senate District N

### Sectional Analysis CSSB347 (RES)

**“An Act relating to moratoria on entry of new participants or vessels into a commercial fishery; relating to vessel permits for, and the establishment of a moratorium on entry of new vessels into, state Gulf of Alaska groundfish fisheries; and providing for an effective date.”**

Section 1. Findings and Purpose for the establishment of a moratorium on entry of new vessels into state Gulf of Alaska groundfish fisheries. [Section 9 in the bill.]

#### Amending Existing CFEC Moratorium Provisions

Section 2. Sets forth purposes for which CFEC may establish a moratorium in a fishery.

Section 3. Establishes that a moratorium may be for one or more fisheries or one or more species, gear types, or areas.

Section 4. Existing law allows for establishment of a moratorium of up to four years. This section adds ability to administratively extend up to another two years if necessary to achieve the purposes of the moratorium.

Section 5. Current law directs CFEC, during moratorium, to analyze whether the fishery should be limited under the existing limited entry program. This section expands that assignment, directing CFEC to evaluate a broader array of post-moratorium options for managing entry into the fishery in order to seek the best possible long-term solution for the fishery.

Section 6. Makes clear that moratorium eligibility criteria are to include an entrance qualification date established by the commission.

Authorizes establishment of a moratorium on persons, vessels, or both, and criteria for qualifying for those permits. Current law only provides for a moratorium on entry of new persons. This section is adding ability to also suspend entry of additional vessels or of both vessels and persons.

*In some fisheries multiple hired skippers run the same vessels over the course of a year. A person-only moratorium could result in many more moratorium permits than a vessel-based moratorium, thus allowing substantial expansion of fleets during moratorium. Capping the number of vessels to avoid additional capitalization during moratorium could be a more effective tool in such fisheries.*

**(NOTE: This does NOT authorize a permanent vessel-based limitation following the moratorium. Such authority would require approval of subsequent legislation.)**

Section 7.

Adds new subsections providing more detailed direction to CFEC than is provided in existing statute about structure, implementation, and ongoing handling of moratorium and moratorium permits.

(f) If moratoria are established for a fishery that involves multiple species, gear types, or areas, the commission may limit by restrictions and eligibility those species, gear types, or areas that are authorized under a vessel interim-use or interim-use moratorium permit.

(g), (h), (i), and (j) pertain specifically to when a vessel-based moratorium is used. **(These provisions are consistent with general provisions in CFEC law, but because the general provisions pertain to "person-based" permits, they cannot be relied upon to cover vessel permits.)**

(g) Authorizes CFEC to attach capacity restrictions to interim-use vessel permits to prevent upgrading to larger vessels and resulting expansion of fishing power during moratorium.

(h) Makes clear that permits can be modified or revoked by legislative action without compensation, and that they are not "property," may not be transferred, leased, attached, encumbered, etc. A vessel interim-use permit does not alter the requirement for the operator of the vessel to hold a valid interim-use permit from CFEC or for the vessel to have a commercial fishing vessel license from CFEC.

(i) Directs CFEC to charge fees for initial issuance and annual renewal of moratorium vessel permits. Annual fees are to reflect rates of economic return (fees for more lucrative fisheries are higher than for less lucrative) and those fees may not exceed \$1000.

(j) Authorizes CFEC to provide for substitution of another vessel if the vessel is sunk, destroyed, or damaged beyond use and is unable to operate in the fishery for which the permit is issued.

(k) Participation in the fishery during the moratorium may not be used to establish eligibility for a use privilege issued after the moratorium unless otherwise provided by a subsequently adopted law or CFEC regulation.

*Intended to discourage "speculative" fishing effort during moratorium.*

(l) Makes general provisions of CFEC law pertaining to person-based interim-use permits apply to person-based moratorium permits, unless those general provisions conflict with the provisions of section 16.43.225.

(m) Makes explicit that nothing in this section limits the powers of the Board of Fisheries or the Department of Fish Game.

(n) Under cited current laws, fishing history is generally releasable only to the skipper under whose interim-use permit fish was landed, even if the vessel used was owned by someone else. In a person-based moratorium or limited entry program, the applicant would be the skipper. However, under a vessel-based program, the vessel owner needs to access the fishing history data about landings made from the subject vessel in order to establish eligibility of the vessel for a vessel permit. Therefore, this section provides vessel owners access to that information if necessary to apply for a vessel permit.

Section 8. If a fishery that was under moratorium is subsequently limited under the traditional limited entry program, CFEC is authorized to establish a qualification date for eligibility for a limited entry permit that may or may not include time during the moratorium. Depending on the attributes of the particular fishery and participation patterns, there may be compelling reasons for including or not including any or all of the moratorium time in the eligibility period for a subsequently enacted limitation.

### Gulf of Alaska Moratorium

Section 9. (a) This subsection adds a section to AS 16.43 directing the Commercial Fisheries Entry Commission (CFEC) to issue annual vessel permits for each individual fishery by management area and gear type beginning January 1, 2005. Vessel owners are required to apply for these permits.

*Vessels instead of persons were chosen for limitation so as to define a smaller pool of participants to achieve the goal of controlling growth during development of a Gulf groundfish rationalization program in state waters.*

*The jig fishery was exempted from the bill in order to provide for entry level access to Gulf groundfish fisheries.*

The Gulf of Alaska is defined as the marine state waters adjacent to the Gulf of Alaska that is west of the latitude of Cape Suckling (the Eastern border of Prince William Sound) to the westward extent of state water of the Aleutian Islands for the purpose of these moratoria.

- (b) Specifies that a vessel use permit is a use privilege rather than a property right, and that the use privilege can be modified or revoked by the Legislature without compensation.
- (c) Stipulates that on and after January 1, 2005 (except as in (m)), a vessel may not take Gulf groundfish without a vessel permit as described in (a). This stipulation is limited to trawl, longline, and pot gear; it exempts any other gear that may be permitted under Board of Fisheries regulations.
- (d) This section describes the qualifying years for the moratorium. It requires that a documented landing of Gulf groundfish with specified gear in specific areas be made between January 1, 1998, and the effective date of this bill for issuance of a vessel permit during the moratorium.

*The Board of Fisheries first authorized a state water Pacific cod fishery—the state’s primary groundfish fishery—in 1997, and it wasn’t until 1998 that state residents took full advantage of the new fisheries; hence, 1998, was selected as the first qualifying year in order to maximize the benefits to Alaska’s residents.*

- (e) Participation of a person or a vessel in a Gulf groundfish fishery during the period of the moratorium may not be used to establish eligibility for a use privilege issued after the period of the moratorium.

*This section is intended as a disincentive for an increased “race for fish” during the moratorium.*

- (f) CFEC regulations may supercede subsections (d) –(e) if enacted by subsequent legislation authorizing such regulations.

- (g) If a vessel qualifying for a vessel permit is sunk, destroyed, or sufficiently damaged, CFEC may reissue the permit to another vessel owned by the same party. In this situation, the overall length of the new vessel may not exceed the overall length of the replaced vessel by more than 10%.
- (h) If ownership of a vessel changes hands, CFEC may reissue the Vessel Permit to the new owner.
- (i) Provides for a possible future situation in which the Board of Fisheries may adopt a vessel size restriction. This subsection would allow transfer of a vessel permit to a shorter vessel that falls within the size restriction as long as the owner of the vessel permit owns it.
- (j) Establishes annual fees by calendar year for vessel permits based on gear type: \$500 each for non-pelagic or pelagic trawl, \$250 for each pot or longline fishery.
- (k) Directs CFEC, ADF&G, and the Board of Fisheries to analyze appropriate management alternatives in the Gulf groundfish fisheries and submit such proposals as may be developed to the Legislature as appropriate to implement the recommendations.
- (l) Authorizes CFEC to adopt regulations as necessary to implement the moratorium.
- (m) Exempts vessels participating in the described fisheries in this section.
- (n) Provides definitions.

Sections 10-11. Voids the repeal of 16.43.911-- which is currently to take effect July 1, 2004 -- in order to retain the ability of vessel owners to obtain fishing history information that would otherwise not be available to them if access to that information is necessary to establish eligibility for a moratorium vessel permit.

Section 12. Repeals 16.05.050(a)(19) that under current moratorium law authorizes the Commissioner of the Department of Fish and Game, if authorized by the Board of Fisheries, to petition CFEC to establish a moratorium in a fishery. *(A step that would no longer be required for initiating a moratorium under SB 347.)*

Repeals 16.05.251(g) that authorizes the Board of Fisheries to approve or disapprove a request from the Commissioner of the Department of Fish and Game to petition CFEC to establish a fishery moratorium. *(A step that would no longer be required for initiating a moratorium under SB 347.)*

Repeals 16.43.227, which authorized a moratorium in the Southeast Alaska Dungeness crab fishery. *(This is "clean up" of existing law since that moratorium has expired.)*

Repeals 16.43.228, which established a moratorium in the Southeast Alaska dive fisheries. *(This is "clean up" of existing law since that moratorium has expired.)*

Section 13. Ensures that sections 10 and 11 will be effective even if this bill is not passed and signed into law in time to beat the July 1, 2004, repeal of 16.43.911 -- thus, it would "reinstate" section 16.43.911 if its repeal has taken effect prior to the effective date of this bill.

Section 14. Establishes an immediate effective date.

## Changes to CS for SB 347 – Version S

Page 2, line 16 adds: “west of Cape Suckling”

*Reason: Eastern Gulf removed from bill.*

Page 2, line 21 adds: “west of Cape Suckling”

*Reason: Eastern Gulf removed from bill.*

Page 7, Section 9 deletes: “(1) Eastern Gulf of Alaska groundfish non-pelagic trawl fishery; (2) Eastern Gulf of Alaska groundfish pelagic trawl fishery; (3) Eastern Gulf of Alaska groundfish longline fishery; (4) Eastern Gulf of Alaska groundfish pot fishery;”

*Reason: Southeast does not have large numbers of aggregated groundfish. The industry in Southeast believes it is not necessary to impose a moratorium in this area.*

Page 9, lines 27-28, changes fee structure: “(1) \$500 for each pelagic trawl fishery or non-pelagic trawl fishery; (2) \$250 for each pot or longline fishery;”

*Reason: After a review of the rough estimates of earnings, these fees were found to be more reasonable.*

Page 9, lines 30-31, adds: “and the Board of Fisheries,”

*Reason: To ensure full cooperation between the Department of Fish, the Board of Fisheries, and the Commercial Fisheries Entry Commission in the development of appropriate alternatives for management of Gulf of Alaska groundfish fisheries.*

[NOTE: This section requires the submission of proposals to the legislature for legislation or constitutional amendments necessary to implement the recommendations of the commission. This will ensure adequate legislative review and approval.]

Page 10, lines 6-9, deleted: “northern Southeast Inside sablefish fishery, the Southern Southeast Inside sablefish fishery . . . or the demersal shelf rockfish fisheries.”

*Reason: These are Eastern Gulf fisheries and the Eastern Gulf has been removed from the bill.*

Page 10, (n), deletes: “(3) ‘Eastern Gulf of Alaska’ means the marine waters of the Eastern Gulf of Alaska groundfish fishery registration area, as defined by the Board of Fisheries;”

*Reason: The Eastern Gulf has been removed from the bill.*

Provided by Sen. Ben Stevens

Page 10, line 18, deletes: "north and west of Dixon Entrance"  
adds: "west of the latitude of Cape Suckling"

*Reason: The Eastern Gulf has been removed from the bill. This redefines the Eastern boundary.*

Number of Unique Vessels - All Areas

	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Halibut						2,774	3,247	3,777	3,925	3,642	4,206	4,409	3,452	3,393	3,450	2,057	1,962	1,925	1,601	1,613
Sablefish						371	606	868	888	768	822	887	1,123	915	1,139	517	503	504	449	433

Number of days in the fishery

Halibut Area 2C	10	7	5	5	3	4	3.5	3	4	3	2	2	5	1	3	245	245	245	245	245
Halibut Area 3A	20	13	11	7	5	5	4	3	4	4	3	2	4	2	3	245	245	245	245	245
Halibut Area 3B	20	16	18	10	6	7	5	3.5	4	4.25	2	2	4	2	3	245	245	245	245	245

Provided by Sineiro S. Stevens

# Petersburg Vessel Owners Association

PO Box 232

Petersburg, Alaska 99833

Phone: (907) 772-9323 Fax: (907) 772-4495

March 3, 2004

Senator Ogan, Chair  
Senate Resources Committee  
Alaska State Legislature  
State Capitol  
Juneau, AK 99801

Dear Senator Ogan and Committee Members,

Thank you for the opportunity to provide comments as you consider SB 347. Petersburg Vessel Owners Association is a group of commercial fishermen who participate in the fisheries that would be affected by the moratorium under Section 9 of this bill. The specific concern that I would like to address today is the inclusion of Eastern Gulf of Alaska groundfish fisheries in this moratorium. The North Pacific Council decided early on in the discussion of Gulf of Alaska rationalization that the Eastern Gulf of Alaska would not be included in the program because the groundfish fisheries in our region are not in need of limitation or rationalization.

We do not have an excess of participants; we do not have derby-style fisheries, and we do not feel that rationalization in the rest of the gulf will result in problems in our area. For whatever reason, we do not, at this time, have large aggregations of pacific cod or the other groundfish species that would make directed fisheries on these species economically viable on a large scale. Therefore we don't foresee the eastern gulf being a viable alternative to those who might be displaced by a rationalization program in the rest of the gulf.

For this reason, we believe that this moratorium presents an unnecessary barrier to entry into these groundfish fisheries. If, at some future time, effort does expand in the eastern gulf and we find our fisheries in need of limitation, we should be able to avail ourselves of the CFEC moratorium process that is laid out in sections two through eight of this bill.

We can support this bill for the portion of the gulf that is subject to the federal rationalization program. However, we would ask you to consider removing fisheries one through four under section nine of this bill. Thank you for your consideration of these comments.

Sincerely,



Cora Crome  
Director

**SENATE COMMITTEE REPORT  
First Committee of Referral**

DATE: 2/16/04

FURTHER:

Date of 5-Day Notice: 2/26/04  
(in accordance with Uniform Rule 23)

DATE TURNED  
IN TO OFFICE: 3-8-04

Resources Committee considered      SENATE BILL NO. 347

**SB 347 GULF OF ALASKA GROUND FISH MORATORIUM**

"An Act relating to moratoria on entry of new participants or vessels into a commercial fishery; relating to the establishment of a moratorium on entry of new vessels into state groundfish fisheries in the Gulf of Alaska and adjacent state marine water; and providing for an effective date."

and recommends:

- be replaced with \_\_\_\_\_ CS SB 347 (RES)
- adopt previous \_\_\_\_\_ CS \_\_\_\_\_ (\_\_\_\_\_)
- attached amendment(s)
- adopt Letter of Intent by \_\_\_\_\_ Committee
- further referral to \_\_\_\_\_ Committee

<b>Senate Bill:</b>	
<input type="checkbox"/>	Same Title
<input checked="" type="checkbox"/>	New Title
<b>House Bill:</b>	
<input type="checkbox"/>	Same Title
<input type="checkbox"/>	Technical Title Change
<input type="checkbox"/>	New Title w/ SCR # _____

**NEW FISCAL NOTE(S):**

**PREVIOUS FISCAL NOTE(S):**

Department	Date	Fiscal	Indet.	Zero	FN#
F&G	3/5/04	✓			1

Department	Date	Fiscal	Indet.	Zero	FN#

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	Do PASS	Do NOT PASS	No REC	AMEND
<i>Thomas H. Wagoner</i>	✓			
<i>Deborah A. Lincoln</i>			✓	
<i>Ben Stearns</i>	✓			
<i>Elton</i>	✓			
CHAIR: <i>Scott Egan</i>			✓	

Wagoner  
Lincoln  
B. Stearns  
Elton  
  
Egan

SENATE FINANCE COMMITTEE

SIGN-IN

SB 347-GULF OF ALASKA GROUND FISH MORATORIUM

NAME: Sue Aspelund Subject/Bill No: SB 347  
Co./Dept./Title: Spec. Asst. / ADFEG Phone: 465.6139  
Address: PO Box 26526, Unu Zip: 99802-5526

Do you wish to testify?  Yes  No  Respond To Questions

NAME: Mary McDowell Subject/Bill No: SB 347  
Co./Dept./Title: Commercial Fisheries Entry Commission Phone: 790-6936  
Address: Juneau Zip: \_\_\_\_\_

Do you wish to testify?  Yes  No  Respond To Questions

NAME: \_\_\_\_\_ Subject/Bill No: \_\_\_\_\_  
Co./Dept./Title: \_\_\_\_\_ Phone: \_\_\_\_\_  
Address: \_\_\_\_\_ Zip: \_\_\_\_\_

Do you wish to testify?  Yes  No  Respond To Questions

NAME: \_\_\_\_\_ Subject/Bill No: \_\_\_\_\_  
Co./Dept./Title: \_\_\_\_\_ Phone: \_\_\_\_\_  
Address: \_\_\_\_\_ Zip: \_\_\_\_\_

Do you wish to testify?  Yes  No  Respond To Questions



