

HJR

21

FISCAL NOTE

STATE OF ALASKA
2009 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: HJR 21
 (H) Publish Date: 3/12/2009

Identifier (file name): 26-LS0668VE Dept. Affected: _____
 Title: GROUND FISH FISHERIES LICENSES RDU _____
 Component _____
 Sponsor: Representative Alan Austerman Component Number _____
 Requester: House Fisheries Committee

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information						
		FY 2010	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
OPERATING EXPENDITURES								
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	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 Interagency Receipts								
TOTAL		0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2009) cost: _____

POSITIONS

Full-time								
Part-time								
Temporary								

ANALYSIS: (Attach a separate page if necessary)

Prepared by: House Fisheries Committee Phone 907-465-4451
 Division: _____ Date/Time 3/10/2009 10:00 a.m.
 Approved by: Representative Bryce Edgmon, Chair, House Fisheries Committee Date 3/10/2009

DRAFT

ALASKA STATE LEGISLATURE

Senate Resources Committee

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NEWS FOR RELEASE / Wednesday, April 1, 2009

McGuire bill funding new energy technology advances to Finance

JUNEAU – The Senate Committee on Resources today approved and advanced to Senate Finance legislation establishing an Emerging Energy Technology Fund to encourage and support Alaska research in renewable and traditional sources of energy.

The fund is proposed in Senate Bill 150, sponsored by Resources Co-Chair Senator Lesil McGuire, R-Anchorage. It would be administered by the Alaska Center for Energy and Power at the University of Alaska, Fairbanks.

“Alaskans are working hard on breakthrough energy technology that is state-of-the-art and practical,” McGuire said. “They’re providing vision and hands-on energy. We have an obligation to provide appropriate support for their research.”

Senate Bill 150 encourages new and advanced energy technology -from renewable sources including geothermal, wind, hydro, tidal, wave, biomass, in-river or solar energy, as well as Alaska’s proven resources of oil and gas.

The measure stipulates that emerging energy research put a priority on projects developed by Alaska residents, organizations and institutions, including projects developed in partnership with the University of Alaska or other post-secondary institutions. It defines “energy technology” as technology that promotes diversity of available energy resources, means of transmission and reduces negative environmental effects.

The Resources committee expanded eligibility to include private and non-profit sectors; created a five-member advisory committee to handle grant applications and limited eligibility to projects realistically expected to be commercially viable within five years.



Representative Alan Austerman

Alaska State Legislature

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SPONSOR STATEMENT

HOUSE JOINT RESOLUTION 21

House Joint Resolution 21 requests the North Pacific Fishery Management Council (NPFMC) to cease consideration of an amendment package that would require a Pacific cod endorsement for a license limitation program (LLP) license holder to participate in the Pacific cod fixed gear fisheries in the Gulf of Alaska. It also supports the continuation of the existing LLP program for groundfish in the Gulf of Alaska, and supports a policy of broad participation in the harvest of marine resources in the Gulf of Alaska.

The NPFMC is the federal regulatory body that oversees management of the federal fisheries off the coast of Alaska, in the area from 3 to 200 miles from shore. The NPFMC is currently considering regulatory action that would create and require Pacific cod "endorsements" on Gulf of Alaska fixed gear license limitation program (LLP) licenses in order to harvest the Pacific cod resource. (In this proposed action, "fixed gear" includes pot and longline gear types.) These endorsements would be placed on only those LLPs that have been used in a specific range of recent years. LLPs without Pacific cod endorsements could not be used to fish for Pacific cod. This action renders those LLPs functionally useless and valueless to their owners and increases the barriers for re-entry or new entrance into the Pacific cod fisheries. Of the LLPs that would be impacted by this action, more than 60% are estimated to be owned by Alaska residents.

Pacific cod is among the most important of the fishery resources harvested in federal waters in the Gulf of Alaska. Pacific cod is harvested by four different gear types, and on vessels ranging in size from very small (<30 feet) to relatively large (>100 feet). The greatest number of vessels harvesting Pacific cod in the Gulf of Alaska use pot, longline or jig gear, and the vast majority of these vessels are ≤60 feet in length. This is the core of the coastal Alaska resident fleet in the Gulf of Alaska. Pacific cod are also harvested using trawl gear.

The creation and requirement of Pacific cod endorsements for participation in federal Pacific cod fisheries in the Gulf of Alaska would create significant barriers for new entrants to Alaska's commercial fisheries, and for re-entrance by fishermen who did not participate in a specific range of qualifying years. It would also impact a group of recent fishery entrants who made their fishery investments *after* the qualifying years. Impacted individuals would include young Alaskans and enterprising crewmen looking to advance into ownership positions in the industry.

~ Representing Alaska State House District 36 ~

Akhiok | Igiugig | Iliamna | Karluk | Kodiak | Kokhanok | Larsen Bay | Levelock
Newhalen | Nondalton | Old Harbor | Ouzinkie | Pedro Bay | Port Alsworth | Port Lions

This action is also likely to lead to consolidation of the fishing fleet and concentration of LLP ownership in fewer hands. Expected results of this action would include consolidation of the Gulf of Alaska Pacific cod fixed gear fleet, fewer crew jobs, less demand for support sector services in Alaska's coastal communities, and increased costs of entry into Gulf of Alaska fisheries.

In absence of a biological concern for resource sustainability, it is important to maintain fisheries with relatively low entry barriers to encourage and allow the entrance of the next generation of fishermen into Alaska's fisheries. While HJR21 carries no legal force, it put the Alaska Legislature on record as supporting a policy of broad participation in Gulf of Alaska groundfish fisheries.

Shalon Szymanski

From: Deana Pikus [pikus@acsalaska.net]
Sent: Monday, March 30, 2009 1:37 PM
To: Shalon Szymanski
Subject: HJR 21

Senate Resources Committee
Senator Mcguire, Co-chair
Senator Wielechowski, Co-chair

Re: HJR 21

Dear Sirs:

I own and operate the F/V Polar Star, a 58-foot fishing vessel based in Kodiak that fishes in the Gulf of Alaska for salmon, halibut, sablefish, tanner crab, and pacific cod. I have been a resident of Kodiak for 36 years and fishing has been my livelihood for that entire time. The Pacific cod fishery is an important fishery for myself and many others here in the Gulf of Alaska, so I feel compelled to comment on the HJR 21 bill that you are currently considering.

I am opposed to the passage of this bill for the following reasons. I support the North Pacific Fishery Management Council action to add P-cod endorsements to Federal LLPs as a means of limiting the future entry of latent capacity. This action is needed to stabilize the fishery for the current active participants who have committed themselves to the P-cod fishery and are fully dependent on it. The council process has been thorough and the public has had plenty of opportunities to comment on the P-cod endorsement action. I believe that the Alaska Legislature should not impose itself in the Federal NPFMC process at such a late date without a more thorough consideration of the issues.

I urge the Senate Resources Committee to deny passage of HJR 21.

Sincerely,
Patrick J. Pikus
F/V Polar Star
P.O. Box 2843
Kodiak, AK 99615

Don Bremner
P.O. Box 20161
Juneau, Alaska 99802

March 30, 2009

RE: Support for HJR 21

Dear Members of the Senate Resource Committee;

This letter is to speak on behalf of HJR 21 and request the Senate to adopt the resolution and take immediate action to prevent the NPFMC members from adopting a pacific cod limitation program.

When the Magnuson-Stevens Act of 1976 was adopted it was designed to Americanize the pacific ground fishery. But since this Act was passed further Acts have been adopted which have been designed to benefit large open-ocean fishing fleets at the expense of smaller in-shore fishing vessels and communities. The race for fish switched from a foreign fishery to a domestic one, at the expense of our coastal communities.

Over the years representatives from small communities have attended NPFMC meeting opposing further rationalization of our commercial sea food species with limited success. We have always stated that the commercial fishing and subsistence economies of coastal communities must be addressed as part of any action taken regarding management of species which directly or indirectly affect the inshore communities.

When the NPFMC and State takes action to sustain a fishery it must keep our smaller in-shore coastal community fishermen as a priority, this is the strongest in-shore economic influence that can be made on the future of rural community fisheries; Alaska and the NPFMC has put themselves out as a fish and game success story in sustaining fish species, however, at the NPFMC level the desired outcome has been at the expense of our rural fishing villages; our recommended course of action is to scale back on rationalization of fisheries which now favor larger fishing vessels and off-shore processors; When we look at the poverty rate, per capita income and unemployment rate of our rural fishing villages, its doesn't take much to recognize that the NPFMC and state has managed our rural commercial fishing villages out of existence; The survival of our rural fishing villages should be a common factor determining the success of any State or Federal fisheries program; and it should be recognized by now that in-shore commercial fisheries is a necessary form of economy in order for many of our coastal villages to survive financially.

Sincerely,


Don Bremner

North Pacific Fishery Management Council, December 2008
C-2(a) Gulf of Alaska Fixed Gear Recency Motion

The Council directed staff to develop an analysis based upon the following purpose and need statement, components, and options for initial public review. Final action is scheduled for April 2009.

C-2(a) Gulf of Alaska Fixed Gear Recency

Western GOA and Central GOA Pacific cod fisheries are subject to intense competition, particularly during the A season, when fish are aggregated and of highest value. Competition among fixed gear participants in the Western GOA and Central GOA Pacific cod fisheries has increased for a variety of reasons, including increased market value of Pacific cod products, a declining ABC/TAC, increased participation by harvesters displaced from other fisheries and introduction of capital that has been accrued from participation in rationalized fisheries. Additionally, fishery policies have created incentives that encourage non-traditional efficiency improvements for the less than 60 ft LOA vessel class. The possible future entry of latent effort and disproportionate vessel efficiency would have detrimental effects on LLP holders that have exhibited participation in, and dependence on, the fixed gear Pacific cod fisheries. Many fixed gear vessel owners have made significant investments, have long catch histories, and are dependent on the Western GOA and Central GOA Pacific cod resources. These long-term participants need protection from those who have little or no recent history and who have the ability to increase their participation in the Pacific cod fisheries. At the same time, retaining Federal waters opportunities for small community quota eligible (CQE) communities dependent on access to a range of fishery resources and expanding opportunities in Federal waters for small capacity jig operations is valued to promote community protections at a level that imposes minimal impact on historic catch shares of recent participants.

The intent of the proposed amendment is to prevent the future entry or re-entry of latent fixed gear groundfish fishing capacity that has not been utilized in recent years into the Pacific cod fisheries, and to preserve the traditional vessel operational efficiencies within the fisheries. This requires prompt action to promote stability in the fixed gear sectors of the GOA Pacific cod fisheries, and is expected to be implemented concurrently with the division of GOA Pacific cod among sectors which is currently under consideration. However, this action cannot address continued growth in the waters managed by the State of Alaska.

ALTERNATIVE 1.

No Action. No changes would be made to the current License Limitation Program.

ALTERNATIVE 2.

Add non-severable gear-specific Pacific cod endorsements to fixed gear licenses. Pacific cod endorsements would limit entry into the directed Pacific cod fisheries in Federal waters in the Western and Central Gulf of Alaska.

Component 1— Areas included

Western Gulf

Central Gulf (current LLP endorsement includes West Yakutat)

- Different options may be applied to each management area.

Component 2— Identify and define sectors

The sector definitions for awarding Pacific cod endorsements may be different from those used for the GOA Pacific cod sector split action. The purpose of sector definitions in this action is to allow the Council to select different catch thresholds for the different gear types, operation types, and vessel lengths. Individual licenses may qualify for any combination of a jig, hook-and-line, and pot endorsement if the license meets the respective threshold(s) for the appropriate gear type, operation type, and vessel length.

- Hook-and-line CP
Option: Hook-and-line CP ≥ 125
Hook-and-line CP < 125
- Hook-and-line CV
Option: Hook-and-line ≥ 60
Hook-and-line < 60
- Pot CP
- Pot CV
Option: Pot CV ≥ 60
Pot CV < 60
- Jig
Exempt vessels using jig gear from the LLP requirement (including the Pacific cod endorsement requirement) that use a maximum of 5 jigging machines, 5 lines, and 30 hooks per line or one line of 150 hooks.

Option: Exempt vessels participating with fixed gear in the Western GOA B season directed Pacific cod fishery from the Pacific cod endorsement requirement.

Suboption: Exempt vessels using pot gear only.

Component 3 – Qualifying years

Option 1: 2000-2006

Option 2: 2002-2006

Option 3: Add the qualifying period January 1, 2007 through:

Suboption 1: June 4, 2008

Suboption 2: December 8, 2008

- Either of these suboptions will be selected in addition to one of the qualifying periods in Option 1 or Option 2.

Suboption 3: If an LLP license qualifies only when the supplemental range of years in Suboption 1 or Suboption 2 is included, any Pacific cod endorsements granted to licenses under these suboptions would be extinguished upon transfer of the LLP license to another vessel or owner.

- If a GOA hook-and-line catcher processor LLP license holder was a voluntary non-participant in the Freezer Longliner Coalition informal PSC co-op efforts of 2006, 2007, or 2008, and does not qualify under Component 3, Options 1, 2, or 3, the LLP would not be extinguished. If Pacific cod endorsements are a result of this action in the GOA hook-and-line CP sector, the LLP would receive a Pacific cod endorsement.

Component 4 – Catch thresholds

Thresholds shall be based on legally retained catch in the aggregate during all of the qualifying years in the Federal and parallel fisheries (excluding IFQ catch). Separate and distinct thresholds may be determined for each defined sector.

Option 1: All directed Pacific cod 1, 3, or 5 landings (resulting in a Pacific cod endorsement)

Option 2: All directed Pacific Cod 5, 10, 25, or 100 mt (resulting in a Pacific cod endorsement)

Option: Hardship provision. A GOA fixed gear LLP holder who had 5 or more Pacific cod landings in 1999, but had a vessel on which the LLP was used sink in 1999 or 2000, shall be credited with qualifying history so as to obtain a Pacific cod endorsement.

Directed Pacific cod catch is defined as landings made when the directed Pacific cod fisheries are open. For purposes of catch accounting, licenses are credited with deliveries or processing activity recorded up to 7 days after the directed season closes.

Component 5 – Stacked license provisions

Where there are multiple LLPs registered to a single vessel, also known as 'stacking' of LLPs, groundfish harvest history will be fully credited to all stacked licenses, each carrying its own qualifying endorsements and designations.

Component 6 – Capacity/efficiency limits to CV and CP fixed gear LLPs

Add a width restriction (efficiency restriction) on each CV and CP fixed gear LLP license that is eligible to access Pacific cod under this action. The width restriction would be 1 ft of width for each 3 ft of length, and is based on the LOA of the vessel assigned to the license on December 8, 2008. The licenses that are assigned to vessels on December 8, 2008 that exceed the width restriction will be grandfathered at their present LOA. For vessels under construction on December 8, 2008, the width restriction for the license shall be equal to the vessel width upon completion. Vessels would be required to report width measurements to RAM.

Option: Add a simple gross tonnage maximum to licenses.

Component 7 – CQE community resident exemption

CQE community residents currently holding latent, non-qualifying, LLP permits shall retain their LLP and area endorsement(s) and be exempt from the Pacific cod endorsement requirement. A hook-and-line or pot gear endorsement shall be made through (a) a one-time designation at the time the endorsement is issued or (b) designated at the time the first Pacific cod landing is made based on the gear type used. The CQE community resident's LLP, shall not be leased, and can only be transferred to an individual who has lived continuously in the permit holder's CQE community for 24 consecutive months prior to the transfer and who intends to remain a resident of the community. Residency shall be affirmed annually upon renewal. If a CQE community LLP holder with a restricted transfer LLP is no longer a resident of the CQE community or dies without a designated qualified LLP community beneficiary, the community CQE shall designate a qualified individual in the CQE community to hold the restricted transfer LLP.

Option: Restrict exemption to LLPs with a MLOA endorsement less than 60 feet.

Additional information requested

- Additional information on the number of identical stacked licenses that meet the catch thresholds (Component 5).
- Additional information on possible approaches to identifying a maximum length to width ratio or maximum simple gross tonnage for purposes of adding a capacity endorsement to licenses (Component 6).



United Fishermen's Marketing Association, Inc.

P.O. Box 1035 Kodiak, Alaska 99615

Telephone 486-3453

Fax: 907-486-8362



March 9, 2009

Representative Bryce Edgmon, Chair
House Fisheries Special Committee
State Capitol, Room 416
Juneau, AK 99801-1182

Re: HJR 21 "Requesting the North Pacific Fishery Management Council to cease consideration of an amendment package that would require a Pacific cod endorsement for a license limitation program license holder to participate in the Pacific cod fisheries in the Gulf of Alaska"

Dear Representative Edgmon,

We respectfully submit the following comments in opposition to HJR 21 (i.e., "Requesting the North Pacific Fishery Management Council to cease consideration of an amendment package that would require a Pacific cod endorsement for a license limitation program license holder to participate in the Pacific cod fisheries in the Gulf of Alaska").

I. Introductory Comments

HJR 21 addresses a proposed regulatory action that is under consideration by the North Pacific Fishery Management Council ("NPFMC" or "Council"). The proposed regulatory action is intended to add gear-specific (i.e., pot, hook-and-line, and jig) Pacific cod "Endorsements" to fixed gear licenses for the purpose of limiting entry to the directed Pacific cod fisheries in Federal waters of the Western Gulf of Alaska (WGOA) and the Central Gulf of Alaska (CGOA). Briefly, licenses that meet the selected catch threshold (1, 3, or 5 landings, or 5 mt, 10 mt, 25 mt, or 100 mt of directed Pacific cod catch) using pot, hook-and-line, or jig gear would receive gear-specific Pacific cod "Endorsements". The NPFMC has the flexibility to select different catch thresholds for vessels within the array of gear (i.e., pot, hook and line, etc.), operation type (i.e., catcher vessel, catcher processor, etc.) and vessel length sectors that are included in this proposed action.

It is important to note that the proposed action to implement Gulf of Alaska (GOA) fixed gear P. cod Endorsements provides needed stability for the Alaska resident fleets that participate in the WGOA and CGOA fixed gear P. cod fisheries, and incorporates several tools to ensure ample opportunities for new participation and entry-level participation in these fisheries. The proposed Endorsements action seeks to arrest an ongoing and continued deterioration of, and to provide necessary protection for, the social, cultural and economic characteristics of WGOA and CGOA communities, and those fishing businesses, vessels, vessel owners, operators, crews, support businesses, etc. that are so important to Kodiak and

Representative Bryce Edgmon, Chair
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other Alaska coastal communities, and that depend on stability and growth in the CGOA fixed gear P. cod fishery. The proposed GOA fixed gear P. cod Endorsements action adopts a fleet management protocol that is very similar to that which is instituted in the State of Alaska Limited Entry system; that is, the proposed Endorsements action creates licenses that have a similar purpose and function, for example, as the Limited Entry Licenses that are created by the State of Alaska in the Kodiak salmon, herring and tanner crab fisheries.

In addition to comments that directly address our opposition to HJR 21, we have included a brief compilation of relevant and recent documentary resources that define and explain the complexity of the proposed GOA Fixed Gear P. cod Endorsements action, and the serious and significant attention that has been invested in such proposed action.

II. Comments on HJR 21

We respectfully request that the House Fisheries Special Committee (House Fisheries Committee) take no action on HJR 21.

We respectfully request that the House Fisheries Committee please understand that a regulatory process has been underway for a long period of time to develop a proposed action for GOA fixed gear P. cod Endorsements. We respectfully request the House Fisheries Committee to please understand that many of the Alaskan communities, fishing businesses, vessels, vessel owners, operators, crews, support businesses, etc. that depend on the GOA fixed gear p. cod fishery would be detrimentally impacted by the adoption of HJR 21. We fear that the individuals, businesses and coastal communities who are in need of the proposed Endorsements action may be harmed by any legislative insertion into this process that may be caused by HJR 21. HJR 21 seeks to insert the Alaska Legislature into a regulatory process that is governed by a federally established entity that has developed the proposed initiative for GOA fixed gear P. cod Endorsements. However, HJR 21 falls far short of providing an accurate, thorough, complete and comprehensive consideration and understanding of the issues that are associated with the proposed Endorsements action. We fear that a significant risk exists to the individuals, businesses and coastal communities who are impacted by the proposed Endorsements action if the Alaska Legislature does not guarantee a significant investment of their time and attention to fully and completely understand the significant complexity, considerations, ramifications and details of the statutory, regulatory, social, cultural, economic and statistical considerations and analysis that have heretofore already been invested in the Endorsements initiative.

To be clear, we respect and support the authority, interests and prerogatives of the Alaska Legislature, on behalf of the State of Alaska, its resources and its citizens, to convey official expressions and resolutions of interest, intent and policy for the purpose of addressing

Representative Bryce Edgmon, Chair
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specific resource management initiatives that may otherwise lie within the official jurisdiction of a resource management entity that is officially established apart from the jurisdiction of the State of Alaska. However, the action that is proposed in HJR 21 is misdirected, unproductive and unreasonable, and leads to no practical or beneficial result whatsoever. And the accuracy, efficacy, manner of expression and foundation of the provisions therein contained are in large part hyperbole, malapropos, uninformed and inaccurate. HJR 21 suggests action that would significantly disadvantage and harm Alaska-resident harvesters and Alaskan coastal communities, and, instead, permit the continuing erosion of Alaskan interests in the GOA fixed gear P. cod fishery that is caused by non-Alaskan interests, and other interests that are otherwise enriched by favorable management programs in other fisheries.

Please bear in mind that the consideration of the proposed action for GOA fixed gear P. cod Endorsements is given by federal statute to a federally established entity (i.e., the NPFMC) in which the State of Alaska has statutorily been provided with significant official standing, involvement, influence and participation. The State of Alaska has reasonably sufficient and experienced professional resources with which to engage, and which have, in fact, reasonably engaged, in the development of the proposed Endorsements action. The State of Alaska has significant and ample opportunity to consider, balance, judge and advocate the details and impacts, and the policy and other considerations, that are associated with the proposed Endorsements action.

Importantly, the proposed Endorsements action that is referenced in HJR 21 has been under development for several years, and is scheduled for final action during the April, 2009, NPFMC meeting. The proposed action is very important to the stability, survival and future growth of the traditional and customary social, cultural, economic and business framework of Kodiak and other Alaska coastal communities. In fact, aggressive action to address the problems, challenges and threats to such stability, survival and future growth, such as are addressed in the proposed GOA Endorsements action, should have been taken and implemented many years ago.

We respectfully request that the House Fisheries Special Committee, the House Resources Committee and the Alaska Legislature please do not insert themselves in the proposed GOA fixed gear P. cod Endorsements initiative, especially in the manner that is expressed in HJR 21. We respectfully request that the House Fisheries Committee take no action on HJR 21.

III. Brief Compilation of Relevant and Recent Documentary Resources

A. Analysis (Public Review Draft EA/RIR/IRFA; March 3, 2009)

Representative Bryce Edgmon, Chair
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"PUBLIC REVIEW DRAFT; ENVIRONMENTAL ASSESSMENT/REGULATORY
IMPACT REVIEW/INITIAL REGULATORY FLEXIBILITY ANALYSIS for a Proposed
Amendment to the Fishery Management Plan for Groundfish of the GOA Management Area
to ADD PACIFIC COD ENDORSEMENTS TO WESTERN AND CENTRAL GOA
FIXED GEAR LLP LICENSES; March 3, 2009" (129 pages)
<http://www.fakr.noaa.gov/npfmc/current_issues/pcod/fixedgearrecency309.pdf>

The above referenced document is commonly referred to as an "Analysis", and illustrates the most recent version of the analytical review of those conservation, management, community, statutory, regulatory, policy and other issues that the Council has determined to be included in such Analysis, in response to significant and diverse public testimony, agency comment (including from NOAA General Counsel, National Marine Fisheries Service Sustainable Fisheries Division and Enforcement Division personnel or "NMFS", Alaska Department of Fish & Game or "ADF&G", United States Coast Guard or "USCG", etc.), conformity with federal statutory and regulatory requirements (i.e., NEPA, etc.), etc.

Please see Chapter 1.1 ("Purpose and Need for the Action"; page 21), and the associated "GOA Fixed Gear Recency Purpose and Need Statement" (page 23).

Please also see that the subject Analysis identifies the most recent array of "Alternatives and Options" that are under consideration by the NPFMC for the proposed regulatory action (please see Chapter "1.2 Alternatives"; page 24).

B. December 2008 NPFMC Newsletter Article (see page 7) "GOA Fixed Gear
LLP Pacific cod Endorsements"
<<http://www.fakr.noaa.gov/npfmc/newsletters/news1208.pdf>>

This NPFMC December 2008 newsletter article provides the public with a brief summary of the status, elements, direction and expectations for NPFMC action on the proposed GOA fixed gear P. cod Endorsements action that is the subject of HJR 21.

Thank you for your consideration of our comments on HJR 21.

Sincerely,



Jeffrey R. Stephan

State of Alaska - Legislature
Senate Resources Committee

Public Comment of Shawn Dochtermann on HJR 21 re P.Cod Endorsements

Wednesday, March 18, 2009

Chairmen McGuire & Wielechowski and Senate Resource Members,

I'm Shawn Dochtermann, a second-generation commercial fisherman from Kodiak with over 30 years of fishing experience under my knife belt. I'm here representing my interests in Gulf of Alaska fisheries, today — even though I'm frequently a public advocate for many Alaskan fishermen, their families and coastal communities.

I'm here in support of HJR 21, for many reasons.

First I'd like to review a brief history of fisheries rationalization regimes:

- Fifty years ago, we became a state, and forced fisheries processors to start sharing profits of the resources that were being extracted from our state.
- Fast-forward to the early seventies, Limited Entry was introduced as state fishery law. **There was only one catch: in order to harvest the fish, the permit holder had to actually put his boots on and go down and work on the boat, go fishing, catch the fish and then deliver them for processing. It was an owner-on-board fishery, and the crews got paid well.**
- In 1995 the halibut and sablefish federal fisheries management program (FMP) was changed from open access to Individual Fish Quotas, a.k.a. IFQs, DAPs, LAPs, or 'Catch Shares'. The NPFMC gave quotas to vessel owners and the program created a superior right so they would never have to step foot on boat again if they so chose. **This is what you would call an absentee owner model.**

For the record, approximately 15,000 halibut crewmen and skippers lost their jobs in one day. But at least when quotas are sold or the initial recipient expires from the fishery (my father will be 100 years old, I'll bet!) the IFQ has to be fished by the quota holder. That's what one would call fair — as compared to the newer privatization schemes. And the quotas were awarded only to fishermen as suppliers, not given to processors as buyers: who might dominate price setting.

- Next (BS) pollock was privatized in 1998 with the direct help of Ted Stevens and Trevor McCabe. **Now foreign owned companies that own processors and vessels are granted exclusive rights to catch and process pollock in the BS.** This greatly degraded Alaska's sovereign abilities to control its own resources.
- Lastly, in 2005 came Bering Sea Aleutian Island Crab Rationalization (CR) or CRAB RATZ. With a name like that one would know there's real "devils in the details", as over 1,000 crab crewmen were disenfranchised by Ted Stevens' Rider on a must-pass federal appropriations bill. **This gifted over 1 Billion Dollars in**

IFQ rights to about 100 individuals and corporations.

The processing rights were given to 7 major processing companies. Japanese trading companies own 40-50% of the processing rights, while Trident Seafoods has over 25% of processing and a large amount of IFQs. All of the IFQs were given to the quota holders forever; consequently there is no program to get fishing privileges back into the hands of active fishermen.

Crewmen in the Bering Sea are now getting paid at unfair and inequitable compensation rates due to high rent seekers taking exorbitant lease fees off the top. The average Bering Sea crabber now makes from 50-70% less than he did pre-rationalization. Now BS crab IFQ holders (who by majority live out of state) can play golf in Hawaii during the crab season — and collect a paycheck from Alaskan crab that was harvested without having to even own a boat or gear — by skimming 70% of the gross proceeds right off the top, before the boat it is fished on leaves the dock.

The next generation (myself included) is now sitting at this table and we've had enough of **fishery access removal** by the factions of fisheries lobbyists you will hear from today. If you're not born into a fishing family, it will take millions of dollars invested just to go catch some fish.

We fought Ben Stevens and his thuggery and stopped SB113 in this same building in 2005/6, and we won. Governor Palin was elected and she put the kibosh on the rush into GOA groundfish rationalization. **But now the NPFMC is trying to get GOA groundfish rationalization through by other means to suit the trawlers' need of getting quota ownership and securing the high value bycatch — incidental species now targeted that should by the standards of the Magnuson Stevens Act and related fisheries laws be brought to a halt.** The gear groups that fish the dirtiest should be penalized for excessive bycatch, not awarded allocations as a prize for lobbying efforts and campaign financing.

In summary, removing the latent LLPs from the GOA groundfish permit holders will leave state waters as the dumping ground for new entrants. Why shouldn't federal waters have a place for active fishermen as new entrants to transition into, for all of its fisheries? Where is the problem of too many fishing vessels? There is no great influx of vessels coming into the GOA Pacific cod fishery in the last 5-10 years. It's not financially viable for that many vessels to stay in the fishery, in any case — especially with the huge recent drop in ex-vessel cod prices. So, many vessels are now fishing only to secure rights to a catch history in case a rationalization management or privatization scheme gets imposed.

I'll be headed out jigging in state waters this week. But with these low prices, it looks like I'll be fishing first for my sanity and second to try to make an income. But there are no guarantees, it's fishing. I should be able to have access to the fisheries that are right outside of my doorstep, and the next generation should have that opportunity as well.

Fishing rights need to remain with those who go out on the boats.

Removing these LLPs from the fixed-gear fishermen will simply **take rights from active and future fishermen and give exclusive rights to an investor-only faction who do not fish.**

The North Pacific Fishery Management Council presides over the federal waters off of one state only: Alaska. And the Council and State conduct joint Board of Fish and other coordinated efforts. Yet some have argued that you should not concern yourself with advising the Council on behalf of the People of Alaska whom you represent. Nothing could be further from the truth. It is both the right and duty of this Legislature to keep watch over these economic and social issues. In fact, it is inherent in our State's birthright and Constitution.

I urge the Senate Resources Committee to move HJR21a to the floor and ask all of the members here today to speak with other the state senator representing their district to move this Resolution forward to the NPFMC forthwith.

As always, I appreciate the time you've taken to listen to my comments.

Respectfully,

Shawn C Dochtermann
F/V Isanotski
PO Box 3886
Kodiak, AK 99615
Tel: 907-486-8777

Add'l. Bio: I've fished in the Gulf of Alaska (GOA), Bering Sea (BS), Aleutians, up to St. Matthew Island, and in the rivers of Bristol Bay. I'm a state salmon driftnet permit holder, and own a Bristol Bay vessel, and also fish halibut, cod, king crab and tanner crab.



Alaska State Legislature

Please enter into the record my testimony to the Senate Resource
 committee name
 committee on HJR21, dated 3-30-09
 bill/subject

**PLEASE SEE TESTIMONY
 ATTACHED**

Signed: Shawn Dochtermann
 Testifier

Self
 Representing (Optional)

PO Box 3886 Kodiak 99615
 Address

907-486-8777
 Phone No.

North Pacific Fishery Management Council
604 West 4th Avenue Suite #306
Anchorage, Alaska 99501

192nd Plenary Session – April 1-7, 2009
Hilton Hotel, Anchorage, AK

Re: C-1 GOA Groundfish Management

Public Comment By: Mr. Shawn C. Dochtermann

Kodiak, Alaska 99615 — Tel: (907) 486-8777

Mr. Secretary, Chairman Olson, Council members,
and Honorable Citizens of the United States,

My name is Shawn Dochtermann, a 2nd generation commercial fisherman from Kodiak. I have 31 years experience in the GOA, BS, Bristol Bay and in the Aleutian islands. I am here representing myself as well as many Alaskan citizens in the coastal communities.

I'm in opposition to the removal of LLPs from GOA groundfish license holders and to the implementation of Pacific Cod endorsement requirements by the Council. Therefore, I ask for the Council to remain with Status Quo for the GOA Groundfish Management.

The purpose and needs statements is flawed. There is no increased market value, in fact, the price has dropped by almost 50% from the 2008 to the 2009 cod season. Where is the intense competition, unless there are vessels that are racing for history that was perpetuated due to the Council moving forward with GOA rationalization, sector splits, and LLP removal threats?

Most of the federal fisheries in the state of Alaska have gone the way of privatization and it has disconnected the actual fishermen that prosecute the fisheries from having access to participate and ascend to vessel owner/skipper. If 500 of the 800 licenses that are in circulation at present are removed you will be handing 300 fixed gear license holders the keys to owning the resource as well as the trawler sector and it's past removal of LLPs from the GOA.

I ask only one question of the council:

Where is the link to conservation, sustainability of the resource and habit protection in removing LLPs?

The removal of the LLPs in the GOA Groundfish fisheries venomously violates NS #5 Sec. 600.330 "no such measure shall have economic allocations as it's sole purpose".

Once you remove 500 licenses, it takes away future fishermen having the chance to participate and awards 300 license holders the access to a sector split, which in essence is an economic allocation.

I'd like to review a brief history of fisheries rationalization regimes:

- Fifty years ago, we became a state, and forced fisheries processors to start sharing profits of the resources that were being extracted from our state. The federal government was nowhere to be found in promoting conservation of fisheries, sustainability, and protection of fish habitat.
- Fast-forward to the early seventies, Limited Entry was introduced as state fishery law. **There was only one catch: in order to harvest the fish, the permit holder had to actually put his boots on and go down and work on the boat, go fishing, catch the fish and then deliver them for processing. It was an owner-on-board fishery, and the crews got paid well.**
- In 1995 the halibut and sablefish federal fisheries management program (FMP) was changed from open access to Individual Fish Quotas, a.k.a. IFQs, DAPs, LAPs, or 'Catch Shares'. The Council gave quotas to vessel owners and the program created a superior right so they would never have to step foot on boat again if they so chose. **This is what you would call an absentee owner model.**

For the record, approximately 15,000 halibut crewmen and skippers lost their jobs in one day. But at least when quotas are sold or the initial recipient expires from the fishery (my father will be 100 years old, I'll bet!) the IFQ has to be fished by the quota holder. That's what one would call fair – as compared to the newer privatization schemes. And the quotas were awarded only to fishermen as suppliers, not given to processors as buyers: who might dominate price setting.

- Next BS pollock was privatized in 1998 with the direct help of Ted Stevens and Trevor McCabe. **Now foreign owned companies that own processors and vessels are granted exclusive rights to catch and process pollock in the BS. This greatly degraded Alaska's sovereign abilities to control its own resources.**
- Lastly, in 2005 came Bering Sea Aleutian Island Crab Rationalization (CR) or CRAB RATZ. With a name like that one would know there's real "devils in the details", as over 1,000 crab crewmen were disenfranchised by Ted Stevens' Rider on a must-pass federal appropriations bill. **This gifted over 1 Billion Dollars in IFQ rights to about 100 individuals and corporations.**

The processing rights were given to 7 major processing companies. Japanese trading companies own 40-50% of the processing rights, while Trident Seafoods has over 25% of processing and a large amount of IFQs. All of the IFQs were given to the quota holders forever; consequently there is no program to get fishing privileges back into the hands of active fishermen.

Crewmen in the Bering Sea are now getting paid at unfair and inequitable

compensation rates due to high rent seekers taking exorbitant lease fees off the top. The average Bering Sea crabber now makes from 50-70% less than he did pre-rationalization. Now BS crab IFQ holders (who by majority live out of state) can play golf in Hawaii during the crab season — and collect a paycheck from Alaskan crab that was harvested without having to even own a boat or gear — by skimming 70% of the gross proceeds right off the top, before the boat it is fished on leaves the dock.

The next generation (myself included) is now sitting at this table and we've had enough of **fishery access removal** by the factions of fisheries lobbyists that have gotten us to this point and will continue to work for those that stand to gain the most monetarily. If you're not born into a fishing family, it will take millions of dollars invested just to go catch some fish. Where is the MSA protections for fisheries, not vessel and quota holders bank accounts and future revenues?

We fought Ben Stevens and his thuggery and stopped SB113 and coordinates GOA groundfish rationalization in the Alaska Legislature in 2005/6, and we won. Governor Palin was elected and she put the kibosh on the rush into GOA groundfish rationalization.

The lobbyists and the Council have worked together to move GOA groundfish rationalization through by other means to suit the trawlers' need of getting quota ownership and securing the high value bycatch — incidental species now targeted that should by the standards of the Magnuson Stevens Act and related fisheries laws be brought to a halt. The gear groups that fish the dirtiest should be penalized for excessive bycatch, not awarded allocations as a prize for lobbying efforts and campaign financing.

The Council should make an amendment to the GOA Groundfish Management plan to hand the cleanest gear group more of the quota. The jig sector is recognized as the group that has the least bycatch (almost none), least mortality on any bycatch, the least footprint on the sea floor, and the least carbon footprint. We've been here for 4 years asking for an exemption to own an LLP, to be able to prosecute the federal cod/groundfish fishery. We are a small vessel fleet connected to the communities in the GOA and promote family fisheries. The jig sector never really had the chance to participate in GOA "A" season do due safety concerns from inclement weather. To abide by MSA law the gear groups with the least impact on the ocean should have the best opportunity to gain quota for their sector.

In summary, removing the latent LLPs from the GOA groundfish permit holders will leave state waters as the dumping ground for new entrants. Why shouldn't federal waters have a place for active fishermen as new entrants to transition into, for all of its fisheries? Where is the problem of too many fishing vessels? There is no great influx of vessels coming into the GOA Pacific cod fishery in the last 5-10 years.

It's not financially viable for that many vessels to stay in the fishery, in any case — especially with the huge recent drop in ex-vessel cod prices.

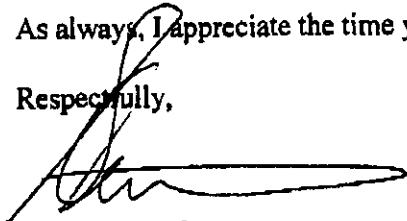
I'll be headed out jigging in state waters this week. But with these low prices, it looks like I'll be fishing first for my sanity and second to try to make an income. But there are no guarantees, it's fishing. I should be able to have access to the fisheries that are right outside of my doorstep, and the next generation should have that opportunity as well. **Fishing rights need to remain with those who go out on the boats.**

Removing these LLPs from the fixed-gear fishermen will simply **take rights from active and future fishermen and give exclusive rights to an investor-only faction who do not fish.**

I urge the NPFMC to stay with status quo for the GOA groundfish fisheries and use tools that are already in the tool box, such as trip limits, pot, hook and trawl net size limits and even vessel capacity limits to keep the fisheries healthy.

As always, I appreciate the time you've taken to listen to my comments.

Respectfully,



Shawn C Dochtermann
F/V Isanotski
PO Box 3886
Kodiak, AK 99615
Tel: 907-486-8777

ALASKA STATE LEGISLATURE



SENATOR LESIL McGUIRE
SENATOR BILL WIELECHOWSKI
Co-Chairs, Senate Resources Committee

MEMORANDUM

Date: March 30, 2009
To: Kirsten Waid, Senate Secretary
From: Senator Lesil McGuire, Co-Chair
Senator Bill Wielechowski, Co-Chair
Senate Resources Committee
Re: Senate Resources Committee Schedule

Committee Schedule Senate Resources For the week of March 30-April 3

Unless otherwise noted, all meetings will be held in the Butrovich, Room 205 @ 3:30 p.m.-5:00

Monday, March 30th

- * = + SJR 13: Law of the Sea
- * + HJR 21: Groundfish Fisheries Licenses
- + Bills previously heard and scheduled

- * First Hearing in First Committee of Referral
- + Teleconferenced
- = Bill was previously heard or scheduled