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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
TOTAL OPERATING	40.8	8.0	8.0	8.0	0.0	0.0

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
TOTAL	40.8	8.0	8.0	8.0	0.0	0.0

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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Session:
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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.

SPONSOR STATEMENT

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.

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Senate District N

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.

SECTIONAL ANALYSIS

Alaska State Legislature

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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.

For the purpose of these moratoria, the Gulf of Alaska is defined as the state marine waters west of the latitude of Cape Suckling (**the Eastern border of Prince William Sound**) to the westward extent of the state waters of the Aleutian Islands. The state waters adjacent to the Gulf of Alaska in Southeast Alaska are not included.

- (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 must have been made between January 1, 1998, and the effective date of this bill for issuance of a vessel permit during the moratorium. The period of the moratorium is January 1, 2005 through December 31, 2008. The Commercial Fisheries Entry Commission *may* by regulation extend the moratorium for a maximum period of two years. That date would be January 1, 2011, and the commission may only extend the moratorium if it is necessary to achieve the purposes set forth in 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, in cooperation with ADF&G and the Board of Fisheries, to conduct investigations to determine appropriate alternatives for management of entry into Gulf state groundfish fisheries and to submit any proposals to the legislature if statutory or constitutional amendments are necessary to implement the recommendations.
- (l) Authorizes CFEC to adopt regulations as necessary to implement the moratorium.
- (m) Exempts vessels participating in the Prince William Sound sablefish fishery or a halibut fishery managed under a federal IFQ system from obtaining a vessel permit under 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.

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.

BENEFITS TO MORATORIUM CHANGES

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

Provision	Current Law	SB 347
Steps and entities required to initiate process of establishing a moratorium	<u>16.43.225(b)</u> Commissioner of ADF&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. 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)) If Board votes to approve Commissioner's request, Commissioner may then petition CFEC for moratorium. CFEC may then propose a moratorium if it finds a moratorium is warranted under criteria in 16.43.225	<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&G</i>)
Purpose of moratorium/conditions under which moratorium may be established	Listed in current 16.43.225 (a) and 225(b), and 16.05.050(a)(19)	<u>Bill section 2</u> Listed in new 225 (a)
Entities for which a moratorium in new entrants may be established	<u>225(e)</u> Persons	<u>Bill sections 2 & 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> <i>Note: This does not provide authority for vessel-based permanent limitation</i>)

Additional provisions/direction:	Current law silent on these issues, so authority and latitude is left unclear or dependent upon "general authorities" provisions of statutes.	<u>Bill section 7</u> <u>225 (b) (c) & (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> <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> <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> <u>225 (e)(2)</u> If moratorium established on vessels, moratorium permits are issued to owner, (as of qualification date) of qualifying vessel.
Question of whether participation during moratorium may count toward any future use privilege	<u>16.43.260(f)</u> Participation during moratorium may not be counted.	<u>Bill section 7 --225(k)</u> Participation during moratorium may not be counted, unless otherwise provided by law or regulation.

**GEAR PROPOSED TO BE INCLUDED IN THE GROUND FISH
UNDER THE PROPOSED GULF OF ALASKA MORATORIA**

5 AAC 39.105 (d)(10) a trawl is a bag-shaped net towed through the water to capture fish or shellfish.

5 AAC 39.105 (d) (10) (C) a pelagic trawl is a trawl where the net, or the trawl doors or other trawl spreading device, do not operate in contact with the seabed and which does not have attached to it any protective device, such as chafing gear, rollers, or bobbins, that would make it suitable for fishing in contact with the seabed.

5 AAC 39.105 (d) (11) a pot is a portable structure designed and constructed to capture and retain fish and shellfish alive in the water.
5 AAC 28.050 (e) a groundfish pot is a pot with individual tunnel eye openings with perimeters 36 inches or less.

5 AAC 39.105 (d) (13) a longline is a stationary buoyed or anchored line or a floating, free drifting lines with lures or baited hooks attached.

Other lawful gear will not be included under the moratoria.

GEAR TERMS

Comparison of federal and state water groundfish areas.

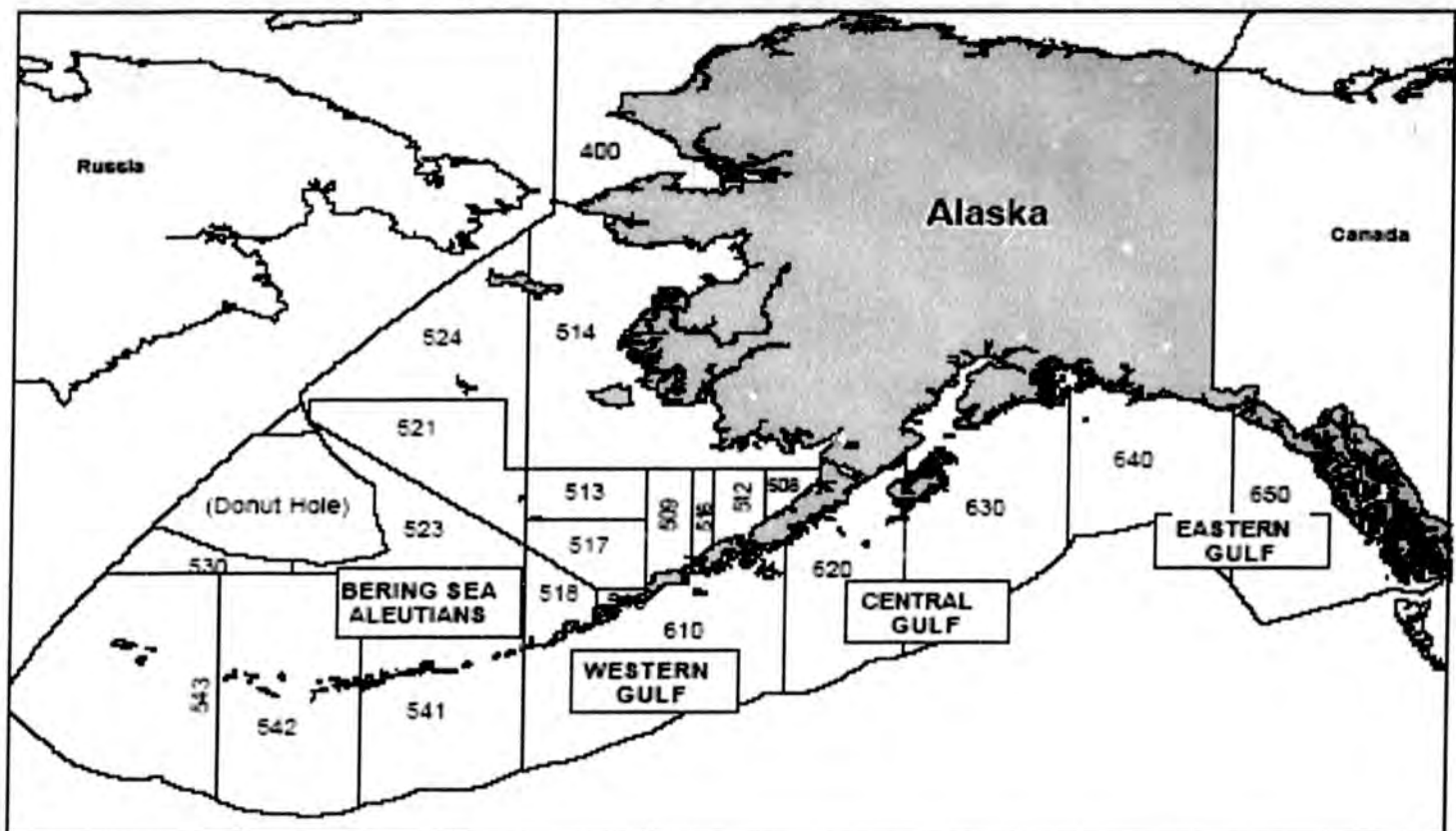


Figure 1. National Marine Fisheries Service statistical and reporting areas.

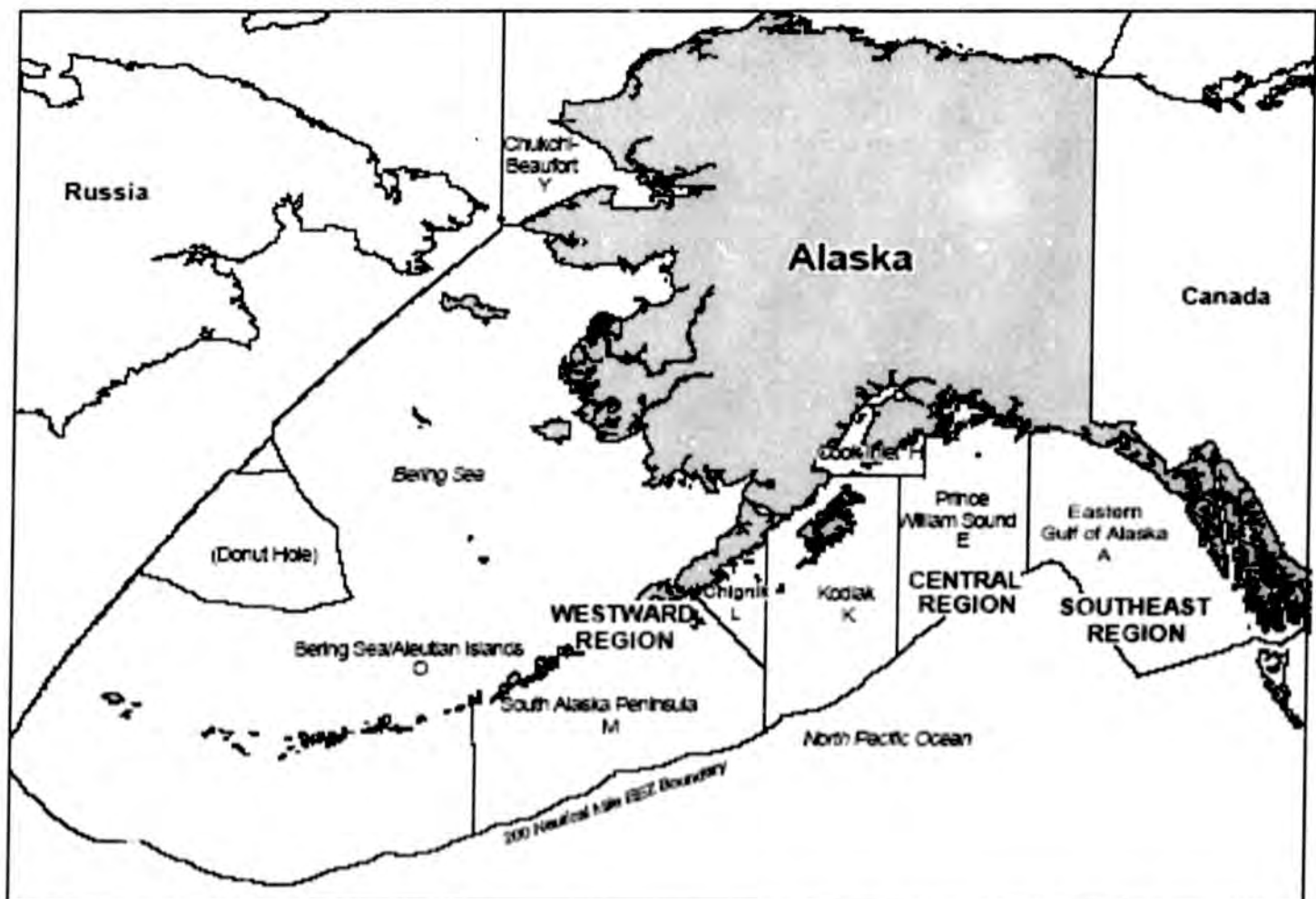


Figure 2. Alaska Department of Fish and Game groundfish registration areas and regions.

MAPS/VESSEL DATA

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	3	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

Sec. 16.43.225. Moratorium on new entrants into certain fisheries.

(a) Subject to (b) of this section, the commission may establish a moratorium on new entrants into a fishery

(1) that has experienced recent increases in fishing effort that are beyond a low, sporadic level of effort;

(2) that has achieved a level of harvest that may be approaching or exceeding the maximum sustainable level for the fishery; and

(3) for which there is insufficient biological and resource management information necessary to promote the conservation and sustained yield management of the fishery.

(b) The commission may establish a moratorium on new entrants into a fishery described in (a) of this section if

(1) the commissioner of fish and game, subject to AS 16.05.251 (g), petitions the commission under AS 44.62.220 to establish a moratorium on new entrants into the fishery; and

(2) the commission finds that

(A) the fishery has reached a level of participation that may threaten the conservation and the sustained yield management of the fishery resource and the economic health and stability of commercial fishing; and

(B) the commission has insufficient information to conclude that the establishment of a maximum number of entry permits under AS 16.43.240 would further the purposes of this chapter.

(c) The commission may establish a moratorium under this section for a continuous period of up to four years. A fishery that has been subject to a

CURRENT AS 16.43.225

moratorium under this section may not be subjected to a subsequent moratorium under this section unless five years have elapsed since the previous moratorium expired.

(d) While a moratorium is in effect, the commission shall conduct investigations to determine whether a maximum number of entry permits should be established under AS 16.43.240 by

- (1) conducting research into conditions in the fishery;
- (2) consulting with the Department of Fish and Game and the Board of Fisheries; and
- (3) consulting with participants in the fishery.

(e) The commission shall establish by regulation the qualifications for applicants for an interim-use permit for a fishery subject to a moratorium under this section. The qualifications must include the minimum requirements for past or present participation and harvest in the fishery. The commission may not issue an interim-use permit for a fishery subject to a moratorium under this section unless the applicant can satisfy the qualifications established under this subsection and establish the present ability and intent to participate actively in the fishery.

23-LS1677\U
Utermohle
4/2/04

HOUSE CS FOR CS FOR SENATE BILL NO. 347()
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-THIRD LEGISLATURE - SECOND SESSION

BY

Offered:
Referred:

Sponsor(s): SENATOR BEN STEVENS

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to moratoria on entry of new participants into a commercial fishery;**
2 **relating to interim-use permits for, and the establishment of a moratorium on entry of**
3 **new participants into, state Gulf of Alaska groundfish fisheries; and providing for an**
4 **effective date."**

5 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

6 *** Section 1.** The uncoded law of the State of Alaska is amended by adding a new section
7 to read:

8 **FINDINGS AND PURPOSE WITH REGARD TO A MORATORIUM ON ENTRY**
9 **OF NEW PARTICIPANTS INTO STATE GULF OF ALASKA GROUND FISH**
10 **FISHERIES. (a) The Alaska State Legislature finds that**

11 **(1) the goal of the state is to**

12 **(A) protect, maintain, and improve the fishery resources of the state,**
13 **and manage the use and development of those fishery resources in the best interest of**
14 **the economy and the well-being of the people of the state, consistent with the**

1 sustained yield principle; and

2 (B) promote the conservation and sustained yield management of
3 Alaska fishery resources and the economic health and stability of commercial fishing
4 in the state by regulating and controlling entry of participants into commercial
5 fisheries in the public interest and without unjust discrimination;

6 (2) the North Pacific Fishery Management Council has undertaken an analysis
7 of the Gulf of Alaska groundfish fisheries in the United States exclusive economic zone off
8 Alaska and has begun consideration of action that may result in significant reductions in the
9 number of fishermen that may participate in those fisheries;

10 (3) in order to adequately protect state groundfish fishery resources of the Gulf
11 of Alaska and to protect those dependent upon the groundfish fisheries from economic
12 distress, management measures must be considered that will mitigate effects from the
13 pressures that will result from rationalization in the federal groundfish fisheries adjacent to
14 state groundfish fisheries;

15 (4) a timely, temporary moratorium on entry of new participants into the state-
16 managed groundfish fisheries west of Cape Suckling will control growth during development
17 of a long-term plan for the management of state Gulf of Alaska groundfish fisheries.

18 (b) The purposes of the moratorium on entry of new participants into the state Gulf of
19 Alaska groundfish fisheries established by this Act are to

20 (1) immediately impose a moratorium on entry of new participants into the
21 state Gulf of Alaska groundfish fisheries west of Cape Suckling to temporarily protect Alaska
22 fisheries, fishermen, and those dependent on them for a livelihood from potential adverse
23 consequences of action the North Pacific Fishery Management Council is expected to take to
24 reduce participation in the Gulf of Alaska groundfish fisheries in the United States exclusive
25 economic zone off Alaska, while avoiding unnecessary restrictions on entry to Alaska
26 commercial fisheries;

27 (2) require, during the state Gulf of Alaska groundfish fishery moratorium in
28 state water, study of whether permanent limitation on entry into these groundfish fisheries is
29 necessary and, if so, whether statutory changes are necessary in order to implement an
30 effective limited entry program in those groundfish fisheries; and

31 (3) provide time to pursue statutory or regulatory changes necessary to

1 provide for the long-term management of Alaska groundfish fisheries.

2 * Sec. 2. AS 16.43.225(a) is repealed and reenacted to read:

3 (a) The commission may establish a moratorium on entry of new entrants into
4 a commercial fishery if the commission finds that the moratorium is necessary

5 (1) to promote the conservation and sustained yield management of the
6 fishery resource and the economic health and stability of the commercial fishery; and

7 (2) either

8 (A) to allow time for the commission to develop regulatory or
9 legislative proposals to address needs of the fishery that cannot be met under
10 existing regulations or statutes; or

11 (B) to allow the Department of Fish and Game or the Board of
12 Fisheries to open a commercial fishery that would otherwise remain closed to
13 protect a fishery resource from overexploitation resulting from unrestricted
14 access to the fishery.

15 * Sec. 3. AS 16.43.225(b) is repealed and reenacted to read:

16 (b) The commission may establish a moratorium on new entrants in one or
17 more fisheries or for one or more fishery resources, gear types, or administrative areas
18 within a fishery.

19 * Sec. 4. AS 16.43.225(c) is amended to read:

20 (c) The commission may establish a moratorium under this section for a
21 continuous period of up to ³four years. The commission may extend the period of a
22 moratorium for a continuous period of not more than ¹two years if necessary to
23 achieve a purpose described under (a) of this section. A fishery that has been
24 subject to a moratorium under this section may not be subjected to a subsequent
25 moratorium under this section unless five years have elapsed since the previous
26 moratorium expired.

27 * Sec. 5. AS 16.43.225(d) is amended to read:

28 (d) While a moratorium is in effect, the commission shall study and evaluate
29 alternatives for management of entry into the fishery under this chapter
30 [CONDUCT INVESTIGATIONS TO DETERMINE WHETHER A MAXIMUM
31 NUMBER OF ENTRY PERMITS SHOULD BE ESTABLISHED UNDER

1 AS 16.43.240] by

2 (1) conducting research into conditions in the fishery;

3 (2) consulting with the Department of Fish and Game and the Board of
4 Fisheries; and

5 (3) consulting with participants in the fishery.

6 * Sec. 6. AS 16.43.225(e) is amended to read:

7 (e) The commission shall establish by regulation a qualification date
8 and eligibility criteria [THE QUALIFICATIONS] for applicants for an interim-use
9 permit for a fishery subject to a moratorium under this section. The eligibility criteria
10 for an interim-use permit for a fishery subject to a moratorium under this section
11 [QUALIFICATIONS] must include the minimum requirements for past or present
12 participation and harvest in the fishery as of the qualification date established by
13 the commission. The commission shall issue an interim-use permit to a person
14 who satisfies the eligibility criteria established under this subsection [THE
15 COMMISSION MAY NOT ISSUE AN INTERIM-USE PERMIT FOR A FISHERY
16 SUBJECT TO A MORATORIUM UNDER THIS SECTION UNLESS THE
17 APPLICANT CAN SATISFY THE QUALIFICATIONS ESTABLISHED UNDER
18 THIS SUBSECTION AND ESTABLISH THE PRESENT ABILITY AND INTENT
19 TO PARTICIPATE ACTIVELY IN THE FISHERY].

20 * Sec. 7. AS 16.43.225 is amended by adding new subsections to read:

21 (f) If the commission establishes a moratorium under this section for a fishery
22 that involves more than one fishery resource, type of gear, or administrative area, the
23 commission may limit, as the commission determines appropriate, the species of
24 fishery resource that may be harvested, the types of gear that may be used, and the
25 areas where fishing may occur under an interim-use permit issued for the fishery. The
26 commission shall adopt criteria, as appropriate, for determining how

27 (1) restrictions on fishery resources, types of gear, and areas fished are
28 established for individual interim-use permits; and

29 (2) eligibility to take a particular fishery resource, to use a particular
30 type of gear, or to fish in a particular area is established.

31 (g) Unless otherwise provided by law or by a regulation adopted by the

commission, the commission may not consider participation in a fishery by a person that occurs during the period of the moratorium in determining eligibility for fishing privileges under a subsequent limitation on entry or participation in the fishery.

(h) Unless the application of a provision of this chapter to an interim-use permit issued under this section conflicts with this section or the purpose of this section, an interim-use permit issued under this section is subject to all provisions of this chapter governing interim-use permits.

(i) Nothing in this section limits the powers of the Board of Fisheries or the Department of Fish and Game.

* Sec. 8. AS 16.43.260(f) is amended to read:

(f) When the commission establishes the maximum number of entry permits under AS 16.43.240 for a fishery that is subject to a moratorium under AS 16.43.225, the commission shall establish a qualification date to be used to determine the priority classification among applicants. Each [AN] applicant for an entry permit for the fishery shall be assigned to a priority classification based [SOLELY] upon the applicant's qualifications as of the qualification [EFFECTIVE] date established under this subsection [OF THE STATUTE OR REGULATION ESTABLISHING THE MORATORIUM].

* Sec. 9. AS 16.43 is amended by adding a new section to read:

Sec. 16.43.226. Gulf of Alaska groundfish fisheries. (a) For the period beginning on January 1, 2005, and ending on the date of the expiration under (d) of this section of the moratorium on entry of new participants into Gulf of Alaska groundfish fisheries established under this section, the commission shall issue interim-use permits under this section to participants in the state Gulf of Alaska groundfish fisheries. The commission shall issue an interim-use permit to an eligible person upon application. The commission shall issue a separate interim-use permit for each fishery. The Gulf of Alaska groundfish fisheries are

- (1) Prince William Sound groundfish non-pelagic trawl fishery;
- (2) Prince William Sound groundfish pelagic trawl fishery;
- (3) Prince William Sound groundfish longline fishery;
- (4) Prince William Sound groundfish pot fishery;

- (5) Cook Inlet groundfish non-pelagic trawl fishery;
- (6) Cook Inlet groundfish pelagic trawl fishery;
- (7) Cook Inlet groundfish longline fishery;
- (8) Cook Inlet groundfish pot fishery;
- (9) Kodiak groundfish non-pelagic trawl fishery;
- (10) Kodiak groundfish pelagic trawl fishery;
- (11) Kodiak groundfish longline fishery;
- (12) Kodiak groundfish pot fishery;
- (13) Chignik groundfish non-pelagic trawl fishery;
- (14) Chignik groundfish pelagic trawl fishery;
- (15) Chignik groundfish longline fishery;
- (16) Chignik groundfish pot fishery;
- (17) South Alaska Peninsula groundfish non-pelagic trawl fishery;
- (18) South Alaska Peninsula groundfish pelagic trawl fishery;
- (19) South Alaska Peninsula groundfish longline fishery;
- (20) South Alaska Peninsula groundfish pot fishery.

(b) An interim-use permit issued under this section is a use privilege authorizing the permit holder to engage in a specific groundfish fishery if that fishery is authorized by the Board of Fisheries. The interim-use permit must describe the fishery resource, the type of gear, and the area for which the permit is issued. The use privilege conveyed by the permit may be modified or revoked by the legislature without compensation.

(c) Except as provided in (j) of this section, on or after January 1, 2005, a person may not use pelagic trawl, non-pelagic trawl, longline, or pot gear, as defined by the Board of Fisheries, to take groundfish in a state Gulf of Alaska groundfish fishery unless the person holds an interim-use permit that has been issued for that fishery under this section. This subsection does not prohibit a person from taking groundfish using gear other than pelagic trawl, non-pelagic trawl, longline, or pot gear, if the taking and retention of the groundfish is permitted under regulations adopted by the Board of Fisheries and the person holds the appropriate interim-use permit issued under AS 16.43.210.

(d) Notwithstanding AS 16.43.225, the commission may not issue an interim-use permit under this section to a person for a Gulf of Alaska groundfish fishery for the period January 1, 2005, through December 31, 200⁵~~8~~, inclusive, unless the person has, on or after January 1, 1998, and before the effective date of this Act, made a documented landing of groundfish in the area using the type of gear for which the permit is to be issued. The commission may by regulation extend the moratorium on entry of new participants into the Gulf of Alaska groundfish fisheries established under this subsection for a maximum period of ~~two years~~^{ONE} until January 1, 2011, if the commission finds that the extension of the moratorium is necessary to achieve the purposes of the moratorium.

(e) Participation of a person in a Gulf of Alaska groundfish fishery during the moratorium established under (d) of this section may not be used to establish eligibility for a use privilege for a groundfish fishery that may be issued after the termination of the moratorium authorized under this section.

(f) Subsections (d) - (e) of this section may be superseded by regulations adopted by the commission under subsequent legislation enacted by the legislature authorizing the regulations.

(g) The annual fee for an interim-use permit issued under this section is

(1) \$500 for each pelagic trawl fishery or non-pelagic trawl fishery;

(2) \$250 for each pot fishery or longline fishery;

(h) During the moratorium established under (d) of this section, the commission shall, in cooperation with the Department of Fish and Game and the Board of Fisheries, conduct investigations to determine appropriate alternatives for management of entry into Gulf of Alaska groundfish fisheries in the state. The commission shall submit proposals to the legislature for legislation or constitutional amendments necessary to implement the recommendations of the commission.

(i) The commission may adopt regulations that the commission considers necessary to implement this section.

(j) Notwithstanding other provisions of this section, an interim-use permit issued under this section is not required for a person while that person is participating in the Prince William Sound sablefish fishery or a halibut fishery managed under a

1 federal individual fishery quota system; however, the person shall hold an appropriate
2 interim-use permit issued under AS 16.43.210.

3 (k) In this section,

4 (1) "Chignik" means the marine water of the Chignik groundfish
5 fishery registration area, as defined by the Board of Fisheries;

6 (2) "Cook Inlet" means the marine water of the Cook Inlet groundfish
7 fishery registration area, as defined by the Board of Fisheries;

8 (3) "groundfish" means a species of marine finfish other than halibut,
9 osmerids, herring, or salmonids;

10 (4) "Gulf of Alaska" means the marine water of the state adjacent to
11 the Gulf of Alaska that is west of the latitude of Cape Suckling to the westward extent
12 of state water of the Aleutian Islands;

13 (5) "Gulf of Alaska groundfish fishery" means a fishery in which
14 groundfish are taken in a specified administrative or registration area in the Gulf of
15 Alaska using a specified type of fishing gear that is either pelagic trawl, non-pelagic
16 trawl, pot, or longline gear;

17 (6) "Kodiak" means the marine water of the Kodiak groundfish fishery
18 registration area, as defined by the Board of Fisheries;

19 (7) "landing" means the act of offloading for sale, or for transport to a
20 buyer for later sale, or catching and processing of groundfish taken in a halibut or
21 groundfish fishery in state water for sale as evidenced by a Department of Fish and
22 Game fish ticket;

23 (8) "Prince William Sound" means the marine water of the Prince
24 William Sound groundfish fishery registration area, as defined by the Board of
25 Fisheries;

26 (9) "South Alaska Peninsula" means the marine water of the South
27 Alaska Peninsula groundfish fishery registration area, as defined by the Board of
28 Fisheries.

29 * Sec. 10. AS 16.05.050(a)(19), 16.05.251(g), AS 16.43.227, and 16.43.228 are repealed.

30 * Sec. 11. This Act takes effect immediately under AS 01.10.070(c).

23-LS1677X

Utermohle

4/16/04

HOUSE CS FOR CS FOR SENATE BILL NO. 347()
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-THIRD LEGISLATURE - SECOND SESSION

BY

Offered:

Referred:

Sponsor(s): SENATOR BEN STEVENS BY REQUEST

A BILL

FOR AN ACT ENTITLED

"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 participants and vessels into state Gulf of Alaska groundfish fisheries; and providing for an effective date."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

* Section 1. The uncoded law of the State of Alaska is amended by adding a new section to read:

FINDINGS, PURPOSE, AND INTENT WITH REGARD TO A MORATORIUM ON ENTRY OF NEW PARTICIPANTS AND VESSELS INTO STATE GULF OF ALASKA GROUND FISH FISHERIES. (a) The Alaska State Legislature finds that

(1) the goal of the state is to

(A) protect, maintain, and improve the fishery resources of the state, and manage the use and development of those fishery resources in the best interest of the economy and the well-being of the people of the state, consistent with the

1 sustained yield principle; and

2 (B) promote the conservation and sustained yield management of
3 Alaska fishery resources and the economic health and stability of commercial fishing
4 in the state by regulating and controlling entry of participants and vessels into
5 commercial fisheries in the public interest and without unjust discrimination;

6 (2) the North Pacific Fishery Management Council has undertaken an analysis
7 of the Gulf of Alaska groundfish fisheries in the United States exclusive economic zone off
8 Alaska and has begun consideration of action that may result in significant reductions in the
9 number of fishermen and vessels that may participate in those fisheries;

10 (3) in order to adequately protect state groundfish fishery resources of the Gulf
11 of Alaska and to protect those dependent upon the groundfish fisheries from economic
12 distress, management measures must be considered that will mitigate effects from the
13 pressures that will result from rationalization in the federal groundfish fisheries adjacent to
14 state groundfish fisheries;

15 (4) a timely, temporary moratorium on entry of new participants and vessels
16 into the state-managed groundfish fisheries west of Cape Suckling will control growth during
17 development of a long-term plan for the management of state Gulf of Alaska groundfish
18 fisheries.

19 (b) The purposes of the moratorium on entry of new participants and vessels into the
20 state Gulf of Alaska groundfish fisheries established by this Act are to

21 (1) immediately impose a moratorium on entry of new participants and vessels
22 into the state Gulf of Alaska groundfish fisheries west of Cape Suckling to temporarily protect
23 Alaska fisheries, fishermen, and those dependent on them for a livelihood from potential
24 adverse consequences of action the North Pacific Fishery Management Council is expected to
25 take to reduce participation in the Gulf of Alaska groundfish fisheries in the United States
26 exclusive economic zone off Alaska, while avoiding unnecessary restrictions on entry to
27 Alaska commercial fisheries;

28 (2) require, during the state Gulf of Alaska groundfish moratorium in state
29 water, study of whether permanent limitation on entry of participants or vessels or both into
30 these groundfish fisheries is necessary and, if so, whether statutory changes are necessary in
31 order to implement an effective limited access program in those groundfish fisheries; and

(3) provide time to pursue statutory or regulatory changes necessary to provide for the long-term management of Alaska groundfish fisheries.

(c) It is the intent of the legislature that nothing in sec. 9 of this Act predetermine what, if any, permanent limitation on entry may be adopted for the state Gulf of Alaska groundfish fisheries.

* Sec. 2. AS 16.43.225(a) is repealed and reenacted to read:

(a) The commission may establish a moratorium on entry of new persons or vessels, or both, into a commercial fishery if the commission finds that the moratorium is necessary

(1) to promote the conservation and sustained yield management of the fishery resource and the economic health and stability of the commercial fishery; and

(2) either

(A) to allow time for the commission to develop regulatory or legislative proposals to address needs of the fishery that cannot be met under existing regulations or statutes; or

(B) to allow the Department of Fish and Game or the Board of Fisheries to open a commercial fishery that would otherwise remain closed to protect a fishery resource from overexploitation resulting from unrestricted access to the fishery.

* Sec. 3. AS 16.43.225(b) is repealed and reenacted to read:

(b) The commission may establish a moratorium under this section in one or more fisheries or for one or more fishery resources, gear types, or administrative areas within a fishery.

* Sec. 4. AS 16.43.225(c) is amended to read:

(c) The commission may establish a moratorium under this section for a continuous period of up to four years. The commission may extend the period of a moratorium for a continuous period of not more than two years if necessary to achieve a purpose described under (a) of this section. A fishery that has been subject to a moratorium under this section may not be subjected to a subsequent moratorium under this section unless five years have elapsed since the previous moratorium expired.

1 * Sec. 5. AS 16.43.225(d) is amended to read:

2 (d) While a moratorium is in effect, the commission shall study and evaluate
3 alternatives for management of entry into the fishery under this chapter
4 [CONDUCT INVESTIGATIONS TO DETERMINE WHETHER A MAXIMUM
5 NUMBER OF ENTRY PERMITS SHOULD BE ESTABLISHED UNDER
6 AS 16.43.240] by

7 (1) conducting research into conditions in the fishery;

8 (2) consulting with the Department of Fish and Game and the Board of
9 Fisheries; and

10 (3) consulting with participants in the fishery.

11 * Sec. 6. AS 16.43.225(e) is amended to read:

12 (e) The commission shall establish by regulation a qualification date and
13 eligibility criteria [THE QUALIFICATIONS] for applicants for an interim-use
14 permit, vessel permit, or both for a fishery subject to a moratorium under this section.
15 The eligibility criteria for an interim-use permit or vessel permit for a fishery
16 subject to a moratorium under this section [QUALIFICATIONS] must include the
17 minimum requirements for past or present participation and harvest in the fishery as of
18 the qualification date established by the commission. The commission shall issue

19 (1) an interim-use permit to a person who satisfies the eligibility
20 criteria established under this subsection;

21 (2) a vessel permit to a person or entity who, as of the qualification
22 date, owns a vessel that satisfies the eligibility criteria established under this
23 subsection for a vessel permit for the fishery [THE COMMISSION MAY NOT
24 ISSUE AN INTERIM-USE PERMIT FOR A FISHERY SUBJECT TO A
25 MORATORIUM UNDER THIS SECTION UNLESS THE APPLICANT CAN
26 SATISFY THE QUALIFICATIONS ESTABLISHED UNDER THIS SUBSECTION
27 AND ESTABLISH THE PRESENT ABILITY AND INTENT TO PARTICIPATE
28 ACTIVELY IN THE FISHERY].

29 * Sec. 7. AS 16.43.225 is amended by adding new subsections to read:

30 (f) If the commission establishes a moratorium under this section for a fishery
31 that involves more than one fishery resource, type of gear, or administrative area, the

commission may limit, as the commission determines appropriate, the species of fishery resource that may be harvested, the types of gear that may be used, and the areas where fishing may occur under an interim-use permit or a vessel permit issued for the fishery. The commission shall adopt criteria, as appropriate, for determining how

(1) restrictions on fishery resources, types of gear, and areas fished are established for individual interim-use permits and vessel permits; and

(2) eligibility to take a particular fishery resource, to use a particular type of gear, or to fish in a particular area is established.

(g) If the commission establishes a moratorium on entry of new persons or vessels into a fishery, the commission may regulate the fishing capacity that may be employed under an interim-use permit or a vessel permit issued for the fishery. The commission shall, as appropriate, adopt criteria for determining how restrictions on fishing capacity are established for interim-use permits and vessel permits. The criteria may be based on past participation in the fishery. The commission may define fishing capacity in terms of quantity of fishing gear, fishing vessel size, or other characteristics determined by the commission to affect the fishing capacity of vessels employed in the fishery.

(h) A vessel permit issued under this section

(1) constitutes a use privilege that may be modified or revoked by law without compensation;

(2) may not be

(A) transferred to another vessel, person, or entity, except as provided under (j) of this section;

(B) pledged, mortgaged, leased, or encumbered in any way;

(C) attached, distrained, or sold on execution of judgment or under any other process or order of any court;

(3) does not alter the requirement for an interim-use permit under AS 16.43.140 or a vessel license under AS 16.05.490 - 16.05.520.

(i) The commission shall establish fees for the issuance and annual renewal of vessel permits issued under this section. The annual fee for the vessel permit must

1 reasonably reflect the rate of economic return for the fishery and may not exceed
2 \$1,000.

3 (j) The commission may, in the regulations establishing a moratorium under
4 this section, provide for

5 (1) the substitution of another vessel for the vessel that is identified on
6 a vessel permit if the vessel for which the vessel permit was originally issued is sunk,
7 destroyed, or damaged to the extent that the vessel is unable to operate in the fishery
8 for which the permit is issued;

9 (2) a vessel permit to be reissued to the new owner of a vessel that is
10 identified on the vessel permit if the ownership of the vessel changes during the
11 moratorium;

12 (3) the substitution of a shorter vessel for the vessel identified on a
13 vessel permit if

14 (A) the Board of Fisheries has adopted a vessel size restriction
15 that prohibits the use of the vessel identified on the vessel permit in the fishery
16 for which the vessel permit was issued;

17 (B) the substitute vessel complies with the vessel size
18 restrictions adopted by the Board of Fisheries for the fishery for which the
19 vessel permit was issued; and

20 (C) the substitute vessel is owned by the person or entity that
21 owned the vessel identified on the vessel permit.

22 (k) Unless otherwise provided by law or by a regulation adopted by the
23 commission, the commission may not consider participation in a fishery by a person or
24 vessel that occurs during the period of the moratorium in determining eligibility for
25 fishing privileges under a subsequent limitation on entry or participation in the fishery.

26 (l) Unless the application of a provision of this chapter to an interim-use
27 permit issued under this section conflicts with this section or the purpose of this
28 section, an interim-use permit issued under this section is subject to all provisions of
29 this chapter governing interim-use permits.

30 (m) Nothing in this section limits the powers of the Board of Fisheries or the
31 Department of Fish and Game.

(n) Notwithstanding AS 16.05.815 and AS 16.43.975, the commission may release to the owner of a vessel information on a vessel's history of harvests in a fishery that is necessary to apply for a vessel permit for the vessel under this section.

* Sec. 8. AS 16.43.260(f) is amended to read:

(f) When the commission establishes the maximum number of entry permits under AS 16.43.240 for a fishery that is subject to a moratorium under AS 16.43.225, the commission shall establish a qualification date to be used to determine the priority classification among applicants. Each [AN] applicant for an entry permit for the fishery shall be assigned to a priority classification based [SOLELY] upon the applicant's qualifications as of the qualification [EFFECTIVE] date established under this subsection [OF THE STATUTE OR REGULATION ESTABLISHING THE MORATORIUM].

* Sec. 9. AS 16.43 is amended by adding a new section to read:

Sec. 16.43.908. Moratorium on entry of new participants and vessels in state Gulf of Alaska groundfish fisheries. (a) For the period January 1, 2005, through December 31, 2008, a moratorium on entry of new participants and vessels into the state Gulf of Alaska groundfish fisheries is established. The commission may by regulation extend the moratorium on entry of new participants and vessels into a state Gulf of Alaska groundfish fishery listed in (I) of this section for a maximum period of two years until December 31, 2010, if the commission finds that the extension is necessary to achieve the purposes of this section.

(b) While the moratorium established under this section is in effect, the commission shall, in cooperation with the Department of Fish and Game and the Board of Fisheries, conduct investigations to determine appropriate alternatives for management of entry into Gulf of Alaska groundfish fisheries in the state. If the commission does not have the authority to implement the appropriate alternatives for management of entry into the fisheries, the commission shall submit proposals to the legislature for legislation or constitutional amendments necessary to implement the recommendations of the commission.

(c) While the moratorium established under this section is in effect, a person may not operate pelagic trawl, non-pelagic trawl, longline, or pot gear, as defined by

1 the Board of Fisheries, to take groundfish in a state Gulf of Alaska groundfish fishery
2 unless the person holds an appropriate interim-use permit that has an endorsement
3 authorizing the permit holder to take groundfish in Gulf of Alaska groundfish fisheries
4 during the moratorium. A person may not receive an endorsement for the Gulf of
5 Alaska groundfish fisheries unless the person is determined by the commission to
6 have, on or after January 1, 1998, and before the effective date of this section, made a X 2020
7 documented landing of groundfish in a state Gulf of Alaska groundfish fishery. A
8 person who applies to the commission for a determination of eligibility for an
9 endorsement under this subsection shall pay a one-time eligibility application
10 processing fee of \$50. A determination of eligibility for an endorsement under this
11 subsection is valid for the duration of the moratorium established under this section.
12 The commission shall issue an appropriate interim-use permit with an endorsement for
13 Gulf of Alaska groundfish fisheries to each person who is determined eligible to
14 receive an interim-use permit with an endorsement under this subsection.

15 (d) While the moratorium established by this section is in effect, a commercial
16 fishing vessel may not use pelagic trawl, non-pelagic trawl, longline, or pot gear, as
17 defined by the Board of Fisheries, to take groundfish in a state Gulf of Alaska
18 groundfish fishery unless the commission has issued an annual vessel permit for that
19 fishery to the vessel. The commission shall issue a separate vessel permit for each
20 Gulf of Alaska groundfish fishery for which a vessel is eligible to receive a vessel
21 permit under this subsection upon application by the vessel owner. The commission
22 may not issue a vessel permit under this subsection unless the vessel has, on or after
23 January 1, 1998, and before the effective date of this section, made a documented X 2020

24 landing of groundfish in the area using the type of gear for which the vessel permit is
25 to be issued. A vessel permit must describe the fishery resource, the type of gear, and
26 the area for which the vessel permit is issued. A vessel permit issued under this
27 subsection may not be pledged, mortgaged, leased, or encumbered in any way or
28 attached, distrained, or sold on execution of judgment or under any other process or
29 order of any court.

30 (e) A vessel permit is valid for the calendar year that is inscribed on the vessel
31 permit. The annual fee for a vessel permit is

1 (1) \$500 for each pelagic trawl fishery or non-pelagic trawl fishery;

2 (2) \$250 for each pot fishery or longline fishery.

3 (f) While the moratorium established by this section is in effect, the
4 commission, upon payment of a \$50 vessel permit reissuance fee by the owner of the
5 vessel,

6 (1) may reissue a vessel permit to another commercial fishing vessel
7 with an overall length that does not exceed the overall length of a vessel that was sunk,
8 destroyed, or damaged if the commercial fishing vessel that qualifies for a vessel
9 permit under this section or that is issued a vessel permit under this section is sunk,
10 destroyed, or damaged, to the extent that the vessel is inoperable for a state Gulf of
11 Alaska groundfish fishery;

12 (2) may reissue a vessel permit to a shorter vessel that is substituted for
13 the vessel identified on the vessel permit if

14 (A) the Board of Fisheries has adopted a vessel size restriction
15 that prohibits the use of the vessel identified on the vessel permit in the fishery
16 for which the vessel permit was issued;

17 (B) the substitute vessel complies with the vessel size
18 restrictions adopted by the Board of Fisheries for the fishery for which the
19 vessel permit was issued; and

20 (C) the substitute vessel is owned by the person or entity that
21 owned the vessel identified on the vessel permit;

22 (3) shall reissue a vessel permit to the new owner of a vessel if the
23 ownership of the vessel identified on the vessel permit is transferred and the new
24 owner of the vessel submits proof of ownership.

25 (g) Notwithstanding other provisions of this section,

26 (1) this section does not prohibit a person from taking groundfish in
27 the Gulf of Alaska using gear other than pelagic trawl, non-pelagic trawl, longline, or
28 pot gear if the taking and retention of the groundfish is permitted under regulations
29 adopted by the Board of Fisheries and the person holds the appropriate interim-use
30 permit issued under AS 16.43.210;

31 (2) this section does not prohibit the use of a commercial fishing vessel

*add new
fishing
\$500
no 10%
for
destroyed*

1 to take groundfish in the Gulf of Alaska using gear other than pelagic trawl, non-
2 pelagic trawl, longline, or pot gear if the taking and retention of the groundfish is
3 permitted under regulations adopted by the Board of Fisheries;

4 (3) an interim-use permit with an endorsement for the Gulf of Alaska
5 groundfish fisheries issued under this section is not required for a person while that
6 person is participating in the Prince William Sound sablefish fishery or a halibut
7 fishery managed under a federal individual fishery quota system; however, the person
8 shall hold an appropriate interim-use permit issued under AS 16.43.210;

9 (4) a vessel permit issued under this section is not required for a vessel
10 while that vessel is participating in the Prince William Sound sablefish fishery or a
11 halibut fishery managed under a federal individual fishery quota system.

12 (h) An interim-use permit with an endorsement issued under this section is a
13 use privilege authorizing the permit holder to engage in the Gulf of Alaska groundfish
14 fisheries that are opened to commercial fishing by the Board of Fisheries. A vessel
15 permit issued under this section is a use privilege authorizing the vessel to engage in a
16 specific groundfish fishery if that fishery is authorized by the Board of Fisheries. The
17 use privilege conveyed by an interim-use permit with an endorsement or by a vessel
18 permit issued under this section may be modified or revoked by the legislature without
19 compensation.

20 (i) Participation of an interim-use permit holder or a vessel in a Gulf of Alaska
21 groundfish fishery during the moratorium established under this section may not be
22 used to establish eligibility for a use privilege for a Gulf of Alaska groundfish fishery
23 that may be authorized after the termination of the moratorium established under this
24 section.

25 (j) Notwithstanding other provisions of this section, a moratorium on entry of
26 new participants and vessels into a state Gulf of Alaska groundfish fishery listed in (I)
27 of this section is subject to termination if the commission adopts regulations
28 establishing a limited entry program for the fishery under this chapter, or under law
29 enacted after the effective date of this section. On and after the date that the limited
30 entry program for the fishery takes effect as determined by regulation adopted by the
31 commission, the moratorium established under this section for that Gulf of Alaska

any of
fisheries
could
be limited
sooner.

groundfish fishery is terminated and the fishery is not subject to this section. Subsection (i) of this section may be superseded by regulations adopted by the commission under AS 16.43.240 or 16.43.260 or under law enacted after the effective date of this section authorizing the regulations.

(k) The commission may adopt regulations that the commission considers necessary to implement this section.

(l) For purposes of this section, the state Gulf of Alaska groundfish fisheries are

- (1) Prince William Sound groundfish non-pelagic trawl fishery;
- (2) Prince William Sound groundfish pelagic trawl fishery;
- (3) Prince William Sound groundfish longline fishery;
- (4) Prince William Sound groundfish pot fishery;
- (5) Cook Inlet groundfish non-pelagic trawl fishery;
- (6) Cook Inlet groundfish pelagic trawl fishery;
- (7) Cook Inlet groundfish longline fishery;
- (8) Cook Inlet groundfish pot fishery;
- (9) Kodiak groundfish non-pelagic trawl fishery;
- (10) Kodiak groundfish pelagic trawl fishery;
- (11) Kodiak groundfish longline fishery;
- (12) Kodiak groundfish pot fishery;
- (13) Chignik groundfish non-pelagic trawl fishery;
- (14) Chignik groundfish pelagic trawl fishery;
- (15) Chignik groundfish longline fishery;
- (16) Chignik groundfish pot fishery;
- (17) South Alaska Peninsula groundfish non-pelagic trawl fishery;
- (18) South Alaska Peninsula groundfish pelagic trawl fishery;
- (19) South Alaska Peninsula groundfish longline fishery;
- (20) South Alaska Peninsula groundfish pot fishery.

(m) In this section,

(1) "Chignik" means the marine water of the Chignik groundfish fishery registration area, as defined by the Board of Fisheries;

(2) "Cook Inlet" means the marine water of the Cook Inlet groundfish fishery registration area, as defined by the Board of Fisheries;

(3) "groundfish" means a species of marine finfish other than halibut, osmerids, herring, or salmonids;

(4) "Gulf of Alaska" means the marine water of the state adjacent to the Gulf of Alaska that is west of the latitude of Cape Suckling to the westward extent of state water of the Aleutian Islands;

(5) "Gulf of Alaska groundfish fishery" means a fishery in which groundfish are taken in a specified administrative or registration area in the Gulf of Alaska using a specified type of fishing gear that is either pelagic trawl, non-pelagic trawl, pot, or longline gear;

(6) "Kodiak" means the marine water of the Kodiak groundfish fishery registration area, as defined by the Board of Fisheries;

(7) "landing" means the act of offloading for sale, or for transport to a buyer for later sale, or catching and processing of groundfish taken in a halibut or groundfish fishery in state water for sale as evidenced by a Department of Fish and Game fish ticket;

(8) "Prince William Sound" means the marine water of the Prince William Sound groundfish fishery registration area, as defined by the Board of Fisheries;

(9) "South Alaska Peninsula" means the marine water of the South Alaska Peninsula groundfish fishery registration area, as defined by the Board of Fisheries.

* Sec. 10. AS 16.43.911(c) is amended to read:

(c) Notwithstanding AS 16.05.815 and AS 16.43.975, the commission may release to the owner of a vessel information on the vessel's history of harvests in a fishery that is necessary to apply for a vessel permit under AS 16.43.901 - 16.43.908 [AS 16.43.901 - 16.43.906].

* Sec. 11. The uncoded law of the State of Alaska enacted in sec. 6, ch. 97, SLA 1997, as amended by sec. 6, ch. 30, SLA 2000, is amended to read:

Sec. 6. AS 16.43.906, added by sec. 3 of this Act, is [AND AS 16.43.911

1 ARE] repealed July 1, 2004.

2 * Sec. 12. AS 16.05.050(a)(19), 16.05.251(g); AS 16.43.227, and 16.43.228 are repealed.

3 * Sec. 13. The uncodified law of the State of Alaska is amended by adding a new section to
4 read:

5 CONTINGENT RETROSPECTIVITY. If this Act does not take effect before July 1,
6 2004, secs. 10 - 11 of this Act are retrospective to June 30, 2004.

7 * Sec. 14. This Act takes effect immediately under AS 01.10.070(c).

23-LS1677\W
Utermohle
4/13/04

HOUSE CS FOR CS FOR SENATE BILL NO. 347()
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-THIRD LEGISLATURE - SECOND SESSION

BY

Offered:

Referred:

Sponsor(s): SENATOR BEN STEVENS BY REQUEST

A BILL

FOR AN ACT ENTITLED

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

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

6 * Section 1. The uncodified law of the State of Alaska is amended by adding a new section
7 to read:

8 FINDINGS AND PURPOSE WITH REGARD TO A MORATORIUM ON ENTRY
9 OF NEW PARTICIPANTS AND VESSELS INTO STATE GULF OF ALASKA
10 GROUND FISH FISHERIES. (a) The Alaska State Legislature finds that

11 (1) the goal of the state is to

12 (A) protect, maintain, and improve the fishery resources of the state,
13 and manage the use and development of those fishery resources in the best interest of
14 the economy and the well-being of the people of the state, consistent with the

1 sustained yield principle; and

2 (B) promote the conservation and sustained yield management of
3 Alaska fishery resources and the economic health and stability of commercial fishing
4 in the state by regulating and controlling entry of participants and vessels into
5 commercial fisheries in the public interest and without unjust discrimination;

6 (2) the North Pacific Fishery Management Council has undertaken an analysis
7 of the Gulf of Alaska groundfish fisheries in the United States exclusive economic zone off
8 Alaska and has begun consideration of action that may result in significant reductions in the
9 number of fishermen and vessels that may participate in those fisheries;

10 (3) in order to adequately protect state groundfish fishery resources of the Gulf
11 of Alaska and to protect those dependent upon the groundfish fisheries from economic
12 distress, management measures must be considered that will mitigate effects from the
13 pressures that will result from rationalization in the federal groundfish fisheries adjacent to
14 state groundfish fisheries;

15 (4) a timely, temporary moratorium on entry of new participants and vessels
16 into the state-managed groundfish fisheries west of Cape Suckling will control growth during
17 development of a long-term plan for the management of state Gulf of Alaska groundfish
18 fisheries.

19 (b) The purposes of the moratorium on entry of new participants and vessels into the
20 state Gulf of Alaska groundfish fisheries established by this Act are to

21 (1) immediately impose a moratorium on entry of new participants and vessels
22 into the state Gulf of Alaska groundfish fisheries west of Cape Suckling to temporarily protect
23 Alaska fisheries, fishermen, and those dependent on them for a livelihood from potential
24 adverse consequences of action the North Pacific Fishery Management Council is expected to
25 take to reduce participation in the Gulf of Alaska groundfish fisheries in the United States
26 exclusive economic zone off Alaska, while avoiding unnecessary restrictions on entry to
27 Alaska commercial fisheries;

28 (2) require, during the state Gulf of Alaska groundfish moratorium in state
29 water, study of whether permanent limitation on entry of participants or vessels or both into
30 these groundfish fisheries is necessary and, if so, whether statutory changes are necessary in
31 order to implement an effective limited access program in those groundfish fisheries; and

1 (3) provide time to pursue statutory or regulatory changes necessary to
2 provide for the long-term management of Alaska groundfish fisheries.

3 * Sec. 2. AS 16.43.225(a) is repealed and reenacted to read:

4 (a) The commission may establish a moratorium on entry of new persons or
5 vessels, or both, into a commercial fishery if the commission finds that the moratorium
6 is necessary

7 (1) to promote the conservation and sustained yield management of the
8 fishery resource and the economic health and stability of the commercial fishery; and

9 (2) either

10 (A) to allow time for the commission to develop regulatory or
11 legislative proposals to address needs of the fishery that cannot be met under
12 existing regulations or statutes; or

13 (B) to allow the Department of Fish and Game or the Board of
14 Fisheries to open a commercial fishery that would otherwise remain closed to
15 protect a fishery resource from overexploitation resulting from unrestricted
16 access to the fishery.

17 * Sec. 3. AS 16.43.225(b) is repealed and reenacted to read:

18 (b) The commission may establish a moratorium under this section in one or
19 more fisheries or for one or more fishery resources, gear types, or administrative areas
20 within a fishery.

21 * Sec. 4. AS 16.43.225(c) is amended to read:

22 (c) The commission may establish a moratorium under this section for a
23 continuous period of up to four years. The commission may extend the period of a
24 moratorium for a continuous period of not more than two years if necessary to
25 achieve a purpose described under (a) of this section. A fishery that has been
26 subject to a moratorium under this section may not be subjected to a subsequent
27 moratorium under this section unless five years have elapsed since the previous
28 moratorium expired.

29 * Sec. 5. AS 16.43.225(d) is amended to read:

30 (d) While a moratorium is in effect, the commission shall study and evaluate
31 alternatives for management of entry into the fishery under this chapter

[CONDUCT INVESTIGATIONS TO DETERMINE WHETHER A MAXIMUM NUMBER OF ENTRY PERMITS SHOULD BE ESTABLISHED UNDER AS 16.43.240] by

- (1) conducting research into conditions in the fishery;
- (2) consulting with the Department of Fish and Game and the Board of Fisheries; and
- (3) consulting with participants in the fishery.

* Sec. 6. AS 16.43.225(e) is amended to read:

(e) The commission shall establish by regulation a qualification date and eligibility criteria [THE QUALIFICATIONS] for applicants for an interim-use permit, vessel permit, or both for a fishery subject to a moratorium under this section. The eligibility criteria for an interim-use permit or vessel permit for a fishery subject to a moratorium under this section [QUALIFICATIONS] must include the minimum requirements for past or present participation and harvest in the fishery as of the qualification date established by the commission. The commission shall issue

(1) an interim-use permit to a person who satisfies the eligibility criteria established under this subsection;

(2) a vessel permit to a person or entity who, as of the qualification date, owns a vessel that satisfies the eligibility criteria established under this subsection for a vessel permit for the fishery [THE COMMISSION MAY NOT ISSUE AN INTERIM-USE PERMIT FOR A FISHERY SUBJECT TO A MORATORIUM UNDER THIS SECTION UNLESS THE APPLICANT CAN SATISFY THE QUALIFICATIONS ESTABLISHED UNDER THIS SUBSECTION AND ESTABLISH THE PRESENT ABILITY AND INTENT TO PARTICIPATE ACTIVELY IN THE FISHERY].

* Sec. 7. AS 16.43.225 is amended by adding new subsections to read:

(f) If the commission establishes a moratorium under this section for a fishery that involves more than one fishery resource, type of gear, or administrative area, the commission may limit, as the commission determines appropriate, the species of fishery resource that may be harvested, the types of gear that may be used, and the areas where fishing may occur under an interim-use permit or a vessel permit issued

1 for the fishery. The commission shall adopt criteria, as appropriate, for determining
2 how

3 (1) restrictions on fishery resources, types of gear, and areas fished are
4 established for individual interim-use permits and vessel permits; and

5 (2) eligibility to take a particular fishery resource, to use a particular
6 type of gear, or to fish in a particular area is established.

7 (g) If the commission establishes a moratorium on entry of new persons or
8 vessels into a fishery, the commission may regulate the fishing capacity that may be
9 employed under an interim-use permit or a vessel permit issued for the fishery. The
10 commission shall, as appropriate, adopt criteria for determining how restrictions on
11 fishing capacity are established for interim-use permits and vessel permits. The
12 criteria may be based on past participation in the fishery. The commission may define
13 fishing capacity in terms of quantity of fishing gear, fishing vessel size, or other
14 characteristics determined by the commission to affect the fishing capacity of vessels
15 employed in the fishery.

16 (h) A vessel permit issued under this section

17 (1) constitutes a use privilege that may be modified or revoked by law
18 without compensation;

19 (2) may not be

20 (A) transferred to another vessel, person, or entity, except as
21 provided under (j) of this section;

22 (B) pledged, mortgaged, leased, or encumbered in any way;

23 (C) attached, distrained, or sold on execution of judgment or
24 under any other process or order of any court;

25 (3) does not alter the requirement for an interim-use permit under
26 AS 16.43.140 or a vessel license under AS 16.05.490 - 16.05.520.

27 (i) The commission shall establish fees for the issuance and annual renewal of
28 vessel permits issued under this section. The annual fee for the vessel permit must
29 reasonably reflect the rate of economic return for the fishery and may not exceed
30 \$1,000.

31 (j) The commission may, in the regulations establishing a moratorium under

1 this section, provide for

2 (1) the substitution of another vessel for the vessel that is identified on
3 a vessel permit if the vessel for which the vessel permit was originally issued is sunk,
4 destroyed, or damaged to the extent that the vessel is unable to operate in the fishery
5 for which the permit is issued;

6 (2) a vessel permit to be reissued to the new owner of a vessel that is
7 identified on the vessel permit if the ownership of the vessel changes during the
8 moratorium;

9 (3) the substitution of a shorter vessel for the vessel identified on a
10 vessel permit if

11 (A) the Board of Fisheries has adopted a vessel size restriction
12 that prohibits the use of the vessel identified on the vessel permit in the fishery
13 for which the vessel permit was issued;

14 (B) the substitute vessel complies with the vessel size
15 restrictions adopted by the Board of Fisheries for the fishery for which the
16 vessel permit was issued; and

17 (C) the substitute vessel is owned by the person or entity that
18 owned the vessel identified on the vessel permit.

19 (k) Unless otherwise provided by law or by a regulation adopted by the
20 commission, the commission may not consider participation in a fishery by a person or
21 vessel that occurs during the period of the moratorium in determining eligibility for
22 fishing privileges under a subsequent limitation on entry or participation in the fishery.

23 (l) Unless the application of a provision of this chapter to an interim-use
24 permit issued under this section conflicts with this section or the purpose of this
25 section, an interim-use permit issued under this section is subject to all provisions of
26 this chapter governing interim-use permits.

27 (m) Nothing in this section limits the powers of the Board of Fisheries or the
28 Department of Fish and Game.

29 (n) Notwithstanding AS 16.05.815 and AS 16.43.975, the commission may
30 release to the owner of a vessel information on a vessel's history of harvests in a
31 fishery that is necessary to apply for a vessel permit for the vessel under this section.

1 * Sec. 8. AS 16.43.260(f) is amended to read:

2 (f) When the commission establishes the maximum number of entry permits
3 under AS 16.43.240 for a fishery that is subject to a moratorium under AS 16.43.225,
4 the commission shall establish a qualification date to be used to determine the
5 priority classification among applicants. Each [AN] applicant for an entry permit
6 for the fishery shall be assigned to a priority classification based [SOLELY] upon the
7 applicant's qualifications as of the qualification [EFFECTIVE] date established
8 under this subsection [OF THE STATUTE OR REGULATION ESTABLISHING
9 THE MORATORIUM].

10 * Sec. 9. AS 16.43 is amended by adding a new section to read:

11 Sec. 16.43.908. Moratorium on entry of new participants and vessels in
12 state Gulf of Alaska groundfish fisheries. (a) For the period January 1, 2005,
13 through December 31, 2008, a moratorium on entry of new participants and vessels
14 into the state Gulf of Alaska groundfish fisheries is established. The commission may
15 by regulation extend the moratorium on entry of new participants and vessels into the
16 Gulf of Alaska groundfish fisheries for a maximum period of two years until
17 January 1, 2011, if the commission finds that the extension is necessary to achieve the
18 purposes of this section.

19 (b) While the moratorium established under this section is in effect, the
20 commission shall, in cooperation with the Department of Fish and Game and the
21 Board of Fisheries, conduct investigations to determine appropriate alternatives for
22 management of entry into Gulf of Alaska groundfish fisheries in the state. The
23 commission shall submit proposals to the legislature for legislation or constitutional
24 amendments necessary to implement the recommendations of the commission.

25 (c) While the moratorium established under this section is in effect, a person
26 may not operate pelagic trawl, non-pelagic trawl, longline, or pot gear, as defined by
27 the Board of Fisheries, to take groundfish in a state Gulf of Alaska groundfish fishery
28 unless the person holds an appropriate interim-use permit that has an endorsement
29 authorizing the permit holder to take groundfish in Gulf of Alaska groundfish fisheries
30 during the moratorium. A person may not receive an endorsement for the Gulf of
31 Alaska groundfish fisheries unless the person is determined by the commission to

*if outside
existing
authority*

1 have, on or after January 1, 1998, and before the effective date of this section, made a
2 documented landing of groundfish in a state Gulf of Alaska groundfish fishery. A
3 person who applies to the commission for a determination of eligibility for an
4 endorsement under this subsection shall pay a one-time eligibility application
5 processing fee of \$50. A determination of eligibility for an endorsement under this
6 subsection is valid for the duration of the moratorium established under this section.
7 The commission shall issue an appropriate interim-use permit with an endorsement for
8 Gulf of Alaska groundfish fisheries to each person who is determined eligible to
9 receive an interim-use permit with an endorsement under this subsection.

10 (d) While the moratorium established by this section is in effect, a commercial
11 fishing vessel may not use pelagic trawl, non-pelagic trawl, longline, or pot gear, as
12 defined by the Board of Fisheries, to take groundfish in a state Gulf of Alaska
13 groundfish fishery unless the commission has issued an annual vessel permit for that
14 fishery to the vessel. The commission shall issue a separate vessel permit for each
15 Gulf of Alaska groundfish fishery for which a vessel is eligible to receive a vessel
16 permit under this subsection upon application by the vessel owner. The commission
17 may not issue a vessel permit under this subsection unless the vessel has, on or after
18 January 1, 1998, and before the effective date of this section, made a documented
19 landing of groundfish in the area using the type of gear for which the vessel permit is
20 to be issued. A vessel permit must describe the fishery resource, the type of gear, and
21 the area for which the vessel permit is issued. A vessel permit issued under this
22 subsection may not be pledged, mortgaged, leased, or encumbered in any way or
23 attached, distrained, or sold on execution of judgment or under any other process or
24 order of any court.

25 (e) A vessel permit is valid for the calendar year that is inscribed on the vessel
26 permit. The annual fee for a vessel permit is

- 27 (1) \$500 for each pelagic trawl fishery or non-pelagic trawl fishery;
28 (2) \$250 for each pot fishery or longline fishery.

29 (f) While the moratorium established by this section is in effect, the
30 commission, upon payment of a \$50 vessel permit reissuance fee by the owner of the
31 vessel,

1 (1) may reissue a vessel permit to another commercial fishing vessel
2 with an overall length that does not exceed the overall length of a vessel that was sunk,
3 destroyed, or damaged by more than 10 percent if the commercial fishing vessel that
4 qualifies for a vessel permit under this section or that is issued a vessel permit under
5 this section is sunk, destroyed, or damaged, to the extent that the vessel is inoperable
6 for a state Gulf of Alaska groundfish fishery;

7 (2) may reissue a vessel permit to a shorter vessel that is substituted for
8 the vessel identified on the vessel permit if

9 (A) the Board of Fisheries has adopted a vessel size restriction
10 that prohibits the use of the vessel identified on the vessel permit in the fishery
11 for which the vessel permit was issued;

12 (B) the substitute vessel complies with the vessel size
13 restrictions adopted by the Board of Fisheries for the fishery for which the
14 vessel permit was issued; and

15 (C) the substitute vessel is owned by the person or entity that
16 owned the vessel identified on the vessel permit;

17 (3) shall reissue a vessel permit to the new owner of a vessel if the
18 ownership of the vessel identified on the vessel permit is transferred and the new
19 owner of the vessel submits proof of ownership.

20 (g) Notwithstanding other provisions of this section,

21 (1) this section does not prohibit a person from taking groundfish in
22 the Gulf of Alaska using gear other than pelagic trawl, non-pelagic trawl, longline, or
23 pot gear if the taking and retention of the groundfish is permitted under regulations
24 adopted by the Board of Fisheries and the person holds the appropriate interim-use
25 permit issued under AS 16.43.210;

26 (2) this section does not prohibit the use of a commercial fishing vessel
27 to take groundfish in the Gulf of Alaska using gear other than pelagic trawl, non-
28 pelagic trawl, longline, or pot gear if the taking and retention of the groundfish is
29 permitted under regulations adopted by the Board of Fisheries;

30 (3) an interim-use permit with an endorsement for the Gulf of Alaska
31 groundfish fisheries issued under this section is not required for a person while that

1 person is participating in the Prince William Sound sablefish fishery or a halibut
2 fishery managed under a federal individual fishery quota system; however, the person
3 shall hold an appropriate interim-use permit issued under AS 16.43.210;

4 (4) a vessel permit issued under this section is not required for a vessel
5 while that vessel is participating in the Prince William Sound sablefish fishery or a
6 halibut fishery managed under a federal individual fishery quota system.

7 (h) An interim-use permit with an endorsement issued under this section is a
8 use privilege authorizing the permit holder to engage in the Gulf of Alaska groundfish
9 fisheries that are opened to commercial fishing by the Board of Fisheries. A vessel
10 permit issued under this section is a use privilege authorizing the vessel to engage in a
11 specific groundfish fishery if that fishery is authorized by the Board of Fisheries. The
12 use privilege conveyed by an interim-use permit with an endorsement or by a vessel
13 permit issued under this section may be modified or revoked by the legislature without
14 compensation.

15 (i) Participation of an interim-use permit holder or a vessel in a Gulf of Alaska
16 groundfish fishery during the moratorium established under this section may not be
17 used to establish eligibility for a use privilege for a Gulf of Alaska groundfish fishery
18 that may be authorized after the termination of the moratorium established under this
19 section.

20 (j) Notwithstanding other provisions of this section, a moratorium on entry of
21 new participants and vessels into a Gulf of Alaska groundfish fishery listed in (l) of
22 this section is subject to termination if the commission adopts regulations under
23 AS 16.43.240, or under law enacted after the effective date of this section, determining
24 the maximum number of entry permits to be issued for the fishery. The moratorium
25 established under this section for that Gulf of Alaska groundfish fishery is terminated
26 on the date of issuance of entry permits for the fishery as determined by regulation by
27 the commission. On and after the date of issuance of entry permits for the fishery, the
28 fishery is not subject to this section. Subsection (i) of this section may be superseded
29 by regulations adopted by the commission under AS 16.43.240 or 16.43.260 or under
30 law enacted after the effective date of this section authorizing the regulations.

31 (k) The commission may adopt regulations that the commission considers

1 necessary to implement this section.

2 (l) For purposes of this section, the Gulf of Alaska groundfish fisheries are

3 (1) Prince William Sound groundfish non-pelagic trawl fishery;

4 (2) Prince William Sound groundfish pelagic trawl fishery;

5 (3) Prince William Sound groundfish longline fishery;

6 (4) Prince William Sound groundfish pot fishery;

7 (5) Cook Inlet groundfish non-pelagic trawl fishery;

8 (6) Cook Inlet groundfish pelagic trawl fishery;

9 (7) Cook Inlet groundfish longline fishery;

10 (8) Cook Inlet groundfish pot fishery;

11 (9) Kodiak groundfish non-pelagic trawl fishery;

12 (10) Kodiak groundfish pelagic trawl fishery;

13 (11) Kodiak groundfish longline fishery;

14 (12) Kodiak groundfish pot fishery;

15 (13) Chignik groundfish non-pelagic trawl fishery;

16 (14) Chignik groundfish pelagic trawl fishery;

17 (15) Chignik groundfish longline fishery;

18 (16) Chignik groundfish pot fishery;

19 (17) South Alaska Peninsula groundfish non-pelagic trawl fishery;

20 (18) South Alaska Peninsula groundfish pelagic trawl fishery;

21 (19) South Alaska Peninsula groundfish longline fishery;

22 (20) South Alaska Peninsula groundfish pot fishery.

23 (m) In this section,

24 (1) "Chignik" means the marine water of the Chignik groundfish
25 fishery registration area, as defined by the Board of Fisheries;

26 (2) "Cook Inlet" means the marine water of the Cook Inlet groundfish
27 fishery registration area, as defined by the Board of Fisheries;

28 (3) "groundfish" means a species of marine finfish other than halibut,
29 osmerids, herring, or salmonids;

30 (4) "Gulf of Alaska" means the marine water of the state adjacent to
31 the Gulf of Alaska that is west of the latitude of Cape Suckling to the westward extent

of state water of the Aleutian Islands;

(5) "Gulf of Alaska groundfish fishery" means a fishery in which groundfish are taken in a specified administrative or registration area in the Gulf of Alaska using a specified type of fishing gear that is either pelagic trawl, non-pelagic trawl, pot, or longline gear;

(6) "Kodiak" means the marine water of the Kodiak groundfish fishery registration area, as defined by the Board of Fisheries;

(7) "landing" means the act of offloading for sale, or for transport to a buyer for later sale, or catching and processing of groundfish taken in a halibut or groundfish fishery in state water for sale as evidenced by a Department of Fish and Game fish ticket;

(8) "Prince William Sound" means the marine water of the Prince William Sound groundfish fishery registration area, as defined by the Board of Fisheries;

(9) "South Alaska Peninsula" means the marine water of the South Alaska Peninsula groundfish fishery registration area, as defined by the Board of Fisheries.

* Sec. 10. AS 16.43.911(c) is amended to read:

(c) Notwithstanding AS 16.05.815 and AS 16.43.975, the commission may release to the owner of a vessel information on the vessel's history of harvests in a fishery that is necessary to apply for a vessel permit under AS 16.43.901 - 16.43.908 [AS 16.43.901 - 16.43.906].

* Sec. 11. The uncoded law of the State of Alaska enacted in sec. 6, ch. 97, SLA 1997, as amended by sec. 6, ch. 30, SLA 2000, is amended to read:

Sec. 6. AS 16.43.906, added by sec. 3 of this Act, is [AND AS 16.43.911 ARE] repealed July 1, 2004.

* Sec. 12. AS 16.05.050(a)(19), 16.05.251(g); AS 16.43.227, and 16.43.228 are repealed.

* Sec. 13. The uncoded law of the State of Alaska is amended by adding a new section to read:

CONTINGENT RETROSPECTIVITY. If this Act does not take effect before July 1, 2004, secs. 10 - 11 of this Act are retrospective to June 30, 2004.

- 1 * Sec. 14. This Act takes effect immediately under AS 01.10.070(c).

To: Sue Aspelund, F&G believe
Mary McDowell, CFEC
Sara Gilbertson, F&G
Cheryl Sutton, B. Stevens.

SB 347 will be heard in House Fisheries on Monday the 29th; Rep. Seaton does not plan to move SB 347 on that day. The office received comments from around the state urging scrutiny of the policy of establishing moratoria and limited entry programs based on vessel participation rather than individual participation.

The Chairman would like from the Commission and/or Department information on:

- 1) the number of vessels participating in each state GOA management area. This information should delineate those vessels that participated in multiple areas.
- 2) the restrictions/regulations placed on vessels and/or individuals specific to the different gear types and state management areas, such as vessel size and exclusive and super-exclusive registration.
- 3) the number of vessels with LLPs that have fished in the state fishery, and those with LLPs that have not fished in the state fishery.

Existing Statute and Board Regulation Governing Allocation Criteria

5 AAC 39.205. Criteria for the allocation of fishery resources among personal use, sport, and commercial fisheries

Statute text

Before adopting regulations that allocate fish among personal use, sport, and commercial fisheries, the board will, as appropriate to particular allocation decisions, consider factors such as those set out in AS 16.05.251(e).

Sec. 16.05.251. Regulations of the Board of Fisheries.

(a) The Board of Fisheries may adopt regulations it considers advisable in accordance with AS 44.62 (Administrative Procedure Act) for

(1) setting apart fish reserve areas, refuges, and sanctuaries in the waters of the state over which it has jurisdiction, subject to the approval of the legislature;

(2) establishing open and closed seasons and areas for the taking of fish; if consistent with resource conservation and development goals, the board may adopt regulations establishing restricted seasons and areas necessary for persons 60 years of age and older to participate in sport, personal use, or subsistence fishing;

(3) setting quotas, bag limits, harvest levels, and sex and size limitations on the taking of fish;

(4) establishing the means and methods employed in the pursuit, capture, and transport of fish;

(5) establishing marking and identification requirements for means used in pursuit, capture, and transport of fish;

(6) classifying as commercial fish, sport fish, guided sport fish, personal use fish, subsistence fish, or predators or other categories essential for regulatory purposes;

(7) watershed and habitat improvement, and management, conservation, protection, use, disposal, propagation, and stocking of fish;

(8) investigating and determining the extent and effect of disease, predation, and competition among fish in the state, exercising control measures considered necessary to the resources of the state;

(9) prohibiting and regulating the live capture, possession, transport, or release of native or exotic fish or their eggs;

(10) establishing seasons, areas, quotas, and methods of harvest for aquatic plants;

(11) establishing the times and dates during which the issuance of fishing licenses, permits, and registrations and the transfer of permits and registrations between registration areas is allowed; however, this paragraph does not apply to permits issued or transferred under AS 16.43;

(12) regulating commercial, sport, guided sport, subsistence, and personal use fishing as needed for the conservation, development, and utilization of fisheries;

(13) requiring, in a fishery, observers on board fishing vessels, as defined in AS 16.05.475(d), that are registered under the laws of the state, as defined in AS 16.05.475(c), after making a written determination that an on-board observer program

(A) is the only practical data-gathering or enforcement mechanism for that fishery;

(B) will not unduly disrupt the fishery;

(C) can be conducted at a reasonable cost; and

(D) can be coordinated with observer programs of other agencies, including the National Marine Fisheries Service, North Pacific Fishery Management Council, and the International Pacific Halibut Commission:

(14) establishing nonexclusive, exclusive, and superexclusive registration and use areas for regulating commercial fishing;

(15) regulating resident or nonresident sport fishermen as needed for the conservation, development, and utilization of fishery resources;

(16) requiring unlicensed fishing vessels present in or transiting the waters of the state to report to the department the quantity, species, and origin of fish on board; in this paragraph, "unlicensed fishing vessel" means a fishing vessel that is not licensed under AS 16.05.490 - 16.05.530.

(b) [Repealed, Sec. 12 ch 52 SLA 1986].

(c) If the Board of Fisheries denies a petition or proposal to amend, adopt, or repeal a regulation, the board, upon receiving a written request from the sponsor of the petition or proposal, shall in addition to the requirements of AS 44.62.230 provide a written explanation for the denial to the sponsor not later than 30 days after the board has officially met and denied the sponsor's petition or proposal, or 30 days after receiving the request for an explanation, whichever is later.

(d) Regulations adopted under (a) of this section must, consistent with sustained yield and the provisions of AS 16.05.258, provide a fair and reasonable opportunity for the taking of fishery resources by personal use, sport, and commercial fishermen.

(e) The Board of Fisheries may allocate fishery resources among personal use, sport, guided sport, and commercial fisheries. The board shall adopt criteria for the allocation of fishery resources and shall use the criteria as appropriate to particular allocation decisions. The criteria may include factors such as

(1) the history of each personal use, sport, guided sport, and commercial fishery;

(2) the number of residents and nonresidents who have participated in each fishery in the past and the number of residents and nonresidents who can reasonably be expected to participate in the future;

(3) the importance of each fishery for providing residents the opportunity to obtain fish for personal and family consumption;

(4) the availability of alternative fisheries resources;

(5) the importance of each fishery to the economy of the state;

(6) the importance of each fishery to the economy of the region and local area in which the fishery is located;

(7) the importance of each fishery in providing recreational opportunities for residents and nonresidents.

(f) Except as expressly provided in AS 16.40.120(e) and 16.40.130, the Board of Fisheries may not adopt regulations or take action regarding the issuance, denial, or conditioning of a permit under AS 16.40.100 or 16.40.120, the construction or operation of a farm or hatchery required to have a permit under AS 16.40.100, or a harvest with a permit issued under AS 16.40.120.

(g) The Board of Fisheries shall consider a request of the commissioner for approval of a petition to the Alaska Commercial Fisheries Entry Commission to establish

a moratorium on new entrants into a commercial fishery under AS 16.43.225 at the board's next regular or special meeting that follows the receipt by the board of the request for approval of the petition and that allows time for the notice required under this subsection. The board may consider the request of the commissioner for approval of the petition only after 15 days' public notice of the board's intention to consider approval of the petition. The board shall consider whether the commissioner, in support of the request for approval of the petition, has adequately shown that the fishery meets requirements for a moratorium on new entrants under AS 16.05.050. The board by a majority vote of its members at the meeting when the petition must be considered shall approve or disapprove the petition.

(h) The Board of Fisheries shall adopt by regulation a policy for the management of mixed stock fisheries. The policy shall provide for the management of mixed stock fisheries in a manner that is consistent with sustained yield of wild fish stocks.

5 AAC 28.089. Guiding principles for groundfish fishery regulations

With state groundfish management expanding to cover the groundfish resources in the waters of Alaska, the Board of Fisheries (board) will be receiving regulatory proposals for these fisheries. The board will, to the extent practicable, consider the following guiding principles when taking actions associated with the adoption, amendment, or repeal of regulations regarding groundfish fisheries:

- (1) conservation of the groundfish resource to ensure sustained yield, which requires that the allowable catch in any fishery be based upon the biological abundance of the stock;
- (2) minimization of bycatch of other associated fish and shellfish and prevention of the localized depletion of stocks;
- (3) protection of the habitat and other associated fish and shellfish species from nonsustainable fishing practices;
- (4) maintenance of slower harvest rates by methods and means and time and area restrictions to ensure the adequate reporting and analysis necessary for management of the fishery;
- (5) extension of the length of fishing seasons by methods and means and time and area restrictions to provide for the maximum benefit to the state and to regions and local areas of the state;
- (6) harvest of the resource in a manner that emphasizes the quality and value of the fishery product;
- (7) use of the best available information presented to the board; and
- (8) cooperation with the North Pacific Fishery Management Council (NPFMC) and other federal agencies associated with groundfish fisheries.

History: Eff. 9/3/97, Register 143

DRAFT

Groundfish Harvests From State Waters Number of Vessels With Landings by Registration Area and Gear With the Number of Vessels Recording Landings in Multiple Areas

Groundfish Registration Area	Gear Type	Year	Total Area Vessels	Vessels Fishing:					Total Vessels All GOA All Gears
				One Area	Two Areas	Three Areas	Four Areas	Five Areas	
PWS	Non-Pelagic Trawl	1998	11	3	5	2	1	0	481
		1999	7	5	2	0	0	0	540
		2000	2	2	0	0	0	0	538
		2001	1	1	0	0	0	0	443
PWS	Pelagic Trawl	1998	1	0	1	0	0	0	481
		1999	2	1	1	0	0	0	540
		2000	3	2	1	0	0	0	538
		2001	2	1	1	0	0	0	443
		2002	3	1	1	1	0	0	375
		2003	3	1	2	0	0	0	387
PWS	Longline	1998	87	53	31	2	1	0	481
		1999	95	70	24	1	0	0	540
		2000	88	66	21	1	0	0	538
		2001	91	71	15	5	0	0	443
		2002	83	66	15	2	0	0	375
		2003	71	56	15	0	0	0	387
PWS	Pots	1998	6	6	0	0	0	0	481
		1999	4	3	1	0	0	0	540
		2000	10	7	3	0	0	0	538
		2001	2	1	1	0	0	0	443
		2003	1	1	0	0	0	0	387
Cook In	Non-Pelagic Trawl	1998	15	5	7	2	1	0	481
		1999	7	5	2	0	0	0	540
Cook In	Pelagic Trawl	1999	5	0	5	0	0	0	540
Cook In	Longline	1998	109	59	47	2	1	0	481
		1999	104	68	35	1	0	0	540
		2000	80	48	32	0	0	0	538
		2001	73	43	24	6	0	0	443
		2002	64	36	26	2	0	0	375
		2003	51	31	19	1	0	0	387
Cook In	Pots	1998	15	15	0	0	0	0	481
		1999	25	21	4	0	0	0	540
		2000	20	15	5	0	0	0	538
		2001	10	9	1	0	0	0	443
		2002	10	9	1	0	0	0	375
		2003	10	10	0	0	0	0	387
Kodiak	Non-Pelagic Trawl	1998	30	24	4	1	1	0	481
		1999	10	10	0	0	0	0	540
		2000	15	14	1	0	0	0	538
		2001	7	7	0	0	0	0	443
		2002	11	11	0	0	0	0	375
		2003	6	6	0	0	0	0	387

Groundfish Harvests From State Waters
Number of Vessels With Landings by Registration Area and Gear
With the Number of Vessels Recording Landings in Multiple Areas

Groundfish Registration Area	Gear Type	Year	Total Area Vessels	Vessels Fishing:					Total Vessels All GOA All Gears
				One Area	Two Areas	Three Areas	Four Areas	Five Areas	
Kodiak	Pelagic Trawl	1998	46	38	8	0	0	0	481
		1999	46	39	7	0	0	0	540
		2000	17	16	1	0	0	0	538
		2001	49	39	7	3	0	0	443
		2002	37	29	7	1	0	0	375
		2003	33	30	3	0	0	0	387
Kodiak	Longline	1998	88	68	17	2	1	0	481
		1999	109	92	17	0	0	0	540
		2000	145	130	14	1	0	0	538
		2001	116	91	19	6	0	0	443
		2002	92	73	17	2	0	0	375
		2003	104	94	9	1	0	0	387
Kodiak	Pots	1998	55	49	6	0	0	0	481
		1999	93	87	6	0	0	0	540
		2000	85	79	6	0	0	0	538
		2001	45	41	4	0	0	0	443
		2002	39	38	1	0	0	0	375
		2003	43	39	4	0	0	0	387
Chignik	Non-Pelagic Trawl	1998	1	0	1	0	0	0	481
		1999	1	1	0	0	0	0	540
		2000	1	0	1	0	0	0	538
		2001	1	1	0	0	0	0	443
Chignik	Pelagic Trawl	1998	36	4	32	0	0	0	481
		1999	19	0	19	0	0	0	540
		2000	2	2	0	0	0	0	538
		2001	4	0	1	3	0	0	443
		2002	22	2	19	1	0	0	375
		2003	3	0	3	0	0	0	387
Chignik	Longline	1998	3	3	0	0	0	0	481
		1999	4	3	1	0	0	0	540
		2000	6	4	2	0	0	0	538
		2001	3	2	1	0	0	0	443
		2002	4	2	2	0	0	0	375
		2003	8	7	0	1	0	0	387
Chignik	Pots	1998	33	23	10	0	0	0	481
		1999	32	25	7	0	0	0	540
		2000	22	17	5	0	0	0	538
		2001	16	15	1	0	0	0	443
		2002	12	12	0	0	0	0	375
		2003	16	13	3	0	0	0	387

Groundfish Harvests From State Waters
Number of Vessels With Landings by Registration Area and Gear
With the Number of Vessels Recording Landings in Multiple Areas

Groundfish Registration Area	Gear Type	Year	Total Area Vessels	Vessels Fishing:					Total Vessels All GOA All Gears
				One Area	Two Areas	Three Areas	Four Areas	Five Areas	
AK Penn	Non-Pelagic Trawl	1998	31	28	1	1	1	0	481
		1999	34	34	0	0	0	0	540
		2000	34	32	2	0	0	0	538
		2001	22	22	0	0	0	0	443
		2002	15	15	0	0	0	0	375
		2003	9	9	0	0	0	0	387
AK Penn	Pelagic Trawl	1998	40	13	27	0	0	0	481
		1999	33	15	18	0	0	0	540
		2000	29	29	0	0	0	0	538
		2001	34	24	7	3	0	0	443
		2002	27	14	13	0	0	0	375
		2003	28	24	4	0	0	0	387
AK Penn	Longline	1998	13	7	5	0	1	0	481
		1999	14	10	3	1	0	0	540
		2000	13	9	3	1	0	0	538
		2001	10	6	3	1	0	0	443
		2002	6	4	2	0	0	0	375
		2003	15	14	1	0	0	0	387
AK Penn	Pots	1998	66	60	6	0	0	0	481
		1999	68	64	4	0	0	0	540
		2000	99	96	3	0	0	0	538
		2001	68	65	3	0	0	0	443
		2002	58	56	2	0	0	0	375
		2003	66	59	7	0	0	0	387

Notes:

1) Source, CFEC 3/25/04; estimates are preliminary.

2) Figures are derived from commercial harvests (product sold) of groundfish from state waters made on longline, pot, and trawl gear.

Groundfish Harvests From State Waters
Number of Permit Holders With Landings by Registration Area and Gear
With the Number of Permit Holders Recording Landings in Multiple Areas

Groundfish Registration Area	Gear Type	Year	Total Area Permit Holders	Permit Holders With Landings in:					Total Pmt Holders All GOA All Gears
				One Area	Two Areas	Three Areas	Four Areas	Five Areas	
PWS	Non-Pelagic Trawl	1998	11	3	5	2	1	0	582
		1999	7	5	2	0	0	0	658
		2000	2	2	0	0	0	0	627
		2001	1	1	0	0	0	0	515
PWS	Pelagic Trawl	1998	1	0	1	0	0	0	582
		1999	2	1	1	0	0	0	658
		2000	3	2	1	0	0	0	627
		2001	2	1	1	0	0	0	515
		2002	4	2	1	1	0	0	440
		2003	5	3	2	0	0	0	478
PWS	Longline	1998	109	80	28	1	0	0	582
		1999	123	98	25	0	0	0	658
		2000	113	93	20	0	0	0	627
		2001	121	100	20	1	0	0	515
		2002	103	88	15	0	0	0	440
		2003	111	97	13	1	0	0	478
PWS	Pots	1998	6	5	1	0	0	0	582
		1999	4	4	0	0	0	0	658
		2000	10	7	3	0	0	0	627
		2001	2	1	1	0	0	0	515
		2003	2	2	0	0	0	0	478
Cook In	Non-Pelagic Trawl	1998	15	5	7	2	1	0	582
		1999	7	5	2	0	0	0	658
Cook In	Pelagic Trawl	1999	5	1	4	0	0	0	658
Cook In	Longline	1998	122	76	44	2	0	0	582
		1999	125	87	38	0	0	0	658
		2000	94	65	29	0	0	0	627
		2001	82	50	30	2	0	0	515
		2002	72	48	24	0	0	0	440
		2003	67	50	15	2	0	0	478
Cook In	Pots	1998	20	19	1	0	0	0	582
		1999	32	30	2	0	0	0	658
		2000	25	20	5	0	0	0	627
		2001	12	11	1	0	0	0	515
		2002	11	10	1	0	0	0	440
		2003	11	11	0	0	0	0	478
Kodiak	Non-Pelagic Trawl	1998	33	27	4	1	1	0	582
		1999	10	10	0	0	0	0	658
		2000	16	15	1	0	0	0	627
		2001	7	7	0	0	0	0	515
		2002	12	12	0	0	0	0	440
		2003	6	6	0	0	0	0	478
Kodiak	Pelagic Trawl	1998	52	44	8	0	0	0	582
		1999	56	51	5	0	0	0	658
		2000	17	16	1	0	0	0	627
		2001	55	46	6	3	0	0	515
		2002	45	36	8	1	0	0	440
		2003	36	33	3	0	0	0	478

Groundfish Harvests From State Waters
Number of Permit Holders With Landings by Registration Area and Gear
With the Number of Permit Holders Recording Landings in Multiple Areas

Groundfish Registration Area	Gear Type	Year	Total Area Permit Holders	Permit Holders With Landings in:					Total Pmt Holders All GOA All Gears
				One Area	Two Areas	Three Areas	Four Areas	Five Areas	
Kodiak	Longline	1998	97	76	19	2	0	0	582
		1999	126	108	18	0	0	0	656
		2000	152	138	14	0	0	0	627
		2001	122	102	18	2	0	0	515
		2002	96	83	15	0	0	0	440
		2003	108	99	7	2	0	0	478
Kodiak	Pots	1998	66	59	7	0	0	0	582
		1999	108	103	5	0	0	0	658
		2000	102	97	5	0	0	0	627
		2001	54	50	4	0	0	0	515
		2002	44	43	1	0	0	0	440
		2003	54	50	4	0	0	0	478
Chignik	Non-Pelagic Trawl	1998	1	0	1	0	0	0	582
		1999	1	1	0	0	0	0	658
		2000	1	0	1	0	0	0	627
		2001	1	1	0	0	0	0	515
Chignik	Pelagic Trawl	1998	39	5	34	0	0	0	582
		1999	19	1	18	0	0	0	658
		2000	2	2	0	0	0	0	627
		2001	4	0	1	3	0	0	515
		2002	23	2	20	1	0	0	440
		2003	3	0	3	0	0	0	478
Chignik	Longline	1998	3	3	0	0	0	0	582
		1999	4	3	1	0	0	0	658
		2000	6	4	2	0	0	0	627
		2001	3	2	1	0	0	0	515
		2002	4	2	2	0	0	0	440
		2003	9	8	0	1	0	0	478
Chignik	Pots	1998	38	27	11	0	0	0	582
		1999	40	33	7	0	0	0	658
		2000	27	22	5	0	0	0	627
		2001	16	15	1	0	0	0	515
		2002	12	11	1	0	0	0	440
		2003	16	12	4	0	0	0	478
AK Penn	Non-Pelagic Trawl	1998	31	28	1	1	1	0	582
		1999	34	34	0	0	0	0	658
		2000	33	31	2	0	0	0	627
		2001	22	22	0	0	0	0	515
		2002	15	15	0	0	0	0	440
		2003	9	9	0	0	0	0	478
AK Penn	Pelagic Trawl	1998	43	14	29	0	0	0	582
		1999	37	19	18	0	0	0	658
		2000	30	30	0	0	0	0	627
		2001	33	24	6	3	0	0	515
		2002	28	15	13	0	0	0	440
		2003	31	27	4	0	0	0	478

Groundfish Harvests From State Waters
Number of Permit Holders With Landings by Registration Area and Gear
With the Number of Permit Holders Recording Landings in Multiple Areas

Groundfish Registration Area	Gear Type	Year	Total Area Permit Holders	Permit Holders With Landings in:					Total Pmt Holders All GOA All Gears
				One Area	Two Areas	Three Areas	Four Areas	Five Areas	
AK Penn	Longline	1998	16	10	5	1	0	0	582
		1999	15	13	2	0	0	0	658
		2000	16	13	3	0	0	0	627
		2001	12	8	3	1	0	0	515
		2002	6	4	2	0	0	0	440
		2003	16	15	1	0	0	0	478
AK Penn	Pots	1998	78	72	6	0	0	0	582
		1999	74	70	4	0	0	0	658
		2000	106	104	2	0	0	0	627
		2001	70	67	3	0	0	0	515
		2002	64	61	3	0	0	0	440
		2003	72	64	8	0	0	0	478

Notes:

1) Source, CFEC 3/25/04; estimates are preliminary.

2) Figures are derived from commercial harvests (product sold) of groundfish from state waters made on longline, pot, and trawl gear.

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AMENDMENT TO CSSB 69 (RES)

Page 1

Line 7: Change "Board of Fisheries" to "Boards of Fisheries and Marine Pilots".

Line 8: Change "board" to "boards" in 2 places.

Line 9: Add, before period at end of sentence, "or the maritime industry".

Page 2

Line 10: After "Fisheries", add "or Board of Marine Pilots".

Changes to SB 347 – Gulf of Alaska Groundfish Moratorium Bill

Page 2 line 26

Add new Paragraph (5)

- (5) In addition to (1) A and B of this section, the following principles shall be followed by CFEC and ADF&G in the development of a long-range plan and in determining any limited-entry fishery subsequently created in any Gulf of Alaska groundfish fishery:
- A) The greatest number of vessels and participants economically viable shall be included;
 - B) Ensuring protection of stable and growing healthy coastal community economies;
 - C) Ensuring the health of coastal community fish processing;
 - D) Protection of stable and growing cannery workers employment;
 - E) The State is not limiting entry just because of federal limitations;
 - F) Permitted participation by participants and vessel in groundfish fisheries during the moratorium shall not be considered for eligibility in any subsequent limited entry GOA groundfish fishery.
 - G) Permits are granted only to individuals and not business organizations

Change vessel to **participant and vessel** throughout bill to achieve Section 9 (below).

Section 9.

During the moratorium three types of permits will be issued.

All participation by moratorium vessels and participants during the period the moratorium is in place shall not be considered for participation in any subsequent limited entry program for Gulf of Alaska groundfish fisheries.

'A' Permits. 'A' permits will be issued to vessel owners and vessel owner participant/operators who qualify for a moratorium permit by their participation during the qualifying years.

1. 'A' permits will only be granted to individuals not business organizations.
2. 'A' permits do not have to fish and may employ B or C Permits holders to operate their vessels
3. 'A' permits are tied to the owners moratorium qualifying vessel
4. 'A' permits may purchase replacement vessels

'B' Permits 'B' permits will be issued to participants who had Interim Use Permits during the qualifying years and are not moratorium vessel owners.

1. 'B' permits may purchase moratorium vessels
2. 'B' permits may purchase new vessels under following conditions:
 - a. They are a 51% owner of the vessel
 - b. The vessel is 58 feet or less

'C' Permits 'C' permits will be issued to any fisherman who does not hold an 'A' or 'B' permit and operates a vessel owned by an 'A' or 'B' permit holder.

1. No rights shall be based upon participation by a 'C' permit holder during the moratorium.

Comments:

This system keeps the status quo and allows folks who have participated in the GOA to retain rights they had during the qualifying years.

- Vessel owners and vessel owner participants are able to hire who they wish and to purchase replacement vessels
- Non-vessel owning participants are able to continue to fish if hired and purchase vessels less than 58' feet long. They will be taking a considerable risk, however, because they will not earn fishing rights under a limited entry system for the moratorium period.

#2

Page 10, delete lines 22-27 and replace with:

“this section is subject to termination if the commission adopts regulations establishing a permanent limited access program for the fishery under AS 16.43.240 or under law enacted after the effective date of this section. On or after the effective date of regulations establishing a permanent limited access program for that Gulf of Alaska fishery, the moratorium established under this section for the fishery is terminated and the”



United Fishermen's Marketing Association, Inc.

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Representative Paul Seaton, Chair
House Special Committee on Fisheries
Alaska House of Representatives

April 18, 2004

Re: HSS CSSB 347 (23-LS1677\W)

Dear Representative Seaton,

The United Fishermen's Marketing Association, Inc. (UFMA) is pleased to submit the following comments that address HSS CSSB 347 (23-LS1677\W).

Several UFMA members participate in the harvest of Gulf of Alaska (GOA) groundfish primarily with fixed gear, primarily with pots, but also including hook-and-line and jig gear, and with vessels over and under 60 feet in length. UFMA members are impacted by the provisions and effects of SB 347, and the manner in which SB 347 addresses the alignment of federal and state management regimes with respect to the federal initiative to rationalize the GOA groundfish fishery.

UFMA generally supports the vessel moratorium provisions of SB 347 [CSSB 347(RES)] as passed by the Alaska Senate on March 19, 2004, and transmitted to the Alaska House of Representatives on March 22, 2004.

I am a member of the Alaska Board of Fisheries GOA Groundfish Rationalization Committee. UFMA compliments the Alaska Board of Fisheries for their vision and foresight in establishing the GOA Groundfish Rationalization Committee. As the Board considers the complex dimensions of the federal initiative to rationalize the GOA groundfish fisheries, and the associated impacts on the rights and participation of Alaska-resident GOA groundfish stakeholders, this committee has represented a reasonable and desirable mechanism to incorporate relevant expertise and comment from a broad cross-section of individuals. We sincerely appreciate that the Board has invested such significant time and attention toward considering issues that are associated with the jurisdiction of the State of Alaska, and the standing of its residents, with respect to the issue of GOA groundfish rationalization.

Current Alaska statutes and regulations that address the development and implementation of a moratorium by the Board and the Commercial Fisheries Entry Commission (CFEC) do not provide the necessary tools, processes or mechanisms to achieve a vessel moratorium in state waters that is central to the coordination with the federal initiative to rationalize the GOA groundfish fishery, and to the accommodation of the interests and standing of Alaska-resident GOA groundfish stakeholders in that rationalization initiative. Reasonable coordination of the state and federal management regimes for GOA groundfish, especially with respect to GOA groundfish rationalization, is absolutely necessary if the interests of Alaska-resident stakeholders are to be protected, and if the economic and social benefits to the State of Alaska are to be maximized through participation in this fishery.

The House Special Committee on Fisheries has significantly modified SB 347 as it was passed by the Alaska Senate by adding provisions in HSS CSSB 347 (23-LS1677\W) that establish a moratorium on the entry of new participants, in addition to a moratorium on vessels. These provisions are not essential to achieving the objectives that were considered and recommended by the Alaska Board of Fisheries GOA Groundfish Rationalization Committee, subsequently adopted in large part by the

Representative Paul Seaton

SB 347

April 18, 2004; Page 2/2

Board in official Findings (Finding# 2004 - FB - 228; 022304), generally supported by the Alaska Department of Fish and Game (ADF&G), generally supported by the Commercial Fisheries Entry Commission (CFEC), and passed by the Alaska Senate. Additionally, although the Senate passed SB 347 on March 19, these new provisions appeared only on Wednesday, April 14, and it is difficult to enlighten effected stakeholders with respect to these changes, and, more importantly, to provide such stakeholders with the opportunity to consider and communicate the effects that such changes may have on their fishing businesses.

These provisions introduce a concept that attempts to address complex social and economic objectives that are not practically associated with the immediate needs of the State of Alaska with respect to the challenges and objectives that gave rise to SB 347. These provisions are unnecessary, do not enhance the effectiveness of a vessel moratorium, and will result in operational impacts, ramifications, complications and costs for Alaska-resident vessel owners, operators, and crewpersons who work on these vessels, including safety-related concerns. These provisions create a closed class of vessel operators, and will limit the ability of crewpersons to advance from the deck to the wheelhouse. What objective or purpose is achieved by the imposition of a moratorium on participants? What benefits are provided to the beneficiaries of this provision? What are the benefits and offsetting costs that result from the addition of this provision?

We understand that there may be some concern on behalf of the House Special Committee on Fisheries that the vessel moratorium as envisioned in SB 347 may offer opportunities that encourage the migration of ownership of GOA groundfish vessels and individual GOA groundfish harvesting rights from individual harvesters to processing entities. While this is a valid concern, SB 347 appears to place prohibitions on this possibility. While we have no immediate suggestion with respect to how to further enhance the provisions of SB 347 that appear to prohibit this transfer of vessels and/or harvesting rights to processing entities, it may be worthwhile to further clarify this intent; further clarification of this issue does not appear to be of such difficulty as to delay passage of SB 347.

The provisions of SB 347 as passed by the Alaska Senate are of immediate necessity if Alaska-resident harvesters are to achieve reasonable protection and standing with respect to the federal initiative to rationalize GOA groundfish. We encourage the House Special Committee on Fisheries to work with all possible haste to enable the passage of SB 347 in the form that was presented to you by the Alaska Senate. Nevertheless, we accede to the provisors of HSS CSSB 347 (23-LS1677\W) so that the root objectives of a vessel moratorium can be passed by the Alaska Legislature. Therefore, we respectfully request that the House Special Committee on Fisheries pass SB 347 out of committee, and that you act to ensure that SB 347 will achieve passage by the Alaska House of Representatives, concurrence from the Alaska Senate, and be signed by the Governor, at the earliest possible moment.

Thank you for your consideration of our interests and comments with respect to this matter.

Sincerely,



Jeffrey R. Stephan

23-LS1908VA
Utermohle
4/2/04

HOUSE CONCURRENT RESOLUTION NO.
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-THIRD LEGISLATURE - SECOND SESSION

BY

Introduced:
Referred:

A RESOLUTION

1 **Suspending Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State**
2 **Legislature, concerning Senate Bill No. 347, relating to moratoria on entry into**
3 **commercial fisheries and into the Gulf of Alaska groundfish fisheries.**

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

5 That under Rule 54, Uniform Rules of the Alaska State Legislature, the provisions of
6 Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State Legislature, regarding
7 changes to the title of a bill, are suspended in consideration of Senate Bill No. 347, relating to
8 moratoria on entry into commercial fisheries and into the Gulf of Alaska groundfish fisheries.

Conceptual Amendment: # 1

Work Draft SB 347\W

INTENT: The purpose of this amendment is to strengthen the goal of the moratorium, which is to guard against a sudden increase in fishing effort in the state Gulf of Alaska groundfish fishery. SB 347\W, states that the Commercial Fishing Entry Commission (CFEC) **MAY NOT** base future permanent limited entry program qualifications in this fishery on participation during the moratorium years set out in this act (Jan. 1, 2005—Jan. 1, 2011), **UNLESS OTHERWISE PROVIDED BY LAW OR REGULATION.** This amendment deletes CFEC's ability to adopt future regulations counting moratorium years when establishing a permanent limited entry fishery for the Gulf of Alaska groundfish fishery. If fishermen believe participation during the moratorium years may count toward future fishing privileges, they would have an incentive to increase their fishing effort.

Page 6, line 19;

(k) [Unless otherwise provided by law or by a regulation adopted by the commission, the,] The commission may not consider participation in a fishery by a person that occurs during the period of the moratorium in determining eligibility for fishing privileges under a [subsequent] limitation on entry or participation in the fishery that is immediately subsequent and directly related to the moratorium set out in this act.

Page 10, line 15;

(i) Participation of an interim-use permit holder or a vessel in a Gulf of Alaska groundfish fishery during the moratorium established under this section may not be used to establish eligibility for a use privilege for a Gulf of Alaska groundfish fishery that may be authorized immediately after the termination of the moratorium authorized under this section.

page 10,

- delete last sentence of
subsection (j).

Rationale for Limiting Entry in the Bering Sea Hair Crab Fishery

Commercial Fisheries Entry Commission
March 25, 2004

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Background

On December 22, 1995 the Commercial Fisheries Entry Commission (CFEC or commission) received a petition, signed by Joseph Wabey and 11 other persons, requesting limited entry in the Bering Sea hair crab fishery.¹ The petition noted a sharp increase in the number of hair crab vessels that participated in the 1995 season. The petitioners claim this caused a shorter season, with more gear conflicts and higher amounts of wastage due to lost and tangled gear. The petitioners also expressed concern that spillover from other Bering Sea fisheries - which had been placed under restricted access in the Federal fisheries rationalization process - could impact the hair crab fishery, adding even more vessels in future years and complicating conservative management of hair crab. The petition indicated the hair crab fishery was not included in a federal fishery management plan, and therefore was not subject to a federal restricted access program. Shortly after receiving the first petition, CFEC received a second one from David Hillstrand, who also requested limited entry in the fishery.

By law, the commission must respond to petitions within 30 days of receiving them. The law requires the commission to either propose regulations to limit the fishery and schedule public hearings, or deny the petition in writing. On January 22, 1996, the commission sent letters denying both hair crab petitions, but also directed the CFEC Research Section to provide more information to help them determine if limited entry would be appropriate for the fishery.

Research into patterns of hair crab participation indicated that limiting the fishery under the state's traditional program would be problematic. Many vessels had been operated by more than one person, so the total number of permit holders with landings greatly exceeded the actual number of units of gear in the fishery. Under Alaska's traditional limited entry program, CFEC must award permits only to individuals (permit holders) with a history of landings in the fishery. Eligible applicants for permits must be ranked based upon the relative hardship they would receive if they are denied a permit. This hardship ranking system, or "point system", ultimately determines which individuals will be issued permits. As explained later in this document, because of the high number of persons who would be eligible to apply for permits in the hair crab fishery, and the difficulty in distinguishing between their respective standings in a point system, limitation under the person-based program would likely have resulted in fishing effort increasing even after limited entry was implemented, diminishing the benefits and statutory purposes of the program.

In the mid-1990's, several representatives from the hair crab fleet began to pursue legislation that could address this situation by allowing CFEC to issue permits that are tied to vessels rather than persons. Because this added flexibility could be useful for managing not only the hair crab fishery but for managing other fisheries as well, CFEC supported their efforts. For similar reasons, the Alaska Department of Fish and Game (ADFG or Department) also supported the proposed legislation.

However, there was a risk associated with allowing the hair crab fishery to remain under open access while a vessel-based program was analyzed, debated, and potentially passed by the legislature: more boats could enter the fishery during the interim, adding to the existing conservation and economic problems. Recognizing this potential problem, in 1996 the legislature passed a bill establishing a temporary moratorium for new vessels in the hair crab fishery. The moratorium went into effect on July

¹ See Appendix I for copies of two petitions sent to CFEC requesting limited entry in the Bering Sea hair crab fishery.

4, 1996 and was scheduled to expire on June 30, 2000.² Only vessels that made legal hair crab landings in the directed Bering Sea hair crab fishery from 1993 to 1995 were eligible for permits to fish during the moratorium. The legislature also directed CFEC to draft legislation that would give CFEC the authority to implement programs for vessel-based limited entry if such programs could fulfill the commission's statutory duties.

As directed, CFEC drafted vessel permit legislation. The proposed bill was introduced and referred to the Senate Resources Committee in 1999 as Senate Bill 143. No hearings were scheduled for the bill: it stayed in the Resources Committee and the legislature took no action on the bill. In 2000, CFEC again asked for the bill to be scheduled for consideration, but again it did not leave the committee. At the end of the 2000 session, SB 143 died.

During the 2000 session, when it became apparent there was a risk that legislation for a vessel permit program would not pass, fishermen requested an extension of the hair crab vessel moratorium. This required new legislation, which was introduced as House Bill 429. The bill extended the moratorium until July, 2003. It was passed at the end of the 2000 legislative session and signed into law.³

In 2002, CFEC again provided a bill to the legislature to authorize a vessel-based limited entry program. The legislation was introduced as House Bill 206. Like the bill introduced in 1999, this was a generic vessel permit bill, authorizing CFEC to implement a vessel-based program only in fisheries where vessel permits would be more effective than the traditional program. However, the bill was significantly amended in the House Resources Committee to allow CFEC to use this authority only in the Bering Sea hair crab and weathervane scallop fisheries. The amended bill passed the state House and was sent to the Senate Resources Committee. After passing through the Senate Resources and Judiciary committees, the bill was amended on the Senate floor to add a sunset provision specifying that the law expires on December 30, 2008.⁴

CFEC Research

Between 1996 and 2002, the CFEC Research Section provided the commission with several informational memos and a confidential briefing report on the Bering Sea hair crab fishery.⁵ Both the memos and the briefing report documented harvest, participation, and earnings data. Vessel participation during both pre- and post-moratorium years were included. The reports discussed the regulatory history and management of the fishery, basing much of the information on interviews with Alaska Department of Fish and Game shellfish management biologists. The reports also explored some of the implications of limiting the fishery with a vessel-based permit system, and offered some possible options CFEC could consider for ranking qualified vessels.

On January 31, 2003, CFEC sent a memo to ADFG Commissioner Kevin Duffy, asking specific questions about the hair crab fishery. Among the most important questions were ADFG's views on the status of hair crab populations and their opinions on the fleet's fishing capacity under different scenarios. ADFG was also asked about management options with or without limited entry.

² See Section 3, ch. 126, SLA 1996.

³ See Section 1, ch. 30, SLA 2000.

⁴ See Section 2, ch. 137, SLA 2002.

⁵ The confidential briefing report was issued as CFEC Report 02-3C: October, 2002.

Commissioner Duffy responded with a memo issued on February 26, 2003.⁶ He indicated the Department would have concerns if the number of vessels exceeded historically high levels. These concerns were directly related to the relatively undeveloped regulatory nature of the fishery. (As of this writing, there is still no regulatory management plan and no limits on the amount of gear that can be fished.) Commissioner Duffy also mentioned Department concerns for the effects of spillover effort from boats displaced by the newly rationalized Bering Sea Tanner and king crab fisheries. The Department felt that from a management and resource conservation perspective, the historic high of 21 vessels was the highest number they considered manageable in the hair crab fishery.

The Proposed and Adopted Regulations

On February 14, 2003, CFEC issued a notice of proposed regulation changes to establish a vessel permit limited entry system for the Bering Sea hair crab pot fishery.⁷ The notice invited public comment on the regulations and established a comment period from February 14 through April 2, 2003. The notice also announced public hearings on the regulations, which were held on March 4 and March 11, 2003 in the CFEC conference room. Individuals could attend the hearings personally or could participate by teleconference. No one attended or participated at the March 4 hearing. On March 11, one individual attended the hearing in person; 9 others dialed in telephonically. All 10 persons testified. The commission also received approximately 7 letters or emails during the comment period that were entered into the record.

Principal elements of the proposed regulations included:

- Limitation of the Bering Sea hair crab fishery with vessel permits issued to vessel owners.
- A qualification date of July 1, 2003.
- To qualify for a permit, a vessel must have participated in at least 1 year from 1993 through 1995, and 1 year from 1996 through 2002.
- No vessel owner may hold an ownership interest in more than 2 vessel permits, unless the ownership existed at initial issuance.
- Permanent substitution of vessels is allowed, but the substitute vessel may not exceed the overall length of the original qualifying vessel.
- The Bering Sea administrative area corresponds to the waters of ADFG's Bering Sea management district for hair crab, except for waters within five miles from the shores of the Pribilof Islands.

After reviewing and considering all comments, on June 5, 2003 the commission held a scheduled public meeting. At this meeting, the commission could either adopt the regulations as proposed, or adopt an amended form of the regulations, or take no action. The commission voted unanimously to accept several amendments to the original proposal and to adopt the regulations as amended. Some of the amendments tightened portions of the language and definitions.⁸ Additionally, the proposed qualification date was removed because the state's attorneys advised it was unnecessary; they advised

⁶ See Appendix II: Memo from ADFG Commissioner Kevin Duffy to CFEC: "Response to CFEC Information Request". The memo contains CFEC's original questions, followed by Commissioner Duffy's responses.

⁷ See Appendix III: February 14 Notice of Proposed Changes to Regulations, and Appendix IV: Proposed Regulations.

⁸ See adopted regulations: 20 AAC 05.1400; 05.1407; 05.1408 (a); and 05.1420 (4), (6), and (7).

that the qualification regulations setting out specific dates of vessel ownership - which the proposal already contained - would be sufficient to determine which vessel owners were eligible to apply for vessel permits.⁹ The definition of the Bering Sea administrative area was also amended, which was a suggestion made by the public; the area continues to correspond to the waters of ADFG's Bering Sea management district, except *all* waters beyond five miles from shore are excluded.¹⁰ And finally, also in response to public comment, the rules for qualifying for a limited entry permit were amended; the adopted regulations added provisions allowing vessels that participated in at least two calendar years between 1993 and 1995 to qualify for a permit.¹¹

Rationale: Choosing Between the Traditional Person-Based Program and a Vessel Permit Program.

The commission had two approaches available to limit the Bering Sea Hair crab pot fishery: using the new statutory authority to issue vessel permits to the owners of qualified vessels, or using the traditional program under which permits are issued to persons who have recorded landings in the fishery (skippers).

The commission proposed a vessel-based limited entry program for this fishery for several reasons. First, the vessel permit program will achieve the purposes of limited entry in a more efficient manner than a person-based permit program, largely because the number of vessels with landings is considerably less than the number of persons who recorded landings, and fewer permits are likely to be issued under the vessel-based system - particularly during the adjudications period.¹² As explained in detail below, the ability to quickly issue final permits and avoid the lengthy process of adjudicating appealed applications and establishing the final ranking of applicants that characterizes the traditional person-based program, may help re-open the hair crab fishery - which has been closed for conservation reasons since 2000 - and may help to avoid future closures of the fishery. Diminishing the risk of a full fishery closure is consistent with the goal of avoiding economic distress among those dependent upon the fishery, which is one of the constitutionally specified purposes of limited entry. Second, a vessel-based permit program in the hair crab fishery is similar to the federal license limitation program for other Bering Sea crab species, thereby achieving consistency between state and federal programs and helping the state to retain control of the fishery. And finally, the commission believes a vessel-based permit program is the least disruptive of the two programs; it does a better job of preserving the character of the fishery and the place of all participants in the fishery - for vessel owners, skippers, and crewmen. If vessel permits are issued to vessel owners, qualifying operations can continue to fish in the same manner as they did in the open access and moratorium years.

a. Numbers of Permits

Under the traditional person-based limited entry system, statutes require CFEC to set a maximum number of permits to be issued, and to establish a qualification date of January 1 of the year in which the maximum number is adopted. In the traditional program, CFEC issues permits to individuals who have

⁹ See adopted regulations 20 AAC 05.1407.

¹⁰ See adopted regulations 20 AAC 05.230 (a)(11) and 05.1420 (1).

¹¹ See adopted regulations 20 AAC 05.1408.

¹² See AS 16.43.010: *Purpose and findings of fact: (a) It is the purpose of this chapter to promote the conservation and the sustained yield management of Alaska's fishery resource and the economic health and stability of commercial fishing in Alaska by regulating and controlling entry into the commercial fisheries in the public interest and without unjust discrimination.*

recorded legal landings on interim-use permits (IUP) in the fishery. All those who have made legal landings at any time during the qualifying period (usually the four years leading up to the limitation) are eligible to apply. Because the maximum number is usually smaller than the number of persons who are eligible to apply for a permit, CFEC must develop a hardship ranking system ("point system") to determine who will be issued the limited number of permits. Applicants are ranked in descending order based upon the relative hardship they would suffer if they were denied a permit. By law, the ranking system must contain a reasonable balance of measures for past participation and economic dependence. Permits are then issued to the highest ranked persons in descending order until the maximum number is reached. Until an individual's final ranking is determined, they are allowed to continue to fish with an interim-use permit.

However, in some situations where there are special circumstances or conflicting evidence, individuals need to verify their point claims through an adjudications process. This process can be time consuming, often taking many years. Because the outcome of these adjudications can affect the ranking of other individuals, it may be years before the final point system rankings are made; meanwhile, persons continue to participate in the fishery with IUP's.

Under the current law, if CFEC adopted a person-based limited entry program in the hair crab fishery in 2003, the qualification date would be January 1, 2003. However, the history of the hair crab fishery makes it somewhat unclear what the maximum number would be, and which qualifying years would be used for persons claiming participation in the fishery.

Under state statute and an Alaska Supreme court decision governing maximum numbers, the maximum number must be no less than the highest number of units of gear that have participated in the fishery in any of four years prior to the qualification date.¹³ "Units of gear" can be determined by counting either the number of permit holders with landings, the number of vessels with landings, or a combination of the two. However, there has been no hair crab fishery since 2000, and the fishery has operated under a temporary moratorium since 1996. It is unclear if the maximum number would be determined from participation that occurred in the immediate four years prior to the January 1, 2003 qualification date, or the four years from 1997 through 2000 (the last four years in which there was a fishery), or from the four-year period prior to the 1996 moratorium. Similarly, it is uncertain which qualifying years should be used to rank applicants in a point system. However, the commission believes it would be compelled to establish the maximum number under the traditional program based on participation that occurred in the open access years prior to the moratorium, before participation was restricted.¹⁴ Similarly, the qualifying years used to rank applicants would likely include all years back to 1993. Again, these determinations would need to be made only if limitation were to be implemented under the traditional program, where permits are linked to persons.

¹³ See *Rutter v. State* 668 P.2d 1343 (Alaska 1983) and *Johns v. Commercial Fisheries Entry Commission*, 758 P.2d 1255 (Alaska 1980).

¹⁴ In a similar situation, CFEC limited the Southeast Alaska geoduck, sea urchin, sea cucumber, and abalone dive fisheries after a moratorium had been in place for several years. The maximum numbers for the fisheries were based upon participation that occurred in the four years immediately preceding the moratorium.

Table 1. Permit Holders and Vessels With Legal Landings In the Directed Bering Sea Hair Crab Fishery		
Year	Total Permit Holders	Total Vessels
2000	3	3
1999	9	8
1998	12	12
1997	18	16
1996	20	19
1995	25	21
1994	12	9
1993	17	12

Note: Moratorium years are shaded

Table 2. Cumulative Number of Permit Holders With Legal Landings in the Directed Bering Sea Hair Crab Fishery	
Year	Cumulative Unique Individuals
2000	3
1999	9
1998	14
1997	22
1996	29
1995	37
1994	39
1993	47

Note: Moratorium years are shaded

Using these assumptions for the maximum number and qualifying years, the maximum number would be at least 25 or 21, or some combination of these two figures (see Table 1, showing the number of permit holders and vessels with legal landings in 1995). CFEC estimates 47 individuals made legal landings in the hair crab fishery over the 1993 to 2000 period (Table 2.) Each of these persons would be eligible to apply for a limited entry permit, and each would be eligible to fish with an interim-use permit until their final ranking was established. Note the highest number of vessels in any year of the fishery was 21, yet with a person-based program each of the 47 applicants would be able to fish a separate unit of gear until final point system rankings and issuance levels of permits are determined.

In contrast, under the vessel-based permit system, CFEC does not have to call out a maximum number or establish a point system; vessel-based permits are issued based upon qualifications specified in the regulations. The regulations used to determine qualified vessels in the hair crab fishery are quite simple and the commission anticipates an application process will proceed relatively quickly. Under the adopted regulations, it is estimated that 19 vessel-based permits will be issued.¹³ The commission expects to see about 25 applications for these permits (25 vessels were qualified to fish under the moratorium).

Because the number of potential applicants is much less under the proposed regulations than under a traditional permit system, the commission believes the vessel-based proposal will more directly and efficiently achieve the purposes of limited entry by holding the number of fishing operations to a more reasonable level.

b. Consistency With Federal Laws

When the legislature authorized the vessel permit law, an important consideration was to help achieve consistency between federal and state laws and to facilitate management and enforcement of the fisheries. The law also specifically mentions the goal of allowing the state to retain or gain management

¹³ To qualify for a limited entry permit under the adopted regulations, a vessel must have recorded a legal landing(s) in the directed fishery in either: 1) at least one year during the period from 1993 through 1995 and one year from the period 1996 through 2002; or, 2) any two years from 1993 through 1995.

of a fishery.¹⁶ Since January 1, 2000, the Bering Sea and Aleutian Islands king and Tanner crab fisheries have been managed under a federal fisheries management plan (FMP) that includes a vessel license limitation program.¹⁷ Although the hair crab fishery is not part of the Bering Sea crab FMP, one option the CFEC petitioners considered was to attempt to include it in the FMP. If this was successful, it is likely hair crab would have been managed similar to king and Tanner crab in the Bering Sea: the FMP would defer management to the Alaska Department of Fish and Game, but any management actions involving limited entry would be retained by the federal government through the North Pacific Management Council (NPFMC) and the National Marine Fisheries Service (NMFS).

The limitation regulations proposed by CFEC are similar to the federal license limitation program. Federal licenses are issued to persons¹⁸ who own the fishing histories of qualifying vessels. The federal licenses are linked to vessels; each license has endorsements which specify which area and for which crab species the permitted vessel may fish. The similarity between the state and federal programs achieves some of the statutory goals of the state's vessel permit program. It should facilitate the operation of vessels in the Bering Sea, and make management and enforcement more straightforward. It should also allow the State of Alaska to retain full control of the hair crab fishery, for both inseason management and access purposes.

c. Use of a Vessel-based Limitation Program

During the public comment period CFEC specifically invited comment on the question of using the vessel-based program for limitation of the hair crab fishery. The commission sent the announcement of the proposed regulations, the public comment period, and the public hearings to every person who had held an interim-use permit to participate in the fishery as a skipper during the preceding 10 years, as well as to owners of the vessels that had participated during those years.

Several people testified against the CFEC proposal to limit the hair crab fishery because it would award permits to vessel owners. They testified they were philosophically opposed to this action; that it was wrong to grant use-privileges to vessel owners who – under the proposal – could be corporations or other entities. They indicated that corporate ownership of limited entry permits did not serve fishing communities or the state of Alaska because profits from the fishery are too often accumulated by absentee vessel owners. They claimed profession hired skippers would be short-changed under the proposal. They felt limited entry permits should be granted only to individuals who operated vessels and recorded landings on CFEC interim-use permits. (Only one of those who commented in opposition to the use of the vessel permit approach has participated in the hair crab fishery.)

The new law authorizes CFEC to issue vessel permits to vessel owners, which may be either natural persons or entities. The proposed regulations defined an entity as: *"a corporation, company, partnership, firm, association, organization, joint venture, trust, society, or other legal entity other than a natural person."*

Issuing vessel permits to vessel owners is a departure from the state's traditional person-based approach to limited entry, and therefore raises concerns. However, the vessel-based program was designed in

¹⁶ See 16.43.450 (a)(3)(B) and 16.43.450 (b).

¹⁷ See 50 CFR 679.4 (k).

¹⁸ A "person" in the LLP is defined as an individual (natural person), a corporation, partnership, association, or other entity. See 50 CFR 679.2.

recognition of the differences between the traditional owner/operator fishing operation - which is characteristic of Alaska's salmon, herring, and other small-boat fisheries in state waters, and is the model upon which the person-based limited entry program is designed - and the Bering Sea hair crab fishery, which is characterized by larger boats that fish far offshore. Ownership and participation patterns in this fishery are quite different from those in the typical owner-operator fisheries and warrant consideration in this limitation.

In the Bering Sea hair crab fishery, the majority of the hair crab vessels appear to be owned by corporations or partnerships, unlike nearshore, small-boat fleets such as salmon, which are characteristically owned by a single individual fishing as an owner/operator. In their comments to the commission, some hair crab vessel owners testified that their skippers (vessel operators with IUP's) held an ownership interest in the vessel; others testified their skippers were hired as a highly skilled and valuable crewman, receiving a share of the vessel's landings as payment, and having little or no ownership interest in the vessels or gear. In either case, it is relatively common for multiple skippers to record landings from a single vessel. Some of those interim-use permit holders may hold an ownership interest in the boat, and others may not.

The commission believes that for this particular fishery, the vessel permit system is more fair and more effectively preserves the character of the fleet, which in turn provides less economic distress and the least amount of disruption to *all* the fishery's participants - be they vessel owners, hired skippers, or crewmen. Under the proposal, persons from qualifying vessels can continue to participate in the same manner as they did before limited entry. This holds true for both owner/operator and corporate vessels. Furthermore, issuing vessel permits to vessel owners acknowledges that persons - and also in this case, entities - who own participating vessels will suffer a greater amount of hardship if denied a permit than persons who don't own a participating vessel.

d. Ownership Constraints

With regard to the distribution of benefits from the fishery, the commission also proposed and adopted regulations that constrain the ownership of vessel permits. The regulations are very stringent: no person or entity may acquire any ownership whatsoever in more than two vessels. These regulations are consistent with the vessel permit law, which requires the commission to adopt regulations limiting the number of vessel permits that may be held, thereby preventing excessive concentration of ownership of vessel permits.¹⁹ No opposition to this tight ownership constraint was expressed in public comment. The commission remains committed to the important goal of the limited entry program of widely dispersing the benefits of fisheries while still allowing individual operations to prosper, and believes these regulations, combined with other regulations adopted for the hair crab fishery, will help accomplish those goals.

The Qualification Date and Qualifying Requirements

The commission proposed a qualification date of July 1, 2003, which corresponded with the expiration of the Bering Sea hair crab vessel moratorium. Initially, the commission believed this regulation was necessary to avoid having a lag period between the time the moratorium expired and when limited entry

¹⁹ See AS 16.43.450 (e).

Rep. Dan Ogg
SB 347 23-LS1677\X and \U

Conceptual Amendment to Version \X

Page 3 line 5
Add new paragraph (d)

- (d) It is the intent of the legislature that the following principles shall be utilized by CFEC and ADF&G in the development of a long range plan and determining any limited entry fishery subsequently created in any Gulf of Alaska ground fishery:
- (1) The greatest number of vessels and participants economically viable shall be included;
 - (2) Protection of stable and growing healthy coastal community economies;
 - (3) Ensuring the health of coastal community fish processing;
 - (4) Protection of stable and growing cannery workers employment;
 - (5) Limited entry permits are issued to individuals and not business organizations;
 - (6) The State is not limiting entry just because of federal limitations;
 - (7) Permitted participation by participants and vessel in ground fisheries during the moratorium shall not be considered for eligibility in any subsequent Limited Entry GOA ground fishery; and
 - (8) That state policies and not federal policies govern any resulting limited entry program for state GOA ground fisheries.

1A

Conceptual Amendment #

SB 347 Version "X"

Rep. Ogg 4/21/04

Page 11, Delete lines 2—4.

Rep. Dan Ogg
SB 347 23-LS1677\X and \U

13

Amendment to Version \X

Page 8, line ~~7~~ 6 delete 1998, insert 2000

Page 8, line 23 delete 1998, insert 2000

Conceptual Amendment: # 1

Work Draft SB 347 \ U

Page 3, line 21;

Delete "four years" and insert "one year".

Page 3, line 22;

Delete "two years" and insert "one year".

Page 7, line 3;

Delete "2008" and insert "2005".

Page 7, line 15;

Delete subsection (f).

PRELIMINARY DATA

Groundfish Harvests From State Waters Number of Unique Permit Holders and Vessels With Landings Over Given Time Periods

Area	Gear Type	1998 - 2003		1999 - 2003		2000 - 2003		2001 - 2003		2002 - 2003		2003	
		Total Unique Permit Holders	Total Unique Vessels	Total Unique Permit Holders	Total Unique Vessels	Total Unique Permit Holders	Total Unique Vessels	Total Unique Permit Holders	Total Unique Vessels	Total Unique Permit Holders	Total Unique Vessels	Total Unique Permit Holders	Total Unique Vessels
PWS	Non-Pelagic	14	14	8	8	2	2	1	1				
	Pelagic Trawl	9	7	8	6	6	4	5	3	5	3	5	3
	Longline	253	220	226	197	197	166	168	134	140	106	111	71
	Pots	16	15	13	12	13	12	4	3	2	1	2	1
Cook Inlet	Non-Pelagic	17	17	7	7								
	Pelagic Trawl	5	5	5	5								
	Longline	300	234	262	201	202	159	152	120	110	85	67	51
	Pots	63	46	52	39	37	29	18	16	15	13	11	10
Kodiak	Non-Pelagic	52	46	31	30	27	25	16	15	14	13	6	6
	Pelagic Trawl	102	73	92	68	74	59	73	59	53	42	36	33
	Longline	360	308	329	287	291	261	209	195	156	145	108	104
	Pots	191	152	177	142	138	107	92	70	69	56	54	43
Chignik	Non-Pelagic	4	4	3	3	2	2	1	1				
	Pelagic Trawl	54	48	34	32	26	25	24	23	24	23	3	3
	Longline	23	20	20	18	18	16	15	14	12	11	9	8
	Pots	81	65	64	53	41	37	26	27	22	22	16	16
AK Peninsu	Non-Pelagic	74	66	61	57	51	49	38	36	22	22	9	9
	Pelagic Trawl	77	67	61	52	47	42	44	39	35	31	31	28
	Longline	65	55	54	47	46	38	33	27	22	21	16	15
	Pots	197	170	181	157	164	140	116	103	91	82	72	66
All Areas All Gears		1,329	1,017	1,193	929	1,024	820	791	635	624	504	478	387

current bill

proposal

Notes:

- 1) Source, CFEC 4/15/04; estimates are preliminary.
- 2) Figures are derived from commercial landings (product sold, excluding test fishing and confiscated catch) of groundfish from state waters made on longline, pot and trawl gear.
- 3) Groundfish landings include those made in the parallel or state waters groundfish seasons, or as bycatch in other fisheries.
- 4) Groundfish includes fish species defined in CSSB347(Res).

Groundfish Harvests in the Gulf of Alaska
Number of Vessels With Landings by Registration Area and Current LLP Status
1998-2003

	1998	1999	2000	2001	2002	2003	Average 1998-2003	Total Unique Vessels 1998-2003
Prince William Sound								
Current LLP	70	60	52	45	44	29	50	119
No Current LLP	31	44	47	48	42	46	43	121
Total vessels	101	104	99	93	86	75	93	240
Cook Inlet								
Current LLP	110	102	73	57	50	38	72	190
No Current LLP	31	35	26	26	23	23	27	103
Total vessels	141	137	99	83	73	61	99	293
Kodiak								
Current LLP	152	172	173	158	128	134	153	331
No Current LLP	37	56	69	46	35	36	47	147
Total vessels	189	228	242	204	163	170	199	478
Chignik								
Current LLP	58	42	21	18	32	19	32	99
No Current LLP	10	12	9	6	4	7	8	25
Total vessels	68	54	30	24	36	26	40	124
South Alaska Peninsula								
Current LLP	105	97	108	92	69	86	93	223
No Current LLP	9	12	17	12	10	11	12	51
Total vessels	114	109	125	104	79	97	105	274
All areas - Sum of vessels	613	632	595	508	437	429	536	1,409
Count of Unique vessels in state waters								
Current LLP	373	389	377	310	269	272	332	626
No Current LLP	109	151	161	133	106	115	129	393
Total vessels	482	540	538	443	375	387	461	1,019
EEZ Current LLP with no recorded harvest in state waters								
	206	190	214	180	163	n/a	191	467

Source: ADF&G fish ticket database, NOAA Fisheries RAM Division groundfish LLP file (3/26/04) and data compiled by the North Pacific Fishery Management Council staff.
 Groundfish harvest includes commercial landings made in the state waters or parallel fisheries, or as bycatch in other fisheries with pot, longline and trawl gear.

PRELIMINARY DATA

**Groundfish Harvests From State Waters
Number of Vessels With Landings by Registration Area and Gear Type
With the Number of Vessels Recording Landings in Multiple Areas**

Groundfish Registration Area	Gear Type	Year	Total Area Vessels	Vessels With Landings in:					Total Vessels All GOA All Gears
				One Area	Two Areas	Three Areas	Four Areas	Five Areas	
PWS	Non-Pelagic Trawl	1998	11	3	5	2	1	0	481
		1999	7	5	2	0	0	0	540
		2000	2	2	0	0	0	0	538
		2001	1	1	0	0	0	0	443
PWS	Pelagic Trawl	1998	1	0	1	0	0	0	481
		1999	2	1	1	0	0	0	540
		2000	3	2	1	0	0	0	538
		2001	2	1	1	0	0	0	443
		2002	3	1	1	1	0	0	375
		2003	3	1	2	0	0	0	387
PWS	Longline	1998	87	53	31	2	1	0	481
		1999	95	70	24	1	0	0	540
		2000	38	66	21	1	0	0	538
		2001	91	71	15	5	0	0	443
		2002	83	66	15	2	0	0	375
		2003	71	56	15	0	0	0	387
PWS	Pots	1998	6	6	0	0	0	0	481
		1999	4	3	1	0	0	0	540
		2000	10	7	3	0	0	0	538
		2001	2	1	1	0	0	0	443
		2003	1	1	0	0	0	0	387
Cook In	Non-Pelagic Trawl	1998	15	5	7	2	1	0	481
		1999	7	5	2	0	0	0	540
Cook In	Pelagic Trawl	1999	5	0	5	0	0	0	540
Cook In	Longline	1998	109	59	47	2	1	0	481
		1999	104	68	35	1	0	0	540
		2000	80	48	32	0	0	0	538
		2001	73	43	24	6	0	0	443
		2002	64	36	26	2	0	0	375
		2003	51	31	19	1	0	0	387
Cook In	Pots	1998	15	15	0	0	0	0	481
		1999	25	21	4	0	0	0	540
		2000	20	15	5	0	0	0	538
		2001	10	9	1	0	0	0	443
		2002	10	9	1	0	0	0	375
		2003	10	10	0	0	0	0	387

PRELIMINARY DATA

Groundfish Harvests From State Waters Number of Vessels With Landings by Registration Area and Gear Type With the Number of Vessels Recording Landings in Multiple Areas

Groundfish Registration Area	Gear Type	Year	Total Area Vessels	Vessels With Landings in:					Total Vessels All GOA All Gears
				One Area	Two Areas	Three Areas	Four Areas	Five Areas	
Kodiak	Non-Pelagic Trawl	1998	30	24	4	1	1	0	481
		1999	10	10	0	0	0	0	540
		2000	15	14	1	0	0	0	538
		2001	7	7	0	0	0	0	443
		2002	11	11	0	0	0	0	375
		2003	6	6	0	0	0	0	387
Kodiak	Pelagic Trawl	1998	46	38	8	0	0	0	481
		1999	46	39	7	0	0	0	540
		2000	17	16	1	0	0	0	538
		2001	49	39	7	3	0	0	443
		2002	37	29	7	1	0	0	375
		2003	33	30	3	0	0	0	387
Kodiak	Longline	1998	88	68	17	2	1	0	481
		1999	109	92	17	0	0	0	540
		2000	145	130	14	1	0	0	538
		2001	116	91	19	6	0	0	443
		2002	92	73	17	2	0	0	375
		2003	104	94	9	1	0	0	387
Kodiak	Pots	1998	55	49	6	0	0	0	481
		1999	93	87	6	0	0	0	540
		2000	85	79	6	0	0	0	538
		2001	45	41	4	0	0	0	443
		2002	39	38	1	0	0	0	375
		2003	43	39	4	0	0	0	387
Chignik	Non-Pelagic Trawl	1998	1	0	1	0	0	0	481
		1999	1	1	0	0	0	0	540
		2000	1	0	1	0	0	0	538
		2001	1	1	0	0	0	0	443
Chignik	Pelagic Trawl	1998	36	4	32	0	0	0	481
		1999	19	0	19	0	0	0	540
		2000	2	2	0	0	0	0	538
		2001	4	0	1	3	0	0	443
		2002	22	2	19	1	0	0	375
		2003	3	0	3	0	0	0	387
Chignik	Longline	1998	3	3	0	0	0	0	481
		1999	4	3	1	0	0	0	540
		2000	6	4	2	0	0	0	538
		2001	3	2	1	0	0	0	443
		2002	4	2	2	0	0	0	375
		2003	8	7	0	1	0	0	387

PRELIMINARY DATA

Groundfish Harvests From State Waters Number of Vessels With Landings by Registration Area and Gear Type With the Number of Vessels Recording Landings in Multiple Areas

Groundfish Registration Area	Gear Type	Year	Total Area Vessels	Vessels With Landings in:					Total Vessels All GOA All Gears
				One Area	Two Areas	Three Areas	Four Areas	Five Areas	
Chignik	Pots	1998	33	23	10	0	0	0	481
		1999	32	25	7	0	0	0	540
		2000	22	17	5	0	0	0	538
		2001	16	15	1	0	0	0	443
		2002	12	12	0	0	0	0	375
		2003	16	13	3	0	0	0	387
AK Penin	Non-Pelagic Trawl	1998	31	28	1	1	1	0	481
		1999	34	34	0	0	0	0	540
		2000	34	32	2	0	0	0	538
		2001	22	22	0	0	0	0	443
		2002	15	15	0	0	0	0	375
		2003	9	9	0	0	0	0	387
AK Penin	Pelagic Trawl	1998	40	13	27	0	0	0	481
		1999	33	15	18	0	0	0	540
		2000	29	29	0	0	0	0	538
		2001	34	24	7	3	0	0	443
		2002	27	14	13	0	0	0	375
		2003	28	24	4	0	0	0	387
AK Penin	Longline	1998	13	7	5	0	1	0	481
		1999	14	10	3	1	0	0	540
		2000	13	9	3	1	0	0	538
		2001	10	6	3	1	0	0	443
		2002	6	4	2	0	0	0	375
		2003	15	14	1	0	0	0	387
AK Penin	Pots	1998	66	60	6	0	0	0	481
		1999	68	64	4	0	0	0	540
		2000	99	96	3	0	0	0	538
		2001	68	65	3	0	0	0	443
		2002	58	56	2	0	0	0	375
		2003	66	59	7	0	0	0	387

Notes:

- 1) Source, CFEC 3/25/04; estimates are preliminary.
- 2) Figures are derived from commercial landings (product sold, excluding test fishing or confiscated catch) of groundfish from state waters made on longline, pot, and trawl gear.
- 3) Groundfish landings include those made in the parallel or state waters groundfish seasons, or as bycatch in other fisheries.
- 4) Groundfish includes fish species defined in CSSB347(Res).

PRELIMINARY DATA

Groundfish Harvests From State Waters Number of Permit Holders With Landings by Registration Area and Gear Type With the Number of Permit Holders Recording Landings in Multiple Areas

Groundfish Registration Area	Gear Type	Year	Total Area Permit Holders	Permit Holders With Landings in:					Total Pmt Holders All GOA All Gears
				One Area	Two Areas	Three Areas	Four Areas	Five Areas	
P.V.S	Non-Pelagic Trawl	1998	11	3	5	2	1	0	582
		1999	7	5	2	0	0	0	658
		2000	2	2	0	0	0	0	627
		2001	1	1	0	0	0	0	515
PWS	Pelagic Trawl	1998	1	0	1	0	0	0	582
		1999	2	1	1	0	0	0	658
		2000	3	2	1	0	0	0	627
		2001	2	1	1	0	0	0	515
		2002	4	2	1	1	0	0	440
		2003	5	3	2	0	0	0	478
PWS	Longline	1998	109	80	28	1	0	0	582
		1999	123	98	25	0	0	0	658
		2000	113	93	20	0	0	0	627
		2001	121	100	20	1	0	0	515
		2002	103	88	15	0	0	0	440
		2003	111	97	13	1	0	0	478
PWS	Pots	1998	6	5	1	0	0	0	582
		1999	4	4	0	0	0	0	658
		2000	10	7	3	0	0	0	627
		2001	2	1	1	0	0	0	515
		2003	2	2	0	0	0	0	478
Cook In	Non-Pelagic Trawl	1998	15	5	7	2	1	0	582
		1999	7	5	2	0	0	0	658
Cook In	Pelagic Trawl	1999	5	1	4	0	0	0	658
Cook In	Longline	1998	122	76	44	2	0	0	582
		1999	125	87	38	0	0	0	658
		2000	94	65	29	0	0	0	627
		2001	82	50	30	2	0	0	515
		2002	72	48	24	0	0	0	440
		2003	67	50	15	2	0	0	478
Cook In	Pots	1998	20	19	1	0	0	0	582
		1999	32	30	2	0	0	0	658
		2000	25	20	5	0	0	0	627
		2001	12	11	1	0	0	0	515
		2002	11	10	1	0	0	0	440
		2003	11	11	0	0	0	0	478

PRELIMINARY DATA

Groundfish Harvests From State Waters Number of Permit Holders With Landings by Registration Area and Gear Type With the Number of Permit Holders Recording Landings in Multiple Areas

Groundfish Registration Area	Gear Type	Year	Total Area Permit Holders	Permit Holders With Landings in:					Total Pmt Holders All GOA All Gears
				One Area	Two Areas	Three Areas	Four Areas	Five Areas	
Kodiak	Non-Pelagic Trawl	1998	33	27	4	1	1	0	582
		1999	10	10	0	0	0	0	658
		2000	16	15	1	0	0	0	627
		2001	7	7	0	0	0	0	515
		2002	12	12	0	0	0	0	440
		2003	6	6	0	0	0	0	478
Kodiak	Pelagic Trawl	1998	52	44	8	0	0	0	582
		1999	56	51	5	0	0	0	658
		2000	17	16	1	0	0	0	627
		2001	55	46	6	3	0	0	515
		2002	45	36	8	1	0	0	440
		2003	36	33	3	0	0	0	478
Kodiak	Longline	1998	97	76	19	2	0	0	582
		1999	126	108	18	0	0	0	658
		2000	152	138	14	0	0	0	627
		2001	122	102	18	2	0	0	515
		2002	98	83	15	0	0	0	440
		2003	108	99	7	2	0	0	478
Kodiak	Pots	1998	66	59	7	0	0	0	582
		1999	108	103	5	0	0	0	658
		2000	102	97	5	0	0	0	627
		2001	54	50	4	0	0	0	515
		2002	44	43	1	0	0	0	440
		2003	54	50	4	0	0	0	478
Chignik	Non-Pelagic Trawl	1998	1	0	1	0	0	0	582
		1999	1	1	0	0	0	0	658
		2000	1	0	1	0	0	0	627
		2001	1	1	0	0	0	0	515
Chignik	Pelagic Trawl	1998	39	5	34	0	0	0	582
		1999	19	1	18	0	0	0	658
		2000	2	2	0	0	0	0	627
		2001	4	0	1	3	0	0	515
		2002	23	2	20	1	0	0	440
		2003	3	0	3	0	0	0	478
Chignik	Longline	1998	3	3	0	0	0	0	582
		1999	4	3	1	0	0	0	658
		2000	6	4	2	0	0	0	627
		2001	3	2	1	0	0	0	515
		2002	4	2	2	0	0	0	440
		2003	9	8	0	1	0	0	478

PRELIMINARY DATA

Groundfish Harvests From State Waters Number of Permit Holders With Landings by Registration Area and Gear Type With the Number of Permit Holders Recording Landings in Multiple Areas

Groundfish Registration Area	Gear Type	Year	Total Area Permit Holders	Permit Holders With Landings in:					Total Pmt Holders All GOA All Gears
				One Area	Two Areas	Three Areas	Four Areas	Five Areas	
Chignik	Pots	1998	38	27	11	0	0	0	582
		1999	40	33	7	0	0	0	658
		2000	27	22	5	0	0	0	627
		2001	16	15	1	0	0	0	515
		2002	12	11	1	0	0	0	440
		2003	16	12	4	0	0	0	478
AK Penin	Non-Pelagic Trawl	1998	31	28	1	1	1	0	582
		1999	34	34	0	0	0	0	658
		2000	33	31	2	0	0	0	627
		2001	22	22	0	0	0	0	515
		2002	15	15	0	0	0	0	440
		2003	9	9	0	0	0	0	478
AK Penin	Pelagic Trawl	1998	43	14	29	0	0	0	582
		1999	37	19	18	0	0	0	658
		2000	30	30	0	0	0	0	627
		2001	33	24	6	3	0	0	515
		2002	28	15	13	0	0	0	440
		2003	31	27	4	0	0	0	478
AK Penin	Longline	1998	16	10	5	1	0	0	582
		1999	15	13	2	0	0	0	658
		2000	16	13	3	0	0	0	627
		2001	12	8	3	1	0	0	515
		2002	6	4	2	0	0	0	440
		2003	16	15	1	0	0	0	478
AK Penin	Pots	1998	78	72	6	0	0	0	582
		1999	74	70	4	0	0	0	658
		2000	106	104	2	0	0	0	627
		2001	70	67	3	0	0	0	515
		2002	64	61	3	0	0	0	440
		2003	72	64	8	0	0	0	478

Notes:

- 1) Source, CFEC 3/25/04; estimates are preliminary.
- 2) Figures are derived from commercial landings (product sold, excluding test fishing or confiscated catch) of groundfish from state waters made on longline, pot, and trawl gear.
- 3) Groundfish landings include those made in the parallel or state waters groundfish seasons, or as bycatch in other fisheries.
- 4) Groundfish includes fish species defined in CSSB347(Res).

PRELIMINARY DATA

Groundfish Harvests From State Waters Number of Unique Permit Holders and Vessels With Landings Over the 1998-2003 Period

Area	Gear Type	Total Unique Permit Holders	Total Unique Vessels
PWS	Non-Pelagic Trawl	14	14
	Pelagic Trawl	9	7
	Longline	253	220
	Pots	16	15
Cook Inlet	Non-Pelagic Trawl	17	17
	Pelagic Trawl	5	5
	Longline	300	234
	Pots	63	46
Kodiak	Non-Pelagic Trawl	52	46
	Pelagic Trawl	102	73
	Longline	360	308
	Pots	191	152
Chignik	Non-Pelagic Trawl	4	4
	Pelagic Trawl	54	18
	Longline	23	20
	Pots	81	65
AK Peninsula	Non-Pelagic Trawl	74	66
	Pelagic Trawl	77	67
	Longline	65	55
	Pots	197	170
All Areas	All Gears	1,329	1,017

Notes:

1) Source, CFEC 3/30/04; estimates are preliminary.

2) Figures are derived from commercial landings (product sold, excluding test fishing or confiscated catch) of groundfish from state waters made on longline, pot, and trawl gear.

3) Groundfish landings include those made in the parallel or state waters groundfish seasons, or as bycatch in other fisheries.

4) Groundfish includes fish species defined in CSSB347(Res).