

AK LEGISLATURE SPECIAL COMMITTEE FILES SCOMM 147 3178

2.0 The Bering Sea Hair Crab Fishery

The Bering Sea hair crab (*Erimacrus isenbeckii*) fishery is a small fishery that has usually occurred in the Pribilof Islands area of the Bering Sea. The hair crab fishery was originally pioneered by the Japanese during the 1960's and targeted by American vessels beginning in 1979. In 1980 a yearlong permit fishery was established within a three-mile area of the Pribilof Islands, then in 1984 the hair crab fishery was expanded in the Bering Sea District. Figure 1 indicates the area in which the Bering Sea hair crab fishery was prosecuted.¹

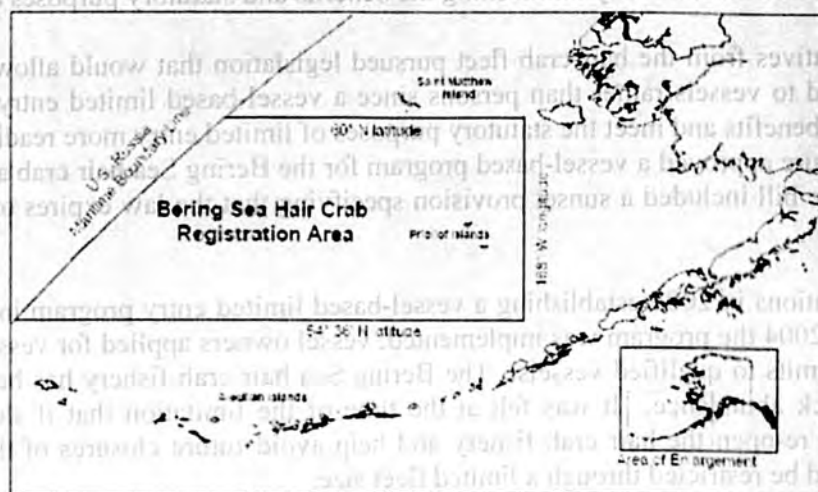


Figure 1. Bering Sea Hair Crab Fishing Area. Source: *Annual Management Report for the Commercial and Subsistence Shellfish Fisheries of the Aleutian Islands, Bering Sea and the Westward Region's Shellfish Observer Program, 2003*. ADF&G Regional Information Report No. 4K04-43, September 2004. Figure 2-13.

In December 1995 and January 1996 the Commercial Fisheries Entry Commission (CFEC or commission) received two petitions requesting limited entry in the Bering Sea hair crab fishery. One petition noted a sharp increase in the number of hair crab vessels that participated in the 1995 season. The petitioners claimed 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 of vessels from other Bering Sea fisheries, which were experiencing depressed stock levels, 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.

¹ There is no formal hair crab registration area established in ADF&G regulations, and as such, the fishing area is established using the terms of a commissioner's permit. ADF&G uses king crab management area, district, and section descriptions for inseason management of the fishery. Between 1997 and 2003, CFEC vessel moratorium permits and interim-use permits issued to skippers participating in the fishery were issued for waters north of 54° 36' N. lat., south of 58° 39' N. lat., and east of the United States - Russia Convention line of 1867. From 2004 onward, CFEC interim-use permits issued to skippers participating in the fishery are for waters described in 5 AAC 35.505(e), the Tanner crab Bering Sea District of Area J (Westward Region). Vessel limited entry permits for the Bering Sea hair crab fishery are for waters of the Bering Sea District as described in 5 AAC 35.505(e) that are beyond five miles from shore.

3.0 The Moratorium and Development of a Vessel-Based Limitation

Research into patterns of hair crab participation indicated that limiting the fishery under the state's traditional program might not be appropriate for this fishery. First, many vessels had been operated by more than one person, so the total number of permit holders with landings significantly exceeded the actual number of units of gear in the fishery. Limitation under the person-based program would likely have resulted in a potential increase in fishing effort even after limited entry was implemented, diminishing the benefits and statutory purposes of the program. A vessel-based permit program could 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 was considerably less than the number of persons who recorded landings, and fewer permits were likely to be issued under the vessel-based system.

Second, the traditional owner/operator fishing operation, which is characteristic of Alaska's salmon, herring, and other small-boat fisheries in state waters, was the model upon which the person-based limited entry program was designed. The Bering Sea hair crab fishery is characterized by larger boats that fish far offshore, a majority of which is owned by corporations or partnerships. A vessel-based program was thought to better preserve the character of the fishery and the place of all participants in the fishery – for vessel owners, skippers, and crewmen. If vessel permits were issued to vessel owners, qualifying operations could continue to fish in the same manner as they did in the open access and moratorium years.

During the 2002 legislative session, CTEC provided a draft bill to the legislature to authorize a vessel-based limited entry program. The draft bill was reviewed by legislative committees and was significantly amended in the House Resources Committee to allow CTEC to set the number of permits in the Bering Sea hair crab and walleye sculpin 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 expire on December 31, 2008.

See Section 1, ch. 116, SLA 1986
See Ch. 10, SLA 2000
See Section 1, ch. 137, SLA 2002

3.0 The Moratorium and Development of a Vessel-Based Limitation

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, the legislature passed a bill establishing a temporary moratorium for new vessels in the hair crab fishery in 1996. The moratorium went into effect on July 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 moratorium law directed the Alaska Department of Law and CFEC to draft legislation that would give CFEC the authority to implement vessel-based limited entry programs in fisheries in which traditional person-based limited entry programs would not effectively fulfill the commission's statutory duties. 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. The legislature passed House Bill 429, which extended the moratorium until July 2003, when it became apparent during the 2000 session that legislation for a vessel permit program might not pass.³

During the 2002 legislative session, CFEC provided a draft bill to the legislature to authorize a vessel-based limited entry program. The draft bill was reworked by legislative counsel and 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 expire on December 30, 2008.⁴

² See Section 3, ch. 126, SLA 1996.

³ See Ch. 30, SLA 2000.

⁴ See Section 2, ch. 137, SLA 2002.

4.0 Bering Sea Hair Crab Vessel Limitation

On February 14, 2003, CFEC issued a notice of proposed regulation changes to establish a vessel permit limited entry program for the Bering Sea hair crab pot fishery. The notice invited public comment on the regulations and established a comment period from February 14 through April 2, 2003. Two public hearings were held by teleconference during the public comment period. After reviewing and considering all comments, the commission held a scheduled public meeting on June 5, 2003. 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. These regulations became effective on September 21, 2003. Principal elements of the adopted regulations included:

- Limitation of the Bering Sea hair crab fishery with vessel permits issued to vessel owners.
- 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 *or* at least 2 years from 1993 through 1995.
- No person or entity 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.
- Vessel permits are transferable.
- The Bering Sea administrative area corresponds to the waters of the ADF&G Bering Sea management district for hair crab that are beyond five miles from shore.

The application period for a vessel entry permit in the Bering Sea hair crab fishery began January 2, 2004 and ended April 15, 2004. During this time the commission received twenty applications from vessel owners. Applications were evaluated, and based on qualification standards outlined in the regulations, sixteen of the vessels qualified for permits, two did not qualify, and two are still pending before the commission. Table 1 indicates the sixteen vessels and their owners that qualified for a Bering Sea hair crab vessel entry permit.⁵

⁵ Between December 13, 2003 and January 19, 2005, NMFS administered a capacity reduction program (buyback) in the Bering Sea/Aleutian Islands crab fisheries. Four vessels that qualified for a Bering Sea hair crab vessel entry permit were bought out under the federal buyback program. This raises the legal question: must a vessel owner who was bought out through this federal program relinquish a state issued permit based on the vessel's fishing history? An additional implication of the buyback is that these four vessels are prohibited from participating in any future commercial fishing activities for any species, including hair crab.

Table 1. Qualifying Vessels for Bering Sea Hair Crab Vessel Entry Permits and Their Owners.¹

Vessel Name	ADFG Number	Vessel Length	Vessel Owner
American Star	06369	154	American Star & Owners
Aquila	62505	165	Tamarak Ventures LLC
Arctic Eagle	61111	126	Arctic Eagle LLC
Arctic Sea	33696	134	Kristian E. Poulsen Ent. Inc.
Maverick	45706	92	F/V Maverick LLC
North Pacific	06205	96	North Pacific LLC
North Sea	36047	126	Kristian E. Poulsen Ent. Inc.
Ocean Cape	29923	98	Ocean Cape LLC
Ocean Olympic	56111	166	Ocean Olympic LLC
Pacesetter	21436	127	Pacesetter Mariner, Inc.
Polar Lady	36822	105	MGF Fisheries Inc.
Royal Viking	03718	108	Royal Viking Inc.
Shaman	00036	110	Mattsen Fisheries Inc.
Theresa Marie	00034	93	Marwin Inc.
Time Bandit	65577	113	Time Bandit LLC
Zolotoi	40917	102	Zolotoi General Partnership

¹ The vessel owner at the time of the application for a vessel entry permit.

In traditional, person-based limited entry fisheries, permits are only issued to natural persons. Each permit holder is required to declare his or her residency when they are issued a permit, and again each year when they renew their permits. In vessel-based limited entry fisheries, permits are issued to vessel owners regardless of whether they are a natural person or an entity. In many cases the entity reflects a complex structure of natural persons and/or other entities. Because entities do not have residency in the same sense that natural persons do, recipients of vessel entry permits are not required to declare a residency. As a result, CFEC is not able to provide a breakdown of resident and nonresident permit holders, as is typically done for the traditional, person-based limited entry fisheries.

5.0 Current Status of the Hair Crab Resource and Fishery

The National Marine Fisheries Service (NMFS) estimates the distribution and abundance of the hair crab resource in the eastern Bering Sea each year when it conducts its annual Eastern Bering Sea Trawl Survey. Figure 2 indicates the estimated abundance of large male hair crab in the Bering Sea from the NMFS survey for 1980 through 2006.⁶ Between 1980 and 2006, the hair crab population has seen a dramatic decline. The estimated levels in 2005 were just 2.0% of the 1980 population. A slight increase in large male abundance was detected in the 2006 survey, but overall, the estimated population is a small fraction of initial levels seen for hair crab.

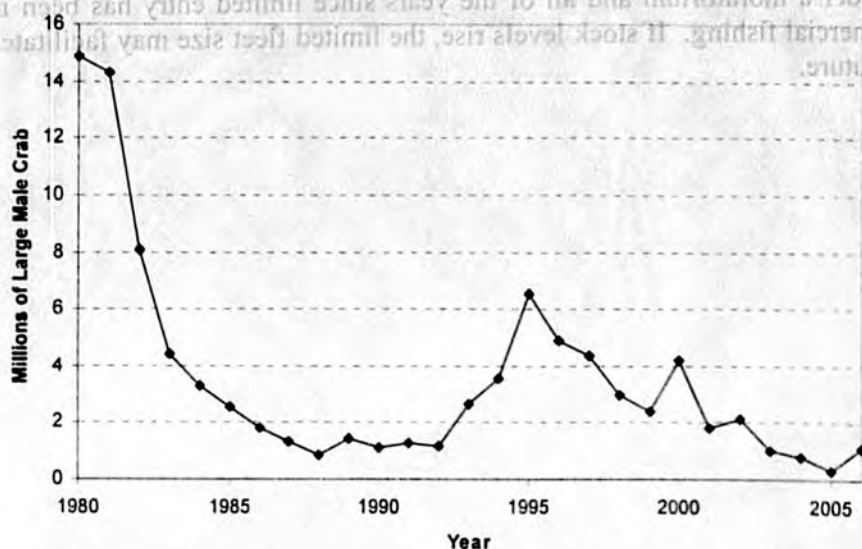


Figure 2. Estimated Abundance of Large Male Hair Crab in the Bering Sea, 1980-2006.

Source of data: Rugolo, L.J., E.A. Chilton, C.E. Armistead, and J.A. Haaga. 2006. *Report to industry on the 2006 Eastern Bering Sea crab survey*. AFSC Processed Rep. 2006-17, 61 p. Alaska Fish. Sci. Cent., NOAA, Natl. Mar. Fish. Serv., Kodiak Fish. Res. Cent., 301 Research Court, Kodiak, AK 99615-7400 and Stevens, B.G., R.S. Otto, J.A. Haaga, and R.A. MacIntosh. 1998. *Report to industry on the 1997 Eastern Bering Sea crab survey*. AFSC Processed Rep. 98-02, Alaska Fish. Sci. Cent., NOAA, Natl. Mar. Fish. Serv., P.O. Box 1638, Kodiak AK 99615-1638.

Population trends and weak performance in commercial fisheries indicate that the Bering Sea hair crab population is severely depressed. Despite closure of the commercial fishery since 2000, the hair crab resource has not begun to rebuild.⁷ Much of the important hair crab habitat near the Pribilof Islands is closed to bottom trawling, so the traditional hair crab fishing grounds are fairly protected. Since 2000 there has been minimal human-caused hair crab mortality and there is very little bycatch of hair crab in other fisheries. It is likely that the population remains low due to poor recruitment, changes in

⁶ Abundance estimates were obtained from: Rugolo, L.J., E.A. Chilton, C.E. Armistead, and J.A. Haaga. 2006. *Report to industry on the 2006 Eastern Bering Sea crab survey*. AFSC Processed Rep. 2006-17, 61 p. Alaska Fish. Sci. Cent., NOAA, Natl. Mar. Fish. Serv., Kodiak Fish. Res. Cent., 301 Research Court, Kodiak, AK 99615-7400 and Stevens, B.G., R.S. Otto, J.A. Haaga, and R.A. MacIntosh. 1998. *Report to industry on the 1997 Eastern Bering Sea crab survey*. AFSC Processed Rep. 98-02, Alaska Fish. Sci. Cent., NOAA, Natl. Mar. Fish. Serv., P.O. Box 1638, Kodiak AK 99615-1638.

⁷ See Alaska Department of Fish and Game, *Bering Sea Hair Crab Fishery Closed for 2005/2006 Season*, ADF&G News Release, October 20, 2005.

environmental conditions, and predation by other species in the area.⁸ Forrest Bowers, ADF&G Area Management Biologist, does not believe the hair crab resource will recover enough in the next five years to warrant opening the commercial fishery.⁹ Hair crab appear to be a fragile resource and a conservative management approach is warranted.

Participation, harvest, and earnings in the Bering Sea hair crab fishery have fluctuated greatly over the history of the fishery. Table 2 indicates the total commercial harvest of the Bering Sea hair crab fishery by year, the total earnings, average ex-vessel price, the number of persons and vessels with landings, and the average and median harvest and earnings per person or vessel. Because of low stock abundance, the Bering Sea hair crab fishery has been closed since 2000. As a result, nearly half of the years that the fishery was under a moratorium and all of the years since limited entry has been in effect have been closed to commercial fishing. If stock levels rise, the limited fleet size may facilitate the opening of the fishery in the future.

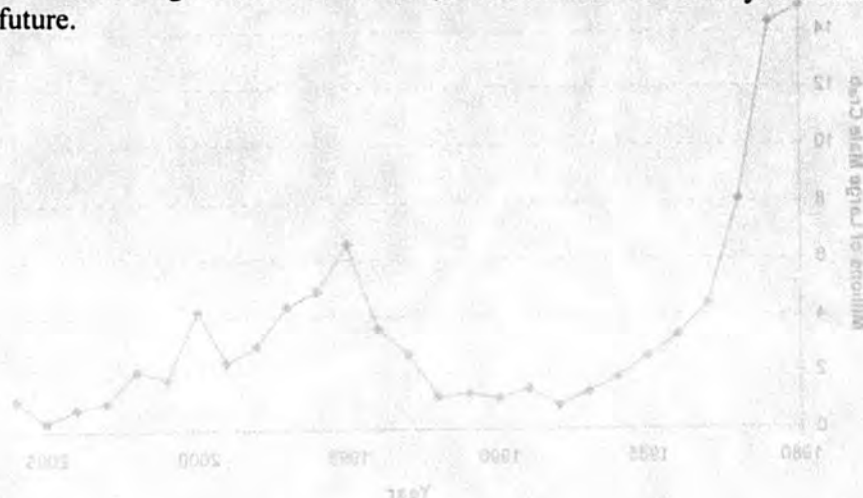


Figure 2. Estimated Abundance of Large Male Hair Crab in the Bering Sea, 1980-2006. Source of data: Rago, L.J., E.A. Clifton, C.E. Amundson, and J.A. Hagan. 2006. Report to industry on the 2006 Eastern Bering Sea crab survey. AFSC Processed Rep. 2006-17. 61 p. Alaska Fish and Game Dept., Kodiak Fishery Research Center, Kodiak, AK 99512-7400 and Stevens, B.G., R.S. Ohio. 1998. Report to industry on the 1997 Eastern Bering Sea crab survey. AFSC Processed Rep. 98-07. Alaska Fish and Game Dept., Kodiak Fishery Research Center, Kodiak, AK 99512-7400.

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⁸ Bowers, Forrest. 2006. Personal communication. Alaska Department of Fish and Game; PO Box 920587, Dutch Harbor, AK 99692-0587.

⁹ Ibid.

Table 2. The Bering Sea Hair Crab Total Harvest and Earnings, and Average and Median Harvest and Earnings Per Person or Vessel With Landings, 1979-2006.¹

Year	Fishery Status	Total Harvest ²	Total Earnings ³	Average Ex-Vessel Price ³	Persons With Landings	Harvest ²		Earnings ³		Vessels With Landings ⁴	Harvest ²		Earnings ³	
						Average	Median	Average	Median		Average	Median	Average	Median
1979	Open Access	**	**	**	18	**	**	**	**	16	**	**	**	**
1980		69,009	\$50,272	\$0.728	19	3,632	271	\$2,646	\$190	17	4,059	511	\$2,957	\$358
1981		2,128,349	\$1,713,285	\$0.805	96	22,170	1,906	\$17,847	\$1,534	76	28,005	1,805	\$22,543	\$1,452
1982		1,225,098	\$799,250	\$0.652	80	15,314	1,676	\$9,991	\$1,088	69	17,755	2,127	\$11,583	\$1,796
1983		888,447	\$628,556	\$0.707	61	14,565	715	\$10,304	\$685	49	18,132	1,170	\$12,828	\$868
1984		568,717	\$746,654	\$1.313	24	23,697	1,234	\$31,111	\$1,322	24	23,697	666	\$31,111	\$852
1985		**	**	**	5	**	**	**	**	6	**	**	**	**
1986		**	**	**	4	**	**	**	**	3	**	**	**	**
1987		23,243	\$43,337	\$1.865	8	2,905	645	\$5,417	\$1,278	8	2,905	645	\$5,417	\$1,278
1988		3,406	\$4,656	\$1.367	12	284	194	\$388	\$229	12	284	194	\$388	\$229
1989		**	**	**	1	**	**	**	**	1	**	**	**	**
1990		0	\$0	\$0	0	0	0	\$0	\$0	0	0	0	\$0	\$0
1991		379,715	\$1,237,491	\$3.259	6	63,286	6,502	\$206,249	\$21,190	6	63,286	6,502	\$206,249	\$21,190
1992		1,338,818	\$2,815,534	\$2.103	18	74,379	42,833	\$156,419	\$90,078	17	78,754	30,119	\$165,620	\$63,340
1993		1,439,155	\$3,109,853	\$2.161	27	53,302	33,881	\$115,180	\$73,217	22	65,416	32,333	\$141,357	\$69,872
1994		1,904,287	\$5,768,782	\$3.029	20	95,214	83,095	\$288,439	\$251,778	14	136,021	95,499	\$412,056	\$289,362
1995		1,986,106	\$5,441,930	\$2.740	25	79,444	69,476	\$217,677	\$190,364	21	94,576	102,373	\$259,140	\$280,502
1996	Moratorium	713,309	\$1,993,699	\$2.795	20	35,665	31,588	\$99,685	\$88,287	19	37,543	32,778	\$104,932	\$91,615
1997		650,240	\$2,078,167	\$3.196	18	36,124	27,756	\$115,454	\$88,707	16	40,640	38,876	\$129,885	\$124,246
1998		**	**	**	12	**	**	**	**	12	**	**	**	**
1999		**	**	**	9	**	**	**	**	8	**	**	**	**
2000		**	**	**	3	**	**	**	**	3	**	**	**	**
2001								-- No Fishery --						
2002								-- No Fishery --						
2003								-- No Fishery --						
2004	Limited Entry							-- No Fishery --						
2005								-- No Fishery --						
2006								-- No Fishery --						

** Data is masked for confidentiality where fewer than four participants, vessels, or processors (by ADF&G processor code or Federal ID when available) are indicated on fish ticket data within a year.

¹ Only commercial harvest of Bering Sea hair crab was included in this table. Landings made with invalid permit serial numbers were excluded.

² Harvest is in pounds.

³ In nominal dollars. Earnings and ex-vessel prices have not been adjusted for inflation.

⁴ The number of vessels with landings includes unlicensed vessels.

Note: This table includes both directed commercial hair crab harvests and hair crab bycatch in other crab fisheries. An ADF&G commissioner's permit was required for participation in the directed hair crab fishery and required for eligibility in the hair crab limited entry program. This note was added for clarification purposes following the initial web posting and distribution of this report.

6.0 Current Status of Permit Holders

The regulations adopted by CFEC established vessel entry permits in the Bering Sea hair crab fishery that are transferable. The vessel entry permits may be transferred by sale, trade, gift, or through inheritance. There are conditions that must be met for a vessel entry permit to be transferred, however. The recipient of a permit must own the vessel listed on the vessel entry permit or they must substitute a vessel they do own at the time of the permit transfer. The overall length of a substitute vessel must be equal to or less than the length of the original qualifying vessel. And lastly, no transfer may occur which would result in any person or entity holding ownership interest in more than two vessels in the Bering Sea hair crab fishery.

As of February 1, 2007, four Bering Sea hair crab vessel entry permits have been permanently transferred. One of the recipients made a permanent vessel substitution at the same time as the permit transfer. As required, the substitute vessel was of equal or lesser length than the original qualifying vessel. Table 3a indicates the thirteen vessels and their owners that are current holders of Bering Sea hair crab vessel entry permits and Table 3b lists the three vessels and their owners that qualified for a vessel entry permit but have not yet been issued a permit.¹⁰

Table 3a. Current Vessel Entry Permit Holders in the Bering Sea Hair Crab Fishery and Their Vessels.

Current Vessel Name	ADFG Number	Vessel Length	Current Permit Holders
American Eagle	00039	118	American Eagle LLC
Aquila	62505	165	Tamarak Ventures LLC
Arctic Sea	33696	134	Coastal Villages Region Fund
Maverick	45706	92	F/V Maverick LLC
North Pacific	06205	96	North Pacific LLC
North Sea	36047	126	Coastal Villages Region Fund
Ocean Cape	29923	98	RSD (Ocean Cape), LLC
Ocean Olympic	56111	166	Ocean Olympic LLC
Polar Lady	36822	105	MGF Fisheries Inc.
Royal Viking	03718	108	Royal Viking Inc.
Shaman	00036	110	Mattsen Fisheries Inc.
Theresa Marie	00034	93	Marwin Inc.
Time Bandit	65577	113	Time Bandit LLC

Table 3b. Vessels and Vessel Owners Qualified for a Bering Sea Hair Crab Vessel Entry Permit.¹

Qualified Vessel Name	ADFG Number	Vessel Length	Qualified Vessel Owner
American Star	06369	154	American Star & Owners
Pacesetter	21436	127	Pacesetter Mariner, Inc.
Zolotoi	40917	102	Zolotoi General Partnership

¹ Vessels have qualified for a vessel entry permit, but a permit has not yet been issued to the vessel owners, either due to the loss of the vessel or at the request of the vessel owners.

¹⁰ Vessels qualified for a Bering Sea hair crab vessel entry permit but either the vessel was lost and a replacement vessel has not been substituted or the vessel owners have requested that the permit not be issued at this time.

7.0 Conclusion

In 2003, CFEC adopted regulations establishing a vessel-based limited entry program in the Bering Sea hair crab fishery. The program was implemented and vessel entry permits issued beginning in 2004. The law authorizing CFEC to administer a vessel-based limited entry program in the Bering Sea hair crab fishery expires on December 30, 2008. If passed, House Bill 16 would delay the sunset date for the vessel entry program until December 30, 2013.

8.0 References

- ADF&G News Release, October 20, 2005.
Alaska Department of Fish and Game, Bering Sea Hair Crab Fishery, 2006.
Bowers, Forrest. 2006. Personal communication. Alaska Department of Fish and Game, PO Box 920287, Dutch Harbor, AK 99602-0287.
Chapter 30, SLA 2000.
Rugolo, L.J., E.A. Chilton, C.E. Amundstad, and J.A. Hanga. 2006. Report to industry on the 2006 Eastern Bering Sea crab survey. AFSC Processed Rpt. 2006-17, 61 p. Alaska Fish. Sci. Cent., NOAA, Natl. Mar. Fish. Serv., Kodiak Fish. Res. Cent., 301 Research Court, Kodiak, AK 99612-7400.
Section 2, ch. 137, SLA 2002.
Section 3, ch. 126, SLA 1996.
Stevens, B.G., R.S. Otto, J.A. Hanga, and R.A. MacIntosh. 1998. Report to industry on the 1997 Eastern Bering Sea crab survey. AFSC Processed Rpt. 98-02, Alaska Fish. Sci. Cent., NOAA, Natl. Mar. Fish. Serv., P.O. Box 1638, Kodiak, AK 99612-1638.

8.0 References

Annual Management Report for the Commercial and Subsistence Shellfish Fisheries of the Aleutian Islands, Bering Sea and the Westward Region's Shellfish Observer Program, 2003. ADF&G Regional Information Report No. 4K04-43, September 2004.

Alaska Department of Fish and Game, *Bering Sea Hair Crab Fishery Closed for 2005/2006 Season*, ADF&G News Release, October 20, 2005.

Bowers, Forrest. 2006. Personal communication. Alaska Department of Fish and Game; PO Box 920587, Dutch Harbor, AK 99692-0587.

Chapter 30, SLA 2000.

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FISCAL NOTE

STATE OF ALASKA
2008 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: HB 16
 () Publish Date: _____

Identifier (file name): HB016-DFG-CF-01-24-08 Dept. Affected: Fish and Game
 Title: Extend Limited Entry Sunset: Crab/Scallop RDU: Commercial Fisheries Division
 Sponsor: Representative Seaton Component: Headquarters Fisheries Management
 Requester: House Fisheries Committee Component Number: 2171

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information					
	FY 2009	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
OPERATING EXPENDITURES							
Personal Services							
Travel							
Contractual							
Supplies							
Equipment							
Land & Structures							
Grants & Claims							
Miscellaneous							
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0	0.0

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

1002 Federal Receipts							
1003 GF Match							
1004 GF							
1005 GF/Program Receipts							
1037 GF/Mental Health							
Other Interagency Receipts							
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2008) cost: 0.0

POSITIONS

Full-time	0.0						
Part-time	0.0						
Temporary	0.0						

ANALYSIS: (Attach a separate page if necessary)

Passage of this bill will have no fiscal impact on the department.

Prepared by: John Hilsinger, Director Phone 267-2324
 Division: Division of Commercial Fisheries Date/Time 1/24/08 11:00 AM
 Approved by: Denby Lloyd, Commissioner Date 1/24/2008
Alaska Department of Fish and Game



ALASKA DEPARTMENT OF FISH AND GAME

MEMORANDUM

TO: Mary McDowell
Commissioner
Commercial Fisheries Entry Commission
Juneau

DATE: February 23, 2004

PHONE: (907) 486-1842

FAX: (907) 486-1824

FROM: Kevin Duffy
Commissioner
Alaska Department of Fish & Game
Juneau

SUBJECT: Response to CFEC
information request
on scallop fishery

In response to your request, dated February 4, 2004, following are responses to specific questions regarding potential limited entry for the weathervane scallop fishery. This memo reiterates each CFEC question, followed by the ADF&G response in italics.

1. ADF&G was actively involved in the development of the legislation for the temporary moratorium, and supported the legislation authorizing a permanent vessel-based limited entry program. ADF&G also took an active role in supporting and developing the federal license limitation program for scallops, citing concerns for scallop overharvest and harm to crab stocks through bycatch.

Under a permanent vessel-based limited entry program in state waters, the number of vessel licenses issued could be similar to the number of licenses currently allowed under the federal LLP (9). Although the number of licenses may be similar between the state and federal programs, the total number of vessels fishing in a management area could increase if the list of state-permitted vessels differs from the list of federal LLP vessels.

If the Commission were to implement the traditional operator-based program, we would be obligated to issue permits to individuals who have made landings on CFEC interim-use permits. It is currently unclear how many permits the Commission would issue under the traditional program, but it would likely be in the range of 10 to 13 permits¹. Under the traditional program, CFEC would have to develop a point system to rank eligible applicants for permits. CFEC estimates there would be approximately 27 eligible applicants under the

¹ This assumes the number of permits would be determined from the highest number of units of gear that recorded landing in state waters in any of the four years immediately preceding the 1997 state waters vessel moratorium. Commission records indicate there were maximums of 10 vessels and 13 permit holders with state waters landings over the 4-years period from 1993 to 1996.

traditional program². Until these persons' individual rankings are determined by the point system, they would continue to fish scallops in state waters.

Perhaps most importantly, individuals who would qualify for permits under the traditional program are likely to be different than those who qualified for licenses in the federal LLP. In this scenario, with a federal LLP in place in federal waters and the traditional CFEC program in state waters, the total number of operations in state and federal waters may be considerably larger than it has been in recent years.

With these considerations, and with the knowledge and experience ADF&G has with the scallop fishery:

- a) Does ADF&G support some form of limited access in the Alaska scallop fishery, in both state and federal waters?

ADF&G supports limited access in Alaska's weathervane scallop fishery in both state and federal waters due to the limited size of the weathervane scallop resource and concerns about crab bycatch.

- b) If so, does ADF&G support implementation of a permanent vessel-based limited entry program in state waters to help manage this fishery in the future, or would the department prefer a traditional operator-based limited entry program?

ADF&G supports implementation of a vessel-based limited entry program in state waters because it would result in fewer participants than a traditional operator-based limited entry program. Fewer participants would likely reduce crab bycatch. However, vessel limited entry permits issued for the statewide weathervane scallop fishery will expire as of December 31, 2008 unless statutory authority is extended.

- c) Would either of the two limited entry programs described herein – the traditional operator-based program or the vessel-based program – better enable the state to retain management authority in federal waters?

Adoption of either type of CFEC limitation program would not jeopardize the state's management authority in federal waters. In the exclusive economic zone (EEZ) NMFS has retained the authority to limit participation and fishing capacity. A state-waters vessel-based limited entry system would be similar to the federal-waters vessel-based limited access system.

2. It is our understanding that ADF&G estimates scallop abundance using a variety of techniques, including harvest and observer data, biological observations on scallop size, age, and sex, and scallop dredge surveys (in Cook Inlet and Prince William Sound). In your professional judgement:

- a) What is the status of scallop stocks statewide?

² Again, this assumes qualified applicants would be individuals who made scallop landings in state waters during the four most recent years prior to the 1997 moratorium.

In general, scallop stocks are healthy and not overfished. Statewide harvest levels have been well below MSY. However, the department has closed specific registration areas or portions of registration areas due to poor fishery performance and has also reduced allowable harvest in several registration areas as a precautionary measure. Additionally, there are many locations where state and federal waters are closed to scallop dredging to protect habitats important to scallops and other species. Based on historic fishing effort, department marine surveys, and other data sources, many of the closed areas are known to contain populations of weathervane scallops. These unfished populations are thought to contribute to the enhancement of the commercially fished beds.

In Amendment 6 to the Fishery Management Plan for the Scallop Fishery off Alaska, Maximum Sustainable Yield (MSY) is defined as 1.24 million pounds of scallop meats. MSY is based on the average catch from 1990-1997, excluding 1995 when the fishery was closed. Optimum Yield (OY) is defined as 0 to 1.24 million pounds, and the overfishing control rule is defined as a fishing rate in excess of the natural mortality rate, which has been estimated as $M=0.13$ (12% per year) statewide. At this time, abundance is estimated for two of the nine registration areas. The fishery is managed conservatively with harvest levels well below MSY (39 to 66% of MSY since establishment of MSY).

b) Does ADF&G think any new areas with substantial numbers of scallops will open to fishing?

In the recent past, commercially viable scallop beds have been discovered within registration areas open to commercial scallop fishing and it is likely in the future that similar discoveries will be made. In addition, there are areas known to have populations of weathervane scallops that are closed to scallop fishing by regulation to protect habitat and other marine resources. For example, the area in the vicinity of Chirikof Island, south of Kodiak Island is known to have a population of weathervane scallops that could be of commercial quantity; however, it was closed to scallop fishing over 30 years ago to protect red king crab. It is unknown if these areas, closed by the Board of Fisheries, would reopen in the future.

c) Will populations and corresponding harvest likely increase or decrease substantially in the foreseeable future?

Wild populations of marine bivalves, including weathervane scallops, rise and fall depending to a large degree on environmental conditions. Barring an unfavorable change in environmental conditions or disease outbreak the department would expect the statewide weathervane scallop population to remain stable or perhaps increase slightly in the foreseeable future.

Since the formation of the voluntary scallop cooperative and voluntary removal of vessels from the fishery, the harvesting capacity of the remaining fleet has decreased. For example, in the Yakutat Registration Area (Area D and D16), approximately 110,000 pounds of scallop meats were left unharvested annually in both the 2001/02 and 2002/03

regulatory seasons. Changes to the number of participants in the weathervane scallop fishery, economic conditions, fishing behavior, or other factors would likely increase or decrease the scallop harvest independent of annual scallop guideline harvest ranges.

3. As mentioned, there are currently 9 licenses qualified to fish in federal waters under the NMFS license limitations program. Under the state vessel moratorium, 10 vessels are qualified to fish in state waters. Before access was limited through state and federal moratoriums in 1997, as many as 17 vessels participated in the statewide federal and state-waters fishery. Does the department believe improved management and conservation of the resource results from the number of vessels limited by the moratorium?

Yes. From inception of the weathervane scallop fishery in 1967 through mid May 1993, the scallop fishery was passively managed employing minimal management measures such as a minimum ring size, season dates, and closed waters to protect crabs and crab habitat. As catches declined in one bed, vessels moved to better grounds. While this serial harvest pattern may have been generally acceptable for a sporadic low intensity fishery, increased participation led to boom and bust cycles experienced from 1967-1992.

After the boom cycle in the early 1980s when as many as 18 vessels fished outside of Cook Inlet, annual participation has ranged from four to nine vessels until 1994, when the number of vessels increased to 15 outside of Cook Inlet. This increase prompted concerns from the department and scallop industry about weathervane scallop resource conservation and impacts on depressed stocks of red king crab and Tanner crab. The resulting State of Alaska Scallop Fishery Management Plan (5 AAC 38.076) combined with the state vessel moratorium and the Federal Scallop Fishery Management Plan and amendments including a license limitation program, have contributed to the elimination of the boom and bust cycles in both state and federal waters. A reduction in the number of participants in the fishery combined with the onboard observer program, gear and crew restrictions, and guideline harvest ranges (GHR), has been key to the success of the management plans.

4. The Commission is concerned that the purposes and benefits of limiting the weathervane scallop fishery could be diminished if there are no restrictions on the expansion of fishing capacity for individual fishing operations. Under both the traditional program and the new vessel permit law, the Commission has the authority to issue permits with fishing capacity constraints if it serves the statutory purposes of limited entry. These could include gear restrictions, or restrictions on the length of the vessel that may be used in the fishery. The constraints would continue to apply upon transfer of the permit or, in the case of vessel permits, upon substitution of a vessel.
 - a) Licenses issued in the federal scallop LLP have maximum vessel lengths attached to them. The license must be used on a vessel that is no greater in length than the vessel used to qualify under the program. In the current proposal for state waters, CFEC suggests similar capacity constraints based upon vessel lengths.
 - i) In the absence of any fishing capacity constraints, does the department believe that fishing effort and capacity may grow in the weathervane scallop fishery after limited entry is implemented?

In the absence of fishing capacity constraints, fishing capacity would likely increase in state waters outside of Cook Inlet. If vessel size were unrestricted, it is likely that participants with small boats would upgrade to larger boats and be able to use larger size dredges. By Board of Fisheries regulation, all vessels fishing in Registration Area H, Cook Inlet, are limited to a single six foot dredge. Furthermore, two vessels are limited by the LLP to a single six foot dredge in federal waters, inside or outside of Cook Inlet.

- ii) Could unrestricted fishing capacity in the weathervane scallop fishery produce management or conservation concerns, such as short seasons with a higher risk of exceeding guideline harvests or high levels of bycatch?

The department has the authority to require 100% onboard observer coverage. So long as this coverage is required, the risk of exceeding the scallop GHR or crab bycatch limits (CBLs) is small. Data collected by observers are key to successful inseason management.

If access was not limited and numerous vessels with unrestricted fishing capacity targeted state waters only, a conservation concern could arise because weathervane scallop beds typically straddle the three-mile boundary with generally a smaller portion of the scallop bed in state waters and a larger portion in federal waters. Therefore localized depletion could occur in the state-waters portion of management areas. The department lacks information necessary to set harvest levels for portions of a scallop bed.

- iii) Would vessel length constraints attached to permits be a meaningful way to limit the expansion of fishing effort and capacity (premised on the original lengths of qualifying vessels)?

It would be appropriate to use vessel length constraints to limit expansion of the fishery in state waters. If small vessels were allowed to participate unrestricted in the statewide areas, these vessels would be expected to increase in size to handle larger gear, crew size and weather. Similarly, the Federal LLP utilizes vessel length constraints to limit expansion of the fishery in federal waters.

- b) The limited federal scallop licenses are valid for all federal waters off of Alaska. However, some licenses have specific gear endorsements for only a single 6-foot scallop dredge if the license was issued based upon a fishing history in Cook Inlet, where this gear restriction applies.

CFEC's proposed regulation for a vessel permit program in state waters also contains a single statewide area and a capacity restriction of a single 6-foot dredge for any permits issued to vessels that have a fishing history only in the Cook Inlet registration area.

- i) Is ADF&G comfortable with CFEC defining a single statewide administrative area for limited entry permits in the weathervane scallop fishery? If not, what CFEC administrative areas would ADF&G advocate?

A single statewide administrative area is an appropriate approach. This single administrative area should encompass the nine scallop registration areas described in 5 AAC 38.076 Alaska Scallop Management Plan. Also, a single administrative area is consistent with provisions of the plan that apply statewide, the only exception being the dredge gear requirements specific to the Cook Inlet Registration Area.

- ii) Does ADF&G believe it is necessary for CFEC to constrain vessel permits for vessels that have fished only in Cook Inlet to a single 6-foot dredge, given that the Board of Fisheries already has a regulation for 6-foot dredges in Cook Inlet and that the Commission has proposed a vessel length constraint for vessel permits?

Regulation 5 AAC 38.322 limits scallop gear in Registration Area H (Cook Inlet) in both state and federal waters to a single 6-foot dredge. The federal LLP also limits two vessels to a single 6' dredge, statewide.

No, it would not be necessary to restrict those vessels already limited by regulation to a single 6-foot dredge in Cook Inlet while fishing in state waters outside of Cook Inlet. Currently two vessels that fish primarily in Registration Area H are restricted under the federal LLP, to a single 6-foot dredge while fishing in federal waters outside of area H. If there are no gear restrictions in state waters outside of area H, those two vessels could fish up to the legal limit of two, 15-foot dredges in state waters; but only a single 6-foot dredge in federal waters. This situation currently exists with a single scallop vessel.

Vessel length and width, more than other factors such as horsepower, limit fishing capacity in the weathervane scallop fishery. Small vessels in the 58 to 78 feet LOA range that typically fish Cook Inlet with a single six foot dredge, potentially have the capacity to fish two dredges. However, due to vessel size constraints it would be very difficult for vessels in that size range to fish two 15 foot dredges, which is the maximum allowed in the Alaska Scallop Management Plan. Deck space is very limited on the small processor vessels. Some vessels could however, fish two smaller sized dredges. Small scallop vessels are also limited by weather and sea conditions, which could limit their participation in the state water fishery outside of Cook Inlet, to a few summer months each year.

MEMORANDUM

STATE OF ALASKA COMMERCIAL FISHERIES ENTRY COMMISSION

TO: Kevin Duffy, Commissioner
Dept. of Fish and Game
M/S:1100

DATE: February 4, 2004

PHONE: (907) 789-6160 VOICE
(907) 789-6170 FAX

FROM: Commercial Fisheries Entry Commission
Bruce Twomley, Chairman
Mary McDowell, Commissioner
Frank Homan, Commissioner

SUBJECT: State waters scallop fishery limitation

In 1997, the Alaska legislature enacted a temporary moratorium on vessels for the state waters and Area H weathervane scallop fisheries. In 2001, the legislature authorized a 3-year extension of the moratorium; it is due to expire on July 1, 2004. During the 2003 legislative session, passage of CSHB206(RLS) am S resulted in changes to the limited entry statutes, authorizing use of a permanent vessel-based limited entry program in the weathervane scallop fishery and the Bering Sea hair crab fishery.

Under provisions of Amendment 3 of the Federal Management Plan (FMP) for scallops, the Alaska Department of Fish and Game (ADF&G) manages all aspects of the scallop fishery except for limited access in federal waters of Alaska. The National Marine Fisheries Service has implemented a license limitation program (LLP) for scallop fishing in federal waters; nine licenses have been issued to vessel owners. There is concern that many new vessels could enter state waters in the scallop fishery should the state waters vessel moratorium expire without a limited entry program in place.

Considering this situation, and the characteristics of the fishery, the Commission has decided to propose limited entry using the new authority to issue permits to vessels that have a history of participation in the weathervane scallop fishery. The comment period for the proposal extends from January 23 to February 23. Because ADF&G manages the scallop fishery, the Commercial Fisheries Entry Commission (CFEC or Commission) seeks the department's advice and expert opinion on matters that directly influence decisions on limited entry in the fishery. Any help or guidance ADF&G can provide during the comment period is greatly appreciated.

Questions:

1. ADF&G was actively involved in the development of the legislation for the temporary moratorium, and supported the legislation authorizing a permanent vessel-based limited entry program. ADF&G also took an active role in supporting and developing the federal license limitation program for scallops, citing concerns for scallop overharvest and harm to crab stocks through bycatch.

Under a permanent vessel-based limited entry program in state waters, the number of vessel licenses issued could be similar to the number of licenses currently allowed under the federal LLP (9). Although the number of licenses may be similar between the state and federal programs, the total number of vessels fishing in a management area could increase if the list of state-permitted vessels differs from the list of federal LLP vessels.

If the Commission were to implement the traditional operator-based program, we would be obligated to issue permits to individuals who have made landings on CFEC interim-use permits. It is currently unclear how many permits the Commission would issue under the traditional program, but it would likely be in the range of

MEMORANDUM

10 to 13 permits¹. Under the traditional program, CFEC would have to develop a point system to rank eligible applicants for permits. CFEC estimates there would be approximately 27 eligible applicants under the traditional program.² Until these persons' individual rankings are determined by the point system, they could continue to fish scallops in state waters.

Perhaps most importantly, individuals who would qualify for permits under the traditional program are likely to be different than those who qualified for licenses in the federal LLP. In this scenario, with a federal LLP in place in federal waters and the traditional CFEC program in state waters, the total number of operations in state and federal waters may be considerably larger than it has been in recent years.

With these considerations, and with the knowledge and experience ADF&G has with the scallop fishery:

- a) Does ADF&G support some form of limited access in the Alaska scallop fishery, in both state and federal waters?
 - b) If so, does ADF&G support implementation of a permanent vessel-based limited entry program in state waters to help manage this fishery in the future, or would the department prefer a traditional operator-based limited entry program?
 - c) Would either of the two limited entry programs described herein – the traditional operator-based program or the vessel-based program – better enable the state to retain management authority in federal waters?
2. It is our understanding that ADF&G estimates scallop abundance using a variety of techniques, including harvest and observer data, biological observations on scallop size, age, and sex, and scallop dredge surveys (in Cook Inlet and Prince William Sound). In your professional judgment:
- a) What is the status of scallop stocks statewide?
 - b) Does ADF&G think any new areas with substantial numbers of scallops will open to fishing?
 - c) Will populations and corresponding harvests likely increase or decrease substantially in the foreseeable future?
3. As mentioned, there are currently 9 licenses qualified to fish in federal waters under the NMFS license limitation program. Under the state vessel moratorium, 10 vessels are qualified to fish in state waters. Before access was limited through state and federal moratoriums in 1997, as many as 17 vessels participated in the statewide federal and state-waters fishery. Does the department believe improved management and conservation of the resource results from the number of vessels limited by the moratorium?
4. The Commission is concerned that the purposes and benefits of limiting the weathervane scallop fishery could be diminished if there are no restrictions on the expansion of fishing capacity for individual fishing operations. Under both the traditional program and the new vessel permit law, the Commission has the authority to issue permits with fishing capacity constraints if it serves the statutory purposes of limited entry. These could

¹ This assumes the number of permits would be determined from the highest number of units of gear that recorded landings in state waters in any of the four years immediately preceding the 1997 state waters vessel moratorium. Commission records indicate there were maximums of 10 vessels and 13 permit holders with state waters landings over the 4-year period from 1993 to 1996.

² Again, this assumes qualified applicants would be individuals who made scallop landings in state waters during the four most recent years prior to the 1997 moratorium.

include gear restrictions, or restrictions on the length of the vessel that may be used in the fishery. The constraints would continue to apply upon transfer of the permit or, in the case of vessel permits, upon substitution of a vessel.

- a) Licenses issued in the federal scallop LLP have maximum vessel lengths attached to them. The license must be used on a vessel that is no greater in length than the vessel used to qualify under the program. In the current proposal for state waters, CFEC suggests similar capacity constraints based upon vessel lengths.
 - i) In the absence of any fishing capacity constraints, does the department believe that fishing effort and capacity may grow in the weathervane scallop fishery after limited entry is implemented?
 - ii) Could unrestricted fishing capacity in the weathervane scallop fishery produce management or conservation concerns, such as short seasons with a higher risk of exceeding guideline harvests or high levels of bycatch?
 - iii) Would vessel length constraints attached to permits be a meaningful way to limit the expansion of fishing effort and capacity (premised on the original lengths of qualifying vessels)?
- b) The limited federal scallop licenses are valid for all federal waters off of Alaska. However, some licenses have specific gear endorsements for only a single 6-foot scallop dredge if the license was issued based upon a fishing history in Cook Inlet, where this gear restriction applies.

CFEC's proposed regulation for a vessel permit program in state waters also contains a single statewide area and a capacity restriction of a single 6-foot dredge for any permits issued to vessels that have a fishing history only in the Cook Inlet registration area.

- i) Is ADF&G comfortable with CFEC defining a single statewide administrative area for limited entry permits in the weathervane scallop fishery? If not, what CFEC administrative areas would ADF&G advocate?
- ii) Does ADF&G believe it is necessary for CFEC to constrain vessel permits for vessels that have fished only in Cook Inlet to a single 6-foot dredge, given that the Board of Fisheries already has a regulation for 6-foot dredges in Cook Inlet and that the Commission has proposed a vessel length constraint for vessel permits?

cc. Doug Mecum; Director, Division of Commercial Fisheries
Denby Lloyd; Regional Supervisor, Westward Region, Commercial Fisheries Division
Jeff Regnart; Regional Supervisor, Central Region, Commercial Fisheries Division
Andy McGregor; Regional Supervisor, Southeast Region, Commercial Fisheries Division
Earl Krieger, Extended Jurisdiction Coordinator, Commercial Fisheries Division
Wayne Donaldson; Regional Shellfish and Groundfish Management Biologist, Westward Region
James Browning; Regional Finfish, Shellfish, and Groundfish Management Biologist, Central Region
Kyle Hebert; Marine Fisheries Supervisor, Southeast Region
Mike Ruccio; Area Management Biologist, Westward Region
Bob Berceli; Area Management Biologist, Prince William Sound
Charlie Trowbridge, Area Management Biologist, Cook Inlet/Prince William Sound
Gretchen Bishop, Shellfish Project Leader, Southeast
Jeff Barnhart; Statewide Scallop Observer Program Coordinator

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Memo from ADFG Commissioner Kevin Duffy to the Commercial Fisheries Entry Commission

STATE OF ALASKA

DEPARTMENT OF FISH AND GAME OFFICE OF THE COMMISSIONER

MEMORANDUM

TO: Mary McDowell, Commissioner
Commercial Fisheries Entry Commission

FROM: Kevin C. Duffy, Acting Commissioner *KCD*
Alaska Department of Fish & Game

DATE: February 26, 2003

SUBJECT: Response to CFEC information request

FRANK H. MURKOWSKI, Governor

P.O. BOX 25628
JUNEAU, AK 99802-5628
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FEB 28 2003

CFEC

In response to your request, dated January 17, 2003, following are responses to specific questions regarding potential limited entry for the Bering Sea Korean hair crab fishery. This memo reiterates each CFEC question, followed by the ADF&G response.

1. The Department was actively involved in the development of the legislation for the temporary moratorium, and the Department supported the legislation for a permanent vessel-based limited entry program. Does the Department support implementation of a permanent vessel-based limited entry program to help manage this fishery in the future, or would the Department prefer a traditional operator-based limited entry program?

If the CFEC decides for limited entry, then ADF&G supports a vessel-based system. A vessel-based system would result in fewer permits than a skipper-based limited entry system. The department would not want effort levels to increase above recent historic participation levels because of the absence of a regulatory management plan, the absence of a pot limit and the potential effects of Bering Sea crab rationalization.

2. If the Commission proposes a permanent vessel-based limited entry program for this fishery, what area should the commission define as a CFEC administrative area for limitation purposes?
 - a.) For purposes of issuing interim-use permits to skippers during the moratorium, CFEC defined a Bering Sea Korean hair crab administrative area that included all waters north of 54° 36' N. lat., south of 58° 39' N. lat., and east of the United States-Russia Convention Line of 1867 (see 20 AAC 05.230 (a)(1)). This area was arrived at after discussions with the Department, but our definition does not point to an existing Board of Fisheries regulation,

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Memo from ADFG Commissioner Kevin Duffy to the Commercial Fisheries Entry Commission

Bering Sea Korean Hair Crab

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CFEC

as CFEC regulations normally do. This definition includes an area in which the bulk of the fishery has occurred, but does not include all places where the fishery has occurred. CFEC did not define an administrative area for the vessel permits during the moratorium.

b.) The miscellaneous shellfish regulations of the Alaska Board of Fisheries refer to a Bering Sea District, the Western Aleutian District, and an Eastern Aleutian District. However, there does not appear to be a regulation in the Board of Fisheries shellfish regulation book that defines these districts. The *Annual Management Report for The Shellfish Fisheries of the Westward Region, 2001* (Regional Information Report No. 4K02-54) provides a map of the "Bering Sea Miscellaneous Shellfish District." This map includes all waters north of 54° 36' N. lat., and east of the United States-Russia Convention Line of 1867. Is this Bering Sea Miscellaneous Shellfish District defined in regulations or elsewhere?

The Bering Sea hair crab fishery is conducted in the Bering Sea portion of Miscellaneous Shellfish Registration Area J, 5 AAC 38.400, as depicted on Figure 5-12 of the above referenced report. Although not specifically stated, the districts mentioned in 5 AAC 38.415 FISHING SEASONS FOR KOREAN HAIR CRAB IN REGISTRATION AREA J (Bering Sea District, Western Aleutian District and Eastern Aleutian District) refer to Tanner crab management areas, see 5 AAC 35.505 DESCRIPTION OF REGISTRATION AREA J DISTRICTS (c)(d) & (e).

c.) In the same report, cited in 2.(a) above, there is a map of a Bering Sea Hair Crab Registration Area, which was apparently used to define a hair crab fishing area during at least one of the fisheries in the late 1990s. This map includes all waters north of 54° 36' N. lat., east of the United States-Russia Convention Line of 1867, south of 60° N. lat., and east of 168° W. longitude. The area corresponds to the entire Pribilof king crab management district, plus a portion of the Bering Sea king crab Northern District. This area does not include king crab Area T where a hair crab fishery has occurred in the past, nor does it include areas north of the Aleutians where the fishery has also occurred.

Recent Bering Sea hair crab fisheries have been opened under a commissioner's permit in the Bering Sea, and the department has utilized king crab management area, district and section descriptions for inseason management. The king crab areas have conveniently described the areas opened for hair crab based on stock condition. In the past, fisheries have occurred in Bristol Bay and south of Nunivak Island, although the core Bering Sea hair crab fishery occurs near the Pribilof Islands. The department does not have abundance-based information from the Aleutian Islands. Hair crab fisheries in the Aleutian Islands have been very sporadic and may lend themselves to bycatch management rather than a directed fishery.

d.) Which of these area definitions does the Department think would make the most sense for limited entry purposes? Would the Department recommend an even broader definition for a CFEC Bering Sea Korean hair crab administrative area that would cover the entire

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Memo from ADFG Commissioner Kevin Duffy to the Commercial Fisheries Entry Commission

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Bering Sea Korean Hair Crab

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The CFEC could use 5 AAC 35.505 DESCRIPTION OF REGISTRATION AREA J DISTRICTS (e) Bering Sea District as an administrative area for hair crab limited entry. This area covers the entire Bering Sea north of Cape Sarichef on Unimak Island. If CFEC adopts this district as an administrative area, we recommend not adopting the subdistricts in that subsection. Alternatively, CFEC could adopt only that portion of miscellaneous shellfish registration area J (5 AAC 38.400) north of Cape Sarichef (54° 36' N lat.).

3. The current moratorium law excludes areas within five miles from shore. (See AS 16.43.901). Does the Department recommend that we continue to exclude those areas under a permanent vessel permit program? Note that AS 16.05.835 (b) restricts a vessel participating within the Bering Sea hair crab fishery within five miles of shore to be no more than 58 feet length overall. There have been very few of these small boats in this fishery during the moratorium.

Nearly all of the historic hair crab harvest has been taken outside of 5-nautical miles from the Pribilof Islands. Either including or excluding the area within 5-nautical miles of the Pribilof Islands for limitation would unlikely have an impact on inseason management because most of the resource is outside of 5-miles. Although small vessels from the Pribilofs have rarely participated, if those vessels were excluded it would be contrary to the original statute allowing small vessels to participate near shore.

4. There are twenty-five vessels qualified to fish under the moratorium. There were considerably fewer vessels actually fishing during the moratorium. What number of vessels does the Department believe is reasonable for this fishery from a management and resource conservation perspective?

Recent historic participation (post 1990) has a maximum of 21 vessels participating in a Bering Sea hair crab fishery. The department feels that this is a maximum manageable number, given current regulations for inseason management and stock condition.

5. The Commission is concerned that the purposes and benefits of limiting the hair crab fishery could be diminished if there are no restrictions on the expansion of fishing capacity for individual fishing operations. Under the new vessel permit law, the Commission has the authority to issue permits with fishing capacity restricted to the original level of the qualifying vessel if it serves the statutory purposes of limited entry. Those constraints would continue to apply upon transfer of the vessel permit or upon substitution of a vessel.

a.) In the absence of any constraints, does the Department believe that fishing effort and capacity may grow in the hair crab fishery after limited entry is implemented?

The department acknowledges that most effort is by larger vessels, although we do not have a summary of effort by vessel length. Since pot gear in the hair crab fishery is small, light and stackable, it is not likely that participants would employ larger vessels to gain a competitive advantage by carrying more pots. Participants use a large number of pots in this fishery because pots are easily carried onboard, the catch per pot is low and because

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Memo from ADFG Commissioner Kevin Duffy to the Commercial Fisheries Entry Commission

Bering Sea Korean Hair Crab

February 26, 2003

there is currently no pot limit. Therefore there may not be an economic incentive or need to operate a larger more-expensive vessel.

b.) Could unrestricted fishing capacity in the hair crab fishery produce management concerns, particularly short seasons with a higher risk of exceeding guideline harvests?

Yes.

c.) Would vessel length constraints attached to permits be a meaningful way to limit the expansion of fishing effort and capacity (premised on the original lengths of qualifying vessels)?

No.

cc: Doug Mecum
Denby Lloyd
Wayne Donaldson
Forrest Bowers
Karla Granath

MEMORANDUM

STATE OF ALASKA COMMERCIAL FISHERIES ENTRY COMMISSION

TO: Kevin Duffy, Acting Commissioner

Dept. of Fish and Game

M/S:1100

DATE: January 17, 2003

PHONE: (907) 789-6160 VOICE

(907) 789-6170 FAX

FROM: Commercial Fisheries Entry Commission

SUBJECT: Bering Sea Hair Crab Fishery

Marlene Johnson, Commissioner

Mary McDowell, Commissioner

Bruce Twomley, Chairman

The temporary legislatively enacted moratorium on vessels in the Bering Sea hair crab fishery is due to expire on July 1, 2003. During the 2002 legislative session, passage of CSHB206(RLS) am S resulted in changes to the limited entry statutes to authorize use of a permanent vessel-based limited entry program in the Bering Sea hair crab fishery (and the scallop fishery). The commission must now determine whether permanent limitation is needed in the Bering Sea hair crab fishery, and if so, whether to propose limitation under the traditional operator-based limited entry program or under the newly authorized vessel-based program.

Although the fishery is currently closed, there is concern that many new boats could enter the fishery should it reopen in the future. To have limitation in place by the end of the moratorium, the commission would have to propose regulations very soon.

The Department manages the Bering Sea hair crab fishery and the Commission seeks the Department's expert advice on this matter. Any help and advice the department can provide on the following questions will be greatly appreciated.

Questions:

1. The Department was actively involved in the development of the legislation for the temporary moratorium, and the Department supported the legislation for a permanent vessel-based limited entry program. Does the Department support implementation of a permanent vessel-based limited entry program to help manage this fishery in the future, or would the Department prefer a traditional operator-based limited entry program?
2. If the Commission proposes a permanent vessel-based limited entry program for this fishery, what area should the commission define as a CFEC administrative area for limitation purposes?
 - a) For purposes of issuing interim-use permits to skippers during the moratorium, CFEC defined a Bering Sea hair crab administrative area that included all waters north of 54° 36' N. lat., south of 58° 39' N. lat., and east of the United States-Russia Convention Line of 1867 (see 20 AAC 05.230 (a)(11)). This area was arrived at after discussions with the Department, but our definition does not point to an existing Board of Fisheries regulation, as CFEC regulations normally do. This definition includes an area in which the bulk of the fishery has occurred, but does not include all

places where the fishery has occurred. CFEC did not define an administrative area for the vessel permits during the moratorium.

b) The miscellaneous shellfish regulations of the Alaska Board of Fisheries refer to a Bering Sea District, a Western Aleutian District, and an Eastern Aleutian District. However, there does not appear to be a regulation in the Board of Fisheries shellfish regulation book that defines these districts. The *Annual Management Report for the Shellfish Fisheries of the Westward Region, 2001* (Regional Information Report No. 4K02-54) provides a map of the "Bering Sea Miscellaneous Shellfish District." This map includes all waters north of 54° 36' N. lat., and east of the United States-Russia Convention Line of 1867. Is this Bering Sea Miscellaneous Shellfish District defined in regulations or elsewhere?

c) In the same report, cited in 2.(a) above, there is a map of a Bering Sea Hair Crab Registration Area, which was apparently used to define a hair crab fishing area during at least one of the fisheries in the late 1990's. This map includes all waters north of 54° 36' N. lat., east of the United States-Russia Convention Line of 1867, south of 60° N. lat., and east of 168° W. longitude. The area corresponds to the entire Priblofs king crab management district, plus a portion of the Bering Sea king crab Northern District. This area does not include king crab Area T where a hair crab fishery has occurred in the past, nor does it include areas north of the Aleutians where the fishery has also occurred.

d) Which of these area definitions does the Department think would make the most sense for limited entry purposes? Would the Department recommend an even broader definition for a CFEC Bering Sea hair crab administrative area that would cover the entire range of the species where a fishery might occur in the future? If so, how would that area be defined?

3. The current moratorium law excludes areas within five miles from shore. (See AS 16.43.901). Does the Department recommend that we continue to exclude those areas under a permanent vessel permit program? Note that AS 16.05.835 (b) restricts a vessel participating in the Bering Sea hair crab fishery within five miles of shore to be no more than 58 feet length overall. There have been very few of these small boats in this fishery during the moratorium.
4. There are twenty-five vessels qualified to fish under the moratorium. There were considerably fewer vessels actually fishing during the moratorium. What number of vessels does the Department believe is reasonable for this fishery from a management and resource conservation perspective?
5. The Commission is concerned that the purposes and benefits of limiting the hair crab fishery could be diminished if there are no restrictions on the expansion of fishing capacity for individual fishing operations. Under the new vessel permit law, the Commission has the authority to issue permits with fishing capacity restricted to the original level of the qualifying vessel if it serves the statutory purposes of limited entry. Those constraints would continue to apply upon transfer of the vessel permit or upon substitution of a vessel.
 - a) In the absence of any constraints, does the Department believe that fishing effort and capacity may grow in the hair crab fishery after limited entry is implemented?

b) Could unrestricted fishing capacity in the hair crab fishery produce management concerns, particularly short seasons with a higher risk of exceeding guideline harvests?

c) Would vessel length constraints attached to permits be a meaningful way to limit the expansion of fishing effort and capacity (premised on the original lengths of qualifying vessels)?

cc. Doug Mecum; Director, Division of Commercial Fisheries Management and Development
Denby Lloyd; Regional Supervisor, Westward Region, ADFG/CFMD
Wayne Donaldson; Regional Shellfish and Groundfish Management Biologist, Westward Region
Forrest Bowers; Area Shellfish Management Biologist, Dutch Harbor

**State of Alaska
Commercial Fisheries Entry Commission**

**Statewide Weathervane Scallop Vessel Permit Holders
December 5, 2006**

Vessel Permit Owner Name	Company Owner/Contact Person	Vessel Name	Skipper
Future Fisheries Inc. 14 Hervey Tichon Ave. New Bedford, MA 02740	Nordic Fisheries Inc. Roy Enoksen, Ron Enokson O'Hara Corp Francis O'Hara, Francis O'Hara, Jr.	F/V Pursuit (100 ft.) ADFG Number: 40312 Vessel Permit: W 2ABV85016Z	None - non-fishing co-op member 5/9/2005 CFEC was notified that vessel was sold. Vessel permit was retained.
Ocean Fisheries LLC 7216 Interlaaken Dr. SW Lakewood, WA 98499	Stone Maritime Inc. Jim Stone (LLC Manager) Mikkelsen Fisheries Inc. Glenn Mikkelsen, Egil Mikkelsen Festus Fisheries Inc. John Lemar Stein Enterprises Stein Nyhammer	Ocean Hunter (100 ft.) ADFG Number: 40924 Vessel Permit: W 2ABV85007S	John Lemar (W 2AB27374U) 1302 Chambers St Steilacoom, WA 98388 Glenn Mikkelsen (W 2AB28558K) 2 Park Place Edmonds, WA 98026
Provider Inc. 1000 C Street Bellingham, WA 98225	Provider Inc. Mark Kandianis (President, Treasurer) John Doody (Vice-President, Secretary)	Provider (123 ft.) ADFG Number: 58200 Vessel Permit: W 2ABV85008L	Tom Minio (W 2AB26294I) 801 King Valley Dr. Maple Falls, WA 98266
Forum Star LLC 2025 1st Ave #900 Seattle, WA 98121	Forum Star LLC Coastal Villages Pollock LLC American Seafoods LLC Bernt O. Bodal Jeffrey W. Davis	Forum Star (98 ft.) ADFG Number: 59687 Vessel Permit: W 2ABV85014O	None - non-fishing co-op member
Carolina Boy Inc. Box 600 Seaford, VA 23696	Carolina Boy Inc. William S. Wells, Jr. William S. Wells, III	Carolina Boy (95 ft.) ADFG Number: 64110 Vessel Permit: W 2ABV85013W	None - non-fishing co-op member
Thomas C. Hogan Box 1648 Homer, AK 99603	Thomas C. Hogan	Kilkenny (75 ft.) ADFG Number: 54968 Vessel Permit: W 2BBV85015J	Thomas C. Hogan (W 2BB27888I) Box 1648 Homer, AK 99603 George M. Milne (W 2BB27776Q) Box 1848 Homer, AK 99603
La Brisa Inc. Box 770881 Eagle River, AK 99577	La Brisa Inc. Max Hulse Robert Hulse	Wayward Wind (79 ft.) ADFG Number: 23574 Vessel Permit: W 2BBV85012H	Scott D. Hulse (W 2BB26790J) Box 770881 Eagle River, AK 99577
Tom Gilmartin, Jr. 46677 Lake St. Kenai, AK 99611	Tom Gilmartin, Jr.	Arctic Storm (58 ft.) ADFG Number: 68700 Vessel Permit: W 2BB85018L	Tom Gilmartin, Jr. 46677 Lake St. Kenai, AK 99611 (no permit for 2006)

State of Alaska
Commercial Fisheries Entry Commission
Bering Sea Hair Crab Vessel Permit Holders
 March 27, 2007

Vessel Permit Holder Name	Company/Contact Person	Vessel Name	Permit
Marwin Inc. PO Box 509 Petersburg, AK 99833	John Winther, President Bert Winther, Vice President	Theresa Marie ADFG# 00034 93 ft.	E 91QV 85001 O Initial permit holder Initial vessel
Mattsen Fisheries Inc. PO Box 2686 Poulsbo, WA 98370	Daniel Mattsen, President John Walsh, Secretary	Shaman ADFG# 00036 110 ft.	E 91QV 85003 Z Initial permit holder Initial vessel
Royal Viking, Inc. 5303 Shilshole Ave NW Seattle, WA 98107	Trident Seafoods Charles H. Bundrant, President	Royal Viking ADFG#03718 108 ft.	E 91QV 85005 J Initial permit holder Initial vessel
American Star & Owners 14010 154th Ave SE Renton, WA 98059	Overa Fisheries Roger and Linda Overa Hjelle Enterprises, Inc. Mark Hjelle and Karen Clausen	American Star ADFG#06369 154 ft.	Initial permit holder (no serial no. issued) Vessel lost to fire
Pacesetter Mariner, Inc. 3762 S. 349th Pl. Auburn, WA 98001	Pamela Pope, President	Pacesetter ADFG# 21436 127 ft.	Initial permit holder (no serial no. issued) Vessel lost at sea
RSD (Ocean Cape), LLC PO Box 12946 Mill Creek, WA 98052	Robert Resoff, Inc George Steers, President Estate Trust of Robert Resoff George Steers, Co-Executor Linda Seven, Co-Executor	Ocean Cape ADFG# 29933 100 ft.	E 91QV 85017 Q Permit by transfer Initial vessel
Coastal Villages Region Fund 711 H St. #200 Anchorage, AK 99501	Coastal Villages Region Fund (CDQ) C. Morgan Crow, Agent	Arctic Sea ADFG# 33696 134 ft.	E 91QV 85010 U Permit by transfer Initial vessel

**State of Alaska
Commercial Fisheries Entry Commission**

**Bering Sea Hair Crab Vessel Permit Holders
March 27, 2007**

Vessel Permit Holder Name	Company/Contact Person	Vessel Name	Permit
Coastal Villages Region Fund 711 H St. #200 Anchorage, AK 99501	Coastal Villages Region Fund (CDQ) C. Morgan Crow, Agent	North Sea ADFG# 36047 126 ft.	E 91QV 85011 M Permit by transfer Initial vessel
MGF Fisheries 1216 NW Blakely CT. Seattle, WA 98177	Mason Williams, President Gary Stewart, VP	Polar Lady ADFG# 36822 105 ft.	E 91QV 85002 H Initial permit holder Initial vessel
F/V Maverick, LLC 1645 SW 14th St. Warrenton, OP. 97146	Richard Quashnick, President Donna Quashnick, VP	Maverick ADFG# 45706 92 ft.	E 91QV 85004 Q Initial permit holder Initial vessel
American Eagle LLC 1212 NW Culbertson Dr. Seattle, WA 98177	Tynes Enterprises, Inc. Reidar and Linda Tynes Wabey Enterprises, Inc. Joseph Wabey Hjelle Enterprises, Inc. Mark Hjelle and Karen Clausen	American Eagle ADFG# 00039 118 ft.	E 91QV 85000 W Permit by transfer Vessel by substitution
Tamarack Ventures, LLC PO Box 7899 Kent, WA 98042	Kale Garcia	Aquila ADFG# 62505 155 ft.	E 91QV 85009 E Initial permit holder Initial vessel
Time Bandit, LLC PO Box 3643 Homer, AK 99603	Phillip Hillstrand, President	Time Bandit ADFG# 65577 110 ft.	E 91QV 85006 B Initial permit holder Initial vessel

**State of Alaska
Commercial Fisheries Entry Commission**

Bering Sea Hair Crab Vessel Permit Holders

March 27, 2007

Vessel Permit Holder Name	Company/Contact Person	Vessel Name	Permit
North Pacific LLC 620 6th St. S Kirkland, WA 98033	AK Beauty J/V Partners North Pacific Enterprises Ocean Olympic Fisheries, Inc. Norton Sound Investment Co. LLC Russel Moore, contact person	North Pacific ADFG# 06205 97.5 ft.	E 91QV 85019 B Initial permit holder Initial vessel
Ocean Olympic LLC 620 6th St. S Kirkland, WA 98033	AK Beauty J/V Partners North Pacific Enterprises Ocean Olympic Fisheries, Inc. Norton Sound Investment Co. LLC Russel Moore, contact person	Ocean Olympic ADFG# 56111 166 ft.	E 91QV 85020 R Initial permit holder Initial vessel
Zolotoi Partnership PO Box 1064 Sitka, AK 99835	Zolotoi Management Inc Gordon Blue Orca Fisheries, Inc. Jon Jorgenson AK Offshore LLC PBS Vessel Manage - CDQ CBSFC-CDQ	Zolotoi ADFG# 40917 102 ft.	Former owner of vessel Initial Permit Holder (No serial no. issued) Initial vessel
Ocean Ventures, LLC PO Box 12946 Mill Creek, WA 98082-0946	Mike Shelford, contact person	Zolotoi ADFG# 40917 102 ft.	Current owner of vessel (No serial no. issued) Initial vessel

State of Alaska

SARAH PALIN, Governor

Commercial Fisheries Entry Commission

8800 Glacier Hwy, #109

P.O. Box 110302

Juneau, AK 99811-0302

MEMORANDUM

To: Representative Paul Seaton, Chair
House Fisheries Committee

Date: January 15, 2008

Phone: (907) 789-6160 VOICE
(907) 790-6170 FAX

From: Frank Homan, Chair
Commercial Fisheries Entry Commission

Subject: HB 16



We would like to request a hearing and committee action for HB 16.

If HB 16 does not pass the Legislature, the Alaska scallop fishery and the Alaska hair crab fishery will revert to unlimited open access and cause disruption for these fisheries.

cc: Committee Members

Representative Kyle Johansen
Representative Craig Johnson
Representative Gabrielle LeDoux
Representative Peggy Wilson
Representative Bryce Edgmon
Representative Lindsey Holmes
Russ Kelly, Legislative Director
Mark Vinsel, Executive Director, United Fishermen of Alaska

Attachment: Letter to scallop and haircrab fishermen

UNITED STATES DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration
National Marine Fisheries Service, Alaska Region
Restricted Access Management
P.O. Box 21668
Juneau, Alaska 99802-1668

FIRST CLASS MAIL

OFFICIAL BUSINESS
PENALTY FOR PRIVATE USE, \$300

TO: MAX HULSE ET AL
P.O. BOX 770881
EAGLE RIVER, ALASKA 99577

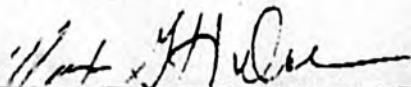
FEDERAL SCALLOP LICENSE LIMITATION LICENSE ENCLOSED

ISSUING NMFS OFFICE:
Restricted Access Management
P.O. Box 21668
Juneau, AK 99802-1668



UNITED STATES DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration
National Marine Fisheries Service

**FEDERAL SCALLOP LICENSE LIMITATION LICENSE**

License Number SLLP No. 004	Date Issued August 10, 2005	Endorsements & Conditions of Use Maximum Length Overall of Vessel: 79 feet Gear Limitation: Two Scallop Dredges with a combined width of no more than 20 feet (6.1m) Other: This license is transferable.
 Name and Address of License Holder(s) Max Hulse et al P.O. Box 770881 Eagle River, Alaska 99577		
To the License Holder: This license is issued under the authority of 50 CFR Part 679 and conveys the privilege of harvesting scallops in Federal waters off Alaska. Be advised, however, that numerous rules and regulations, promulgated pursuant to both State of Alaska and Federal authorities, govern commercial fishing and processing operations; it is your responsibility to be aware of, and to comply with, those requirements.		
 PROGRAM ADMINISTRATOR, RESTRICTED ACCESS MANAGEMENT		Owner's Signature 



**STATE OF ALASKA
COMMERCIAL FISHERIES ENTRY COMMISSION
2007**

STATEWIDE WEATHERVANE SCALLOP FISHERY VESSEL ENTRY PERMIT

Vessel Length Category: B (overall length less than 80 feet)

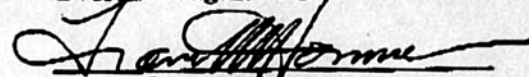
Vessel Entry Permit Number: W2BBV 85012H Vessel Name: WAYWARD WIND

ADF&G Number: 23574

USCG Doc. No. 534777

**Vessel Owner: LA BRISA, INC.
Box 770881
Eagle River, AK 99577**

Overall Length: 79 feet


Commissioner

Commercial Fisheries Entry Commission

P O Box 770881
Eagle River, Alaska 99577
907-694-2413 Phone/fax

February 2, 2008

Representative Paul Seaton
House Fisheries Chairman
Juneau, Alaska

Dear Mr. Chairman,

This is in regard to HB 16 which you are holding in committee.

I am Max Hulse, and also represent my sons, Scott and Robert Hulse. Our family has been Alaskan residents since 1966, residing in Eagle River, Alaska. We have been involved in commercial fishing since 1979 and with the state scallop fishery since the early 1980s. I am sure you remember the scallop vessel, F/V St. Patrick catastrophe out of Kodiak in 1981, when ten fishermen lost their lives. Scott Hulse was first mate on that vessel and would have been on board, but due to the passing of my father, we brought him home. That terrible incident has haunted my son all these years as he feels it would not have happened had he been running the vessel.

In 1983, Scott and I proposed to the AK State Board of Fisheries, that a scallop fishery be opened in Cook Inlet. It was approved and Scott did the first survey for the AK Department of Fish and Game. Our family has been involved in the scallop fishery ever since—a family operation.

Our family holds both a State Weathervane Fishery Entry Permit and a Federal Scallop License Limitation License. Being our vessel size is limited to 79' overall, the weather after August, becomes a key factor for us to fish productively. This is why the STATE SCALLOP PERMIT is so important to our livelihood—the weather in state waters after August is manageable.

We have earned this permit with our long and expensive involvement in the scallop fishery, just as other fishermen have earned their similar Alaska fishing permits, i.e. salmon drift and set net and etc .

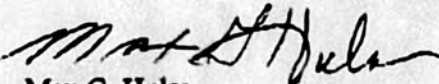
Representative Stoltze and Senator Halford helped to draft and pass legislation to establish the initial state scallop limited entry fishery. Representative Stoltze is an **HONORABLE** man. I have known Bill Stoltze since he was a small boy, in fact, my boys and Bill grew up together, attending high-school and both families going to the same church in Chugiak.

Finally, Mr. Chairman, I find it unconscionable that NOW you as one person can destroy my family and my sons' future livelihood by holding HB 16 hostage in your committee.

Accordingly, Mr. Chairman, we ask you to do what you know is right and **HONORABLE** and allow HB 16 to proceed out of your committee and be voted on by the legislature.

I will be writing my two representatives and others asking their help in this matter and to help them better understand our family's crucial situation, I am including to them, a copy of my letter to you.

Sincerely,



Max G. Hulse

Alaska Crab Coalition
3901 Leary Way N.W. Suite #6
Seattle, Washington 98107
206.547.7560
Fax 206.547.0130
accrabak@earthlink.net

March 22, 2007

Representative Paul Seaton,
Chair
Alaska House Fisheries Committee
State Capitol, Room 102
Juneau, AK 99801-1182
Rep_Paul_Seaton@legis.state.ak.us

Dear Representative Seaton:

On behalf of the members of the Alaska Crab Coalition (ACC) representing Bering Sea crab vessel owners since 1986, I am writing to comment in support of House Bill # 16 to extend the sunset date on the vessel limitation program for the weathervane scallop and Bering Sea hair crab fisheries, which will end on December 30, 2008, unless state legislation is passed to extend the sunset date. Failure to pass this legislation will result in the fisheries reverting to open access.

The experience of our members results in concerns that concur with those of the Commercial Fisheries Entry Commission, that if the fisheries revert to open access, it will exacerbate management of the fisheries and increase fishing pressure on the stocks.

The hair crab fishery has been closed for rebuilding of the stocks for several years, and needs to be carefully monitored when it reopens, as the quota will be very low. If the fishery reverts to open access, management of the fishery would be exceedingly difficult.

The scallop fishery has been operating quite well under the limited access system and there are only a small number of boats fishing in a cooperative. The scallop fishery has observers on all boats, paid for by the vessel owners, 100% observer coverage, to monitor crab bycatches. Under the cooperative program crab bycatch has been greatly reduced, as the boats work together and communicate amongst each other to identify "hot spots" of high crab bycatch and they avoid these areas. Since the beginning of the cooperative, made possible by the limited entry program, the fleet has remained well below the overall bycatch limitation caps.

Sincerely,

Arni Thomson
Executive Director

Yakutat

Fuel	26,942	Delta Western Fuel
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Kodiak

Fuel	157,572	Petro Marine Fuel
		Net Systems
Repairs & Services	20,129	Kodiak Marine Supply
		Arc n Spark
		Alaska Hydraulics
Groceries	12,525	True Value Hardware
		Kodiak Service Company
Total Kodiak	190,226	Amak Towing
		Safeway
		Thai Market

Unalaska

Fuel	26,942	Petro Star Fuel (North Pacific Fuel)
		Net Systems
Repairs & Services	12,290	Alaska Ship
		Safeway
		LFS
Groceries	3,608	NC power systems
Total Unalaska	42,840	

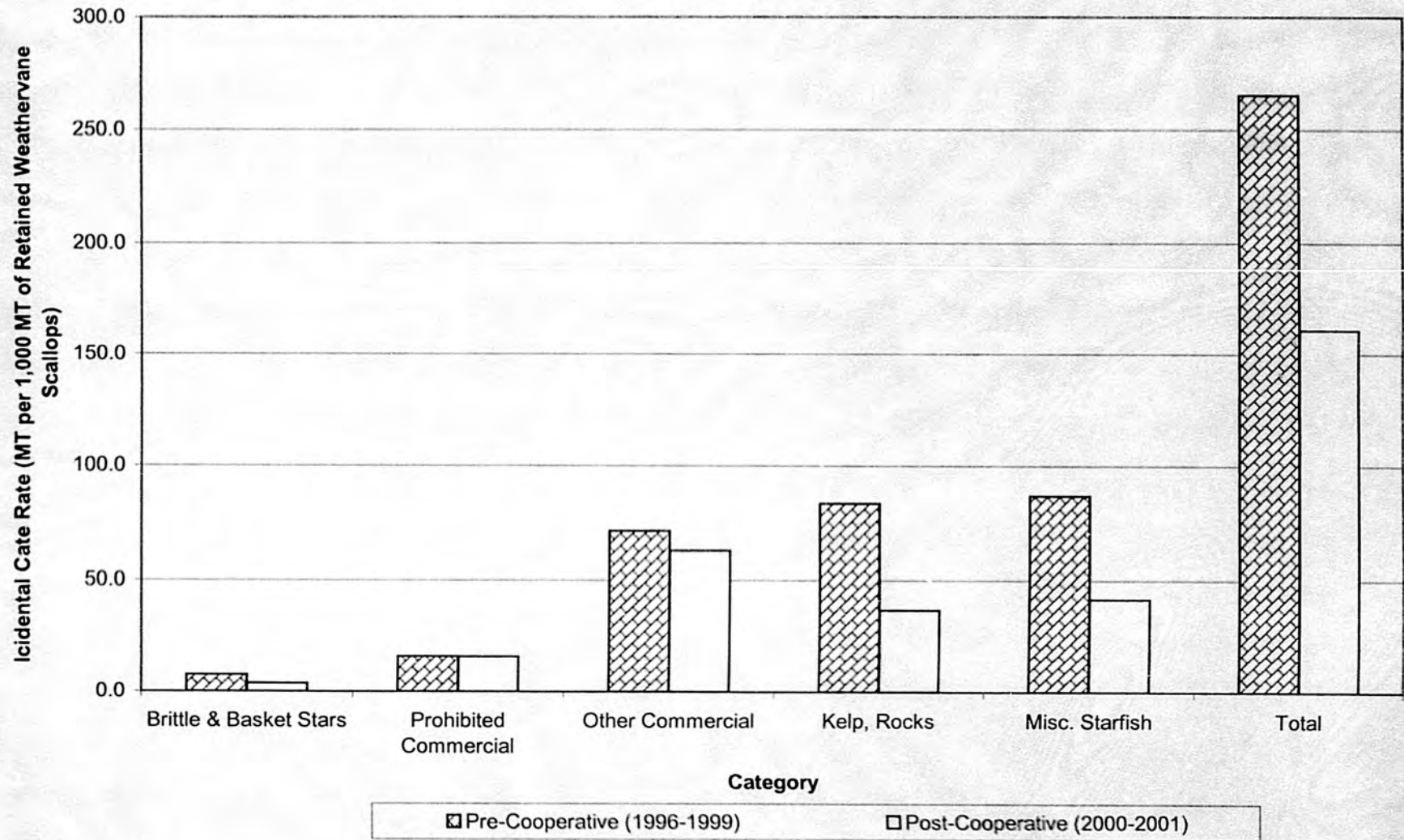
Alaska Vender Expenses	260,008
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Alaska State Taxes & Permits	63,440	Fish Business Tax
		Landing Tax
		Vessel Permit Fees
		Captain & Crew Permit/License fees

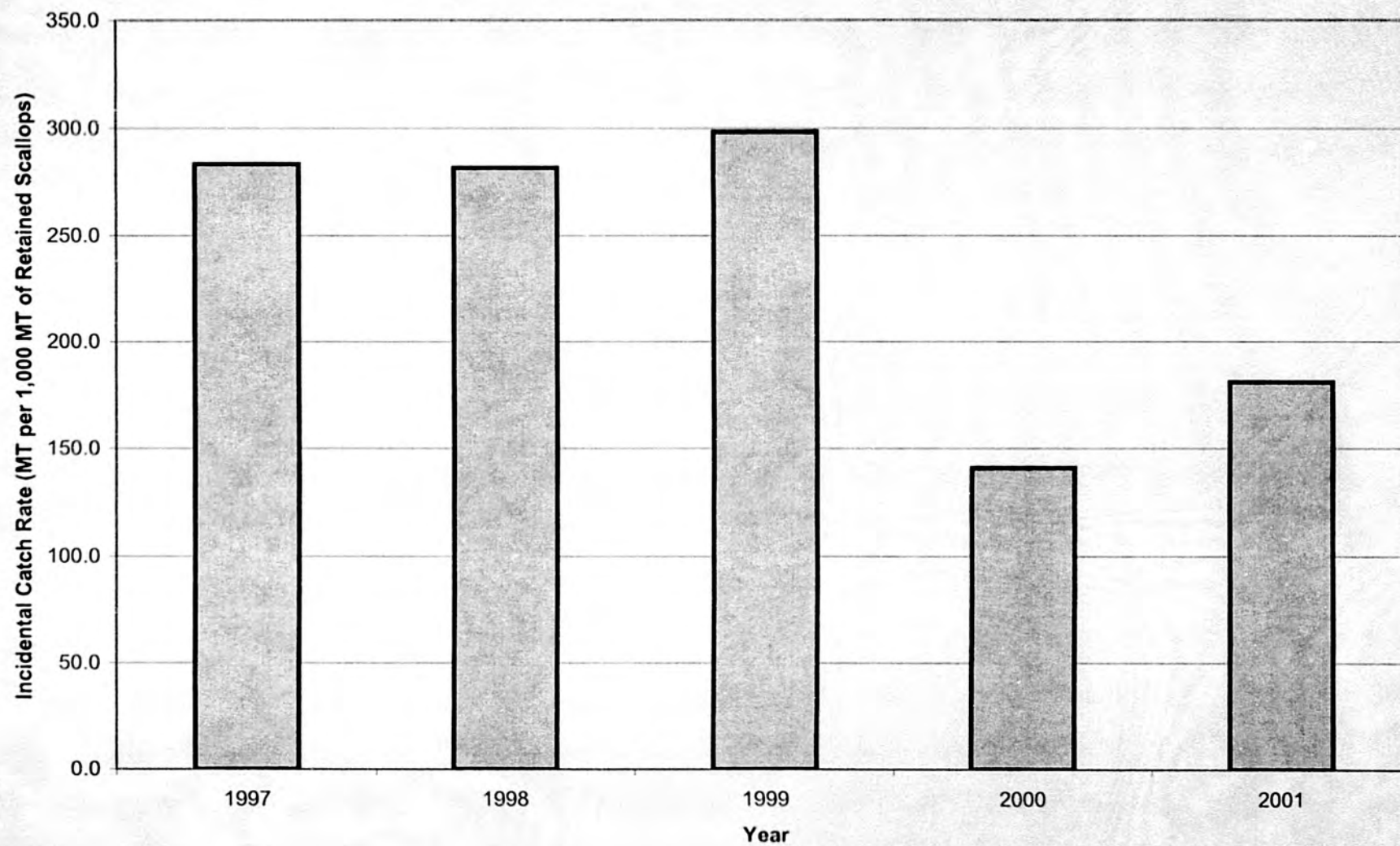
Total Alaska Expenses 2006	323,448
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Scallop Data							
Data for Timeline	Year	Bycatch Rate					
	1997	283.6					
	1998	281.8					
	1999	298.4					
	2000	141.0					
	2001	181.0					
Data for Comparison Chart	Species	Pre-Coop Rate	Post-Coop Rate	% Decline in Bycatch Rate			
	Brittle & Basket Stars	7.6	3.7	-51%			
	Prohibited Commercial	16.1	16.0	-1%			
	Other Commercial	71.3	62.8	-12%			
	Kelp, Rocks	83.4	36.8	-56%			
	Misc. Starfish	86.8	41.7	-52%			
	Total	265.3	161.0	-39%			
Source: NMFS Blend Data							

Incidental Catch Rates in the Alaska Weathervane Cooperative Fishery



Incidental Catch Rates in the Alaska Weathervane Scallop Fishery, 1997-2001





UNITED FISHERMEN OF ALASKA

211 Fourth Street, Suite 110
Juneau, Alaska 99801-1172
(907) 586-2820
(907) 463-2545 Fax
E-Mail: ufa@ufa-fish.org
www.ufa-fish.org

January 29, 2008

Representative Paul Seaton
Chair, House Special Committee on Fisheries
Alaska State Legislature
State Capitol, Mail Stop 3100
Juneau AK 99801

RE: Support for HB 16 regarding Korean hair crab and weathervane scallop fisheries.

Dear Chairman Seaton,

The United Fishermen of Alaska (UFA) Board of Directors recently met and discussed House Bill 16, which would delay the effective date of repeal of the vessel-based commercial fisheries limited entry systems for the Bering Sea Korean hair crab and weathervane scallop fisheries.

UFA supports HB 16. The first extinguishment of a limited access fishery in the State's history will occur if the scallop fishery is not continued through passage of HB 16. We are concerned that elimination of the vessel-based system would lead to an open access fishery, which would not be able to be managed to within the allowable biological harvest. We do not want to see a repeat of the past history such as the fiasco caused in 1995 by the vessel "Mr. Big" that caused the economic loss of an eighteen month closure after overharvesting the fishery.

We do not support vessel-based commercial fishery limited entry systems for any other fisheries. The history of the weathervane scallop fishery indicates the appropriateness of vessel based permitting in this fishery for the sustainability and economic vitality of the fishery, and for this reason we support and ask your support for HB 16.

Thank you for your consideration,

Sincerely,

Mark Vinsel
Executive Director

Dear Representative Seaton

We presently have a 75 ft boat, the Kilkenny, engaged in the scallop fisheries.

I have some observations and suggestions to make in the event that the ~~legislation~~ ^{legislature} does not extend the moratorium on new entries into the state waters scallop fisheries.

- 1) For a 50-80 foot vessel, a minimum of 10 ft. of dredge width would be required to be able to make it financially worthwhile.
- 2) Instead of full time observer coverage, it's possible that part time ($\frac{1}{3}$?) coverage for each area + VMS might be sufficient. A trial period could be tried.

Sincerely,

Tom Hogan

Box 1648

Homer, AK

99603

4-11-07

Post-It™ brand fax transmittal memo 7671

of pages > 1

To Rep. Seaton	From Homer LIO
Co.	Co.
Dept.	Phone #
Fax # 465-3472	Fax #

From: George Malcolm Milne [milnemarine@yahoo.com]
Sent: Sunday, April 08, 2007 9:59 PM
To: Rep. Paul Seaton
Subject: State Water Scallop License Moratorium
Follow Up Flag: Follow up
Flag Status: Blue

Hello Mr Seaton,

I have participated in the scallop fishery in Alaska as a deckhand and then relief skipper since 1995. I support the sunseting of the current moratorium. I think a properly managed state water fishery could benefit Alaskans much mor that the status quo. It is important that a minimum of a ten foot dredge be allowed in order for it to be economically feasible. The costs of the on-board observer, DEC licensing, fuel and crew shares require an acceptable catch level. Thank you for your consideration.

George Malcolm Milne
PO Box 1846
Homer AK 99603
907 399 6296

Food fight? Enjoy some healthy debate
in the Yahoo! Answers Food & Drink Q&A.

From: Tom Gilmartin [captntom@ptialaska.net]
Sent: Monday, April 30, 2007 5:32 AM
To: Louie Flora
Subject: House Bill NO. 16

Thomas Gilmartin

46677 Lake St. Kenai Ak.
907-776-5639 or 609-408-0887 (C) or 254-240-5299 (SAT)

4/29/2007

Representative Paul Seaton

Dear Congressman,

Because the scallop fishery rules and regulations are designed around a cooperative of mostly latent permits. I believe the time has come for the legislature to step in and open the fishery for the greater good.

WE need a BILL that:

- 1) Amends, AAC 75.300 definitions In AS.43.75 (4) "processing" does not include decapitating shrimp and gutting, gilling, sliming, or icing a fisheries resource solely for the maintaining the quality of the fresh resource.
And add shucking scallop to this definition.
- 2) Goes open access for all of those that hold a small vessel crab permits. This because crab stocks are most affected by scallop activities. This lets the crabbers participate and act as good Stewards by fishing out of high crab areas. Or they may sell their scallop permit to any other fisherman if they choose.
- 3) Allows only one 12 foot dredge or smaller in state waters.
- 4) Imposes 1,000 Pound trip Limits per calendar day or twice a week on all trips for the small vessel operations. Possession over 1000 pounds not allowed.
- 5) Imposes 15,000-Pound trip limits on the federally licensed vessels.
- 6) Require Electronic Vessel Monitoring System VMS on all scallop vessels including the Federally licensed nine.
- 7) Require digital cameras on all scallop vessels decks in place of observers.
- 8) Require 10 percent observer coverage funded by adding extra pounds to each trip limit an observer is on board.
- 9) Stop training observers for regulatory compliance they are on board for biology only.

A Bill like this would create a lot of jobs.

Sincerely,

4/30/2007

North Pacific Fishery Management Council

Stephanie Madsen, Chair
Chris Oliver, Executive Director

Telephone (907) 271-2809



805 W. 4th Avenue, Suite 308
Anchorage, AK 99501-2252

Fax (907) 271-2817

Visit our website: <http://www.fakr.noaa.gov/npfmc>

April 3, 2007

House Fisheries Special Committee
Rep. Paul Seaton, Chairman
State Capitol, Room 102
Juneau, AK 99801-1182

Dear Representative Seaton;

The North Pacific Fishery Management Council (Council) supports the State of Alaska extending the current limited entry program for the Weathervane scallop fishery in state waters. The Council delegated authority to the State of Alaska to manage all aspects of the scallop fishery in federal waters off Alaska, except limited access, which remained a federal responsibility. The Fishery Management Plan for the Scallop Fishery off Alaska (FMP) established a license limitation program (LLP) in federal waters, effective January 16, 2001. The Alaska Legislature, as you know, also established a four-year vessel moratorium in 1997 that was later extended an additional three years until June 10, 2004. The moratorium was replaced with a vessel-based limited entry program that is scheduled to expire in 2008. Conservation concerns with crab bycatch and the overharvest of scallops in the early 1990s prompted the Council and the Alaska Board of Fisheries (BOF) to work cooperatively to reduce scallop fishing effort in the overcapitalized Weathervane scallop fishery.

In several areas of the state, Kodiak and Yakutat for example, scallop beds are bisected by the 3-mile boundary line separating state from federal waters. In these areas, the majority (80% or more) of the scallop harvest is taken from the federal waters portion of the scallop beds. Guideline harvest ranges established by the Alaska Department of Fish and Game (ADF&G) are applied to the entire registration area, and are not apportioned to either state waters or federal waters. If the state waters portion of the fishery reverted to open access, additional vessels with unrestricted fishing capacity could target scallops in state waters. Disproportionate harvest of the scallop beds could lead to stock conservation concerns; including that portion of the stock in federal waters. Two additional concerns result from a bifurcated management regime. First, regulatory enforcement along the 3-mile line would be problematic. Second, Tanner and red king crab bycatch would likely increase as a result of increased fishing effort within a restricted portion of the scallop bed.

Weathervane scallop stocks in Alaska are small. Concerns with overcapitalization, and the resulting stock conservation and crab bycatch concerns have largely been addressed through complementary federal and state limited entry/access programs. The Council encourages the Alaska Legislature to extend the Weathervane Scallop limited entry program in state waters to coordinate with the federal program implemented by this Council.

If you need any additional information relative to this issue, please feel free to contact the Council's Executive Director, Chris Oliver.

Thank you for considering these comments.

Sincerely,

Stephanie D. Madsen, Chair
North Pacific Fishery Management Council

Ocean Fisheries, LLC

F/V Ocean Hunter

7216 Interlaaken Dr. SW

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jstonecrab@aol.com

Date: March 31, 2007

Representative Paul Seaton,

Chair

Alaska House Fisheries Committee

State Capitol, Room 102

Juneau, AK 99801-1182

Rep_Paul_Seaton@legis.state.ak.us

RE: HB 16

Dear Representative Seaton:

We (Ocean Fisheries, LLC) are owners of the Scallop vessel Ocean Hunter. We have five partners in our group. Each one of us has an average of at least 25 years fishing in Alaska. We run our own boats and are involved throughout Alaska in Scallops, Crab, Salmon and Cod. Our two Scallop Captains are both partners on our Scallop vessel, the Ocean Hunter.

As you are aware since Scallop license limitation we have become a rather small fleet. We are of course chasing a very small but sustainable resource. As a result of our small fleet size we are now able to slow down our race for the Scallops. We now have captains of different vessels working together so as to target more scallops per tow and lessen our bottom impact. The captains also work together to avoid high concentrations of crab. We have formed a voluntary Coop that has further helped us to work together. The Alaska Crab Coalition has been a supporter of our coop as a result of our success at keeping our crab bycatch low. (see letter attached)

The Alaska Department of Fish & Game gives us very small crab by-catches. All Scallop vessels are required to have observers onboard at all times (100%), at the expense of the vessels to ensure we stay well below the by-catch.

If the state scallop moratorium was to expire and open the scallop fishery to any vessels the race would be on and we would all be forced to compete with each other and go to areas of the highest Scallop concentration, possibly quickly going to the crab by-catch rate. If there were too many boats, ADF&G would have a very difficult time managing the small scallop quotas, without going well over scallop and bycatch guidelines.

Since License limitation I believe we have never gone over our bycatch limit or our Scallop quotas. As frequently happened pre License limitation.

During our six to seven months prosecuting the fishery we spend a lot of time and money in Kodiak, Unalaska and Yakutat. I have attached a spreadsheet that shows our expenditures in the Alaskan Communities that we work out of.

We now have a model fishery that has managers and harvesters working in harmony with each other with the same goals.

Please do not allow this successful License Program to expire.

Regards, Jim Stone



Coastal Villages Region Fund

711 H Street, Suite 200 • Anchorage, Alaska 99501 • Phone 907.278.5151 • Fax 907.278.5150

February 28, 2007

Representative Paul Seaton, Chair
Alaska House Fisheries Committee
State Capitol, Room 102
Juneau, Alaska 99801-1182

RE: House Bill No. 16

Dear Representative Seaton,

I would like to express Coastal Villages Region Fund's support for House Bill No. 16 which would extend the vessel-based commercial fisheries limited entry systems for both the Bering Sea Korean hair crab and weathervane scallop fisheries. Coastal Villages Region Fund is one of the six Alaskan Community Development Quota groups. We recently completed a transaction where we purchased two vessels that are qualified for Bering Sea Korean hair crab and had significant histories in this fishery when it was open.

The Bering Sea Korean hair crab fishery harvest peaked in the mid 1990's at around 2 million pounds. The abundance as well as harvest quickly declined and has been closed since 2001. More recent surveys show that the stock has remained at depressed levels. It is apparent that this resource is quite fragile and very susceptible to fishing pressure.

Allowing the limited entry system for this fishery to expire would be a disaster when the resource does build up enough to allow for a commercial fishery. The major crab fisheries of the Bering Sea were rationalized under the Bering Sea Crab Rationalization Program which now allows those vessels to fish and deliver with much more flexibility than in the past. If a Korean hair crab quota were announced and there were no limited entry system, there is a very real potential of significantly more effort than the fishery can realistically support entering since crab vessels can now fish when it works for their operation.

Historically, crab vessels had to choose whether they would fish Korean hair crab or Bering Sea Tanner crab (otherwise known as bairdi). Our vessels chose to fish Korean hair crab at the time. Now, other vessels could target Korean hair crab if the limited entry system were lifted before or after they fish their IFQ for Tanner crab.

In summary, I ask that you pass House Bill No. 16 as it is currently written. Additional effort will enter this fishery from other Bering Sea crab vessels, and this fishery simply cannot support that effort.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Morgen Crow', with a long horizontal flourish extending to the right.

Morgen Crow, Executive Director
COASTAL VILLAGES REGION FUND

cc: Representative Richard Foster
Representative Mary Nelson
Representative Bryce Edgmon
Senator Lyman Hoffman
Senator Donald Olson

Provider, Inc.
FV Provider
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teressa@kodiakfishco.com

April 1, 2007

Honorable Paul Seaton
Chair, Alaska House Fisheries Committee
State Capitol, Room 102
Juneau, AK 99801-1182

Dear Chairman Seaton:

I am writing in regard to HB16, the house bill that would extend the vessel license limitation for the Alaska weathervane scallop fishery another five years. My husband, Mark Kandianis, has been a mate, captain and owner in this fishery for almost 29 years. My partner, Tom Minio, has been a crewman, mate, captain and now owner in this fishery for another 27 years. His son, Thomas Minio, has been working as crewmember and mate in this fishery since he was in high school in Kodiak. His daughter, Bobbie Minio, began working in this fishery as a processor and now crewmember since she graduated from Kodiak High School in 2001. Currently, 75% of our crewmembers live in Alaska – mostly Kodiak, but one in Anchorage.

In 2006, Provider spent about \$479,000 for fuel, groceries, parts, repairs, taxes and licenses in Alaska – mostly in Kodiak and Yakutat; and another \$510,000 to the Alaska resident crewmembers including taxes and health insurance benefits (we offer health insurance to our crewmembers). We are required to have an observer on board the Provider 100% of the time and this cost is about \$70,000 per year.

Prior to the scallop vessel licensing programs enacted on the federal side of the fishery by the North Pacific Fishery Management Council and on the State side by the Alaska State legislature, the scallop fishery closed often due to crab bycatch. In 1995 and 1996, the fishery was completely closed for about 18 months because a vessel exploited the loopholes that existed because the State managed the fishery but the fishery occurs mostly in federal waters. At that time, both the State and the federal managers worked together to close that loophole including amending the Magnuson Act. The Magnuson Act was amended to allow a State to manage a federal waters fishery with a supermajority vote by the Council. The Council turned over all management of the fishery to Alaska except for license limitation – retaining that because Alaska CFEC couldn't issue permits to vessels and issuing permits to operators would have tripled or quadrupled the number of licenses – more licenses than vessels that have ever fished Alaska scallops.

Since the license program went into effect, six of the nine federally licensed vessels formed a cooperative in order to slow down the pace of the fishery and improve performance in such areas

as crab bycatch and habitat impacts. Since that time, we have never exceed our crab bycatch caps and have voluntarily left areas such as the Bering Sea and foregone that harvest when crab bycatch rates were too high.

Scallop beds, where they exist in State waters – mostly Yakutat and Shelikof Strait – virtually straddle the 3 mile line with most of the harvest coming from the federal side – though this has varied widely throughout the 30 years of our experience in this fishery. The scallop resource in Alaska is very limited and with the data being gathered from our onboard observers since 1993, the managers have instituted guideline harvest ranges (GHR) and have gradually ratcheted them down seeking a sustainable level. The harvest, from the Fairweather grounds out to the Bering Sea, is now stable around 500,000 lbs a year. Crab bycatch has gradually declined as utilization of the GHR's has gradually increased.

The Provider has no other licenses or fisheries to participate in. The boat and her crew have always fished scallops and are totally dependent on this resource. The scallops harvested by the Provider end up on white tablecloth restaurants throughout Alaska and the Pacific Northwest and the Provider is the only fishing vessel certified to sell scallops to the US Armed Forces.

Provider has participated fully as a partner with ADF&G over many years. Provider funded a master's degree student at the University of Washington to produce a review of scallop biology and abundance. The Provider has built survey dredges and donated them to the Department on two occasions. The Provider cooperates with University of Alaska scientists and ADF&G as a platform for development of visual survey equipment. The Provider has voluntarily relinquished her right to confidentiality for both catch and observer data since 1993 in order to allow the Board of Fish, the NPFMC and the public to see all of the fishery statistics.

Habitat issues could be big with this fishery but the small footprint – 120 snm from Yakutat to the Bering Sea – minimizes these impacts. The Alaska Crab Coalition is very supportive of extending the vessel license program because of the lowered impact from our vessels on crab stocks and the reduction in crab bycatch.

We would urge you to pass HB16 and extend the vessel license program for another five years.

Thank you for the opportunity to comment.

Sincerely,

Teressa Kandianis
General Manager
FV Provider

Alaska Crab Coalition
3901 Leary Way N.W. Suite #6
Seattle, Washington 98107
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March 22, 2007

Representative Paul Seaton,
Chair
Alaska House Fisheries Committee
State Capitol, Room 102
Juneau, AK 99801-1182
Rep_Paul_Seaton@legis.state.ak.us

Dear Representative Seaton:

On behalf of the members of the Alaska Crab Coalition (ACC) representing Bering Sea crab vessel owners since 1986, I am writing to comment in support of House Bill # 16 to extend the sunset date on the vessel limitation program for the weathervane scallop and Bering Sea hair crab fisheries, which will end on December 30, 2008, unless state legislation is passed to extend the sunset date. Failure to pass this legislation will result in the fisheries reverting to open access.

The experience of our members results in concerns that concur with those of the Commercial Fisheries Entry Commission, that if the fisheries revert to open access, it will exacerbate management of the fisheries and increase fishing pressure on the stocks.

The hair crab fishery has been closed for rebuilding of the stocks for several years, and needs to be carefully monitored when it reopens, as the quota will be very low. If the fishery reverts to open access, management of the fishery would be exceedingly difficult.

The scallop fishery has been operating quite well under the limited access system and there are only a small number of boats fishing in a cooperative. The scallop fishery has observers on all boats, paid for by the vessel owners, 100% observer coverage, to monitor crab bycatches. Under the cooperative program crab bycatch has been greatly reduced, as the boats work together and communicate amongst each other to identify "hot spots" of high crab bycatch and they avoid these areas. Since the beginning of the cooperative, made possible by the limited entry program, the fleet has remained well below the overall bycatch limitation caps.

Sincerely,

Arni Thomson
Executive Director

cc:

Rep_Peggy_Wilson@legis.state.ak.us, Rep_Gabrielle_LeDoux@legis.state.ak.us, Rep_Craig_Johnson@legis.state.ak.us, Rep_KyleJohansen@legis.state.ak.us, Rep_BryceEdgmon@legis.state.ak.us, Rep_Linsey_Holmes@legis.state.ak.us

Rep Paul Seaton

I own and operate the F/V Mavrick in the Bering Sea. It has come to my attention that there is a possibility that the Korean Hair Crab fishery could end up back to open access.

After fishing in the Bering Sea for close to 20 years, and seeing all the changes be them good or bad. This would be terrible to have this fishery go back to open access.

Here are just a few reasons why,
#1. In my opinion and the fish and games the Hair Crab are just starting to see a rebound, and with a open access fishery it would be a waste with all the boats that would take part.

#2 I have just finished the Second Season of opilio under the I.F.G program, the opilio stocks look better now than I have even seen them, with the Reduced Boats and Gear! Its really unbelievable how alive the bottom is.

#3

I fished Hair Crab the last 3 seasons it was opened, I believe that the fish and game learned alot from there mistakes before it closed,

When it reopens, if it was opened Access the fish and game would not have much control with

so many boats, but if there was just a few at least they could get a better handle on the fishery.

I'm still very active in all the crab fisheries in the Bering Sea, If you would like to talk with me on the phone or over the email please feel free to call me on any matter concerning crab. I still believe we are a few years away from having a hard crab fishery. That is another reason to keep a lid on the boats, until we see when this fishery might reopen.

Thank for your efforts


Richard S Quashnick
Flu Maverick

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April 1, 2007

Honorable Paul Seaton
Chair, Alaska House Fisheries Committee
State Capitol, Room 102
Juneau, AK 99801-1182

Dear Chairman Seaton:

The North Pacific Scallop Cooperative (Coop) has a membership of six vessels of the nine that received federal permits for participation in the North Pacific scallop fishery. The Coop supports passage of HB 16 that would extend the State license program for another five years.

The Alaska scallop fishery used to be the typical boom and bust cycle typical of unmanaged scallop stocks. Since the inception of the license limitation programs by both the federal and State governments, and subsequent to that, the formation of the Coop, the fishery has stabilized in every respect – from the number of vessels participating, to the annual catch, to reduction of crab bycatch, and to our product quality and crew complement.

I have attached a graph prepared by Northern Economics of Anchorage that shows the pre-Coop incidental catch rates of both limited species (caps placed on the maximum catch of crab) and non limited species (such as starfish, kelp, or other commercial species) both pre-Coop and for the first two years after Coop formation. It is clear that our Coop contract has allowed vessels to slow down their fishing and work to avoid incidental catch of any other bottom species, thus reducing our impact on habitat.

Since inception of the Coop, we have not exceeded either a crab bycatch cap or a scallop GHR cap. The scallop GHR's have been steadily lowered over the past seven years as scallop managers for the State have analyzed observer data and fishery performance as well as developing a visual survey technique that can "ground truth" the catch data. The Coop supports the efforts of the State to arrive at a catch level that is sustainable and consistent. Our member's market their scallop catches to high-end restaurants that demand both high quality and consistency of quality and supply.

As the GHR's were reduced from over 1,000,000 lbs to just over 500,000 lbs now, the fleet gradually contracted leaving only two Coop member vessels fishing at this time. As one result, the number of total days the various areas are open has increased, in some areas, from only 3 days to over 50. This has given an opportunity, not available in pre

Coop years, to smaller non-Coop vessels to fish in these areas that are typically those with the highest CPUE and more valuable catches.

In other areas, the captains who used to be bitter competitors now share catch information, gear information and bycatch information thus contributing to the dramatic decrease in crab bycatch by Coop members. Reducing the number of participants reduces the bottom impact and is responsive to the National Academy of Sciences report on trawling impacts that recommends reducing fishing effort.

Coop members provide ADF&G as well as University scientists access to all data and to the use of the vessels as platforms for further research. Giving up their rights to confidentiality for catch and observer data allows management bodies such as the Board of Fish, the North Pacific Council and the Alaska State Legislature to have that information which would otherwise be cloaked.

Coop vessels spend at least 8 months of each year in Alaska – buying fuel, food, parts and services from Alaskan vendors in Yakutat, Kodiak and Dutch Harbor – among other ports. The vessels pay Resource Landing Tax on scallops caught outside of State waters and Fisheries Business Tax on scallops caught inside State waters. The majority of the crew is Alaska residents.

Reverting to open access is the wrong direction for this fishery, even if that open access area within 3 miles represents a small portion of the commercially viable scallop beds. Both Coop and non-Coop vessels need to be able to move away from areas of high crab bycatch or bycatch of other benthic species. An artificial line through the fishable beds will render this remedy useless.

The Alaskan weathervane scallop fishery was open to all for many years and the problems caused by that open access fishery were apparent to all. It is a success story for Alaskan fishery management that such a small resource can be managed for maximum sustainable yield while reducing habitat effects as well. We would urge the Committee and the Legislature to move this bill forward and extend the vessel license program.

Sincerely,

Teressa M. Kandianis
President, North Pacific Scallop Cooperative

Max G. Hulse
P O Box 770881
Eagle River, AK 99577

April 2, 2007

House Fisheries Committees
Regarding HB 16

My two sons, Robert and Scott, and I are in favor of the passage of HB 16, extending the moratorium to 2013.

To open the State scallop fishery to all would greatly impact our income from the scallop fishery. Looking at the total scallop quota for Alaska waters and the small percentage and concentration of scallops in just State waters, compared to Federal waters, makes the profit margin slim as is. Then to add more fishing pressure will surely reduce the profit margin in State waters to near zero.

When Federal Scallop Permits were issued in 1999 by the NMFC our vessel and another vessel, the F/V Kilkenney out of Homer were restricted to the use of one 6 foot dredge in federal waters, which we felt was unfair due to our extensive involvement in the scallop fishery since 1982.

The use of only one 6 foot dredge in Federal waters made it impossible to make a go of it, even though we could use two dredges in State waters. With the high cost of fuel, an onboard observer at \$325.00/day ++ you need to be able to fish in both Federal and State waters with two dredges to make a reasonable profit.

In 2003 we took our 6 foot dredge situation back before the Council and they reversed our restriction allowing us to use two 10 foot dredges in Federal waters starting in 2006.

Of the four vessels now actively involved in the Alaska fishery, the two Alaska based vessels—the F/V Wayward Wind and the F/V Kilkenney are much smaller and more susceptible to bad weather. Thus, during poor weather the two larger vessels would choose to fish longer in Federal waters, which have much denser beds of scallops, letting us fish in calmer State waters.

Also, it is our feeling that permits should not be issued to vessels, but to individual fishermen who have made the investment and actively participate in the fishery.

If the moratorium is not extended: 1. How would quota be divided between State and Federal waters? 2. Would there be a dredge size restriction as to the length of vessel? 3. How would enforcement handle adherence to the 3 mile limit – Federal and State scallop beds are close together. 4. Are moneys available to cover necessary surveys and enforcement?

Thanks for your consideration.



Isn't problem actually simpler than
p cod. or black cod.

→ 609-770-7655 - Tom Gillman

→ 609-408-0887

Prakhus Retired - prep
will be discussed in
6/21 new b.-lyos ?