

ALASKA LEGISLATION / HOUSE /

580 SCOM 11 7: JOINT INTERIM COMM. ON LIMITED ENTRY 1979

Code LetterName and Description

2) all waters of and adjacent to the Pacific Ocean west of a line extending southeast from Kupreanof Point excluding those waters of the Kodiak (K) and Chignik (L) administrative areas.

T Bristol Bay Area - all waters of and adjacent to Bristol Bay westward to a line between Cape Newenham and Cape Menshikof, and continuing seaward between the latitude of Cape Newenham and the latitude of Cape Menshikof.

U Northern Alaska Area - all waters of and adjacent to the Arctic Ocean and Chukchi Sea between 141° West longitude and the latitude of Point Hope.

V Port Clarence Area - all waters between the latitude of Cape Prince of Wales and the latitude of Cape Douglas.

W Kuskokwim Area - all waters between 62° North latitude and the latitude of Cape Newenham including Nunivak and the St. Mathew Islands.

X Kotzebue Area - all waters between the latitude of Point Hope and the latitude of Cape Prince of Wales.

Y Yukon Area - all waters between the latitude of Canal Point Light at 63° 24' North latitude, 162° 26' West longitude and 62° North latitude.

Z Norton Sound Area - all waters between the latitude of Cape Douglas and the latitude of Canal Point Light including St. Lawrence Island.

B Statewide Area - all waters subject to the jurisdiction of the state.

(2) Special King Crab Administrative Areas:

<u>Code Letter</u>	<u>Name and Description</u>
A	Southeastern Alaska - Yakutat Area -all waters of and adjacent to the Pacific Ocean between the longitude of Cape Suckling and the International Poundary at Dixon Entrance.
E	Prince William Sound Area - all waters of and adjacent to the Pacific Ocean between the longitude of Cape Fairfield and the longitude of Cape Suckling.
H	Cook Inlet Area - all waters of and adjacent to the Pacific Ocean north of a line extending east from Cape Douglas to the longitude of Cape Fairfield.
K	Kodiak Area - all waters of and adjacent to the Pacific Ocean east of the longitude of Cape Kumlik and south of a line extending east from Cape Douglas to the longitude of Cape Fairfield.
M	Alaska Peninsula Area - all waters of and adjacent to the Pacific Ocean between the longitude of Scotch Cap Light and the longitude of Cape Kumlik including all waters of Isanotski Strait and Bechevin Bay south of a line from Chunak Point to Cape Krenitzen.
O	Dutch Harbor Area - all waters south of 54° 36' North latitude between 172° West longitude and the longitude of Scotch Cap Light.
Q	Bering Sea Area - all waters of and adjacent to the Bering Sea, Chukchi Sea and Arctic Ocean, north of 54° 36' North latitude
R	Adak Area - all waters south of 54° 36' North latitude between 179° 15' West longitude and 172° West longitude.
S	Western Aleutians Area - all waters south of 54° 36' North latitude and West of 179° 15' West longitude.

(b) Each administrative area listed in (a)(1) of this section shall include all fresh waters of Alaska draining into the ocean between the points on the coastline which designate the boundaries of the administrative areas.
(Effective / /74, Register ,).

Authority: AS 16.43.100(a)(3)
AS 16.43.100(b)
AS 16.43.110(a)
AS 16.43.200(a)
AS 16.43.200(b)

ARTICLE 3. DESIGNATED FISHERIES

Section

- 300. Distressed Fisheries
- 310. Other Designated Fisheries
- 320. Maximum Number of Entry Permits

20 AAC 05.300. DISTRESSED FISHERIES. The commission designates the following as distressed fisheries based upon its estimate that the optimum number of entry permits for these fisheries will be less than the highest number of units of gear fished in these fisheries during any one of the four years immediately preceding January 1, 1973:

Salmon Fisheries

- (1) Southeastern Alaska (A)
drift gillnet fishery
- (2) Prince William Sound (E)
drift gillnet fishery
- (3) Cook Inlet (H)
drift gillnet fishery
set gillnet fishery
- (4) Kodiak (K)
purse seine fishery
- (5) Alaska Peninsula-Aleutian Island (M)
drift gillnet fishery
- (6) Bristol Bay (T)
drift gillnet fishery
set gillnet fishery

(Effective / /74, Register ,).

Authority: AS 16.43.110(a)
AS 16.43.230

20 AAC 05.310. OTHER DESIGNATED FISHERIES. (a) The commission designates the following fisheries as those which have reached levels of participation which require the limitation of entry:

Salmon Fisheries

- (1) Southeastern Alaska (A)
purse seine
- (2) Yakutat (D)
set gillnet fishery
- (3) Prince William Sound (E)
purse seine fishery
set gillnet fishery
- (4) Cook Inlet (H)
purse seine fishery*
- (5) Kodiak (K)
beach seine fishery
set gillnet fishery
- (6) Chignik (L)
purse seine fishery
- (7) Alaska Peninsula-Aleutian Island (M)
purse seine fishery*
set gillnet fishery
- (8) Statewide (B)
power troll fishery

* In area H and area M, the purse seine fishery includes the beach seine fishery

(b) As used in this Article, "power troll" means the taking of a salmon fishery resource with troll lines operated by non-manual gurdys. (Effective / /74, Register ,).

Authority: AS 16.43.100(b)
AS 16.43.110(a)
AS 16.43.240(b)

20 AAC 05.320. MAXIMUM NUMBER OF ENTRY PERMITS. The maximum number of entry permits for each of the fisheries designated under sec. 300 - 310 of this chapter is established as follows:

<u>Salmon Fisheries</u>	<u>Maximum Number of Entry Permits</u>
(1) Southeastern Alaska (A)	
purse seine fishery	395
drift gillnet fishery	446
(2) Yakutat (D)	
set gillnet fishery	150
(3) Prince William Sound (E)	
purse seine fishery	238
drift gillnet fishery	511
set gillnet fishery	32
(4) Cook Inlet (H)	
purse seine fishery	68
drift gillnet fishery	545
set gillnet fishery	686
(5) Kodiak (K)	
purse seine fishery	355
beach seine fishery	31
set gillnet fishery	183
(6) Chignik (L)	
purse seine fishery	80
(7) Alaska Peninsula-Aleutian Island (M)	
purse seine fishery	111
drift gillnet fishery	155
set gillnet fishery	77
(8) Bristol Bay (T)	
drift gillnet fishery	1669
set gillnet fishery	803
(9) Statewide (B)	
power troll fishery	800

(Effective / /74, Register ,).

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Authority: AS 16.43.110(a)
AS 16.43.240(a)
AS 16.43.240(b)

ARTICLE 4. INTERIM-USE PERMITS

Section

- 400. Interim-Use Permit Required
- 410. Application and Annual Renewal
- 420. Temporary Transfer
- 430. Notification of Loss or Theft

20 AAC 05.400. INTERIM-USE PERMIT REQUIRED. An interim-

use permit is required under secs. 100-110 of this chapter for any commercial fishery not designated in secs. 300 - 310 of this chapter. (Effective / /74, Register ,).

Authority: AS 16.43.100(a) (8)
AS 16.43.110(a)
AS 16.43.210(a)

20 AAC 05.410. APPLICATION AND ANNUAL RENEWAL. Application for the issuance or renewal of an interim-use permit must be made to the commission on a form provided by the commission. The application must be signed by the applicant and accompanied by the total annual fee for the permit or permits being applied for. The commission may require an applicant to submit an affidavit or other evidence supporting his application. (Effective / /74, Register ,).

Authority: AS 16.43.100(a) (8)
AS 16.43.110(a)
AS 16.43.210(a)
AS 16.43.220(a)

20 AAC 05.420. TEMPORARY TRANSFER. Application for the temporary transfer of an interim-use permit to alleviate hardship may be made to the commission at any time on a form provided by the commission and must be accompanied by an affidavit establishing the facts justifying the temporary transfer and any other evidence the commission deems necessary. (Effective / /74, Register ,).

Authority: AS 16.43.110(a)
AS 16.43.220(b)

20 AAC 05.430. NOTIFICATION OF LOSS OR THEFT. The holder of an interim-use permit must promptly notify the commission of the loss or theft of his interim-use permit, and a request for a duplicate permit must be accompanied by an affidavit establishing the facts surrounding the loss or theft. (Effective / /74, Register ,).

Authority: AS 16.43.110(a)
AS 16.43.220(a)

ARTICLE 5. ISSUANCE OF ENTRY PERMITS

Section

- 500. Form of Application
- 510. Time of Application
- 520. Evidence of Qualification
- 530. Application by Decedent's Estate
- 540. Classification of Applicants
- 550. Issuance of Entry Permits
- 560. Annual Renewal
- 570. Notification of Loss or Theft

20 AAC 05.500. FORM OF APPLICATION. Application for the issuance of an entry permit must be made to the commission on a form provided by the commission. The application must be signed by the applicant and accompanied by the total annual fee for the permit being applied for. (Effective / /74, Register ,).

Authority: AS 16.43.100(a)(13)
AS 16.43.100(b)
AS 16.43.110(a)
AS 16.43.260(b)

20 AAC 05.510. TIME OF APPLICATION. (a) The application period for entry permits for those fisheries designated in secs. 300 - 310 of this chapter will be from December 19, 1974 through 12 midnight March 18, 1975.

(b) The commission will consider only those entry permit applications that are received on or before the closing date for application for that fishery.

(c) If an application contains errors, omissions, or insufficient supporting evidence, the commission will indicate this to the applicant and will give the applicant a reasonable amount of time to correct any defects or insufficiencies in his application.

(d) The commission may extend the time for receipt of an application for a period not to exceed 60 days for good cause shown. (Effective / /74, Register ,).

Authority: AS 16.43.100(b)
AS 16.43.110(a)
AS 16.43.110(b)
AS 16.43.260(b)
AS 16.43.260(c)

20 AAC 05.520. EVIDENCE OF QUALIFICATION. (a) Every applicant shall have the burden of establishing his qualifications for an entry permit. Specific evidence will be requested on the application form for that purpose. The commission may at any time require an applicant to submit additional evidence in affidavit or other form relating to his qualifications.

(b) To the extent practicable, the commission will provide each applicant with a summary compiled from state records and other reliable sources which will indicate, for the years from 1969 to the qualification date, those years that the applicant participated in each fishery as a gear license holder, the consistency of participation each year, the annual catch value of the fishery resource, and vessel ownership, if any. If the applicant verifies the information

on this summary as correct, the commission will, subject to the provision of section 805(d) of this chapter, accept the information on this summary as sufficient evidence of the facts stated. An applicant may contest the accuracy of any information included in this summary and may supplement this information by establishing additional facts regarding his qualifications with other evidence.

(c) An applicant may be required to submit copies of, or authorize access to, his state and federal income tax returns for the appropriate years, or evidence establishing that he was not required to file, or his Fisherman's Annual Information Report, as a primary source of evidence in support of his application. Tax returns and related information submitted by an applicant are confidential and will not be disclosed in any manner without the express consent of the applicant. When a copy of a tax return is no longer needed by the commission for the purposes for which it was requested, the copy will be destroyed. (Effective / /74, Register ,).

Authority: AS 16.43.100(b)
AS 16.43.110(a)
AS 16.43.260(c)

20 AAC 05.530. APPLICATION BY DECEDENT'S ESTATE. If an individual eligible to apply for an entry permit should die on or after the qualification date established for the fishery for which he is eligible, the authorized representative of his estate may apply for an entry permit for that fishery in the name of the decedent. An entry permit so acquired becomes part of the decedent's estate and may be transferred in accordance with the provisions of sec. 750 of this chapter. (Effective / /74, Register ,).

Authority: AS 16.43.100(b)
AS 16.43.150(f)
AS 16.43.260(d)
AS 16.43.260(e)

20 AAC 05.540. PRIORITY CLASSIFICATION OF APPLICANTS.

(a) The commission will assign each applicant to a priority classification according to the point system established in secs. 600 - 660 of this chapter.

(b) If the applicant is assigned to a priority classification designated in 640(a) of this chapter as involving significant economic hardship, the commission will either issue the entry permit or send a notice to the applicant indicating that he will receive an entry permit.

(c) If the applicant is assigned to a priority classification not designated in sec. 640(a) of this chapter as

involving significant economic hardship, the commission will send a notice of classification to the applicant setting forth the commission's findings of fact with respect to the applicant and the date on or before which a request for a hearing must be received if the applicant disagrees with the commission's determination of his priority classification. (Effective / /74, Register ,).

Authority: AS 16.43.100(b)
AS 16.43.110(a)
AS 16.43.260(d)
AS 16.43.270(a)

20 AAC 05.550. ISSUANCE OF ENTRY PERMITS. (a) The commission will issue entry permits to all applicants assigned to priority classifications designated in sec. 640(a) of this chapter.

(b) If the number of permits issued to applicants assigned to priority classifications designated as involving significant economic hardship equals or exceeds the maximum number of permits established for the fishery, the commission will immediately send a notice of classification to all remaining applicants and indicate that their applications are denied and will refund all fees submitted by those applicants who do not file a request for a hearing pursuant to sec. 805 of this chapter.

(c) If the number of permits issued to applicants assigned to priority classifications designated as involving significant economic hardship is less than the maximum number of permits established for the fishery, the commission will issue the remaining permits to applicants in the order of descending priority classifications up to the maximum number less the number required to be reserved to protect the rights of applicants who are still contesting the commission's initial determination or appealing the findings of an administrative adjudication. All other applicants not issued an interim-use permit under subsection (e) or (f) of this section will be issued a notice of denial.

(d) If, at the end of all administrative hearings and judicial appeals, the number of permits remaining to be issued is less than the number of applicants in the highest priority classification to which permits have not been issued, the commission will allocate the permits to the applicants within that classification by lottery.

(e) Permits will be reserved to protect the rights of applicants who are still contesting the commission's initial determination or appealing the findings of an administrative adjudication. When such reservations are made, the commission

will determine, on the basis of its original classifications and subsequent adjudications, which applicants would be eligible for entry permits but for the administrative process. The commission may issue interim-use permits to those applicants if it finds that the administrative delay would otherwise preclude participation in the fishery. If the group of potentially eligible applicants includes any who fall within a classification that would require a lottery for their selection, interim-use permits will be issued to all applicants within that classification.

(f) The commission may issue an interim-use permit to an applicant for an entry permit if it finds that administrative delay would otherwise preclude participation in the fishery.

(g) Applicants issued interim-use permits under (e) or (f) of this section or under any other process of law, are subject to all buy-back assessments required under AS 16.43.310(a) and (b) if they are ultimately successful in receiving an entry permit.

(h) Interim-use permits issued under (e) or (f) of this section shall expire upon the commission's final determination of the holder's eligibility for an entry permit.

(i) When the maximum number of entry permits has been issued for a fishery, the commission will immediately notify all remaining applicants that their applications are denied and will refund all fees submitted with those applications. (Effective / /74, Register ,).

Authority: AS 16.43.100(a) (7)
AS 16.43.100(b)
AS 16.43.110(a)
AS 16.43.270
AS 16.43.310(a)
AS 16.43.310(b)

20 AAC 05.560. ANNUAL RENEWAL. Application for the annual renewal of an entry permit must be made to the commission on a form provided by the commission. The application must be signed by the applicant and accompanied by the total annual fee for the permit or permits being renewed. Failure to renew an entry permit for a period of two years from the date of last renewal will result in the forfeiture of the entry permit to the commission, except as waived by the commission for good cause. (Effective / /74, Register ,).

Authority: AS 16.43.100(b)
AS 16.43.110(a)
AS 16.43.150(c)
AS 16.43.150(d)

20 AAC 05.570. NOTIFICATION OF LOSS OR THEFT. The holder of an entry permit must promptly notify the commission

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MISCELLANEOUS BOARDS 20 AAC 05.570
AND COMMISSIONS 20 AAC 05.600

of the loss or theft of his entry permit card or certificate and a request for a duplicate permits must be accompanied by an affidavit establishing the facts surrounding the loss or theft. (Effective / /74, Register ,).

Authority: AS 16.43.100(b)
AS 16.43.110(a)

ARTICLE 6. PRIORITY CLASSIFICATION POINT SYSTEM

Section

- 600. Priority Classification System
- 610. Past Participation
- 620. Economic Dependence
- 630. Point System for Designated Fisheries
- 640. Designation of Significant and Minor Hardship
Classifications
- 650. Special Rules for Use of the Point System
- 660. Definitions

20 AAC 05.600. PRIORITY CLASSIFICATION SYSTEM. (a)
For each fishery for which a maximum number of entry permits has been established under sec. 320 of this chapter the commission will adopt regulations defining priority classifications in terms of a point system for ranking applicants for entry permits. These priority classifications will be based upon a reasonable balance of the hardship standards of degree of economic dependence upon the fishery and extent of past participation in the fishery. The commission will use the following classification system except for those fisheries where special circumstances are found to require modification of the classification system considering the number of applicants, the variance in their qualifications, the history of the fishery, and the purposes of AS 16.43.

(b) A point scale from 0 - 40 will be established, with 20 points assigned for each of the two hardship standards: (1) economic dependence and (2) past participation.

(c) The commission will assign an applicant to one of the 41 priority classifications designated by the numbers 0 -40, based on the total points to which his qualifications as of the qualification date entitle him under sec. 630 of this chapter. The higher the total number of points, the greater the degree of hardship the applicant would suffer by exclusion from the fishery.

(d) The commission will designate:

(1) an upper range of priority classifications of those applicants who would suffer significant economic hardship by exclusion from the fishery, and therefore will receive entry permits as required by AS 16.43.270(a), and

(2) a lower range of priority classifications of those applicants who would suffer only minor economic hardship by exclusion from the fishery, and an entry permit originally issued to them by the commission pursuant to AS 16.43.250(c), may therefore have certain restrictions placed upon its transfer as required by AS 16.43.170(c).

(f) The designations made in (e) of this section may leave a middle range of priority classifications that are not subject to either the significant or minor economic hardship provisions of AS 16.43. (Effective / /74, Register ,).

Authority: AS 16.43.100(a)(1)
AS 16.43.100(a)(2)
AS 16.43.100(a)(6)
AS 16.43.100(b)
AS 16.43.110(a)
AS 16.43.250(a)
AS 16.43.250(b)

20 AAC 05.610. PAST PARTICIPATION. The standard of past participation in the fishery includes the number of years participation in the fishery and the consistency of participation. The commission will determine an applicant's extent of past participation as of the qualification date established under AS 16.43.260(d) or (e), and will apply the above two factors as follows:

(1) The commission will rank an applicant based on the number of years participation by considering the number of years the applicant has harvested the fishery resource commercially while participating as a gear license holder and his number of years participation as a crewman, with greater weight being given to participation in recent years as a gear license holder.

(2) The commission will rank an applicant based on consistency of participation by considering the number of weeks of the season in which the applicant harvested the fishery resource commercially while participating as a gear license holder. This factor will be given less weight than the number of years of participation. (Effective / /74, Register ,).

Authority: AS 16.43.100(a)(6)
AS 16.43.100(b)
AS 16.43.110(a)
AS 16.43.250(a)(2)

20 AAC 05.620. ECONOMIC DEPENDENCE. The standard of economic dependence upon the fishery includes a consideration of percentage of income derived from the fishery, reliance on alternative occupations, availability of alternative occupations, and investment in vessels, gear and set net

sites. The commission will determine an applicant's economic dependence as of the qualification date established under AS 16.43.260(d) or (e) and will therefore give primary weight to evidence from the years immediately preceding the qualification date and will consider the above four factors as follows:

(1) The commission will rank an applicant based on the two factors of percentage of income derived from the fishery and reliance on alternative occupations by considering the relation between "annual catch value" and "non-fishing occupational income", expressed as an "income dependence percentage" as these terms are defined in sec. 660 of this chapter. Points for income dependence will be awarded only to applicants who harvested the fishery resource commercially while participating as a gear license holder during a year in which income dependence is claimed. A higher income dependence percentage indicates a higher degree of economic dependence upon the fishery.

(2) The commission will rank an applicant based on the factor of investment in vessels, gear and set net sites if the applicant, on the qualification date, was the owner of a vessel, gear or set net site used or to be used in the fishery for which he is applying; or, if the applicant at any time between his last landing in the fishery and the qualification date was the owner of a vessel, gear or set net site used in the fishery, so long as the applicant had fished consistently in the year prior to the qualification date. In the case of a set net site the commission will consider the owner to be the person or persons who could rightfully exercise the power to sell or transfer the set net site according to the accepted customs and usages of the area. In cases where a vessel, gear or set net site was owned jointly or in a corporate capacity, an applicant's points will be determined by multiplying his percentage of ownership interest times the total number of points possible. Fractional points will round off to the nearest whole number, with .5 rounding off to the lower whole number.

(3) The commission will rank an applicant based on the factor of availability of alternative occupations according to his place of domicile. (Effective / /74, Register ,).

Authority: AS 16.43.100(a)(6)
AS 16.43.100(b)
AS 16.43.110(a)
AS 16.43.250(a)(10)

20 AAC 05.630. POINT SYSTEM FOR DESIGNATED FISHERIES.

(a) Past Participation. Up to a maximum of 20 points will be awarded an applicant for past participation in the fishery applied for based on the following schedule:

- (1) Year Fished as a Gear License Holder Consistency of Participation as a gear license holder (required minimum number of weeks fished is shown in (c)(1) of this section)

<u>Year</u>	<u>Points</u>	<u>Points</u>
1972	3	2
1971	3	2
1970	2	1
1969	2	1

(2) One point for each additional year of actual participation as a gear license holder in the fishery applied for from 1965 through 1968.

(3) One point for each year of actual participation as a crewman from 1965 through 1972 in the fishery applied for. Points for crewmen participation and points for participation as a gear license holder may not be claimed in the same year.

(4) If special circumstances exist such that an applicant's past participation in the fishery is not realistically reflected by points awarded for past participation for the years 1969 through 1972, the commission may award an applicant up to a maximum of 16 points upon a special showing of past participation during the years 1960 through 1972.

(5) To receive credit for past participation as a gear license holder, an applicant must have harvested the resource commercially while participating as a gear license holder in a given year.

(b) Economic Dependence. Up to a maximum of 20 points will be awarded an applicant for economic dependence on a fishery based on the following schedule:

(1) Income dependence percentage based on harvesting the fishery resource while participating as a gear license holder in the fishery applied for as shown for each fishery in (c)(2) of this section: (Maximum of 10 points possible.)

<u>Year</u>	<u>Minimum Percentage</u>	<u>Points</u>
1971	Percentage A from schedule in (c)(2) of this sec.	4
1971	Percentage B from schedule in (c)(2) of this sec. (In the Prince William Sound Purse Seine and Set Net Fishery percentages A and B use the year 1970.)	2
1972	Percentage C from schedule in (c)(2) of this sec.	6
1972	Percentage D from schedule in (c)(2) of this sec. (In the Prince William Sound Purse Seine Fishery, percentages C and D use the year 1971.)	3

(2) If special circumstances exist such that an applicant's income dependence is not realistically reflected by his income dependence percentage for the years 1971 and 1972, the commission may award an applicant up to a maximum of 10 points based on a special showing of income dependence.

(3) Investment as of the qualification date in vessel, gear or set net site used or to be used in the fishery for which application is being made. (Maximum of 6 points possible.)

- (A) owns vessel (Does not include set net skiffs) 6 points
- (B) owns set net site 6 points
- (C) owns gear 3 points
(Gear must include the net in salmon net fisheries. In the troll fisheries, gear includes the lines, leaders and lures.)

(4) Availability of alternative occupations in applicant's place of domicile as of the qualification date. (Maximum of 4 points possible.)

(A) Domicile in a census district or county with a population that is more than 80% rural or has a total population of under 10,000 as of the 1970 census 4 points

(B) Domicile in a census district or county with a population that is more than 40% rural or has a total population of under 25,000 as of the 1970 census 2 points

(C) Domicile in a census district or county with a population that is 40% or less rural or has a total population of 25,000 or more as of the 1970 census 0 points

(D) An applicant from a zero or two point area may receive up to the maximum of four points through a special showing that there is neither a road nor adequate daily transportation service from the applicant's domicile to other potential areas of employment in his census district.

(c) The commission will use the following schedules in determining an applicant's points for consistent participation and income dependence:

(1) consistent participation:

<u>Salmon Fisheries</u>	Minimum Number of Weeks Fished To Show Consistent Participation			
	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>
Southeastern Alaska (A)				
purse seine fishery	4	7	6	8
drift gillnet fishery	7	7	6	7
Yakutat (D)				
set gillnet fishery	6	7	7	7
Prince William Sound (E)				
purse seine fishery	3	3	5	-
drift gillnet fishery	4	4	4	4
set net fishery	4	4	-	4
Cook Inlet (H)				
purse seine fishery	2	2	2	2
drift gillnet fishery	3	3	2	3
set gillnet	3	3	2	3
Kodiak (K)				
purse seine fishery	4	4	4	4
beach seine fishery	2	2	2	2
set gillnet fishery	3	3	3	2
Chignik (L)				
purse seine fishery	4	4	4	4
Alaska Peninsula-Aleutian Is. (M)				
purse seine fishery	3	3	3	3
drift gillnet fishery	3	3	3	3
set gillnet fishery	3	3	3	3
Bristol Bay (T)				
drift gillnet fishery	3	3	3	3
set gillnet fishery	3	3	3	3
Statewide (B)				
power troll	6	8	8	8

(2) income dependence:

<u>Salmon Fisheries</u>	Minimum Percentages For Income Dependence			
	<u>1971</u>		<u>1972</u>	
	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>
Southeastern Alaska (A)				
purse seine fishery	90	70	90	70
drift gillnet fishery	90	70	90	50

Salmon FisheriesMinimum Percentages For
Income Dependence

	<u>1971</u>		<u>1972</u>	
	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>
Yakutat (D)				
set gillnet fishery	90	60	70	40
Prince William Sound (E)				
purse seine fishery *	90	60	90	60
drift gillnet fishery	90	50	90	50
set net fishery **	80	40	80	40
Cook Inlet (H)				
purse seine fishery	80	40	60	30
drift gillnet fishery	80	40	80	50
set gillnet	90	40	90	40
Kodiak (K)				
purse seine fishery	90	50	80	50
beach seine fishery	90	50	80	50
set gillnet fishery	70	30	70	30
Chignik (L)				
purse seine fishery	90	70	90	70
Alaska Peninsula-Aleutian Is. (M)				
purse seine fishery	90	50	90	50
drift gillnet fishery	90	60	90	60
set gillnet fishery	90	50	90	50
Bristol Bay (T)				
drift gillnet fishery	80	40	60	20
set gillnet fishery	90	40	70	20
Statewide (B)				
power troll fishery	90	40	90	30

* Prince William Sound purse seine fishery uses income percentages for the years 1970 and 1971 respectively.

** Prince William Sound set net fishery uses income percentages for the years 1970 and 1972 respectively.
(Effective / /74, Register ,).

Authority: AS 16.43.100(a) (1)
AS 16.43.100(a) (2)
AS 16.43.100(a) (6)
AS 16.43.100(b)
AS 16.43.110(c)
AS 16.43.250(a) (1)
AS 16.43.250(a) (2)

20 AAC 05.640. DESIGNATION OF SIGNIFICANT AND MINOR HARDSHIP CLASSIFICATIONS. (a) The commission designates the priority classifications 20 - 40 as classifications of applicants who would suffer significant economic hardship by exclusion from the fishery, and therefore will receive entry permits as required by AS 16.43.270(a).

(b) The commission designates the priority classifications 0 - 5 as classifications of applicants who would suffer only minor economic hardship by exclusion from the fishery, and an entry permit originally issued to them by the commission pursuant to AS 16.43.250(c) may therefore have certain restrictions placed upon its transfer as required by AS 16.43.170(c). (Effective / /74, Register ,).

Authority: AS 16.43.100(a)(2)
AS 16.43.110(a)
AS 16.43.250(b)
AS 16.43.250(c)

20 AAC 05.650. SPECIAL RULES FOR USE OF THE POINT SYSTEM. (a) All eligible applicants for any designated fishery will receive 0 points for any year in which there was an administrative closure for the entire season.

(b) An applicant who is eligible to apply for an entry permit under the terms of AS 16.43.260(a) and whose participation in a fishery was interrupted by his first enlistment or draft period of military service will be awarded the maximum number of points for past participation for the fishing seasons missed due to that military service as follows: If the applicant did not harvest the fishery resource commercially while participating as a gear license holder prior to the commencement of the military service, then the applicant will receive crewmen participation points for the fishing seasons missed; if the applicant harvested the fishery resource commercially while participating as a gear license holder prior to the commencement of the military service, then the applicant will receive the maximum number of points for past participation for the fishing seasons missed.

(c) To use the special showing provisions in sec. 630(a) (4) (for past participation), (b)(1) (for income dependence) and (b)(4)(D) (for availability of alternative occupations) of this chapter, an applicant must claim a specific number of points and must submit documentation of the facts and circumstances surrounding the claim along with his application for an entry permit. Where necessary, the commission will request additional explanation or documentation of the facts and circumstances surrounding the claim before

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making its determination. (Effective / /74, Register ,).

Authority: AS 16.43.100(b)
AS 16.43.110(a)
AS 16.43.250(a)(1)
AS 16.43.250(a)(2)

20 AAC 05.660. DEFINITIONS. In secs 600- 660 of this chapter:

(1) "annual catch value" means the number of pounds of any species of fish caught by an applicant in the fishery for which he is applying, as derived from fish tickets, during a given year, multiplied by the average price per pound paid for the species in that fishery during the year, or the gross amount actually received for the calendar year from harvesting the fishery resource commercially while participating as a gear license holder in the fishery for which he is applying;

(2) "income dependence percentage" means the annual catch value divided by the sum of the annual catch value and the non-fishing occupational income, with the result multiplied by 100;

(3) "non-fishing occupational income" means that portion of earned income that comes from sources other than commercial fishing. It includes gross wages, salaries, professional fees and other amounts received as compensation for personal services actually rendered including cost of living allowances. In the case of an applicant engaged in a trade or business other than commercial fishing, the net profits of such trade or business shall be included as non-fishing occupational income. Pensions, interest, dividends, other investment income, and income received directly from participating in any fishery as a gear license holder or crewman will not be included;

(4) "qualification date" means January 1, 1973, except that in the case of fisheries for which the commission establishes the maximum number of entry permits after January 1, 1975, the qualification date is January 1 of the year during which the commission establishes the maximum number of entry permits for a fishery;

(5) "gear" means the fishing apparatus necessary to harvest the fishery resource commercially. (Effective / /74, Register).

Authority: AS 16.43.100(b)
AS 16.43.110(a)

ARTICLE 7. TRANSFER OF ENTRY PERMITS

Section

- 700. Requirements for Transfer
- 710. Notice of Intent to Transfer
- 720. Application for Transfer
- 730. Transfer and Reissuance of Entry Permits
- 740. Emergency Transfers
- 750. Transfers on Death of the Holder
- 760. Administrative Hearings
- 770. Definitions

20 AAC 05.700. REQUIREMENTS FOR TRANSFER. A holder of an entry permit may transfer his permit only through the commission and in accordance with secs. 700 - 770 of this chapter. (Effective / /74, Register ,).

Authority: AS 16.43.100(a)(11)
AS 16.43.110(a)
AS 16.43.170(a)

20 AAC 05.710. NOTICE OF INTENT TO TRANSFER. (a) The holder of an entry permit not subject to the restrictions of AS 16.43.170(c) or (d) may establish a filing date, effective date, and expiration date for the transfer of his entry permit by filing a notice of intent to transfer with the commission on a form supplied by the commission. The holder need not name a proposed transferee when filing a notice of intent to transfer. The commission will return a copy of the notice of intent to transfer together with a statement of the filing date, effective date, and expiration date for transfer of an entry permit.

(b) A holder may revoke a notice of intent to transfer any time prior to the filing of an application to transfer by filing his written notice of revocation of intent to transfer with the commission.

(c) A holder may file a renewed notice of intent to transfer at any time after the effective date of a notice of intent to transfer. A renewed notice shall simply extend the expiration date if filed over 60 days prior to the expiration date of the previous notice of intent to transfer.

(d) Any person who has applied for an entry permit under section 500 of this chapter may file with his application, or later, a notice of intent to transfer an entry permit. The effective date for purposes of transfer shall be the date of the original issuance of the entry permit, or the date 60 days after the filing of the notice, whichever is later. (Effective / /74, Register ,).

Authority: AS 16.43.100(a)(11)
AS 16.43.110(a)
AS 16.43.170(b)
AS 16.43.170(c)
AS 16.43.170(d)

20 AAC 05.720. APPLICATION FOR TRANSFER. (a) An application for the transfer of an entry permit may be filed with the commission on or after the effective date and must be filed with the commission on or before the expiration date of the notice of intent to transfer.

(b) Application for the transfer of an entry permit must be made to the commission on a form provided by the commission. The application must be signed by the applicant and the proposed transferee. The applicant and the proposed transferee must certify to facts establishing the present ability of the proposed transferee to participate actively in the fishery, and will be required upon request to produce documentation of those facts, and such other information as the commission finds necessary.

(c) An application for the transfer of an entry permit may be withdrawn only upon the written request of both the applicant and the proposed transferee. (Effective / /74, Register ,).

Authority: AS 16.43.100(a) (11)
AS 16.43.110(a)
AS 16.43.170(b)

20 AAC 05.730. TRANSFER AND REISSUANCE OF ENTRY PERMITS.

(a) The commission will approve the application to transfer an entry permit and reissue an entry permit to the proposed transferee if the applicant and the proposed transferee (other than the commission) comply with sec. 720(a) and (b) of this chapter.

(b) If the commission determines that the proposed transferee's present ability to participate actively in the fishery has not been established, it will so notify the applicant and the proposed transferee, giving its findings of fact and conclusions. (Effective / /74, Register ,).

Authority: AS 16.43.100(a) (11)
AS 16.43.110(a)
AS 16.43.110(b)
AS 16.43.170(b)

20 AAC 05.740. EMERGENCY TRANSFERS. (a) A holder or his transferee under this section or sec. 750(b) of this chapter may apply for an emergency transfer of his entry permit to another person by making application to the commission on a form provided by the commission.

(b) The commission will grant an emergency transfer if the proposed transferee is presently able to participate actively in the fishery and if the transferor establishes that sickness, injury, or other unavoidable hardship prevents him from participating in the fishery.

(c) Where sickness or injury precludes communication by the transferor, the commission may authorize the emergency transfer of an entry permit upon application by a person other than the transferor. Such a transfer is subject to revocation at any time upon application by the transferor.

(d) Unless further restricted by the transferor, an emergency transfer will be effective for the remainder of the calendar year. (Effective / /74, Register ,).

Authority: AS 16.43.110(a)
AS 16.43.180(a)

20 AAC 05.750. TRANSFER ON DEATH OF THE HOLDER. (a)
An entry permit shall survive the death of the holder and pass into the holder's estate.

(b) The authorized representative of the deceased holder's estate may apply for an emergency transfer of an entry permit pending final disposition of the permit as a part of the holder's estate by making application to the commission on a form provided by the commission. The emergency transfer must be to a person who can establish his present ability to participate actively in the fishery. The commission will approve an application for such an emergency transfer if the representative establishes that the holder is deceased and that the representative is authorized to request the transfer. Unless further restricted by the authorized representative, an emergency transfer after the death of the holder is effective for the remainder of the year. The authorized representative may annually renew an entry permit and apply for subsequent emergency transfers if he can establish that the permit has not been finally disposed of as part of the deceased holder's estate.

(c) The authorized representative may make final disposition of the entry permit pursuant to secs. 700 - 730 of this chapter upon demonstrating authorization for such action from the appropriate judicial authorities.
(Effective / /74, Register ,).

Authority: AS 16.43.100(a) (11)
AS 16.43.110(a)
AS 16.43.150(f)
AS 16.43.170(b)
AS 16.43.180(b)

20 AAC 05.760. ADMINISTRATIVE HEARINGS. Either the holder of an entry permit or the proposed transferee may request an administrative hearing and adjudication under the

provisions of secs. 800 - 880 of this chapter to contest a determination by the commission under secs. 730 - 750 of this chapter. (Effective / /74, Register ,).

Authority: AS 16.43.110(a)
AS 16.43.110(b)

20 AAC 05.770. DEFINITIONS. In secs. 700-770 of this chapter:

(1) "transfer" means any conveyance or attempted conveyance of the permit by the holder or any attempt by the holder to authorize another to use the entry permit for the operation of gear in the fishery. It does not include a contract or agreement to convey a permit in the future;

(2) "filing date" means the date upon which the commission receives a notice of intent to transfer from the holder;

(3) "effective date" means the date 60 days after the filing date;

(4) "expiration date" means the date 12 months after the filing date;

(5) "present ability to participate actively" means the person is physically able to harvest fish in the fishery and has reasonable access to commercial fishing gear of the type utilized in that fishery;

(6) "holder" means the person to whom the entry permit is issued;

(7) "authorized representative" means the personal representative duly appointed to administer the estate of a deceased entry permit holder pursuant to the provisions of AS 13.16.245 et seq. or pursuant to comparable provisions of the laws of the jurisdiction of the deceased holder's estate. (Effective / /74, Register ,).

Authority: AS 16.43.100(b)
AS 16.43.110(a)
AS 16.43.170

ARTICLE 8. ADMINISTRATIVE HEARINGS AND ADJUDICATIONS .

Section

- 800. Matters Covered
- 805. Request for an Administrative Hearing
- 810. Notice of Hearing
- 815. Scope of Hearing
- 820. Rules of Evidence
- 825. Subpoenas, Depositions, Affidavits and Documents
- 830. Continuances
- 835. Default
- 840. Hearing Officer's Written Recommendations
- 845. Administrative Adjudication
- 850. Reconsideration
- 855. Appearances

20 AAC 05.800. MATTERS COVERED. The provisions of secs. 800890 of this chapter apply to all matters presented to the commission for administrative hearing and adjudication. (Effective / /74, Register ,).

Authority: AS 16.43.100(b)
AS 16.43.110(a)
AS 16.43.110(b)
AS 16.43.120(a)

20 AAC 05.805. REQUEST FOR AN ADMINISTRATIVE HEARING.
(a) An applicant or other party may request an oral or written administrative hearing by filing a request for a hearing with the commission. The request for a hearing must contain a statement of why the commission's determination should be changed, and indicate which findings of fact, interpretation of regulation, or interpretation of statute the party believes to be in error. An administrative hearing will be granted upon the determination that the written request for a hearing demonstrates a genuine issue in contention.

(b) The following schedule governs requests for a hearing.

(1) Application classification or denial. The request for a hearing must be received on or before the 45th day following the mailing date of the notice of classification or notice of denial, whichever was earlier.

(2) Ineligibility for the reduced annual fee under sec. 220(b) of this chapter. The request for a hearing must be received on or before the 45th day following the date that the notice of ineligibility for the reduced annual fee was mailed to the applicant.

(3) Transfer of an entry permit under secs. 700-770 of this chapter, or of an interim-use permit under sec. 420 of this chapter. The request for a hearing must be received on or before the 45th day following the date that the notice of denial was mailed to the holder and the proposed transferee.

(4) All other commission determinations. The request for a hearing must be received on or before the 45th day following the mailing of the written notice of the commission's determination.

(c) Failure to request a hearing following a determination by the commission, as set out in subsection (b) of this section, precludes further administrative consideration except as provided in subsection (d) of this section.

(d) The commission may adjust administrative errors affecting a commission determination, during or after the period for requesting a hearing, upon written notice to the applicant or other party. Such adjustment is subject to an administrative hearing for an additional period specified in subsection (b) of this section. (Effective / /74, Register ,).

Authority: AS 16.43.100(b)
AS 16.43.110(a)
AS 16.43.110(b)

20 AAC 05.810. NOTICE OF HEARING. In all cases where an administrative hearing is granted, the commission will determine the time and place of hearing and deliver or mail a notice of hearing to the applicant or other party at least 30 days before the hearing. The applicant or other party may waive the 30 day notice requirement. (Effective / /74, Register ,).

Authority: AS 16.43.100(b)
AS 16.43.110(a)
AS 16.43.110(b)
AS 16.43.120(a)

20 AAC 05.815. SCOPE OF HEARING. The applicant or other party may present relevant evidence at the hearing, including testimony, affidavits, and documents, in support of the contentions for which the hearing was granted. Depositions, affidavits, and documents that have been stipulated to by the applicant or other party and the commission prior to the hearing will also be entered into the record. (Effective / /74, Register ,).

Authority: AS 16.43.100(b)
AS 16.43.110(a)
AS 16.43.110(b)
AS 16.43.120(a)

20 AAC 05.820. RULES OF EVIDENCE. (a) Oral evidence may be taken only upon oath or affirmation.

(b) Common law rules of evidence apply except when the hearing officer determines that their application is not required in order to assure fair treatment of the applicant or other party and that the evidence offered is relevant and of the sort on which responsible persons are accustomed to rely in the conduct of serious matters.

(c) The applicant or other party and the hearing officer may:

(1) call and examine witnesses;

(2) introduce exhibits;

(3) cross-examine opposing witnesses on matters relevant to the issues even though the matter was not covered in the direct examination. If the applicant or other party does not testify, he may be called and examined by the hearing officer.

(d) The applicant or other party shall bear the burden of proving by a preponderance of the evidence that a determination of the commission is erroneous. (Effective / /74, Register ,).

Authority: AS 16.43.100(b)
AS 16.43.110(a)
AS 16.43.110(c)
AS 16.43.110(d)
AS 16.43.120(a)

20 AAC 05.825. SUBPOENAS, DEPOSITIONS, AFFIDAVITS AND DOCUMENTS. (a) At the request of an applicant or other party for good cause shown or upon its own motion, the hearing officer may issue subpoena and subpoena duces tecum to compel production of testimony or other evidence at a hearing. The issuance of subpoenas will be governed by the provisions of AS 44.62.430.

(b) In accordance with the provisions of AS 44.12.440 the hearing officer may order that the testimony of a material witness be taken by deposition.

(c) Documents or affidavits intended to be used at a hearing should be submitted to the commission by mail or at a pre-hearing conference so that they may be stipulated to whenever possible. (Effective / /74, Register ,).

Authority: AS 16.43.100(b)
AS 16.43.110(a)
AS 16.43.110(c)
AS 16.43.110(d)
AS 16.43.120(a)

20 AAC 05.830. CONTINUANCES. For good cause shown and at his discretion, the hearing officer may order the continuance of a hearing. (Effective / /74, Register ,)

Authority: AS 16.43.100(b)
AS 16.43.110(a)
AS 16.43.110(b)
AS 16.43.120(a)

20 AAC 05.835. DEFAULT. If an applicant or other party does not appear at an oral hearing that has been granted, the hearing officer, unless good cause is shown, may act upon the evidence presently at his disposal without notice to the applicant or other party. (Effective / /74, Register ,)

Authority: AS 16.43.100(b)
AS 16.43.110(a)
AS 16.43.110(b)
AS 16.43.120(a)

20 AAC 05.840. HEARING OFFICER'S WRITTEN RECOMMENDATIONS. The hearing officer shall prepare a written recommendation in a form which may be adopted as the decision in the case. A copy will be served on the applicant or other party. (Effective , Register ,).

Authority: AS 16.43.100(b)
AS 16.43.100(a)
AS 16.43.110(b)
AS 16.43.120(a)

20 AAC 05.845. ADMINISTRATIVE ADJUDICATION. (a) The commissioners will adjudicate the matter before them on the basis of the material previously filed with the commission by the applicant or other party, evidence presented at the hearing or introduced into the hearing record, matters officially noticed by the hearing officer under the procedures of AS 44.62. 480 and the written recommendation of the hearing officer.

(b) The applicant or other party will be given two weeks from the date of mailing of the hearing officer's written recommendations to submit written comments on that recommendation. If the applicant or other party desires an opportunity to make an oral presentation to the commissioners, he must make that fact known to the commission within the two week period. Any presentation to the commissioners shall be limited to the record before them and no commissioner may vote unless he has heard any additional oral presentation.

(c) If an applicant or other party fails to act within the two week period, or fails to appear at the time and place scheduled for oral presentation, the commissioners will grant a second opportunity only upon good cause shown.

(d) The commissioners may adopt the hearing officer's written recommendation in its entirety, or in part. If the recommendation is not adopted in its entirety, the commissioners may decide the case upon the record or request additional evidence.

(e) A case requiring additional evidence will be referred to a hearing officer to take that evidence. The hearing officer shall prepare a second written recommendation based upon additional evidence and the original record of the earlier hearing. A copy of the second recommendation will be given to the applicant or other party and the commissioners will resume the adjudication.

(f) The commissioners' decision will be written and contain findings of fact and determinations of the issues presented.

(g) A decision is effective and final 30 days after it is hand delivered or mailed to the applicant or other party unless a reconsideration is ordered within that time.
(Effective / /74, Register ,).

Authority: AS 16.43.100(b)
AS 16.43.110(a)
AS 16.43.110(b)
AS 16.43.120(a)

20 AAC 05.850. RECONSIDERATION. (a) The commissioners may order a reconsideration of their decision on their own motion or on petition of the applicant or other party. A petition for reconsideration by the applicant or other party shall set forth specifically the grounds upon which the petitioner believes the decision to be erroneous or specify new evidence he believes will have a substantial bearing on the decision.

(b) The power to order a reconsideration expires 30 days after the hand delivery or mailing of a decision to the applicant or other party. If no action is taken on a petition for reconsideration within the time allowed for ordering reconsideration, the petition is considered denied.

(c) The commissioners may reconsider a matter in the original record or order a supplementary hearing in accordance with sec. 845(e) of this chapter. (Effective / /74, Register ,).

Authority: AS 16.43.100(b)
AS 16.43.110(a)
AS 16.43.110(b)
AS 16.43.120(a)

20 AAC 05.855. APPEARANCES. (a) In any quasi-judicial matter or proceeding before the commission, an applicant or other party may appear in his own behalf or may be represented by any person who can satisfy the commission that he possesses the qualifications necessary to enable him to render valuable service before the commission and that he is otherwise competent to advise and assist in the presentation of matters before the commission.

(b) If an attorney represents an applicant or other party, he may be permitted to withdraw from a proceeding before the commission under the conditions and in the manner prescribed in Rule 81 of the Alaska Rules of Civil Procedure.

(c) The commission may deny, temporarily or permanently, the privilege of appearing before it in any way, to any individual who is found by the commission to be lacking in the requisite qualifications to appear on the behalf of others or to have engaged in any conduct disruptive of the orderly and lawful processes of the commission. (Effective / /74, Register ,).

Authority: AS 16.43.100(b)
AS 16.43.110(a)
AS 16.43.110(b)

ARTICLE 9. MISCELLANEOUS PROVISIONS

Section

- 900. Communications
- 910. Remittances and Charges
- 920. Permit Files
- 930. Confidential Records and Information

20 AAC 05.900. COMMUNICATIONS. (a) All correspondence with the commission should be addressed to the commission at its principal office.

(b) Written communications shall be deemed to be officially received and filed when delivered to the commission's office unless otherwise specified.

(c) No correspondence signed by an individual staff member or commissioner shall be deemed to state an official determination or decision by the commission unless the signature is preceded by the recital "By Direction of the Commercial Fisheries Entry Commission." The presence of this recital constitutes presumptive evidence that the signatory has been delegated authority to state the commission's action in the particular matter. (Effective / /74, Register ,).

Authority: AS 16.43.100(b)
AS 16.43.110(a)

20 AAC 05.910. REMITTANCES AND CHARGES. (a) Every remittance shall be by money order, bank draft or check payable to the Commercial Fisheries Entry Commission. Remittances in coin or currency will be sent at the risk of the loss of money sent in that manner.

(b) Postage stamps shall not be sent as a remittance unless the sender is so directed.

(c) The commission may charge for costs it incurs in furnishing copies of notices, reports, orders or any printed or typed material in its possession. (Effective / /74, Register ,).

Authority: AS 09.25.110
AS 16.43.100(b)
AS 16.43.110(a)
AS 16.43.110(b)

20 AAC 05.920. PERMIT FILES. The commission will maintain a file of interim-use permit and entry permit information. The file will contain information pertaining to, but not limited to, the following:

- (1) issuance of the permit to the named applicant;
- (2) annual renewal of the permit;
- (3) any assessment;
- (4) payment of any assessment;
- (5) forfeiture of the permit;
- (6) application for temporary transfer of the permit;
- (7) temporary or emergency transfer of the permit to the named person;
- (8) notice of intent to transfer the permit;
- (9) revocation of notice of intent to transfer the permit;
- (10) application for transfer of the permit;
- (11) withdrawal of application for transfer of the permit;
- (12) reissuance of the permit to named person.
(Effective / /74, Register ,).

Authority: AS 16.43.100(b)
AS 16.43.110(a)

20 AAC 05.930. CONFIDENTIAL RECORDS AND INFORMATION.

(a) Except as provided in (b), the books, records, papers, files, and writings of the commission are public records and are open to inspection by the public during regular office hours.

(b) The following information is confidential and shall not be open to inspection by the public unless waived by the appropriate party:

(1) communications relating to personnel matters and medical or other personal information, which under governing personnel practices of the State of Alaska, are not public information;

(2) information and data relating to the commission's budget and legislative proposals prior to the time they are acted upon by the governor and the legislature;

(3) communications between legal counsel and the commission or its staff, regarding matters requiring confidential legal advice or assistance;

(4) reports concerning the landings of fish, shellfish or fishery products and annual statistical reports of buyers and processors required by regulation of the Department of Fish and Game, and information derived from such reports except information presented in a manner that prevents the identification of particular reports or persons.

(5) copies of state and federal income tax returns provided by an applicant for an interim-use permit or entry permit, other statements relating to personal income by such an applicant, information relating to specific monetary transactions between an applicant or permit holder and the commission, and information derived from such reports and statements except information presented in a manner that prevents the identification of particular reports or persons;

(6) notices of intent to transfer an entry permit or requests to transfer along with any documents submitted to the commission in support of or related to a request presented in such a manner as to allow identification of the individual parties to the transaction. (Effective / /74, Register ,).

Authority: AS 09.25.100
AS 16.43.110(a)
AS 44.17.030(4)

SCOMM

#17:21

HB 126 - HOUSE RESOURCES COMMITTEE
January 29, 1973

CHAIRMAN: Mr. Rodman, the (indisc.) on the bill in case we're going to make any amendments or any further hearings and questions asked. I know there's a lot of you here and a lot of you have come from a long ways to testify and we will hear all of you on the hearings on this House Bill 126. So, as you want to testify, to avoid confusion, so we can get everything right on tape, just step forward and give me your name and who you represent-- if you represent yourself, say so. If you represent groups, state which group you recognize, and sit right in that chair there and testify. So, we can start the meeting off. Who's willing to be first to testify.

UNIDENTIFIED SPEAKER: Mr. Chairman, before we get started, could you have the administrative assistant try to make sure during this meeting that he keeps the ventilation moving here by opening and closing windows. We have quite a crew in here today.

CHAIRMAN: Okay, yes. Thank you. Who wants to be first to testify and start the meeting off? Come on, Jim, you're a (indisc.), get up here.

JIM BEATON: Well, in lieu of nobody else, I guess I can get out here, and that means I might have a little more time....

UNIDENTIFIED SPEAKER: State your name and who you represent.

JIM BEATON: Well, my name is Jim Beaton. I'm president of Southeast Gillnet Federation, but I think I'll represent myself today. Okay, in the beginning here, course I read over the governor's Bill 39 and your amended version of this. It's quite ironic that the governor did go to all this trouble and compile all these statistics. It seems almost to me an indication that he'd been in the bars and coffee shops of the fishing areas and more

or less threw the fish--threw right back to the fishermen exactly what he thought they wanted. Fortunately, I didn't want the fishermen to choke on it. I guess they weren't really ready for it after all. The basic bill itself, I mean basic agreement with... Of course, like all other fishermen, I have certain reservations about it. I've attended some of the hearings over there and the committee of the governor simply unfolded their stand on these things and elaborated on them to the point where I not nearly as afraid of this bill as I, of course, was in the beginning. I think it's too bad that more people didn't participate in these hearings, and I hope that they in the future take the opportunity to do so, because a great deal of things have unfolded with that bill. As I see it, the bill has only one blind spot from the standpoint of commercial fishermen, and that is, I cannot, after reading the bill a dozen times, I cannot determine whether there is really any advantage in the bill to being a commercial fisherman. It doesn't seem to be slanted at all towards that, although in the cover letter that the governor wrote, he specifically stated that he was aiming all of this at, as he put it, all (indisc.) moonlighters and part-timers and the rest of it. Yet, I really fail to see much in the bill other than the economic dependence portion of it, which is almost almost inoperable, and almost impossible. But, anyway, it is really designed specifically as part-timers and moonlighters or anything. With that though in mind, I do feel very strongly that some provisions have to be made in an amended version of this bill to allow for people who want to actively pursue and make it their principal means of livelihood. The

reason I state this--I realize I have a great deal of criticism from various and sundry groups on this, because they keep saying because of the concept of the free enterprise system and American way, and the whole spectrum there... But I really feel, in studying other nations throughout the world and the way they handle situations, studying our own westward expansion, the concept of common property, and the fact that whenever you take a renewable natural resource, and you try to manage it in a way whereby you do not have any form of limited entry, whereby you literally let anyone who wants to participate in it, you have complete and utter chaos develop. And I think we all certainly all realize now that this has already happened in the commercial fishery of Alaska, and will probably continue to happen. We're probably ten years behind time--we all know this, and as far as I can determine I don't really see any famous way to alleviate this problem--in some ways maybe a little less painful than others, and of course, that's what these hearings are about, and that's what the amended form of the bill would give out. (Indisc.) into it with that thought in mind I think all the--there's already been sufficient talk of the concept of common property and the rest of it and there's no sense getting into that at this time. But, moving on into the bill, everyone has come up with their own version. I've had people hand me their version on the street corners. I've had all types of input into what seems like almost everyone who has ever participated at all in the commercial fisheries has their own version of what would be ideal, which is, I suppose, only human nature. Now we all know that there is going to be probably relatively very few people that really determine these things, but I've

come up with my own concept, of course, which I'd like to present at this time. Elaborating on this theme of professionalism, which I think is the one thing that we have to have to make this a viable, strong fishery, and I reiterate here again that the reason for this is such things as marketing, such things as the fishermen sticking together, such things as conservation, such things as strong fishery's groups like you have in Prince Rupert's co-op in order to maintain the strong economic base, that the concept of professionalism has to be considered, and without it we'll end up with exactly what we have at the present time. My concept of this is, for example, in 1973... I would like to state here at this time, too, that when I state this, I state it in context of the Southeast gill net fleet. That's all that I want to talk in terms of at this time, and that's all that I really have enough of a background or time to talk about at this time. So, with that thought in mind, I maintain that in 1973 all licenses would be issued this year, and essentially they already have been started the issue, so I don't think there's any argument on that. In 1974 you issue 460 licenses, which is roughly the figure that we had issued last year, based on background, time in the fishery, economic dependability--a small portion on a point system type thing on economic dependability, history of time participation per season, and I'd like to emphasize this history of time participation per season, because I think at that point, it's on that point that the concept of professionalism either stands or falls. Thereafter, you make the licenses negotiable with State buy-back programs, plus trading an apprenticeship program, whereby it would only be possible to either sell to the apprentice pool or say the State for an

arbitrary figure. I just threw out \$5,000--I really don't know what this would be, and this would go into a fund that the State would use in their buy-back program, and what not. Going on from that, there would be no lifetime licenses. That the... The governor's bill has a provision in there for lifetime licenses. I don't believe in this concept of lifetime licenses. I think it would develop into a situation whereby someone would literally just buy their way into it--hardly ever use it. You'd muddle the fleets. You'd end up with chaos like we have at the present time. So there'd be no lifetime licenses, and your time to participate in per season would be the main criteria for keeping licenses necessary. Keeping licenses... Also, it would be necessary to be flexible for licensee. For example, in the case of illness, or other reasons--or other reasons of importance. Also, say, every three or four years it would be possible to take a year off for some personal reason, but after a reasonable time off from fishing, or for lack of sufficient participation, I would like to draw into context here one other situation that arises as far as this lack of sufficient participation. And that is that I feel that the fishery also has to be flexible, and if a person, say, was involved in the gillnet fishery, and he deemed it feasible to expand out and to go into the halibut that troll fishery, or some other type of fishery, the trap fishery, say. I still think he's a fisherman. I think he's a professional. I think the concept of diversification is very healthy to the fishing fleet, and of course, for economic reasons, if we are trying to push this governor's bill or to push any type of bill along

the lines of gear entry. So I think that it shouldn't be held against him if he does diversify. It goes without saying that, for the sake of implementation, it would be necessary to also do at least some portion of that season in some gillnetting, or whatever the licensee you were trying to hold--license you were trying to hold. But, with this concept in mind, what's developing here, and the thought I'm trying to get at is that, for example, in Southeastern Alaska you have roughly a six months' fishing season. We've argued back and forth, what is a professional, what is a non-professional? Is a man who goes out and makes \$30,000 in the winter, is he any less a professional than the man who doesn't make anything? Is the person who makes \$2,000, should it be more his right to stay in the fishery than the makes \$30,000, and he makes \$20,000 in another form of endeavor? And, of course, these arguments go on and on and on. Well, I have a very brief definition of what a professional is, and I don't think it can be argued. And I'd debate anyone here at the present time of what a professional is. And that is strictly that if you do not participate, and of course, you can it on a percentage basis any way you want to, but if you do not participate you're not a professional. You have a six months' season in Southeastern Alaska. You only participate for one month out of that six months. It's indicative to me that you are not a professional. Any percentile of that from there on, why you can almost figure it out on top of your head exactly how much of a professional you are. The man who participates 100 percent of the time is 100 percent professional to me. If he can get out of the fishing in the fall of the

year and land on his feet, and land on his feet running, and go on to something else and rip off another \$20,000, I figure that's his business. But, I certainly do not consider a professional one who dabbles in the fishery, fishes one month out of the year, and has another full-time avocation in some other field of endeavor, and is not really affected that much by the fishery. Going on and elaborating from that, the license would be, of course--but, for example, if a person did not participate in a futuristic (indisc.), if you did not participate, say you were only participating one month out of the year. This may be if the fishery was stabilized, and if there was no problem developing, it's possible that even these people would stay in the fishery. However, if, due to the fact that the runs drop or for economic reasons the prices drop or for varied and sundry other reasons if something came up whereby a cut was necessary to be made, then it becomes quite obvious that the most vulnerable person should be the person who participates the least. And, by this type of reasoning I would say that the licensee would be forced by the Commission if he was a very small-time participant, to literally sell back into the State program, and the State would in turn either keep it if he was trying to bring fishing into it, or for varied and sundry other reasons he just wanted to get these people out of it that were not participating because they were, say, a large apprenticeship pool, these fellows had went through some kind of a training program. I'd like to elaborate a second on that, that I conceive of an apprenticeship program as some form of practical experience in the fishery, but on top of that we have various university

programs whereby you can study here technology, and fisheries technology, and the whole thing. I certainly think that could be incorporated into it, just like in any other apprenticeship program, such as the electricians or plumbers or anybody else have. It's very similar. Anyway, after the State buys it back they could either keep it if it was a necessity to keep it, or they could sell it to the apprenticeship pool. Of course, cannery participation--that's always been a big point. You know, let's try to keep the canneries from getting a monopoly on them. This is what is--has developed in Canada. I've read all the briefs from Prince Rupert co-op, and they are having a tremendous problem down there with the canneries gaining control of the fleet. Now, we understand that when the license is a negotiable item that, although the cannery could not openly buy licenses, there would certainly be a very real problem of, say, backing--in the case of (indisc.) area Bristol Bay. I fished there nine years myself. I could see where they could take, say, none of them sitting in here, I don't think--and say the day goes out at San Pedro or somewhere, and buy them all licenses and set them up up there, and things wouldn't change at all in Bristol Bay. And this, of course, is something that we'd like to not have happen. So it goes without saying that the canneries would be eliminated from participating in the licensing things, however we realize that there still is a problem of them doing it underhandedly, and you'd have to think in terms of ways of getting around this. There'd probably have to be some elaboration on that. Some of the Native groups have expressed to me that, not trying to pick

Natives, but it is true that in some of these areas where the Native villages are, the economic situation is such that they're damn hard up in the middle of the winter time, and \$5,000 looks good to them, or any figure does. There would be this problem of buying the natives out and literally ace them out of their rights so to speak, and their heritage, and the whole bit. And there's been some concern expressed to me about this and the aspect of a negotiable license. Well, this a problem you have to live with. It's a problem you have to educate the people to, and the whole rest of it. But I do think, in this type of a thing that I've tried to unfold here, that the--it would be quite a bit less likely of this, and even if some of it did develop, there would be the possibility of the Native groups or these areas to be reactivated through this apprenticeship program, and also possibly buying these licenses back up for their people that are involved in this. These things are what I've more or less throwed off the top of my head. The governor's committee worked on this years. You know, a year or two years, whatever they worked on it for, and spent a lot of time and a lot of hours. I've put this down this afternoon and I don't expect to stand up under all kinds of cross-fire, but I think the basic concept of it is generally good. The thing that I've really tried to stress there is that I'd like to see some type of provisions made for professionalism. I stand at this time to be cross-examined by any of you on any of these particular aspects I brought up there, and I'd appreciate any comments.

CHAIRMAN: I believe Mr. Tillion, the Judiciary Committee chairman.

By the way, this is a Judiciary Resource Committee meeting, and Mr. Tillion (indisc.).

MR. TILLION: I see some problems in the area--your professionalism area. You have a fish and game prediction of four bad years on (indisc.). It sounds like an Alaskan, this fellow with the same boat, and he takes a contract to tow logs, or barges, or anything else. This means that he has forfeited his right to reenter the fishery, and so what you'll do is, is you'll--won't that tend to keep people fishing on the down cycle, therefore further depressing the livelihood of the few that could be in it?

MR. BEATON: Well, I certainly think that this is where the area where the Commission would--definitely I have--a lot of people have expressed the idea that things have to be laid out here. The fishermen have to know what's going to happen, what they're going to get into, and they're all seem to be very scared to death of the Commission. So this to me would be a gray area that you're talking about there, and certainly I think it would be at the discretion of the Commission is there was some type of an economic situation like that whereby the runs were bad and everything, it's a possibility that you could alleviate that problem by actually allowing people to go into something else during the low cycles or what not. Certainly, you have to--I can see the need for a commission myself, and I think they would have to be used extensively in this type of an area and in this type of a situation.

MR. TILLION: Thank you.

CHAIRMAN: Any more questions from the legislature?

UNIDENTIFIED SPEAKER: No more questions. Thank you, Mr. Beaton.

CHAIRMAN: Is there anyone else who wishes to testify? (pause) Please give your name and who you represent.

MIKE McNIVEN: My name is Mike McNiven. I'm a member of the Southeast Gillnet Federation, however I'm representing myself. I feel that the governor's bill under certain applications is very equitable, however I'm one of the people that Jim describes as being afraid of a commission. I would like to see written into the bill some guidelines for this commission, some concrete guidelines that would enable the fisherman to know just exactly what he's up against. I'd also, backing up Jim on this, like see some apprenticeship program provision initiated. This would encourage participation in the fishery of deck hands, and also if would, I feel, create a more mature and experienced fishery. This one area would lead to a--or a professionalism in the fishery. There seems to be a number of bills banted around. I feel that this is possibly an equitable solution to this problem, however I must say again that it seems to me to be quite vague, in that the Commission has no guidelines set for it. That's why I say I think this is necessary to be included in the bill. That's about all I have to say.

UNIDENTIFIED SPEAKER: Mike, I was wondering, do you believe in the concept of (indisc.).

MR. McNIVEN: Yes, I do.

CHAIRMAN: Mr. Tillion.

MR. TILLION: I like you to share the fear of a commission, but on the other hand, if you allowed licenses to become a vested interest, would you stand for an assessment--an annual assessment to buy out your competitors, rather than forcing them out?

MR. McNIVEN: I didn't mention a buy-back program because I really don't have any information. I just--to what extent the licensees are going to have to be cut back. This is one area that I feel--this is one guideline that I feel has to be established before guidelines for the commission must be established. As soon as that becomes apparent, then I can say this problem can be tackled from several different areas. Perhaps I can see varying degrees of influence this commission would have. If the only license holders that would be eliminated from the fishery were those with the so-called ghost license, there would, in my mind, be no need for any compensation. If the people could be eliminated where people that had fished very sporadically, had a very minimal investment, then I would say compensation on certain levels would be fine. If half the fleet was to be eliminated in one fell swoop, I would say that compensation would have to be a very integral part of the bill.

CHAIRMAN: Mr. Tillion.

MR. TILLION: Well, I think you're aware that areas such as Bristol Bay, you're talking about more than 50 percent of the fleet to get it down to a reasonable level, many of which have sizeable investments, and in a buy-back program we realize this would probably take ten or fifteen years to get it down to a reason-- would you prefer going that route and not forcing anybody to sell, or would you prefer giving a commission the arbitrary right to force somebody out of the fishery?

MR. McNIVEN: Well, I don't choose to give anybody the right to force another man from his living. Under those conditions, I would say a buy-back program, or a compensation program of some sort,

would be feasible to institute. However, I will say that I am a Southeast fisherman, and in the Southeast areas here, I feel that it would not be necessary to cut back half the fleet. In fact, I personally feel that there may justification in eliminating ghost licenses, and thereby removing the threat of those people from the fishery would be sufficient. In such a case, I don't feel a statewide provision for compensation to these people would be necessary.

CHAIRMAN: Mr. Tillion, continue.

MR. TILLION: If compensation--I agree. The only compensation that would be fair then would be one that was by area and by gear, so that a gillnetter did not have to pay an assessment to buy a (indisc.), nor did a Prince William Sound gillnetter have to pay to buy a Bristol Bay gillnetter out, but basically you'd prefer not to force anyone out of the fishery other than the ghost licenses? In other words, if you issued a license to a man who had only actually participated in the fishery, you'd get rid of your--you know, as a gear holder, you'd get rid of that section, but you'd still face how do you eliminate the man who fished just a few days a year? And do you want to give a commission the arbitrary powers to remove this man?

MR. McNIVEN: Well, I certainly don't have all the answers to this problem. In some areas I would say yes, and in some areas I would say no. Of course, the investment that this man has would be certainly a criteria for the commission to look at, and it was figured in the bill. If a man is going out here and gillnetting off the bow of his sport boat, he certainly doesn't have the investment that a person that has a \$20,000 or \$30,000

boat built specifically for gillnetting, and I feel that the exclusion of this person that's fishing off the bow of his skiff would certainly be--well, I would say this--it would be very, as far as I'm concerned, I would rather see the skiff get out of the fishery than the other man. And I really don't see why a person that is just utilizing something that he has for a sport purpose utilized in the commercial fishery, compensates for it.

MR. TILLION: We still have a difficulty in working into law how you would separate the two. It's--without giving the commission the power of life and death over, say, there are great fishermen who still depends on it for a living, but just doesn't catch much.

MR. McNIVEN: Well, like I say, you're using a figure in Bristol Bay of half the fleet. I think the figures that we're talking about right now are only arbitrary figures. As far as I know, I haven't seen anything at any rate that definitely states how many people have to get out of it per so many fish. So, I have to go back, and Bristol Bay is an area that I would have to admit that I am completely familiar with, because I haven't fished there. Southeast is.

MR. TILLION: How many days of the week do you fish, average?

MR. McNIVEN: Three-day openings.

MR. TILLION: Well, that's hardly a very efficient fisherman.

MR. McNIVEN: By what standards?

MR. TILLION: By any standards of vessel and (indisc.) should be something that you should at least fish six, preferably seven, on cycle years, wouldn't you? You should get the limit down

to where you can fish. After all, you're only fishing three days a week. The last time I fished two twenty-four-hour periods in Cook Inlet, I also went down and took 55,000 of crab, halibut on a crab fleet during July so that I'd have something to do to fish seven days a week.

MR. McNIVEN: Well, by the same token, I will say that I fish salmon three days a week. I also fish halibut three days a week. I wasn't tied to the dock, if that's what you were getting at.

MR. TILLION: No, no. (Indisc.--simultaneous speech) The gillnet fleet then, has about fifty percent too many boats.

CHAIRMAN: Is that all, Mr. Tillion.

MR. TILLION: That's all.

CHAIRMAN: Alright, Mr. Grofin (sp.).

MR. GROFIN (sp): (Indisc.) going down the road I intend to. There's still some guidelines that you'd like to see put into the bill, and you mentioned specifically the buy-back aspect of the bill, or the whole program. Outside of buy-back, what guidelines would you like to see?

MR. McNIVEN: Well, I didn't mention guidelines. Clem did. The guidelines that I'm talking about right now are guidelines that would enable me, as a fisherman, to put myself in a category of possibly being in the fishery, definitely being in the fishery, or definitely not being in the fishery. Right now, as far as I know, the Commission has the power to eliminate me from the fishery at their own discretion. I would like to see the criteria that they consider, more specifically defined. I don't--in the bill it states that they're going to look at economic dependence. It also says they're going to look at

past participation, and it says they're going to look at the ability--present ability to fish. I feel that these are rather vague. Now, I--by the ability to fish, do they mean am I physically able to pick fish? Does it mean that I have a boat, or does it mean that I bought a used gillnet off somebody that I'm keeping in my garage? These are the things that I'd like to have clarified. I don't really know what they're going to use as a base of judgment. Economic dependability. Does it mean that I have to derive my entire living from fishing. Does it mean in the closed season that I can't go to work, that I just sit home and kind of wait for the season to open? These are the things that I'm curious about. My past participation in the fishery, if one year I chose to fish a species that is not covered in this bill, does that mean that I'm not a fisherman? These are the things that I'm curious about.

UNIDENTIFIED SPEAKER: It only deals with salmon.

CHAIRMAN: Mr. Gardner, I believe is...

MR. GARDNER: I don't think anybody knows that to draw these out in more details is, of course, going to require more study, which will take time. Maybe two years. So, therefore, the question comes, shall we wait two years until we can draw these all out in detail before we do anything, or should we at least put a lid of some sort on what we've got now and then try to study this? Because, I don't think they got the figures right now that to look at each area and each fishery within an area. So, that's why I, you know, I would wonder if they can't the South in detail right now to satisfy you, would you rather wait two two years (indisc.).

MR. McNIVEN: Well, as I mentioned before I am certainly in favor of gear limitation, and I think it is a necessary thing, and I think it should be implemented as soon as possible. The--I was merely giving some points of view that I have on the bill. I'm not a legislator and I'm not even gonna propose to deal with the right bill. I'm just came up here to tell you kind of what I thought. I think that something should be implemented. I agree that if we wait two years we can probably get a little better bill, and maybe if you wait twenty years, you can even get a real good bill. There may not be any fish left then. So, I guess we're just gonna have to get what we can. These are just some of the considerations that I'd like to have in the bill.

CHAIRMAN: There's a couple of--there's a lady, Miller.

MS. MILLER: Thank you, Mr. Chairman. Mr. McNiven through the chair, as a fisherman I would be interested in your suggestions for standards that would establish the degree of economic dependence in the (indisc.) fisheries. What would you suggest?

MR. McNIVEN: These are things that I feel would be related to the number of fishermen that are going to be dropped from the fishery. As I said before, if the ghost license fishermen are the only ones that are going to be eliminated, I would say that there would be no problem.

MS. MILLER: Mr. Chairman, I was referring more to, for example, the percentage of your income that you would derive from fishing--fishing and so forth, so that we're not closing out people who are making their major livelihood from fishing. In other words, they're not moonlighters or part-timers.

MR. McNIVEN: I feel that as I have had experience in the past, that a percentage of an income derived from fishery--I'm speaking of Southeast cause that's where I fish, would be in some cases unfair, because the season is a little less than six months long. And, myself, I just don't particularly like to sit around in the winter. I like to do something, and a percentage of income would inhibit me from going out and getting another job, if this is what I chose to do. I can't really say how this economic dependence clause could be implemented. There is some mention of State income tax delinquency in there and that opens up another area, too. I don't really feel that by saying that a fisherman can earn no more--or no less than fifty percent of his income from fishing is fair, because often times the mere fact that there are--the season is less than six months long gives you a bit more than fifty percent of the year to work in another area. If you can find employment, I feel that that certainly should not be held against a person.

MR. CHAIRMAN: Let's see. Mr. Eliason is next and (indisc.).

MR. ELIASON: Mr. Chairman, I still have a problem understanding exactly--is your problem with the Entry Commission, the concept of a commission, or the fact that some members are not spelled out or their duties are not spelled out?

MR. McNIVEN: It's not with the commission or it's not with the membership. The problem that I have is that I feel that the guidelines that this commission is going to follow are clearly enough spelled out.

CHAIRMAN: (Indisc.) Mr. Hubert.

MR. HUBERT: Well, I think we have a little trouble in determining--

you mentioned that there wouldn't any problem at all in eliminating the ghost licenses, and then you also mentioned the matter of maybe only fishing one month out of the six-month season would be--might be desirable to eliminate again. Or at least you mentioned that it might be important. What portion of the resource are we saving by eliminating this ghost fisherman and the one who isn't catching many fish anyway. Could you relate that to me somehow?

MR. McNIVEN: Well, as I see it, in the first place I said sporadic participation, I didn't say any given length of time. Also, I feel that these ghost licenses are actually unmanageable. They represent a potential, although they are, just by the fact that presently they are ghost licenses and are not fishing, of course they're not hurting the resource. If they are left intact they have the potential of becoming active licenses, and no one can say if they're going to or not. This is the problem that I would say could arise there, that you don't know what's going to happen. One year maybe they might all decide to go fishing. The next year maybe they won't. And by eliminating them you're removing that threat from the fishery. These people, if they're not fishing for a number of years, not delivering any fish under the license, they cannot really be too serious about it, is my feeling.

MR. HUBERT: If I can ask one more question. In other words, the-- in other words, I didn't understand really the ghost license apparently, but he's likely to come into play then during this period when there's a lot of salmon, and he's not there the rest of the time. How does that line up with the conservation

prices?

MR. McNIVEN: I don't know if I exactly--can actually answer that.

What I was getting at is if a bill of this sort of implemented and the ghost licenses are left, if people are still able to hold the ghost license, these licenses are going to become more valuable, and they'll become more valuable probably not from a monetary standpoint of the license, but a potential standpoint. And, therefore, I think as soon as enough limitation has occurred, these people are going to want to become active in the fishery. It will become profitable for them to at this time become active where, perhaps, they were working a year round job, they had the license purely on a speculative basis, and I don't care to see this speculation take place.

MR. HUBERT: I see. You realize that you relate it to like real estate speculation. It's another form of speculation. I understand what you have been talking about. Thank you.

MR. McNIVEN: Yes.

UNIDENTIFIED SPEAKER: Would you say that the dollar base, or the percentage of income base is preferable?

MR. McNIVEN: In an economic dependence consideration? I don't know, I can't say. I don't really know. I don't really know how it can be related. I mentioned that perhaps it could be related to the State income tax clause that was in the bill. Maybe that's the only application it has.

UNIDENTIFIED SPEAKER: (Indisc.). We could say that the person who makes less than \$50,000 a year in fishing is not a professional fisherman, and therefore does not get a license. Or you might say a person making fifty percent of his income from fishing

or more, as compared to one who makes less than fifty percent of the professional fisherman, therefore should be licensed. Would you depend on dollars on that base or a percentage basis would be more equitable?

MR. McNIVEN: Well, I would have to say that I don't think either one of them would be equitable. This economic dependence may have greater ramifications than just the gross earnings. I would say--well, I just don't know. These are what--one of the questions that I have. This is a standard the commission has--would be allowed to operate under, and I would like to know what they have in mind. I am not really sure how it's going to fly. The way this bill has been written, somebody must have an idea.

CHAIRMAN: Any more questions? Thank you. Anyone else who wants to testify?

BRUCE LEWIS: I'm Bruce Lewis from the Southeast Gillnet Federation, and I'd like to testify on behalf of myself at this moment. First of all, I have a couple to points. Mr. Tillion here has stated that since the gillnet fishery in Southeastern only lasts three days and could warrant a six-day fishery, that would mean that the fleet should be cut back fifty percent. And, I myself, seeing that I--I see no justification for this. I would think that as long as the people in the fishery were making a reasonable living, there wouldn't have to be any real big cutback to speak of. There's hardly any warrant in this day and age when there is a problem getting a job, to cut back a fishery which actually employ double the amount of people. Say, if it was on half the time basis, than if it was on, say, you know, a double time

situation where the fishermen went around the clock for six days instead of around the clock for three days, I really don't see where that really has very much merit that fifty percent cutback there does to this. I would think that when the situation arose where the people involved in the fishery were not making a substantial living for the amount of investment they have or for, say, the amount of time they were participating, that there should certainly be some sort of cutback then. As for this time participation and economic dependence, I think that this definitely should go more on time participation than this economic dependence system. Economic dependence seems to me almost impossible--it seems totally unworkable. I can see a vast bureaucracy rising up before us, and possibly, you know, it would take many statisticians and secretaries and, you know, they'd have to look back at everybody's earnings, and, you know, maybe if you had an inheritance or, you know, a lot of things like that. But, then again, if it was going to be a percentage of the income per year for this versus, say, how much money was made, you know, I would say that you'd have to go on how much money a person made. I don't see how you could go on a percentage basis, unless, perhaps, you implemented somehow this--you know, the percentage of the time of--for the year that the person actually fished because, take Bristol Bay. We have an instance where, well, hopefully this will change years from--I mean in a few years with the introduction of gear limitation, but at the present time we have a situation where no one, at least I don't think there are many who last year in Bristol Bay made any kind of an income where they didn't

have to take some sort of winter job. I don't even--I think that there are many places where a person just about has to make more than fifty percent, almost, of his income at some other side job other than fishing, in the winter time in order to make it, the way it is at present. This, of course, if one of the big arguments for gear limitation, but I kind of thought I'd throw it out as sort of an argument against this percentage deal. Is there anybody with any questions?

CHAIRMAN: Any questions?

UNIDENTIFIED SPEAKER: Just one area of argument. I'm a little confused toward the concept of your limitation.

MR. LEWIS: Definitely.

UNIDENTIFIED SPEAKER: You're talking fifty percent boats in three days. I was a little lost along there.

MR. LEWIS: Oh, I'm sorry. I should have stated at the onset there, I'm definitely for the idea of gear limitation. I don't see anybody can even be human and not be for the idea of gear limitation.

CHAIRMAN: Mr. Pollack:

MR. POLLACK: Intelligent, I think would have been a better word.

(Laughter)

MR. LEWIS: Well...

(Simultaneous speech)

MR. POLLACK: (Indisc.) Mr. Cotten (sp.) has. Hopefully, they wanted that same question.

UNIDENTIFIED SPEAKER: I wanted your name.

MR. LEWIS: Bruce Lewis.

CHAIRMAN: Any more questions? Does anyone... Well, there's some

members of the... You'll have your chance to be sent up.

UNIDENTIFIED SPEAKER: Gil? (sp.)

CHAIRMAN: Yeah.

UNIDENTIFIED SPEAKER: The one thing I was wondering is if that is gear limitation or limited entry.. He apparently favors both as (indisc.)

MR. LEWIS: Well, let me clarify that a second. I kind of wondered-- I hear a lot of talk about limited entry and I hear a lot of people call it gear limitation, and I should probably clarify it and say that I think the entry should be limited, and definitely some time in the future before a person's limited, by the amount of gear he can fish. More people are allowed to enter this fishery. I think the existing people left in the fishery should be able to have, say, be able to fish a greater amount of gear in order to harvest the fish present, because I think that there are very few fishermen existing now-a-days that can handle more gear than they are presently fishing, but the problem of the amount of people in the fishery is causing them to have to cut back, do a lot of restrictions.

CHAIRMAN: Thank you. Does anyone else wish to testify? Could you give your name and who you represent.

JOE JOHNSON: Well, my name is Joe Johnson and I'm a troll (sp.) fisherman. Excuse me, I have a cold. Joe, I'm up here to testify...(Indisc.--one side of tape ends at this point.) Will this be the only hearing from the House Resources Committee?

CHAIRMAN: I don't intend for it to be.

MR. JOHNSON: No, the reason I asked is that two weeks ago we got

this bill, Senate Bill 39. We didn't think too much of it. It was pretty general, and just a couple of days before I came down here, we got the covering letter, and it kind a different light on it. It showed a lot of work was put into it, and after coming down here and listening to the Attorney General's staff, it was a lot more enlightening, and the thing I'm asking is for a permanent input in this thing. At this time, probably ninety percent of the people in Alaska don't even know what it's all about, and from what I understand, a week to two weeks from now that the Attorney General's staff will go around in different areas and have public hearings, and I was just curious if we were going to have more public hearings in the House.

CHAIRMAN: They intend to have at least one more. When the governor's bill first come out I did send a couple of hundred around the State.

MR. JOHNSON: Yeah, we got/ (indisc.--simultaneous speech) the bill Attorney General. Then you'll have more public hearings after this Committee (indisc.) the State, is that right?

CHAIRMAN: Well...

MR. JOHNSON: ...on these public hearings, cause, like I say, how can a lot of people testify when they don't know what they're talking about.

CHAIRMAN: Well, like I say, they'll send out a couple hundred, and the only word that I've ever got back is some lobbyists that, from my group their sending lobbyists down, but the Bristol Bay district would be the hardest area. That's part of the...

MR. JOHNSON: Well, like I say, you read the bill...

CHAIRMAN: The only thing I've got from them is just sending the

lobbyists down to lobby for it.

MR. JOHNSON: Well, like I say, you read the bill and it's very general. It goes in too much. Like, we never thought much of it at all, then we got the covering letter and read it. It's 23 pages on both sides, and it kind showed that a lot of time went into it, and after more elaboration down here there's good potential here, but what I'm getting at is the hope that they have another hearing after this Committee, or this Attorney General's staff towards the statehood. I think on an issue this big you'll have a lot of input on it.

CHAIRMAN: Would you leave your name, address and phone number with my secretary after the meeting's over, and we'll make sure that you know when were going to have...

MR. JOHNSON: Thank you.

CHAIRMAN: Would sit down. I believe there's a couple of questions.
Mr. Tillion.

MR. TILLION: Yeah, well, I was deciding, Joe, the noon what we'll do. This particular bill has three committee referrals. We'll try and work it out to where we don't chew our cabbage too many times, but I'm sure that when we make the corrections that come out after some of the testimony and make some changes in the bill, then we have a different--like a committee substitute printed, and we have to allow time for the reaction of the people from that one.

MR. JOHNSON: Yeah, well even...

MR. TILLION: I mean the...

MR. JOHNSON: The way it looks to me, even testifying under the bill itself seems like a very short time for people to know what's...

(pause) seems like a very short time since we've--well, say, two days before I got down here I got the covering letter, and that elaborates on what the bill is all about and changes the whole picture. Then again, when you listen the Attorney General's staff, it elaborates on the covering letter, so I can't see how you can get too much fair input on this one. Not too many people have had time to roll this around.

CHAIRMAN: Mr. Johnson, part of holding the meeting this quick was to culminate the group from United Fishermen. It wasn't dumb because I know that there's some of them in and it'll be their only chance to be heard on this bill. Some of them spend their own money or the association's money that's not in too good a financial state. I expect that Juneau (indisc.) meeting is a lot to culminate them and get estimates.

MR. JOHNSON: Well, that's exactly the point I'm getting point. I represent 500 members, and if I don't have all the stuff in my mind I can't come down here and give an opinion for 500 people. I want them to all read it first so we can hash it out and then come down.

CHAIRMAN: Well, this time you'll be ready to go and get an opinion and we'll get in contact with you. But make sure you leave your address, because I know they got your address about (indisc.).

UNIDENTIFIED SPEAKER: Mr. Chairman.

CHAIRMAN: Mr. Knott (sp) and then Mr. Pittman (sp).

MR. KNOTT (sp): Well, Chuck and I were just talking here, and surely this Committee is going to send subcommittees to various areas throughout the State. I surely would not...

CHAIRMAN: Not unless we have to.

MR. KNOTT: ...to be put in a position to have to vote on this bill without having gone to Prince William Sound, without having gone to (indisc.), without having gone to Kodiak. Because, just because, you know, this one little room full of people made it to this hearing, doesn't mean that we've picked up the thinking of the fishermen in the State. And, as long as the capitol is going to be in Juneau, then it's going to fall to us the responsibility of going to the people.

MR. JOHNSON: That's just the point I was going to make. You know, we've got a very large State, and it goes, you know, you've got different types of fisheries. Some of those fisheries are going to be developing. Some of them are just getting started. So, I think we need to hear people and go to them. You know, it's really expensive to come down here, and you're expecting fishermen that sometimes have bad seasons to kick in money just to come down and testify before the Legislature. And, I think the Legislature ought to make--at least send some subcommittees out to these other areas to take testimony and then bring it back to the full committee.

MR. CHAIRMAN: Mr. Tillion.

MR. TILLION: Well, the one problem of cost we're facing is that I don't think the Legislature will stay in session one extra day to get this bill passed. And, so I'd say probably this will be a 90-day session without that much time, you know, to get (indisc.) and get it out, or else this year is lost. And then, when you start speaking about getting new entry, we've huge influx of gear this year. There'll be a whole mass of people fish this year just so that it'll be covered if the bill

doesn't pass. So, it's one of those things that you have to move fast, but you have to be covered. So, there'll be a lot of it that'll have to be come by mail and by telephone, and by conference call. But I agree that you can't pass--you know, you can't pass a different bill than this one.

MR. JOHNSON: I just hope, then, that this--this team takes off as soon as possible so they can get everybody informed on what this is all about, because...

UNIDENTIFIED SPEAKER: I think Clem covered what I--what I was concerned with, but actually we were talking 75 to 90 session. When we talking about hearings throughout the State, two Houses, two sets of committees here--if we're going to finish it up next year, that's one thing. I'd like to hear more whether people figure it's important to get it done this year, if so it really is going to take a shortening of procedures. I can see that.

CHAIRMAN: Mr. Eliason.

MR. ELIASON: I might say, Mr. Chairman, I don't it prohibits individual members from returning to their districts on the weekends, for instance, and talking to your constituents. You have allowances in your pay for this, and I think it could be used for this particular matter.

UNIDENTIFIED SPEAKER: It costs you what--about \$30 to go home? And it costs Chuck about \$300.

UNIDENTIFIED SPEAKER: Mr. Chairman.

UNIDENTIFIED SPEAKER: The committee can do it.

UNIDENTIFIED SPEAKER: That's because the capital's in Juneau.

UNIDENTIFIED SPEAKER: Right.

MR. ELIASON: Are you saying you're favoring the capital move then.

(Laughter).

(Simultaneous speech)

CHAIRMAN: Mr. Juhill (sp).

MR. JUHILL (sp): Just to point out how big a problem it is, my vote is the same as anyone else. I come from Fairbanks where we don't have this problem, yet I've got to be as much ready and as knowledgeable to support the right things for the fishery as anybody else does, or I can do the wrong thing.

MR. JOHNSON: Well, the main thing I wanted to--main thing I wanted to know if there'll be more hearings, cause I know from areas there'll be a lot more input to this (indisc.--simultaneous speech).

CHAIRMAN: Anyone else wants to (indisc.).

JAY STEVENS: My name's Jay Stevens. I'm secretary--I mean treasurer for the Associated Fishermen at Yakutat, and I'd like to talk to you just on my own, though. I agree with him, here, mostly on--although, what he says I--I'm afraid of this economic dependence that is written into this bill. I think that we could better utilize participation. I see that--well, I'd like to take myself as an example. I fished quite a few year very hardly, you might say, in a professional capacity, and starved every year. And, finally I decided, well, Stevens, you'd better do something. Your wife and kids want some money to live on. So, I started shopping around for some things to do, and one of the first things I did was I bought a school bus, because they needed one in Yakutat. And so, I became a contractor with the State so I could have a winter income, so I wouldn't have go on a welfare check. And, then, that didn't quite do it, so I took up a lease on a service station and garage. Now, possibly in some years

this could be very hard on me, and yet I've got quite an investment. I've got a \$20,000 troller to start with, which right now is sunk, but that's neither here or there. I hope to get it back. And this kind of scares me to right now. I come down here to testify on this, and my boat sinks the day I come down, and I don't even know where I stand now. I don't even have a boat. What's going to happen to me in my case, see. But, we have people like my people at home where they have, let's say, they stated in there an average on year was \$2,300. Now they're really dependent. They are really dependent on that fishery. But, if you--if you hold a person back for trying to improve his lot, I don't see where--where it's a good thing. The thing that I could see possibly is I will have to get out of the bus business, and I will have to get out of my service station business, to be able to continue being a troller. And, if I can't make it then I'm going to have to put myself on the welfare dole, and draw a G.A, so that I can qualify to fish in the Gulf of Alaska. I have a couple of other things I wanted to bring up, and I guess that's about done. That's the main parts that I was really--really scared about. I think that there's quite a few people are scared about is the--is this dependence, economic dependence. And, I'm sure there was something else, but I'll be open for questions.

CHAIRMAN: Is there any questions from members of the Committee?

UNIDENTIFIED SPEAKER: I think he struck at the heart of the question in the bill. I don't have any answers. (indisc.) to find out.

CHAIRMAN: Thank you, Mr. Stevens. Do you have a question? (pause)
Anyone else wants to testify?

UNIDENTIFIED SPEAKER: Mr. Chairman.

STEVE MEYER: Yeah, my name is Steve Meyer, and I'm representing myself.

CHAIRMAN: Steve, what's the last name?

MR. MEYER: Meyer. Well, I'll just toss this around a little bit.

As I understand it, this limited entry is an effort to insure the economic stability of the fishermen, and I've also heard some talk about saving the fishery by doing this. It seems to me that probably one of the biggest problems is the depletion in the runs of the fish, and by limiting entry of the individual fishermen in the fishing--let's say we've got 5,000 boats fishing in Alaska today and we cut them by three-quarters. Okay, well, the gear is going to be--has been, in fact, developed over the years to make each individual boat more and more efficient. Each--for instance, your gillnetters are a lot more able today to take more fish than they were, perhaps, twenty years ago. This is the Resource Committee I'm talking to, and fish is a renewable resource, and as I see it there's being nothing done to renew this resource. And, the way I feel about this is that strictly limiting the number of fishing is like burying your head--or of fishermen is burying your heads in the sand on the issues at hand, because in a few years they're going to have to limit the number of fishermen even more than you're doing today. And, as I see it, in a certain number of years there's going to be very few people who can fish just because there aren't going to be any fish left.

CHAIRMAN: A you ready for questions?

MR. MEYER: Yeah.

CHAIRMAN: Mr. Tillion.

MR. TILLION: There happens to be a few fisheries that aren't completed yet, such as some of our king crab schools that are now operated on the sustained yield of tonnage, where a few years ago the fishermen fished twelve months a year to fill his quota. I believe the Kodiak season was 23 days, wasn't it? This is an economic disaster. It's not that the fish--or in this particular case, the fishery hasn't been hurt. It can go on indefinitely, but what you've done is literally done is put the fishermen to the wall. There's no way to repair a half-a-million-dollar or \$300,000 vessel, and this is what it takes to fish salmon. And how do you do it when more and more and more come in? How do you do it in a shrimp fishery, in a gillnet fishery that you have to keep reducing it, and still you finally have a volume of gear off the mouth of a river that a couple hours mistake on opening can mean the total disaster of the run. And, so, this is why the conservation element was brought in.

MR. MEYER: This to me, though, is false conservation because you're-- okay, let's say in Southeastern Alaska they cut the present 460 licenses to 250 like, or to 300, or whatever they cut it to. This isn't going to insure against those 300 doing exactly the same thing as the 475 are doing today.

MR. TILLION: If you make it a property right. Of course, now, I wouldn't say there's any free property in Southeastern, or any illegal fishing. There probably isn't. But, if you make that license a property right, to sell when he is retired, or sell even if he doesn't want them, somehow or another in other areas where this has been done, they become very conservation

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minded for some reason or other.

MR. MEYER: Well, we're salmon fishery here, and that's not the...

MR. TILLION: Oh, I think if we let this bill go to salmon only we'd be real remiss in our duty. There are lots of fisheries that are not yet in danger that should be covered. I'm talking--I realize all you saw was this bill. I believe it should probably be expanded to all fish, but...

MR. MEYER: But why attack the fishermen, rather than spend some money to put more fish out?

MR. TILLION: Only God can make a fish.

MR. MEYER: There's fishery programs going on in the world that are effective, that are putting salmon into the seas. In Canada they have a pretty good program.

CHAIRMAN: With the amount of gear we have now, we are putting quite a bit of money into rehabilitation, there's continuous increase in the program, but the amount of gear there is now there's no way that in the next hundred years we could create enough fish to satisfy the number of fishermen we have now. There's no way.

MR. TILLION: The university...

CHAIRMAN: ...all over the State.

MR. TILLION: Not with unlimited entry. The University of Alaska's study, which is four years old now, showed that if Alaska really dedicated themselves to it and didn't worry about the dollar amount it cost, they could have a fifty percent increase in salmon. And, to expect at least a sixty percent increase in fishermen in the same period, which still leaves you without a limit.

CHAIRMAN: The State won't go under lock and rehabilitate the program, like say, the State of Washington did. Spent \$14 million dollars to raise \$12 million worth of fish. There are other things that have to be (indisc.). Mr. (indisc.)

UNIDENTIFIED SPEAKER: I think that there are--although this bill isn't just--is mainly economical in the main thrust, but it does have a relation to biology, because, you take the (indisc.) run of fish in, like, the Haines run up here in the Chilkat River. Nobody knows how many fish is going to come in on any given year. Nobody has--well, there's indications, but nobody knows how much you will have. You have X amount of boats out there, say it's 200 boats. So, the Fish and Game says, well, given the--normally there's 500,000 dogs come in here, we can let these guys fish three days a week. Well, what if they're wrong. See, by having such a huge fleet, you can only--if you let it fish one hour too long, it may have severely hurt the run. And it gets worse and worse, whether into Canada where they've got two 12-hour periods, 24 hours out of the whole week. So if they let them fish that's even more than 12-hour periods, they might wipe out a portion of the runs. So, the size of the fleet does have a relation, you know, the biology. But this bill is aimed at more than just biology. It's the economics of trying to combine people with a living that I'm...

MR. MEYER: Yeah, well, I understand that this is aimed at economics, but I think that it's really short-sighted. That without any attempt at some sort of fisheries program, that you're not going to be any better off in ten years. Instead of 250 gillnetters, your going to have to only allow 100. Now, it

seems to me that limited entry is just taking the fishing industry and turning it into the type of--well, like farming today. A small farmer can't farm, because of mechanization. The big farmers drove him out of business. So, the same thing is going to happen here. I might--you know, at least the way I see it.

CHAIRMAN: Mr. Tillion.

MR. TILLION: I'd like to take farming. The United States has a food surplus, and the Russian Ukurain that operates it as a public resource where no man owns his own land, has never reached the 1960 production that they had under the Czar. And so, they have to buy the food from us to eat. And we now have reached the point that we have allowed our fisheries to so deteriorate, that the United States buys 70 percent of the fisheries products we use, because somebody else can produce them cheaper than we can. And, the failure of a common lease off is just like the common pastures of Old England. There was always ten sheep more in the pasture than there was grass to feed them. And that's what we have here. And though I agree with you on rehabilitation, rehabilitation without gear limitation leads nowhere.

MR. MEYER: Yeah, well, gear limitation without rehabilitation leads nowhere is probably scary(?).

MR. TILLION: ...for those that are in it.

MR. MEYER: I mean, you're going to be able to support fewer and fewer and fewer people then, obviously if no fish are put back into the streams, if no creeks are rehabilitated. And just simply limiting the number of fishermen isn't even--you know, it--it's just--it's going to help right now, and that's

about all.

CHAIRMAN: How did you reason this?

MR. MEYER: You don't.

CHAIRMAN: Mr. Eliason.

MR. ELIASON: Steve, evidently you don't buy the concept of limited gear, then?

MR. MEYER: At least not the way this--this thing is set up. I don't--
I...

MR. ELIASON: What's your objection to the bill? We're not...
proceeding with that bill, not with...things in general.

MR. MEYER: Well, it's a wide open bill. It doesn't state how the limitation is going to be handled, which forms of fishery are going to be affected by it. For instance, you know, I happen to be a troller, so I'm interested what's going to happen to the trollers. And, you know, I've looked at the other bill--the Senate bill, and the format that was laid down, and, you know, it gives the percentages of who catches how many fish. I want to know, and all the rest of the fishermen want to know, okay, how are you going to regulate this? You know.

MR. ELIASON: In other words, you want specific guidelines outlined in the bill so you know exactly where you stood?

MR. MEYER: Actually, I'm not--I am opposed to regulation. Yeah, I'm opposed to it, especially to this bill because it doesn't give me any idea of where I stand or where anybody else stands.

MR. ELIASON: Well, you know, as in regards to the other programs the State has, there's many of us sitting in this Committee--you can check the history of this particular Committee--that have supported time after time after time rehab bills, hatchery

bills, the whole ball of wax. And we know it will probably fit(?). But this seems to be a case of economics, and we certainly aren't going to delute our efforts in this direction. We're just trying to find another way of--they both have to be done, we realize that, and we're certainly not going to give up the--our other endeavors on trying to get more in the State.

CHAIRMAN: Mr. Hubbard (sp.).

MR. HUBBARD (sp.): I was just going to make the same comment, Steve, That it's obvious that we'd be very short-sighted if we didn't have some rehabilitation program after limiting the gear, but as was pointed out by Mr. Tillion and Chuck here, it wouldn't do any good to continue operating the way it is, because it's uneconomical for the fishermen, and there isn't going to be any fish left. And we've got to do something, and to me, this looks like a good place to start, but coupled with the rehabilitation program, we sure hope that (indisc.) can make it economical.

MR. MEYER: Yeah, well, I don't know. It's--yeah, I'd just like to see something more definite. I mean, this--this bill--all it means to me is that there's going to be a commission set up by--up there in the heavens, and they're going to tell me if I can go fishing or not when I walk in and apply for my license. I won't know until that day if I'm going to get to fish or not.

CHAIRMAN: Mr. Naughten (sp.).

MR. NAUGHTEN (sp): I think this--all of us here are preaching, and I might as well come right as well come right to it. Are you saying, then, that do not pass this bill and in its place pass three location provisions? Is that what you're saying?

MR. MEYER: I would prefer seeing that, yes.

MR. NAUGHTEN (sp): In other words, you're saying do not pass this bill?

MR. MEYER: Well, I'm saying, do not pass this bill as it stands, for sure. I wouldn't want to see it passed.

MR. TILLION: Would you mind...

CHAIRMAN: Mr. Tillion, hold on, this is another one. Were you done, Mr. Naughten.

MR. NAUGHTEN: Yeah.

CHAIRMAN: (Indisc.--addressing female speaker).

UNIDENTIFIED SPEAKER: Thank you.

CHAIRMAN: Then you're next, Clem.

UNIDENTIFIED SPEAKER: Mr. Meyer, I'm getting back to this economic dependence concern again, and professionalism, which is part of the concept of this bill. So, forgive me for asking these questions, cause I'm fishing for some guidelines for myself. How many months or weeks annually do you fish and where?

MR. MEYER: Oh, let's see--four or five months.

UNIDENTIFIED SPEAKER: Four or five months. I assume...

MR. MEYER: As many months as I can be out there.

UNIDENTIFIED SPEAKER: I assume you also, then, do have to take another position in the winter like most of the others who testified they do work elsewhere.

MR. MEYER: Yeah, I have enough (indisc.).

UNIDENTIFIED SPEAKER: Thank you.

CHAIRMAN: Don't be disturbed. ...Tillion. Any more questions? Is that all you have? I've got a gentleman back here that wants to testify.

UNIDENTIFIED SPEAKER: Well, I'd like to agree with Steve there

on the part of the bill where he said that--well, it doesn't give the people the freedom--it takes the freedom away from the people. In other words, a person couldn't go fishing if they wanted to.

MR. TILLION: Do you argue with the fact that you could go farming if you wanted to? You don't want a few to become like farmers where you have to buy a farm to get in? It should be like farming.

UNIDENTIFIED SPEAKER: It is farming.

MR. MEYER: You have to buy a boat to get in. The point of it is, it's going to make it so you have to buy a \$25,000 boat to get in.

MR. TILLION: Oh, well, don't get me wrong. I'm with you a lot on that commission. I couldn't be able to go home without being able to pin it down myself. But, do you object to the fact that a license would become a property right just like the ownership of a farm? You don't become a farmer by buying a plow. You become a farmer by buying a piece of land. And when we start farming our sea instead of hunting it...

CHAIRMAN: Please, there's someone has the floor here. We've got a lot to...

MR. TILLION: But do you object to that concept? Do you object to the concept of license ownership?

MR. MEYER: License ownership...

MR. TILLION: If you could see in this bill what it would amount to, would you object to licensed owners?

MR. MEYER: I don't know. It's--I'm not sure if I do or not.

CHAIRMAN: Okay. Thank you.

UNIDENTIFIED SPEAKER: Mr. Chairman. So that I'm not confused with (indisc.) here, I believe this witness has said to me, that if I have the ability to fish and the equipment to do it, I want to be able to do it without having some other kind of a license. I think that's what he said to me. If he didn't say that, I want to know what he means before he leaves.

MR. MEYER: Yeah, that's how I feel. And, if the whole thing is such a mess and as much chaos, you know, like I haven't been fishing for years and years and years, so that I don't have the experience. I don't know as many other fishermen, as perhaps some of the other men here know. The areas where I've seen economic failure is in seining, and in Bristol Bay they had a pretty big catastrophe in gillnetting. But in Southeastern Alaska, I can't see that the fishermen are in economic trouble. The gillnetters and the trollers. The seiners--there's so damn many of them, and they have to catch so many fish to make it, that I can see where they, you know, the average crew member make eighteen hundred bucks or so. Now that's not...

UNIDENTIFIED SPEAKER: I'm only trying to understand. I was raised a farmer boy on one of those marginal farms, but I hear it referred to like farming and the same kind of things. I can understand it a little easier.

CHAIRMAN: If there are no questions of the witness, we have someone else. Would you give your name and who you represent.

TONY GUGENBICKLER: I'm Tony Gugenbickler. I represent the Wrangell vessel owners.

CHAIRMAN: How do you spell that?

(Laughter)

UNIDENTIFIED SPEAKER: T-o-n-y. Just like it sounds.

MR. GUGGENBICKLER: G-u-double g-e-n-b-i-c-k-l-e-r.

CHAIRMAN: You don't mind if I call you Tony, do you?

MR. GUGGENBICKLER: No.

(Laughter)

MR. GUGGENBICKLER: We feel the bill passed should reflect these views among others. All fishermen should get a permit, excluding the paper license holder. And we would like to see a great deal of leniency in the infancy of this program. We would like to die-offs and quitters bring the level of permit holders down to the level sought by the Commission. And we also feel very strongly that all fisheries, present and future, and not only salmon, be limited.

CHAIRMAN: Is there any questions? Mr. Tillion.

MR. TILLION: Do you have any objections to having the commission? Some of the other people mentioned that they were afraid it would (indisc.).

MR. GUGGENBICKLER: None whatsoever.

MR. TILLION: Even if it has the power to take that license away?

MR. GUGGENBICKLER: Under this it has (indisc.).

MR. TILLION: (Indisc.) the same commission.

MR. GUGGENBICKLER: No, I believe in the commission concept.

MR. TILLION: Just so long as it doesn't have the power to take an existing license away?

MR. GUGGENBICKLER: Well, without a valid reason.

(Indisc.--simultaneous speech)

CHAIRMAN: Mr. Horton (sp).

MR. HORTON (sp): That was my same question of concern was the

commission itself (indisc.).

CHAIRMAN: Thank you.

MR. GUGGENBICKLER: Thank you.

CHAIRMAN: Who were you representing, Tony?

MR. GUGGENBICKLER: Wrangell Vessel Owners Association.

CHAIRMAN: Go ahead and give your name (indisc.) right now.

CHRIS BIRCHARD: Chris Birchard, and I'm a troller and I represent myself.

CHAIRMAN: Chris, what's the last name?

MR. BIRCHARD: Birchard. B-i-r-c-h-a-r-d. And I have two points I'd like to bring up, and one of them is this--there's quite a few trollers who make maybe \$3,000 or \$4,000 a year and they're happy with that. I mean, they even quit when they make \$4,000, and I hate to see those people kicked out, because they don't need any more money than that to live, and they're not depleting the fisheries, and it's going to be those people that are kicked out. They're pushing out the small guy. And the guy's a small guy, cause he elects to be. And my other point is on this chart here, Alaska salmon net gear registration, current and optimum levels. So, right here it says, Units registered in 1971, drift gill nets, 475 for Southeast, and then it says, optimum units required, 250. That's a cutback of almost fifty percent, whereas the Southeastern purse seiners were cut back from 358 to 300. That's not near the percentage of the cutback in gillnetters, and it seems to me you're putting a lot more people out of a job and not catching that many more fish. Well, you're catching the same amount of fish. And, whereas, why don't they cut back the seiners a reasonable percentage.

CHAIRMAN: Mr. Gardner.

MR. GARDNER: Yeah, one thing about that piece of paper, should have never been published.

MR. BIRCHARD: Yeah, I think so.

MR. GARDNER: Because it doesn't mean anything. It doesn't have any relation to what the bill... You read the beginning section there. It doesn't say that that's what the commission's going to do. It just says that this is--some biologist drew this up, and I think there's--it just doesn't have that much relationship to what's really going to happen. That's just like saying the optimum level for legislators in the room was whatever it is, but that isn't what's going to happen. Anyone looks at one criteria that's mentioned in the bill, not three criteria. So, I know the newspapers, as good as they are, go around quoting 46 percent reduction on Alaska's fisheries. That's the only headline they know how to print, but I think people should at least read what that's all about before just looking at that and saying, that's what's going to happen, because that wasn't even projected on the basis of gear limitation, it was projected on optimum levels. It doesn't have anything to do with it.

MR. BIRCHARD: I see. Well, I hope they don't use this as a guideline, because I think it's inefficient.

CHAIRMAN: Mr. Harvey, and then Mr. Tillion. You don't have nothing?

MR. HARVEY: Chris, you mentioned that there were some fishermen that fish just a few months out of the year and make, say, \$12,000, or whatever it is, and maybe not do anything else. How about-- what do you think about a school teacher that makes 12, 16, 18 thousand, and that same period of time, that three or four months,

goes out and does the same thing again in fishing.

MR. BIRCHARD: Well, I'd say that's alright in a certain sense, because he has a standard of living that he likes to maintain and he wants it that way, but there's some people--like there's an old man out in Elfin Cove, and he quits fishing when he makes enough money. I mean, he loves fishing, but he doesn't want to take any more salmon out of the water than he has to to make himself happy.

MR. HARVEY: Then how about the fisherman that doesn't make it and is on welfare the rest of the time?

MR. BIRCHARD: Well, I don't think he should be eliminated either. I think he should be able to go out and look for another job. I-I'm just saying that...

CHAIRMAN: Excuse me a minute. If you want a chance to testify, would you wait your turn cause...

UNIDENTIFIED SPEAKER: I only testify when there's something that comes up that I...

CHAIRMAN: Well, I'd prefer to avoid--avoid confusion if you would take the chair when you're going to testify. To avoid confusion. Go ahead, where was we now with that.

MR. HARVEY: I'm finished. Thank you.

CHAIRMAN: Were you finished? Mr. Eliason.

MR. ELIASON: The previous witness, Mr. Guggenbickler--you heard that testimony? Do you agree with that all to give permits and exclude the paper holders, and that limitation be established by the people that die off or quit this business, and that all fisheries should be limited?

MR. BIRCHARD: That's a little closer to what I'd agree with, but

it doesn't quite cover the way I feel, no.

MR. ELIASON: Well, why--how do you feel then?

MR. BIRCHARD: Could you reiterate that again please.

MR. ELIASON: He proposed that all--everyone who had a permit now would receive one to fish in the future, and somehow or other we eliminate the paper holders. And then the way we get down to optimal levels would be for the people that either pass on or quit the business completely.

MR. BIRCHARD: Well, that seems bad to me also, because no new people can get into it and it'd be years before it got down to the optimum level that--that the harvest can sustain.

MR. ELIASON: Okay, who do we cut out then?

MR. BIRCHARD: Now, that's where the problem lies.

(Laughter)

MR. BIRCHARD: I wish I knew, but the way we're going about it, I agree for a commission but not with the power that it has, and not with the guidelines that they're going by. And I think Canada's got a lot of good ideas. They're trying to float programs and whatnot. I don't know. I don't know if we can apply their system to ours.

CHAIRMAN: It's Mr. Hubert and Mr. Tillion.

MR. HUBERT: Chris, generally speaking, I've noticed the general tone of your testimony seems to be critical, and I listened to Mr. Eliason's questions to you about cutting out the paper holders, and I note that you are a troller. Cutting out those paper holders and those non-fishermen that have got licenses and so forth, how much will this help your living in making the fishing better for you in trolling. How much more fish

will you catch when you get rid of those guys?

MR. BIRCHARD: Well, it depends on whether they get rid of me or not, because I might be subject to being exempt from the fishery.

MR. HUBERT: (Indisc.) and assuming that you're allowed to fish if these paper holders are taken out. Do you think that'll improve the resource?

MR. BIRCHARD: Sort of, yeah. I think limited entry by itself will help, but just not the way it's going in this bill.

MR. HUBERT: I was wondering how, in what manner, the one's that aren't fishing anyway, and not taking very many fish compared to you aren't taking very many fish, in what manner they will improve the resource. I can see that if you cut down some real high--some real high-take fishermen, and some real high-liners, and cut some of them out, I can see where's there's more left for the rest...

MR. BIRCHARD: But if they cut out a bunch of us troglers who don't catch that many fish anyway to make a living. See, our fish are higher priced, but as they cut back more of us I--I don't think that's going to improve the run at all. I mean, it won't--it won't even be negligible.

MR. HUBERT: One more question. I don't know, Chris, whether this is a fair question to you, or whether you can answer it. I can recall--I've (Indisc.) Alaska 15 years but now associated with anything coastal until I came down here in the legislature. I can recall the abolishment of the fish traps which we all got busy and backed, and it seems the argument that I heard--I know when my group when to help abolish the fish traps, (indisc.) I heard was that there were an awful lot more

fishermen could make their living in Alaska. It wasn't just a few canneries getting all the fish from the traps.

MR. BIRCHARD: Well, that's just mechanization.

MR. HUBERT: Alright, but now, you tell me what kind of fisherman we should engage in in salmon that would give the maximum number of fishermen work?

MR. BIRCHARD: Well, I'd make an awful lot of enemies doing that.

(Laughter)

MR. HUBERT: I just wanted to know. I recognize you...

MR. BIRCHARD: I mean, I don't want...

MR. HUBERT: ...gillnetters and the seiners and trollers...

MR. BIRCHARD: There's people who like the seiners and I don't want to push them out of business, but I was discouraged by the statistics here. I mean, it seemed unfair they were pushing an incredible amount of small men out of the business, where they were leaving in quite of the people who really take the large amount of salmon. The larger (indisc.).

CHAIRMAN: Mr. Tillion.

MR. TILLION: I think we've got--before I ask you anything, we've got some understanding of what these paper licenses are. There's two kinds. There's the kind where you can't transfer a gillnet license, so some of the big canneries to the westward have half their staff with a license, so that if a fisherman talks back to them they can just yank them off the boat and put another man on. They never really fish. It's just the power the cannery has over them, and then in the last two years with gear limitation being spoken of, you have people that have bought licenses hoping that it would be limited, a property

right would be established, and then they'll have a saleable product they only paid \$25 or \$30 for, that'll now be worth several thousand. So, what they're talking about is screening out these speculators, not the fishermen. But would you-- you're worried about the new entry under the proposal Tony made. Would you support one that made your license a property right and you had the privilege of selling it to the highest bidder?

MR. BIRCHARD: No, because that--it's just--yeah. I'm opposed to that.

MR. TILLION: I mean to anybody? Then you could have a new entry.

MR. BIRCHARD: I'm opposed to that, because just for that very reason that it goes up in value so much that, well, someone was saying earlier about the Indians in the outlying communities where they didn't make much money and someone's going to go in there in the middle of the winter when they were near starving to death and offer them \$10,000 for their license. Well, that's kicking that guy out of his business completely.

MR. TILLION: Isn't he kind of kicking himself out of the business?

MR. BIRCHARD: Well, he's forced to do it, because--well, not absolutely forced to, but he's hard up for money, you know, in the first place, and...

MR. TILLION: Well, I can understand...

MR. BIRCHARD: ...he wouldn't be if we had a good limited entry program that worked and everybody made money.

MR. TILLION: How do you get down to the level where they get--you either have to buy the licenses away from them or you have to just die by attrition. You've got these two routes to do it. And, which one would you prefer?

MR. BIRCHARD: Well, we're going to have to find some sort of guidelines as to be able to buy the licenses from them, but--but not buy them for resale, just buy them, and, you know, just cut them off right there. That's the end of that license.

MR. TILLION: I was saying, that closes off your new entry though.

MR. BIRCHARD: Well, there should be some sort of a attrition program that will work out eventually into the people that die off. See, now, and those people will be able to get into the business.
(End of tape)

UNIDENTIFIED SPEAKER: Approximately what percentage of your income is derived from fishing--100 percent, 75 percent?

MR. BIRCHARD: 100 percent. That was my first season last year.

UNIDENTIFIED SPEAKER: Thank you.

CHAIRMAN: Then, Mr. (indisc.) and Mr. Gardner will be next.

UNIDENTIFIED SPEAKER: What you're saying is that you want to be able to make a living by fishing and not be forced out?

MR. BIRCHARD: Right. That's part of it, yes.

UNIDENTIFIED SPEAKER: And you don't--you want to make just enough to sustain your standard of living, and each individual has a different standard of living.

MR. BIRCHARD: Uh-huh. Well, right, right.

CHAIRMAN: Mr. Gardner.

MR. GARDNER: Yeah. There seems to be a pattern in the way everybody looks at this bill, and first of all, do you want the guidelines--everybody said that the guidelines in here are so vague they don't know where they stand, so would like to see the guidelines more specific so that you know where you stand under this bill?

MR. BIRCHARD: There's so many conflicting specifics that we can't

even get those together, so if we could do that we'd be doing it, I'm sure. I mean, if we could lay down these guidelines I'd like to have more specifics, but no one agrees on the specifics.

MR. GARDNER: I think you tried to get one (indisc.). Because, like (indisc.) everybody's been telling they want more specific guidelines, then the second thing it says, well, Joe Blow out here is a special case and that somehow we need to include him, which, you know, you've kind of got yourself boxed in. That if you're going to have these things so specific and include everybody, then what you've accomplished nothing. You can't limit it by--if you're going to limit it that way, and so, if you--everybody's been coming up with these same arguments, and if we go along with both of them we won't have (indisc.) to fish.

MR. BIRCHARD: Right.

UNIDENTIFIED SPEAKER: One short one, gentlemen, because we seem to be a little in the confused area now. Chris, if you had your way and you had the only copy of the bill there on the table, would you try to go ahead and try to improve it now, or would you take a coat with you and throw it away. Are you for or again' it as it now stands? Are you in favor of it or what?

MR. BIRCHARD: As it now stands I'm against it, but I'm for limited entry. I think we need it, because there's just too many fishermen.

UNIDENTIFIED SPEAKER: Keep working on it then.

CHAIRMAN: If there are no more questions, I am going to call a break, but before we do have a break, I want to announce that

we will work on a committee substitute, and any of you that can't be here and want a copy of it mailed to them, if you'll just leave your name and address with my secretary, my legislative assistant.

UNIDENTIFIED SPEAKER: Are you going to come back here?

CHAIRMAN: Yes, we'll come back here. Ten minute break.

(Hearing resumes)

CHAIRMAN: The Resources Committee has to leave, but we will put everything on paper and get it transcribed later so that everyone will have the information. Does anyone else wish to testify? Would you step up and give us your name.

RONALD BELANGER: My name is Ronald Belanger.

UNIDENTIFIED SPEAKER: Ronald who?

CHAIRMAN: ...tell us who you represent.

MR. BELANGER: Belanger. B-e-l-a-n-g-e-r. I represent the Petersburg Fishermen's Union. Right on the front page (sp.)--you know, the only thing I heard so far around here has been, everybody's talking about their living. I'm talking about my living now. On this thing here, right on the front page you have, oh, what is it, the second paragraph, you have right here, the last word, salmon. I happen to be a halibut head. I fish halibut and that's all, in Southeast Alaska over here. It looks like we'd be cutting it off at mid-year--150, 200 gillnetters, and well, I'm not going to go by that page, but I heard about it that it shouldn't have been there, but you're going to cut off at the mouth again. Now these guys got boats. You know what they're going to do. It takes about a thousand dollars to put halibut gear on that boat--get some line, get some

anchors, and (indisc.) and hooks and you're all set. They're going to be all over this area over here. (Indisc.) salvage one industry, you're going to kill a hell of a lot of work. That is my first complaint. Second one, we are crew members. I represent strictly crew members, men that have worked on boats for years and years. I mean, even one of your members here in the House. He's been on a boat for I don't know, it must be fifty years isn't it? So, what if he wants to buy a boat next year. How--you know, you cutting us out, just about right off. (Indisc.) They're not too worried. They bitch if they all (indisc.). That doesn't bother them. That much (indisc.). How about me? I don't intend to be a crew member all my life. Now, maybe I'm--as a crew member, we're not rich you know. I don't have a rich father. I don't have one at all. So, how am I going to come up with this license? The price you guys are talking about--\$5,000, \$10,000. I don't even have a boat yet. So, you're just about putting me--you know, you're going to make an old fishermen out of me. I'll be 65 years old. That's my only future. I can't go nowhere else but there. So, you take that kid who's got about, you know, two, three, four years of experience, and again, if that happens to be (indisc.). I mean, he'll be there ahead of me and get his license. I just don't go for this license whatsoever. If somebody don't want it, it reverts back to the State. And if he doesn't fish it for two or three years without no good reason, it comes back to the State, so that way they can reissue it. The State can charge me the--stick a price to it, you know, to reissue it, but that's the one point I have--