

RC12

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MEMORANDUM

TO: Alaska Board of Fisheries

**FROM: Chignik Marketing Association
Cheryl Brooking, Representative**

DATE: October 18, 2013

**SUBJECT: Support of Proposals 1, 7, and 13
Opposition to Proposals 2, 3, 4, 5, 8, 9, 10, 11, 12, 14, 15**

The Chignik Marketing Association ("CMA") is a nonprofit organization composed of commercial fishers in the Chignik Management Area. The quota was first established for Pacific cod commercial fishing in the late 1990s, at the request of the fishers to protect the rights of residents in their communities to participate effectively in this fishery. Since then, most cod fishers have made significant investments in their vessels and gear. The investments in larger boats and more pots allow the committed fishers to harvest the allocation in less time, more safely, and when the cod are present. CMA has serious concerns regarding proposals that would result in economic harm with no corresponding benefits.

CMA also asks the Board to keep in mind the impact of the trawl fishery on Pacific cod. During the 1990s, the trawl fishery accounted for 52% of the total Pacific cod catch. Following changes that were made to protect the Steller sea lions, that percentage decreased, but continues to be 37% of the total Pacific cod catch. In addition, the Steller sea lions' protections resulted in closures in the Chignik area during the federal fishery, so the cod fishers in Chignik are prohibited from fishing during the federal fishery because their area is closed to protect the Steller sea lions. A summary of information compiled by the National Marine Fisheries Service through 2010 is attached as Exhibit A.

CMA supports Proposals 1 and 7 as technical amendments to clarify existing regulations.

CMA opposes Proposals 2, 3, 4, and 5, each of which would increase some, but not all, state-waters Pacific cod GHL. Proposal 2 would increase the Pacific cod GHL in Kodiak (from 12.5% to 22.3%), in Cook Inlet (from 3.75% to 4.45%), and in

Chignik (from 8.75% to 9.05%). **Proposal 3** would increase Chignik state-waters Pacific cod GHL from 8.75% to 17.5% of the Central Gulf of Alaska TAC. **Proposal 4** would increase the Chignik state-waters Pacific cod GHL to 17%. **Proposal 5** would increase the Chignik GHL to 9.05% based on annual Central Gulf of Alaska ABC.

Proposal 2 would almost double the quota in Kodiak with minor increases in Chignik and Cook Inlet. The increased would be based on the ten-year average parallel season catch. The result is expected to harm federal waters fishers, with no biological basis to support the change.

Proposals 3 through 5 would increase only the GHL in Chignik and nowhere else. If an increase of the GHL were to only occur in Chignik, CMA anticipates a flood of boats heading to Chignik for the increased quota.

CMA opposes increasing or doubling the GHL in Chignik, unless all Pacific cod fisheries have the same percentage increase. CMA asks that the allocations remain as they are, but if there is to be an increase, CMA asks that all Pacific cod fisheries be increased in the same manner. For example, if one area is doubled, then GHL for all Pacific cod fisheries in the state-water and parallel fisheries also be doubled.

CMA supports an amendment to Proposal 4. If all state-water and parallel Pacific cod fisheries GHL are doubled, including Central and Western Gulf of Alaska - not just Chignik, but also Cook Inlet, Kodiak, King Cove, and Sand Point - then the Board would not be creating an unfair target on the existing fishers in Chignik. Chignik GHL would change from 8.75% to 17.5% of the CGOA ABC, Kodiak would change from 12.5% to 25%, Cook Inlet would change from 3.75% to 7.5%, and the South Alaska Peninsula Area would be 50% of the Western Gulf of Alaska ABC.

CMA opposes Proposals 8, 9, 10, 11, and 12, each of which would slow down the Pacific cod fishery in Chignik, increase the cost to fishers, and improperly allocate resources within a single fishery - all without any reasonable justification. **Proposal 8** would restrict the Chignik cod fishery pot gear vessels greater than 50 feet in length to 50% of the total pot gear GHL. **Proposal 9** would impose a daily trip limit of 20,000 pounds and require landing every two days. **Proposal 10** would halve the allowable number of pots from 60 to 30. **Proposal 11** would limit the fishing hours to the hours between 6:00 a.m. and 8:00 p.m. **Proposal 12** would reduce the allowable pot size.

None of these proposals would increase the quality of the Pacific cod harvested in Chignik. Based on past experience, there is a very real concern whether this could harm the quality of the fish. Pacific cod move into shallow waters as summer approaches, and can be caught in quantity in the spring by pots on the bottom when the fish are schooled up to spawn. As the season progresses, the fish are more difficult to catch with pots because they scatter and move to midwater. Proper management of the fishery would dictate allowing the fishers to maximize the harvest of Pacific cod in the spring while minimizing the number of trips out in bad weather.

The jig fishery is better adapted to harvest after the spawning period. The harvest records indicate that the four or five boats participating in the jig fishery can be catching more if they want to get out there and get them.

CMA wants to maintain the highest quality of fish. Arbitrarily restricting boats longer than 50 feet (**Proposal 8**), or limiting the amount of fish that can be caught by each boat (**Proposals 9-12**), are each proposals that are likely to harm the quality of the fish. Generally, larger boats have RSW systems and larger holds to maintain the higher quality of the fish. A 50 foot boat with enough pots can take cod during the short period when they are schooled up. Limiting the ability to catch the cod in the spring would limit the ability to harvest the higher quality, and higher value fish. The roe is available only in the spring, resulting in a fresher, higher value product.

CMA is concerned that less fish harvested over a longer period of time will discourage potential buyers, leaving fishers with no means of delivering their harvest. A tender may not come unless there are enough fish to make a delivery cost-effective.

Proposal 8, allocating 50% of the pot gear GHL to vessels less than or equal to 50 feet would essentially create a subfishery within the Chignik Area Pacific cod pot fishery. There is a strong argument that such an allocation of resources within a fishery exceeds the Board's authority, as determined by the Alaska Supreme Court in *State v. Grunert*, 139 P.3d 1226 (Alaska 2006).

In 2013, only four of the nineteen vessels participating in the fishery were less than or equal to 50 feet. Staff Comments recognize that allocating the GHL based on length, width, depth, and tonnage are all options that should be rejected - and would be nearly impossible to enforce. CMA members are already experiencing problems with State enforcement of the 58 foot limit, and history demonstrates that creating any new length categories would have similar enforcement difficulties. Over time, the abundance of Pacific cod in the Gulf has increased, so there is no benefit to the resource by arbitrarily restricting boats over 50 feet in length. This is essentially a small boat fishery as it is, with all boats 58 feet or less.

If a boat length limitation is imposed, it is reasonable to expect boats to become wider. Beam will increase to compensate for lost length and we could ultimately expect more "Super 8s." For example, currently there is one 58 foot boat that is 32 feet wide and packs a quarter million pounds of fish.

Proposal 9, imposing a daily trip limit of 20,000 pounds would harm the fishers and may reduce the amount of higher-quality product to be sold if less Pacific cod can be caught in early spring. The fish tickets provide information regarding when the fish are delivered, but the Staff Comments acknowledge that enforcing whether fish were timely delivered after being caught may be impossible. The current practice is to deliver in three days or less. There is no reason to impose a strict requirement when the vessels now are self-regulating to enhance freshness and quality.

Proposal 10 would cut in half the number of allowable pots, reducing the number of pots from 60 to 30. With the abundance of Pacific cod in the Gulf of Alaska, it would make more sense to increase the number of allowable pots. Culling in half the number of pots would do nothing but slow down the fishery, and possibly prevent the pot fishers from being able to harvest their allocation when the cod are available in the spring. This would unnecessarily increase cost by requiring more trips, regardless of weather, and therefore result in higher cost and increased danger to crews.

Proposal 11 would restrict the Chignik state-waters Pacific cod fishery to 14 hours, from 6:00 a.m. to 8:00 p.m., without regard to tides or weather. As it is, sometimes vessels must wait for hours for the weather and the tides. The resource is not on a daily clock schedule. There is no indication this would benefit the resource or improve the quality of the fish. This would do nothing but slow down the fishery, and possibly prevent the pot fishers from being able to harvest their allocation when the cod are available in the spring. There is no evidence that fishing during only these hours would be cost-effective for the participating vessels. The proposal is expected to reduce the daily harvest and result in longer fishing seasons. It is likely that the local vessels may be forced out of their fishery.

Proposal 12, requiring new smaller pots at more than \$1,000 per pot would cost more than \$60,000 per boat. A few years ago there was a similar proposal to reduce the pot size for subsistence crab. The proposal was rejected unanimously because the Board, quite rightly, could not justify mandating tremendous cost for negligible benefits. Similarly, reducing the number and size of pots and cutting in half the amount of fish that can be harvested would impose significant financial hardships with no corresponding benefit.

The purported rationale behind **Proposals 8 through 12** is to benefit the local residents, but the fact is that the majority of the Chignik resident cod fishers have boats longer than 50 feet with 60 pots. All current CMA members are residents of Chignik Lagoon. The Pacific cod fishery is important to CMA members and their community. These folks are running a business and need to cover their costs and pay their crews.

Each of these proposals requires using more fuel, probably doubling the fuel needed by boats to catch the same amount of fish. Scientific evidence is mounting that burning fossil fuels increases greenhouse gasses and may be the largest contributing cause of global climate change. A healthy environment is critical to the long-term viability of the Chignik Pacific cod fishery. Intentionally degrading the environment by forcing a doubling of greenhouse gas emissions is contrary to the principle that we are all stewards of our environment. Regulatory changes, if any, should decrease rather than increase use of boat fuel.

All of these proposals (**Proposals 8-12**) would increase the time spent fishing, increase the cost of fishing, and increase the risk to crews. Safety of fishers would be at stake. Each boat would have to make more trips to catch the quota. In addition to the unwarranted extra costs involved, each extra trip places the crew at risk. To make the business at least break even, crews may be forced to go out two or three times as

often as they now do, in all sorts of weather. There are boats that travel five to twelve miles to their gear from a safe anchorage. There is no benefit to anyone from this scenario. There is no justification for forcing crews to be out there longer than they already are. Fishers who do not have much invested can afford to stay home and do other things, but fishers who are serious about the business do not have that option.

Since 1996, most fishers have increased the length of their boats and invested in the gear to make their businesses successful. These proposals unfairly target the people who have made the most significant investments, and would require unreasonable expenditures. Fuel is approximately \$4.00 per gallon, insurance is expensive, and there are costs incurred each time a vessel and crew go out to pull and set pots. Limiting the hours per day (**Proposal 11**) (particularly during the period when the fish are there), limiting the number of pots (**Proposal 10**), and establishing a 20,000 pound daily trip limit (**Proposal 9**), each is likely to cause permit holders to lose crew and suffer dramatic financial losses. None of these proposals address the underlying factor of individual "effort" that largely determines success in harvesting Pacific cod in Chignik. All of these proposals may force local successful fishers out of business.

CMA supports Proposal 13 that would move the Chignik state-waters Pacific cod GHJ rollover date back to August 15. Until two years ago, the rollover date was August 15, and CMA urges this change to allow the opportunity to fish while tenders and crews are still available in the area. For many years, except only in 2012 and 2013, the rollover date was August 15. Many local fishers harvest both cod and salmon. When salmon fishing slows down in August, CMA wants the opportunity to catch cod and keep people working.

CMA opposes Proposal 14 which would remove the super-exclusive registration for jig gear in the state-waters Pacific cod fishery. CMA asks the Board to consider the importance of the jig fishery to local communities throughout Alaska, especially the opportunity for residents to get started in a business out their front door without the risk of a tremendous initial investment. Many Pacific cod pot fishers got started in the business using jig gear, and then later invested in bigger boats and pot gear. There are not many opportunities to get a start in a new business in coastal rural Alaska. Maintaining the super-exclusive registration for jig gear will continue to benefit the current jig fishery and provide local, accessible business opportunities for Pacific cod fishers.

CMA opposes Proposal 15 which would improperly allocate Pacific cod within the Chignik Pacific cod pot fishery, with a distinction based on vessel length with limited pots. The three pot vessels less than 48 feet would take allocation away from others. This is another attempt to reallocate the resources within the fishery based on vessel length, and another attempt to penalize those who have invested in the cod fishery. It makes no sense to financially harm people who have made wise business decisions

and restrict their ability to fish. There are plenty of fish there for those who want to work to catch them, regardless of vessel size. There is no reason to harm the people who are catching fish.

There is no scientific or economic basis to support this proposal. In 2000, 2001, 2006, and 2007, the Chignik Pacific cod quota was not harvested. The pot quota was only met for the past five years. **Proposal 15** may leave more allocation unharvested.

We are concerned that this could lead to a myriad of subfisheries with artificial distinctions based on 46 feet, 48 feet, 50 feet, or whatever the vessel length might be, without regard for beam, draft, dollars invested, or the fisheries resource itself. Currently the abundance of cod in the Gulf of Alaska is increasing and, as stated in the Staff Comments, "If adopted, the proposed jig/small pot boat GHF fishery may be harvested by small pot vessels prior to most jig participation, potentially excluding jig vessels from the fishery." If more of the fish are allocated to smaller boats, CMA believes there will be even more quota left on the table. A strong argument could be made that this is an improper allocation of resources within a fishery, exceeding the Board's authority, as prohibited by the holding in *State v. Grunert*. The fish are there now, if the jig gear vessels are willing to go out and catch their allocation. Improvement is available through more effort, not more restrictions.

SUMMARY

CMA opposes all proposals that would harm the Chignik Lagoon residents without benefitting the Central Gulf of Alaska Pacific cod resource. We ask the Board to continue management of the state-waters Chignik Pacific cod fishery in a manner that recognizes our mutual goals of maintaining or increasing catch, encouraging the highest quality and value of fish, providing employment opportunities (especially in rural coastal Alaska where other opportunities are scarce), and improving the prospects for Chignik Pacific cod fishers.

PLEASE ADOPT PROPOSALS 1, 7, AND 13.

PLEASE REJECT PROPOSALS 2-5, 8-12, 14, AND 15.

CMA WOULD SUPPORT AN AMENDMENT TO PROPOSAL 4.



Protecting
Conserving
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Marine Resources
in
Alaska

The Alaska Fisheries Science Center is a scientific research organization responsible for the development and implementation of NOAA's scientific research on marine resources in Alaska waters. Our research focuses on more than 250 fish and 42 marine mammal stocks off the coasts of the Bering Sea, Gulf of Alaska and Aleutian Islands.



Pacific cod

Gadus macrocephalus

Length female 147 cm (58 in)*

male 141 cm (55 in)*

Weight female 25 kg (55 lbs)*

male 20 kg (44 lbs)*

Age 18 years old*

*maximum



Range/Habitat

A transoceanic species occurring at depths from shoreline to 500 m, Pacific cod is widely distributed in Alaskan waters. Their range is from southern California north to the Bering Strait. Studies have shown migration between the Gulf of Alaska and Bering Sea. Preferred substrate is soft sediment, from mud and clay to sand.

Diet/Role in Ecosystem

Pacific cod are opportunistic predators, feeding on a variety of fish and invertebrates, and scavenging as well. Small Pacific cod feed mostly on invertebrates, while large Pacific cod are mainly piscivorous (eat fish).

Reproduction

March is the peak spawning season for this oviparous (egg laying) and highly fecund (produce many eggs) species. About half of all female Pacific cod reach maturity by the time they attain a length of 58 cm in the Bering Sea/Aleutian Islands (BSAI) and 50 cm in the Gulf of Alaska (GOA), or an age of 4-5 years in both regions. Spawning takes place in the sublittoral-bathyal zone (40 to 290 m) near bottom. Eggs sink to the bottom after fertilization, and are somewhat adhesive.

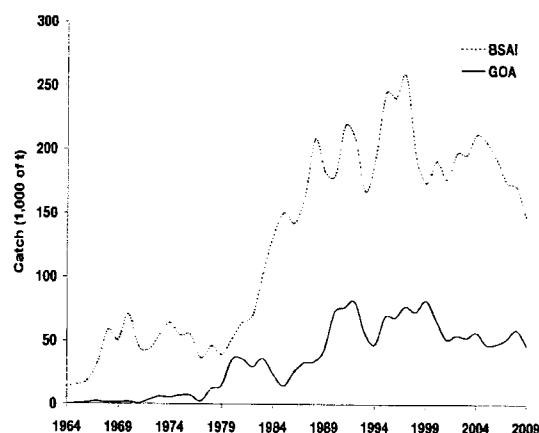
Population

Fishery and Catch History

From 1960s - early 1980s: Pacific cod have been fished commercially off and on since the 19th century. The modern commercial fishery began during the early 1960s, when a Japanese longline fishery harvested BSAI Pacific cod for the frozen fish market. By the time that the Magnuson Fishery Conservation and Management Act went into effect in 1977, foreign catches of Pacific cod in the BSAI had consistently been in the 30,000-70,000 t range for a full decade, while foreign catches in the GOA were much smaller, on the order of 3,000 t per year.

1980-1989: By 1980, a U.S. domestic trawl fishery and several joint venture fisheries had begun operations in both the BSAI and GOA. The foreign and joint venture sectors dominated catches through the mid-1980s, but the domestic fishery had displaced these sectors entirely by 1989 in the GOA and by 1991 in the BSAI.

Since 1990: Presently, Pacific cod are harvested by a multiple-gear fishery, including trawl, longline, pot, and jig components. From 1991 to 1999, trawl gear took more Pacific cod than any other gear type. On average during this period, trawl gear accounted for 52% of the catch, longline gear 37%, and pot gear 11%. From 2000 on, however, longline gear took more Pacific cod than any other gear type. On average from 2000-2006, trawl gear accounted for 37% of the catch, longline gear 46%, and pot gear 16%.



Science, Service and Stewardship

RESEARCH

Scientists at the AFSC are conducting research on how commercial fisheries impact Pacific cod. Recently, a multi-year study was completed that looked at the potential for commercial fishing to create localized depletions of Pacific cod, an important prey species for endangered Steller sea lions. Scientists are also studying the reproductive patterns of Pacific cod in the Bering Sea, in collaboration with fisheries observers. An extensive tagging study is also planned for Pacific cod in the Bering Sea to document movement patterns and rates.

AFSC scientists are also working with scientists from Oregon State University to describe how climate change may impact growth and development of early life stages of Pacific cod in the Bering Sea. This work will examine how temperature differences influence the timing and magnitude of plankton blooms in the Bering Sea which help determine the quality of habitat for larval and juvenile Pacific cod.



For more information

Most recent stock assessment

<http://www.afsc.noaa.gov/REFM/Stocks/assessments>

Research at AFSC:

http://www.afsc.noaa.gov/REFM/species/Pacific_cod

<http://www.afsc.noaa.gov/REFM/Stocks/fit>

Management:

<http://www.alaskafisheries.gov/npfmc>

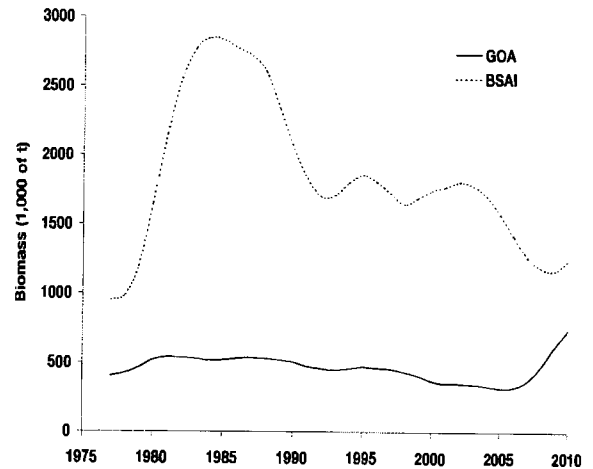
Photo credits: Phil Edgell and NOAA Fisheries Service

Questions or Comments?

email: afsc.outreach@noaa.gov

Resource Status

In Alaskan waters stocks are not overfished or approaching an overfished condition. Based on the most recent stock assessment, total biomass of Pacific cod in the BSAI increased rapidly during the late 1970s and early 1980s, and has declined slowly since the mid-1980s to the current level of about 1 million metric tons (t). A similar trend occurred in the GOA, though the overall level is lower and the trend is more stable than in the BSAI. Current total biomass in the GOA is estimated to be about 0.4 million t.



Stock Assessment

Information used in the Pacific cod stock assessments includes fishery catch, trawl survey biomass estimates, length composition of the fishery catch and survey samples, and age composition of the survey samples. These data are included in statistical models of the stock in the BSAI and GOA regions. The models are used to estimate parameters describing the life history of the stock and the interaction of the fisheries with the stock, and to estimate current and historical stock size and age structure. Biomass estimates from the Bering Sea model are inflated to include the Aleutian Islands component of the stock based on the ratio of biomass estimates from the surveys in the BSAI regions.

Management

A total allowable catch (TAC) is set for Pacific cod in both the BSAI and the GOA. As a prey species for Steller sea lions, the Pacific cod fisheries have been influenced by Steller sea lion protection measures through seasonal TAC apportionments and spatial restrictions. As of 2008, BSAI Pacific cod TAC is also allocated to the Community Development Quota Program (which benefits 65 fishery-dependent communities in western Alaska) and fishery sectors (defined by gear type, vessel size, and processing ability). In the GOA, Pacific cod TAC is allocated by management subarea, and is allocated 90% to the inshore sector, and 10% to the offshore sector.

Economics

Prices for Pacific cod have remained fairly stable for the past 15 years. The average product price from 1992 to 2008 is \$1.18/lb. In 2008, the price/lb was \$1.88. Primary products in order of volume include headed and gutted (eastern cut and western cut), fillets (skinless and boneless), salted and split, whole fish, and fish meal.

The inflation-adjusted prices shown in the graph are 1st wholesale (2008 U.S. currency). Numbers are from NMFS and ADF&G production and price data.

