



May 08, 2023

**DRAFT Spend Plan for funds appropriated to address the 2018 Copper River Chinook and sockeye salmon and the 2020 Copper River and Prince William Sound (PWS) Chinook, sockeye, and chum salmon disaster determination.** NOAA Fisheries allocated \$34,326,265 for these salmon fishery disasters on May 6, 2022. The scope of this fishery disaster includes fisheries for Chinook, sockeye, and chum salmon. A subsequent request for a fishery disaster determination for the 2020 Prince William Sound pink and coho salmon fishery was approved by the Secretary of Commerce on December 16, 2022. If NOAA Fisheries allocates funds for the pink and coho salmon fishery disaster, a separate spend plan will be developed.

**Written comments are requested on all elements of the proposed spend plan and should be as specific as possible.** Comments will be posted verbatim online and ADF&G requests that no business proprietary information, copyrighted information, or personally identifiable information be included in written comments. Comments can be submitted by email to: [dfg.com.fisheriesdisasters@alaska.gov](mailto:dfg.com.fisheriesdisasters@alaska.gov) or

by mail to: ADF&G, Attn: Karla Bush  
PO Box 115526  
Juneau, AK 99811-5526

**Comments must be sent by May 19, 2023,** for consideration in the next iteration of the spend plan. ADF&G will release a second draft of the spend plan for public comment before finalizing the spend plan.

**Guiding principles for disaster fund distribution:** Disbursement of funds is intended to:

1) assist fishery participants harmed by the 2018 and 2020 salmon fishery disasters and 2) improve fishery information used to assess and forecast future fishery performance and to develop management approaches that avoid and/or mitigate the impacts of future fishery disasters that cannot be prevented.

Proposed allocations to project categories: **the proposed categories and allocations reflect comments received from initial stakeholder input.**

Category	Allocation	Estimated funds <sup>a</sup>
Research	12%	\$4,110,000
Communities	3%	\$1,027,000
Harvesters	57%	\$19,527,000
Processors	28%	\$9,592,000
Program support	<0.1%	\$68,000
<b>Total</b>		<b>\$34,324,000</b>

<sup>a</sup> Additional funds will be allocated to Pacific States Marine Fisheries Commission (PSMFC) to administer the federal grant

**Research:** Funds will be allocated to support projects intended to improve available fishery information and help prevent and/or mitigate future fishery disasters. The scope of this fishery disaster includes Copper River Chinook and sockeye salmon and Prince William Sound Chinook, sockeye, and chum salmon.

The following research themes were suggested by ADF&G research and management staff as priorities for funding:

- Research that improves understanding of the relative importance of specific mechanisms that drive productivity of Alaska salmon, which could include:
  - how ocean/climate conditions impact future runs;
  - freshwater and early marine survival bottlenecks, habitat use, and movement patterns;
  - the role of diet, health, and disease on the survival and spawning success of Alaska salmon.
- Research to inform non-adult abundance estimates that can be used in developing or improving forecasting tools.
- Improved methods for estimating adult salmon harvest and abundance.

ADF&G is requesting input on these or other suggested research themes. In addition, recent Alaska disaster spend plans have used competitive and non-competitive bid processes to award research funds. ADF&G is requesting input on the appropriate award process for this fishery disaster spend plan. If a non-competitive process is used, research projects that are responsive to the research themes would be described directly in the spend plan.

**Communities (~\$1,027,000):** Municipalities and boroughs rely on revenue generated from salmon landings and other economic activities related to the salmon fisheries. Fishery disaster funds allocated to communities impacted by the fishery disaster can only be used for managing, repairing, or maintaining approved infrastructure, services, or habitat that support salmon fisheries in the affected areas. Only communities that have a demonstrated loss of salmon landings due to the fishery disaster will be eligible for community funds. Fishery disaster funds are Federal funds and cannot be used for projects where matching funds are required and this includes state or local match requirements.

Experience with recent fishery disasters has shown that not all communities eligible for fishery disaster funds are able to participate in the process because the community entity must have capacity to administer the receipt of funds through a Federal grant subaward process and the funds may only be used for approved projects directly related to the fisheries in the disaster determination. To accommodate the variety of needs and administrative capacities of communities eligible for disaster funds, ADF&G proposes to include a spend plan provision allowing eligible communities to opt-out of receiving disaster funding for the 2018 Copper River Chinook and sockeye salmon and 2020 Copper River and PWS Chinook, sockeye, and chum salmon disasters. Allocations to communities that opt-out will be added to the final allocations for participating communities. This will help ensure that community-designated funds are fully utilized and made available to communities that decide to participate in the disaster funding process.

Proposed eligibility criteria for communities:

1. Fish ticket port of landing data must show that Chinook and/or sockeye salmon from the Copper River drift gillnet were landed in the community in 2018 and/or that Chinook, sockeye, and/or chum salmon from Prince William Sound were landed in the community in 2020.

- Estimated loss in gross revenue value for those salmon species landed in the community in 2018 and 2020 combined must be at least \$150,000 as compared to the respective previous five-year average (2013-2017 and 2015-2019).

Based on the proposed criteria, the following communities may be eligible for community-designated funds: Cordova, Whittier, Valdez, Seward, and Kenai.

**Harvesters (~\$19,527,000):** This category includes permit holders and vessel crew. ADF&G proposes direct payments to commercial fishery permit holders and vessel crew who meet all eligibility criteria. Commercial Fisheries Entry Commission (CFEC) permit information and fish ticket data from commercial salmon landings will be used to determine eligibility and payment for permit holders. Eligibility for vessel crew will be verified using ADF&G commercial crew license or CFEC permit data and an affidavit from the permit holder or vessel owner.

ADF&G is seeking comment on whether permits used for hatchery cost recovery should be included in the harvester category; cost recovery goals for PWS sockeye and chum salmon were not met in 2020.

**Processors (~\$9,592,000):** ADF&G proposes direct payments to processing facilities that meet all eligibility criteria. Commercial Operators Annual Report (COAR) fisheries production and value data will be used to determine eligibility and payment for processors.

**Program Support (\$68,000):** ADF&G is proposing to designate funds for staff working on fishery disaster plan development and implementation in coordination with Pacific States Marine Fisheries Commission.

## Commercial Fisheries

ADF&G proposes to allocate harvester funds proportional to the estimated loss in gross revenue for the 2018 Copper River District Chinook and sockeye salmon drift gillnet fishery and the 2020 Prince William Sound (Area E) Chinook, sockeye, and chum salmon fishery which includes drift gillnet, set gillnet, and purse seine gear sectors. The estimated loss in gross revenue is calculated by subtracting the value of the fishery in the disaster year from the previous five-year average value (2013-2017 and 2015-2019).

Fishery	Estimated gross revenue loss due to fishery disaster	Proportion of total loss	Proposed allocation
2018 Copper River drift gillnet	\$19,662,424	39%	\$7,694,491
2020 PWS drift gillnet	\$26,320,103	53%	\$10,299,839
2020 PWS set gillnet	\$1,114,346	2%	\$436,077
2020 PWS seine	\$2,802,224	6%	\$1,096,593
Total	\$49,899,096	100%	\$19,527,000

### 2018 Copper River drift gillnet ~\$7,694,491

The allocation is proposed to be divided into two pools, one for S03E permit holders (90%) and one for vessel crew members (10%). The proposed split between permit holders and crew members is based on a typical crew size of one person earning a 10% crew share.

2018 S03E Permit Holders. Proposed eligibility criterion for 2018 Copper River permit holders:

- S03E permit must have been used to make a Chinook or sockeye salmon landing in 2018 in District 200 or 212, Copper River.

Funds are proposed to be paid to the person listed as the 2018 ‘Permit holder’ and temporary emergency transfer permit holders (transferees) in the CFEC database. Permit holders who did not make any landings in 2018 and certified they were unable to participate to qualify for an emergency transfer and permit holders who permanently transferred a permit away in 2018 will not receive payments.

Based on initial public comment, ADF&G is proposing an **equal payment** distribution. Equal payments are proposed to be limited to one payment per permit. If multiple eligible permit holders made landings in 2018 on the same limited entry permit, the equal payment will be split pro rata to the value of each eligible permit holders’ Chinook and sockeye salmon landings in 2018. A total of 481 permit holders made landings on 477 S03E permits in 2018.

2018 drift gillnet vessel crew. Copper River drift gillnet vessel crew must meet the following proposed criteria to be eligible for an **equal payment** of the 2018 crew funds. Direct payments to minors are not authorized by the terms of the Federal grant but may be authorized to guardians in the same household on behalf of an eligible minor.

Proposed Copper River drift gillnet crew eligibility criteria:

1. Crew member must have held a 2018 commercial crew license or a 2018 CFEC permit for any fishery. This information will be verified using the ADF&G Licensing database and the CFEC permit database.
2. Crew member must provide information to show they participated as fishing crew in the 2018 commercial Copper River drift gillnet salmon fishery for a qualified S03E permit holder, based on an affidavit from the permit holder or vessel owner.
3. Crew member may not be eligible for fishery disaster funds as an S03E permit holder in 2018.

## 2020 Prince William Sound drift gillnet ~\$10,299,839

The allocation is proposed to be divided into two pools, one for S03E permit holders (90%) and one for vessel crew members (10%). The proposed split between permit holders and crew members is based on a typical crew size of one person earning a 10% crew share.

2020 S03E Permit Holders. Proposed eligibility criterion for 2020 drift gillnet permit holders:

- S03E permit must have been used to make Chinook, sockeye, or chum salmon landings in 2020 in Prince William Sound, Area E.

Funds are proposed to be paid to the person listed as the 2020 ‘Permit holder’ and temporary emergency transfer permit holders (transferees) in the CFEC database. Permit holders who did not make any landings in 2020 and certified they were unable to participate to qualify for an emergency transfer and permit holders who permanently transferred a permit away in 2020 will not receive payments.

Based on initial public comment, ADF&G is proposing an **equal payment** distribution. Equal payments are proposed to be limited to one payment per permit. If multiple permit holders made landings in 2020 on the same permit, the equal payment will be split pro rata to the value of each permit holders’ Chinook, sockeye, and chum salmon landings in 2020. A total of 491 permit holders made landings on 487 S03E permits in 2020.

2020 drift gillnet vessel crew. Prince William Sound drift gillnet vessel crew must meet the following proposed criteria to be eligible for an **equal payment** of the 2020 drift gillnet crew funds. Direct payments to minors are not authorized by the terms of the Federal grant but may be authorized to guardians in the same household on behalf of an eligible minor.

Proposed Prince William Sound drift gillnet crew eligibility criteria:

1. Crew member must have held a 2020 commercial crew license or a 2020 CFEC permit for any fishery. This information will be verified using the ADF&G Licensing database and the CFEC permit database.
2. Crew member must provide information to show they participated as fishing crew in the 2020 commercial drift gillnet salmon fishery for a qualified S03E permit holder, based on an affidavit from the permit holder or vessel owner.
3. Crew member may not be eligible for fishery disaster funds as an S03E permit holder in 2020.

### 2020 Prince William Sound set gillnet ~\$436,077

The allocation is proposed to be divided into two pools, one for S04E permit holders (85%) and one for setnet crew members (15%). The split between permit holders and crew members is based on an average crew size of one to two people, each earning a 10% crew share.

2020 S04E Permit Holders. Proposed eligibility criterion for 2020 set gillnet permit holders:

- S04E permit must have been used to make Chinook, sockeye, or chum salmon landings in 2020 in Prince William Sound, Area E.

Funds are proposed to be paid to the person listed as the 2020 ‘Permit holder’ and temporary emergency transfer permit holders (transferees) in the CFEC database. Permit holders who did not make any landings in 2020 and certified they were unable to participate to qualify for an emergency transfer and permit holders who permanently transferred a permit away in 2020 will not receive payments.

Based on initial public comment, ADF&G is proposing an **equal payment** distribution. A total of 26 permit holders made landings on 26 S04E permits in 2020.

2020 set gillnet crew. Set gillnet crew must meet the following proposed criteria to be eligible for an **equal payment** of the 2020 set gillnet crew funds. Direct payments to minors are not authorized by the terms of the Federal grant but may be authorized to guardians in the same household on behalf of an eligible minor.

Proposed Prince William Sound set gillnet crew eligibility criteria:

1. Crew member must have held a 2020 commercial crew license or a 2020 CFEC permit for any fishery. This information will be verified using the ADF&G Licensing database and the CFEC permit database.
2. Crew member must provide information to show they participated as fishing crew in the 2020 commercial set gillnet salmon fishery for a qualified S04E permit holder, based on an affidavit from the permit holder or vessel owner.
3. Crew member may not be eligible for fishery disaster funds as an S04E permit holder in 2020.

## 2020 Prince William Sound seine ~\$1,096,593

The allocation is proposed to be divided into two pools, one for S01E permit holders (80%) and one for vessel crew members (20%). The split between permit holders and crew members is based on average crew size and crew shares and considers the higher initial costs borne by seine vessel operators that are typically reimbursed through standard deductions to crew pay.

2020 S01E Permit Holders. Proposed eligibility criterion for 2020 seine permit holders:

- S01E permit must have been used to make Chinook, sockeye, or chum salmon landings in 2020 in Prince William Sound.

Funds are proposed to be paid to the person listed as the 2020 ‘Permit holder’ and temporary emergency transfer permit holders (transferees) in the CFEC database. Permit holders who did not make any landings in 2020 and certified they were unable to participate to qualify for an emergency transfer and permit holders who permanently transferred a permit away in 2020 will not receive payments.

Based on initial public comment, ADF&G is proposing an **equal payment** distribution. Equal payments are proposed to be limited to one payment per permit. If multiple permit holders made landings in 2020 on the same permit, the equal payment will be split pro rata to the value of each permit holders’ Chinook, sockeye, and chum salmon landings in 2020. A total of 223 permit holders made landings on 218 S01E permits in 2020.

2020 seine vessel crew. Prince William Sound seine crew must meet the following proposed criteria to be eligible for an **equal payment** of the 2020 seine vessel crew funds. Direct payments to minors are not authorized by the terms of the Federal grant but may be authorized to guardians in the same household on behalf of an eligible minor.

Proposed Prince William Sound seine crew eligibility criteria:

1. Crew member must have held a 2020 commercial crew license or a 2020 CFEC permit for any fishery. This information will be verified using the ADF&G Licensing database and the CFEC permit database.
2. Crew member must provide information to show they participated as fishing crew in the 2020 commercial seine salmon fishery for a qualified S01E permit holder, based on an affidavit from the permit holder or vessel owner.
3. Crew member may not be eligible for fishery disaster funds as an S01E permit holder in 2020.

## 2018 Copper River and 2020 Prince William Sound Processors (~\$9,592,000)

Salmon processing companies that meet all proposed criteria would be eligible for payment based on the estimated loss in wholesale value using COAR production data for 2018 Copper River District Chinook and sockeye salmon and 2020 Prince William Sound (Area E) Chinook, sockeye, and chum salmon. The estimated loss is calculated by subtracting the wholesale value in the disaster year (2018 and 2020) from the respective previous five-year average (2013-2017 and 2015-2019).

Processor eligibility criteria:

1. Processing company must have processed Copper River Chinook or sockeye salmon in 2018 and/or Prince William Sound Chinook, sockeye, or chum salmon in 2020.
2. Processing company must have a demonstrated loss in wholesale value greater than \$30,000 combined for 2018 Copper River Chinook and sockeye salmon and 2020 Prince William Sound Chinook, sockeye, and chum salmon.

Disaster payments to processing companies are proposed to be **pro rata** to each company's demonstrated loss relative to the total loss of all eligible processing companies.

ADF&G is seeking comment on whether tender operations should be included in the processor category.