

Research – 10% of total funds (~\$279,000): The proposed research funds would be allocated to improve available fishery information and help prevent and/or mitigate future fishery disasters. Research themes developed and proposed by ADF&G include:

1. Examine molting physiology focusing on the effects of cold/ freezing on the ability to molt to better understand the potential effects of handling during winter fisheries.
2. Evaluate reproductive biology of males and females with an emphasis on functional maturity and repetitive mating success to better understand the implications of harvest practices on the population.
3. Investigate early life history requirements and how changing environmental characteristics may affect survival.
 - Potential Project:
Larval and juvenile red king crab seasonal development and distribution along the northern coast of Norton Sound.
4. Documentation of Traditional Ecological Knowledge of Norton Sound red king crab, including distribution, size distribution of subsistence harvest, developing community fishing profiles, and evaluating the impacts of changes in the fishery to Norton Sound communities.

ADF&G is requesting input on these or suggestions for other research themes. In addition, recent Alaska disaster spend plans have used competitive and non-competitive bid processes to award research funds. A competitive process would be administered by PSMFC and would include a call for proposals, review process, and award of selected projects. A non-competitive process would include identifying the specific research project(s), funding amounts, and research entities receiving the funds in the spend plan as determined by ADF&G after considering public comment. ADF&G is requesting input on the appropriate award process for the 2020 and 2021 Norton Sound red king crab fishery disaster spend plan.

Communities – 3% of total funds (~\$83,000): A portion of the funds are proposed for the City of Nome to mitigate lost revenue from reductions in fish landings and other economic activity related to the fishery.

Because all Norton Sound red king crab is landed in the City of Nome, no eligibility criteria have been established. ADF&G proposes a direct payment be made to the City of Nome, which demonstrated a significant loss of landings due to the red king crab fishery disaster.

Harvesters – 70% of total funds (~\$ 1,945,000): The recent average value of the Norton Sound red king crab fishery from 2014 to 2018 is \$2.65 million dollars. The total estimated loss due to the 2020 and 2021 disaster is \$5.3 million dollars. The funds proposed for allocation to the harvesting sector are intended to mitigate this loss by providing funds to bring the harvesting sector up to 37% of its recent historical value. In addition, the proposed allocation reflects initial stakeholder input suggesting that harvesters should receive the bulk of disaster funds.

Based on public comments, ADF&G is proposing to divide the harvester funds into two pools, 8% for winter fishery participants and 92% for summer fishery participants based on the guideline harvest level (GHL) proportion allocated to each season. The summer fishery allocation is proposed to be further subdivided into two pools, 90% for permit holders and 10% for vessel crew. Most fishery permit holders operate with one to three additional crew members who earn an average crew share of 10%. As no fishing occurred during the 2020 or 2021 seasons, ADF&G proposes using the most recent seasons of 2017 through 2019 to establish eligibility criteria. This period covers years when the most recent

management measures were in place, including the GHL split between the winter and summer fishery that was established in 2016, and the winter season pot limit implemented in 2017.

Winter fishery participants - 8% of harvester funds (~\$155,600)

Permit holders who meet the proposed criterion below would be eligible for a tiered payment based on their average winter season landings in 2017 and 2018. Landed pounds from the 2019 winter season are not proposed to be included in the average because most permit holders did not make landings due to poor ice conditions. Participation during the 2020 and 2021 season is not proposed as an eligibility requirement due to the fishery closure.

- K09Z or K09ZE permit holder must have made a Norton Sound red king crab commercial landing during the winter fishing season in any two of three years from 2017 to 2019.

ADF&G proposes to allocate available funds among four tiers. The tiers are based on the average annual pounds of Norton Sound red king crab harvested during the winter season by all eligible permit holders in 2017 and 2018. The proposed allocation to each tier approximates the proportion of the total average landings by harvesters in that tier. Each permit holder’s payment will be determined by the tier level corresponding to their average landings in 2017 and 2018. All permit holders in the same tier level will receive the same payment amount.

Tier level	Average landed pounds 2017-2018	Allocation	Est. number of eligible permit holders
1	Less than 800 pounds	10%	7
2	800 - 1,299 pounds	20%	6
3	1,300 - 1,999 pounds	30%	7
4	More than 2,000 pounds	40%	5

Summer fishery participants - 92% of harvester funds (~\$1,789,400)

Permit holders - 90% of summer fishery funds or ~\$1,610,460

Permit holders who meet the proposed criterion below would be eligible for a tiered payment based on their average landings in the best two of three years from 2017 through 2019. Participation during the 2020 and 2021 season is not proposed as an eligibility requirement due to the fishery closure.

- K09Z or K09ZE permit holder must have made a Norton Sound red king crab landing during the summer fishing season in 2019 or in any two of three years from 2017 to 2019.

ADF&G proposes to allocate available funds among four tiers. The tiers are based on the average annual pounds of Norton Sound red king crab harvested during the summer season by all eligible permit holders from 2017 to 2019, not including the lowest year. Each permit holder’s payment will be determined by the tier level corresponding to their average landings from 2017 through 2019, not including the lowest year. All permit holders in the same tier level will receive the same payment amount.

Tier level	Average landed pounds 2017-2019, drop lowest	Allocation	Est. number of eligible permit holders
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1	Less than 5,000 pounds	11%	11
2	5,000 - 9,999 pounds	18%	8
3	10,000 - 14,999 pounds	23%	6
4	More than 15,000 pounds	48%	7

Vessel crew - 10% of summer fishery funds or ~\$178,940

Vessel crew members who meet the proposed criteria below would be eligible for an equal share payment. All eligible crew members are proposed to receive equal payment.

1. Vessel crew member must have held a commercial crew license or CFEC permit for any fishery in 2017, 2018, or 2019. This information will be verified using the ADF&G Licensing database or the CFEC permit database.
2. Vessel crew member must provide information to show they participated as fishing crew during the 2019 summer season for a qualified K09Z or K09ZE permit holder, based on a signed affidavit from the permit holder or vessel owner.

Processors – 17% of total funds (~\$470,000): The 2014 through 2018 average wholesale value of the Norton Sound red king crab fishery for shore-based processors is \$3.04 million dollars and the total estimated loss due to the 2020 and 2021 disasters is \$6.08 million dollars. The proposed allocation of funds to the processing sector is intended to mitigate this loss by providing funds to bring the sector up to approximately 8% of its recent wholesale value.

Processing companies that meet the proposed criterion would be eligible for disaster funds. If more than one processing company is eligible, ADF&G proposes a pro-rata payment based on each processor’s loss.

- Processing company must have processed Norton Sound red king crab in two of three years from 2017 through 2019.

Program Support - 0.1% of total funds (\$3,000): ADF&G proposes to allocate funds to partially cover salary and benefits for a Program Coordinator to help manage the fishery disaster program on behalf of the State of Alaska.