



September 28, 2023

Initial Draft Spend Plan for funds appropriated to address both the 2021/22 and 2022/23 Bristol Bay red king crab and Bering Sea snow crab fisheries disaster determinations. NOAA Fisheries allocated \$94,489,726 for the 2021/22 fisheries disaster and \$96,621,465 for the 2022/23 fisheries disaster.

Written comments are requested on all elements of the proposed spend plan and should be as specific as possible. Comments will be posted online as received and therefore, the Alaska Department of Fish and Game (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 or by mail to:

ADF&G, Attn: Darion Jones
PO Box 115526
Juneau, AK 99811-5526

Comments must be submitted by October 20, 2023, for consideration in the next iteration of the spend plan. A second draft of the spend plan may be available for public comment before the spend plan is finalized, depending on comments received on this draft spend plan.

Guiding principles for disaster fund distribution: Disbursement of funds is intended to 1) assist fishery participants harmed by the 2021/22 and 2022/23 Bristol Bay red king (BBR) crab and Bering Sea snow (BSS) crab fisheries 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.

The proposed categories and allocations were informed by recent Alaska fishery disaster spend plans and comments received from initial stakeholder input (Appendix 1). ADF&G is proposing to allocate funds for research and program support off the top and apportion the remaining funds based on the proportion of total estimated revenue loss in the BBR and BSS crab fisheries. For each crab fishery, ADF&G proposes to allocate funds to harvesters, processors, communities, and Community Development Quota groups.

Total estimated funds ^a	\$187,288,967
Research (~18%)	\$34,000,000
ADF&G Program support (<0.1%)	\$120,000
Total remaining funds	\$153,168,967

^a Additional funds are taken off the top by Pacific States Marine Fisheries Commission to administer the federal grant.

Research – ~18% of total funds (\$34 million): The 2021/22 and 2022/23 BBR and BSS crab fisheries disaster resulted from natural and undetermined causes which resulted in low stock abundance. Research

funds will be allocated to improve available fisheries information and help prevent and/or mitigate future fisheries disasters. ADF&G is proposing a total of \$34 million be allocated for research. Initial public comments recommended an allocation for research in the range of 2% to 10% and one comment supported increases in the amount of funding in the spend plan for scientific research. ADF&G proposes an 18% allocation for research to 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. The Magnuson-Stevens Fishery Conservation and Management Act prioritizes specific uses for disaster funds, including scientific research that reduces adverse impacts to the fishery or improves understanding of the affected species or its ecosystem.

ADF&G is proposing that research funds be available through a combination of 1) an allocation to the Bering Sea Fisheries Research Foundation (BSFRF) to coordinate and lead three separate annual surveys, 2) an allocation to ADF&G for research, and administrative staff to lead, oversee, and coordinate all disaster related research and management, and 3) an open and competitive request for proposals (RFP) administered by PSMFC and utilizing the North Pacific Research Board's scientific review process.

Research funds allocated to BSFRF are proposed to support three annual surveys to improve our understanding of BBR and BSS crab population dynamics, ecosystem interactions, and provide new information to help prevent and/or mitigate future fishery disasters. The surveys are intended to use crab vessels and crews impacted by these fishery disasters to serve as at-sea research platforms in coordination with the open call for research proposals. One annual survey is proposed for BBR to extend our knowledge of the distribution of crab in the late winter and early spring when crab is molting and mating and many non-crab fisheries are occurring. The second survey is proposed for BSS to examine the relative importance of areas that are not covered by the Eastern Bering Sea trawl survey. The third survey is proposed to focus on project needs that arise from the competitive RFP. This will help ensure all research projects are integrated and cost-effective. The BSFRF is proposed to lead these surveys as it is best positioned to contract with crab fishing vessels impacted by the disaster and to ensure the core survey design is consistent with the ADF&G research priorities for these crab stocks (see Appendix 2).

ADF&G will be an integral part of all aspects of this disaster research above and beyond the normal duties of its research and management staff. Significant full time temporary staff will be required for research design and implementation, data collection, storage, and management, along with coordination with all other State and Federal government, university, and industry groups participating in selected research projects from the RFP process.

The proposed competitive RFP will be open to all entities authorized to receive federal grant funds and based on the themes outlined below. Allowable expenses for selected research projects are qualified for reimbursement by PSMFC up to the amount awarded through the competitive process. Proposals are proposed to be submitted through the North Pacific Research Board's web-based submission process and will be similar to the typical process for its annual Core research program. Based on consultations with fishery scientists, managers, and various industry stakeholders, all research is proposed to be focused on the following:

Draft Request for Proposals:

ADF&G in collaboration with NPRB and PSMFC would request proposals for cooperative research designed to improve our understanding of Bering Sea crab stocks (Appendix 2). Specifically, proposals would focus on BBR and BSS crab stocks and subsequent ecological impacts or fishery impacts due to

extremely low crab abundance across the entire Bering Sea. Proposals may span all typical NPRB categories (e.g., Oceanography, Fish and Invertebrates, Marine Birds and Mammals, Human Dimensions, Interdisciplinary Studies), but must have a direct link to either BBR or BBS, or both. Proposals that are interdisciplinary in nature, include funding for graduate students, and collaborative are highly encouraged. ADF&G notes that projects related to the Alaska King Crab Research, Rehabilitation and Biology Program may also apply if the project entities are authorized to receive federal grant funds.

ADF&G is requesting input on suggested research themes and the proposed distribution and allocation of research funds.

Fishery-specific Allocations

ADF&G proposes to apportion remaining funds to the BBR and BSS crab fisheries based on each fishery’s proportion of gross revenue loss in the 2021/22 and 2022/23 crab fishing years as compared to the previous five-year average value. The estimated loss in gross revenue for each fishery would be calculated by subtracting the value during the disaster years from the average gross revenue for the previous five-years, 2016/17 through 2020/21.

Fishery	5-yr avg. gross revenue^a	Disaster year gross revenue	Estimated loss	Percent of total loss	Estimated funds
2021/22 BBR	\$50,704,845	\$0	\$50,704,845	32.5%	\$49,704,235
2022/23 BBR		\$0	\$50,704,845		
2021/22 BSS	\$119,128,444	\$27,161,669	\$91,966,775	67.5%	\$103,464,732
2022/23 BSS		\$0	\$119,128,444		
Total			\$312,504,909	100%	\$153,168,967

^a Five year average of the most recent five years that did not include a fishery disaster.

Bristol Bay red king crab

ADF&G proposes to allocate BBR crab fishery disaster funds for direct payments to mitigate losses sustained by affected CDQ groups, communities, harvesters, and processors.

Categories	Allocation	Estimated funds
Community Development Program	10%	\$4,970,424
Communities	5%	\$2,485,212
Harvester/Processor Funds	85%	\$42,248,600
Total		\$49,704,235

BBR Western Alaska Community Development Quota (CDQ) Programs: ADF&G is proposing direct payments to CDQ groups. CDQ groups receive, in aggregate, a 10% allocation of the annual BBR crab harvest limit and depend on revenue generated from BBR crab landings to provide economic and social benefits in member communities consistent with statutory mandates. Based on initial stakeholder input, ADF&G is proposing direct payments to each CDQ group based on each group’s allocation of the BBR crab fishery in federal regulation and shown in the table below.

CDQ Group Bristol Bay Red	Percent Allocation	Estimated Amount
Aleutian Pribilof Island Community Development Association	17%	\$844,972
Bristol Bay Economic Development Association	19%	\$944,380
Central Bering Sea Fisherman’s Association	10%	\$497,042
Coastal Village Region Fund	18%	\$894,676
Norton Sound Economic Development Association	18%	\$894,676
Yukon Delta Fisheries Development Association	18%	\$894,676
Total	100%	\$4,970,424

BBR Communities: Municipalities and boroughs rely on revenue generated from BBR crab fishery landings and other economic activities related to the BBR crab fishery. The state’s Fishery Business tax rate is 3% for shore-based crab landings and is shared 50/50 with the state and municipalities/boroughs where the landings occur. If landings occur in the bounds of a municipality and borough, they are shared 50/50 between each entity. Some municipalities and boroughs levy an additional local raw fish tax at a rate of 2% to 3.5% depending on the location and species. Initial public comments suggested community allocations in the range of 4.75% to 8%. ADF&G proposes a 5% allocation to affected communities to help mitigate losses in fish tax and other economic losses due to the fishery disaster. ADF&G notes that the proposed allocation to affected communities combined with the 10% allocation to CDQ groups brings the broader community allocation up to 15%.

ADF&G is proposing direct payments to municipalities and boroughs based on the port of landing where BBR crab deliveries occurred.

The following criterion is proposed for community eligibility:

- BBR crab must have been landed in the community during the 2019/20 and/or 2020/21 season based on the port of landing from ADF&G Fish Ticket data.

ADF&G proposes to distribute disaster funds pro rata to eligible communities based on each community’s proportion of the total 2019/20 and 2020/21 pounds of BBR crab landed in all eligible communities. If landings occurred in a community represented by both a municipality and borough, the funds are proposed to be split 50/50 between the municipality and borough, consistent with the methodology for state’ Fishery Business taxes. Landings of BBR crab occurred in five communities represented by five municipalities and three boroughs during the 2019/20 and 2021/22 seasons: 1) Dutch Harbor/Unalaska, 2) Akutan and Aleutians East Borough, 3) St. Paul, 4) King Cove and Lake and Peninsula Borough, and 5) Kodiak and Kodiak Island Borough.

BBR Harvester/Processor Funds: Initial public comment recommended two approaches to allocate disaster funds between the harvesting and processing sectors. One approach proposed by the harvesting sector would allocate funds using the Non-Binding Price Formula¹ for BBR crab, which results in a harvester share of 86% and processor share of 14%. The other approach proposed by the processing sector allocates 75% to harvesters and 25% to processors and recognizes investments that are not fully captured in the Non-Binding Price Formula and ongoing costs to maintain crab processing infrastructure. ADF&G is proposing a compromise between these two approaches that allocates 80.5% to harvesters and 19.5% to processors.

¹ [§ 680.20\(g\)\(2\)\(ii\)](#) The Non-Binding Price Formula Report is prepared annually for the Bering Sea Arbitration Organization (harvesters) and the Alaska Crab Processors Arbitration Organization (processors).

<u>Components</u>	<u>Allocation</u>	<u>Estimated funds</u>
Harvesters	80.5%	\$34,010,123
Processor	19.5%	\$8,238,477
		\$42,248,600

BBR Harvesters: Based on public comment, ADF&G proposes to allocate harvester funds into three pools: quota share (QS) holders, vessel owners, and a combined pool for captains and crew. Instead of using the reported lease rate percentage to divide the funds between QS holders and vessels, the proposed allocations account for the fact that only a portion of the crab QS is leased and provide a slightly higher allocation to the vessel-based funds given the continued costs to maintain a vessel. ADF&G proposes to use 2021/22 and 2022/23 QS holdings as eligibility criteria for QS holders because those are the years included in this fishery disaster. ADF&G proposes to use participation in the 2019/20 and 2020/21 BBR seasons as eligibility criteria for vessel owners and captains/crew because these are the last two years that the BBR fishery was open.

<u>Harvester component</u>	<u>Allocation</u>	<u>Estimated funds</u>
QS Holders	53%	\$18,025,365
Vessel owners	30%	\$10,230,245
Captains/crew	17%	\$5,754,513
		\$34,010,123

BBR QS Holders – 53% of harvester funds (~\$18 million). The following criterion is proposed for a QS holder to qualify for a direct payment:

- Must be listed as a QS holder of Catcher Vessel Owner (CVO), Catcher/Processor Owner (CPO), Catcher Vessel Crew (CVC), and/or Catcher/Processor Crew (CPC) quota for BBR for the 2021/22 or 2022/23 season(s).

ADF&G proposes to distribute direct payments to QS holders pro rata based on each QS holder’s proportion of the total QS units of all QS holders who apply and are eligible for QS holder direct payments. There were 359 individual QS holders of BBR quota for the 2021/22 and 2022/23 seasons. Some QS holdings result in very small payment estimates. ADF&G is requesting comments on whether a minimum number of QS units should be considered for eligibility to provide for more efficient distribution of funds.

ADF&G is requesting comments on whether direct payments for initially issued QS should be different than payments for purchased QS, or ‘recently’ purchased QS, as the impacts of the fishery disaster were likely more severe for QS holders who may still owe lenders for quota investments. Approximately 42% of the BBR QS held in 2022/23 was initially issued.

BBR vessel-based payments for vessel owners, captains, and crew – 47% of the harvester funds (~\$16 million).

The following criterion is proposed to be used to determine vessel-based payment eligibility:

- The vessel must have been used to harvest BBR in the Individual Fishing Quota fishery during either the 2019/20 or 2020/21 season.

ADF&G proposes to calculate vessel-based payments pro rata to each eligible vessel's proportion of the total 2019/20 and 2020/21 pounds of BBR crab, not including deadloss, landed by all eligible vessels. ADF&G estimates that the owners, captains, and crew of 58 vessels may be eligible for direct payments based on this criterion.

ADF&G received comments in support of dividing vessel-based payments between vessel owners and captain/crew based on 60%/40%, 70%/30%, or 64%/36% split. Based on these initial public comments, ADF&G proposes a 64%/36% split, which is consistent with BBR exvessel revenue distribution between vessel owners and captains/crew reported in the Crab Economic SAFE report² by NOAA Fisheries. The proposed split would equate to vessel owners receiving 30% of the harvester funds and captains/crew receiving 17% of the harvester funds.

BBR vessel owners – 30% of the harvester funds (~\$10 million)

ADF&G proposes direct payments to vessel owners listed in the CFEC vessel database as the 2019 vessel owner for the 2019/20 season and to the 2020 vessel owner for the 2020/21 season. Although the crab seasons span two calendar years, harvests of BBR crab occur primarily in October and November. If a different owner is listed in each year, the vessel owner payment is proposed to be divided proportionally to the BBR landings in each calendar year.

BBR captains/crew – 17% of the harvester funds (~\$5 million)

ADF&G proposes direct payments to captains and crew who worked on an eligible vessel during the 2019/20 or 2020/21 season and who meet all eligibility criteria.

The following criteria are proposed for captains and crew to qualify for a direct payment:

1. Captains and crew must have participated in the BBR IFQ fishery on an eligible vessel as defined above for vessel-based payments. Eligibility is proposed to be verified based on crew contract, crew settlement, or an affidavit from the vessel owner or CFEC permit holder. Eligibility for captains may also be verified from the CFEC permit information on Fish Tickets.
2. Captains must have held a K91T CFEC permit for each season they are claiming eligibility and crew must have held a commercial crew license or a CFEC permit for any fishery for each season they are claiming eligibility. These requirements are met by holding a permit or license in 2019 for the 2019/20 season or in 2020 for the 2020/21 season.

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.

ADF&G is requesting comments on the methodology used to determine payments to captains and crew. The 2019/20 Bering Sea Tanner crab spend plan used a share-based approach where crew received one share and captains received two shares for each season that they met the eligibility criteria. One public comment proposed to base captain and crew payments on payment rates submitted by the vessel owner. ADF&G encourages comments on these, or other potential approaches.

If no eligible captains or crew apply for a share of a vessel-based payment, ADF&G proposes to share the funds proportionally among all other eligible captains and crew. These unclaimed funds would be additive to the portion of the vessel-based payment for other captains and crew.

² NOAA Fisheries Crab Economic Status Report: <https://media.fisheries.noaa.gov/2023-06/2022-crabsafe.pdf>

BBR Processors: ADF&G is proposing direct payments to Processor Quota Share (PQS) holders and active processing companies that processed BBR during the 2021/22 or 2022/23 season. The processor allocation is proposed to be split 50/50 between the PQS holders and active processing companies. Active processing companies include shore-based processing facilities that processed crab, including custom processing.

The following criterion is proposed for PQS holders to qualify for a direct payment:

- Must be listed as a PQS holder for BBR in 2021/22 or 2022/23.

ADF&G proposes to distribute direct payments to PQS holders pro rata based on each PQS holder’s proportion of the total PQS units of all PQS holders who apply and are eligible for PQS holder funds. There were 13 individual PQS holders during the 2021/22 and 2022/23 BBR seasons.

ADF&G is requesting comments on whether direct payments for initially issued PQS should be different than payments for purchased PQS, or ‘recently’ purchased PQS, as the impacts of the fishery disaster were likely more severe for PQS holders who may still owe lenders for quota investments. Approximately 72% of the BBR PQS held in 2021/22 and 2022/23 was initially issued.

The following criterion is proposed for active processing companies to qualify for a direct payment:

- BBR must have been delivered to a shore-based processing plant owned by the processing company during the 2019/20 or 2020/21 season.

ADF&G proposes to distribute direct payments for active shore-based processing companies pro rata based on each company’s proportion of the total 2019/20 and 2020/21 pounds of BBR crab, not including deadloss, delivered to all shore-based processing plants. There were five active processing companies during the 2019/20 and 2020/21 seasons.

Bering Sea snow crab

ADF&G proposes to allocate BSS crab fishery disaster funds for direct payments to mitigate losses sustained by affected CDQ groups, communities, harvesters, and processors.

Categories	Allocation	Estimated funds
Community Development Program	10%	\$10,346,473
Communities	5%	\$5,173,237
Harvester/Processor	85%	\$87,945,022
Total		\$103,464,732

BSS Western Alaska Community Development Quota (CDQ) Programs: ADF&G is proposing direct payments to CDQ groups. CDQ groups receive, in aggregate, a 10% allocation of the annual BSS crab harvest limit and depend on revenue generated from BSS crab landings to provide economic and social benefits in member communities consistent with statutory mandates. Based on initial stakeholder input, ADF&G is proposing direct payments to each CDQ group based on each group’s allocation of the BSS crab fishery in federal regulation and shown in the table below.

CDQ Group Bering Sea Snow	Percent Allocation	Estimated Amount
Aleutian Pribilof Island Community Development Association	8%	\$827,718
Bristol Bay Economic Development Association	20%	\$2,069,295
Central Bering Sea Fisherman’s Association	20%	\$2,069,295
Coastal Village Region Fund	17%	\$1,758,900
Norton Sound Economic Development Association	18%	\$1,862,365
Yukon Delta Fisheries Development Association	17%	\$1,758,900
Total	100%	\$10,346,473

BSS Communities: Municipalities and boroughs rely on revenue generated from BSS crab fishery landings and other economic activities related to the BSS crab fishery. The state’s Fishery Business tax rate is 3% for shore-based crab landings and is shared 50/50 with the state and municipalities where the landings occur. If landings occur in the bounds of a municipality and borough, they are shared 50/50 between each entity. Many municipalities or boroughs levy an additional local raw fish tax at a rate of 2% to 3.5% depending on the location and species. Initial public comments suggested community allocations in the range of 4.75% to 8.5%. ADF&G proposes a 5% allocation to affected communities to help mitigate losses in fish tax and other economic losses due to the fishery disaster. ADF&G notes that the proposed allocation to affected communities combined with the 10% allocation to CDQ groups brings the broader community allocation up to 15%.

ADF&G is proposing direct payments to municipalities and boroughs based on the port of landing where BSS crab deliveries occurred.

The following criterion is proposed for community eligibility:

- BSS crab must have been landed in the community during the 2019/20 and/or 2020/21 season based on the port of landing from ADF&G Fish Ticket data.

ADF&G proposes to distribute payments pro rata to eligible communities based on each community’s proportion of the total 2019/20 and 2020/21 pounds of BSS crab landed in all eligible communities. If landings occurred in a community represented by both a municipality and borough, the funds are proposed to be split 50/50 between the municipality and borough, consistent with the methodology for state Fishery Business taxes. Landings of BSS occurred in four communities represented by four municipalities and two boroughs during the 2019/20 and 2021/22 seasons: 1) Dutch Harbor/Unalaska, 2) Akutan and Aleutians East Borough, 3) St. Paul, and 4) King Cove and Lake and Peninsula Borough.

ADF&G did not include the suggestion from initial public comments to provide 1% of total fishery disaster funds to the community of St. Paul because ADF&G is proposing to allocate funds based on fishery-specific losses, which were two times greater for the BSS crab fishery than the BBR crab fishery. ADF&G acknowledges that the community of St. Paul is heavily dependent on revenue generated from landings of BSS crab and notes that the larger allocation of fishery disaster funds for the BSS crab fishery is expected to result in relatively more relief funds for St. Paul given the high proportion of BSS landings that occurred in St. Paul relative to other communities.

In recent fishery disaster spend plans, eligibility for relief funds was limited to municipalities and boroughs. ADF&G is requesting comment on whether other community entities affected by the fishery disaster should be considered in community-designated funds.

BSS Harvester/Processor Funds: Initial public comment recommended two approaches to allocate funds between the harvesting and processing sectors. One approach would allocate funds based on the distribution of revenue from the Non-Binding Price Formula³ for BSS crab, which results in a harvester share of 78% and processor share of 22%. The other approach would allocate 75% to harvesters and 25% to processors. ADF&G is proposing a compromise between these two approaches that allocates 76.5% to harvesters and 23.5% to processors.

Components	Allocation	Estimated fund
Harvesters	76.5%	\$67,277,942
Processor	23.5%	\$20,667,080
		\$87,945,022

BSS Harvesters: Based on public comments, ADF&G proposes to allocate harvester funds into three pools: Quota Share (QS) holders, vessel owners, and a combined pool for captains and crew. Instead of using the reported lease rate percentage to divide the funds between QS holders and vessels, the proposed allocations account for the fact that only a portion of the crab QS is leased and provide a slightly higher allocation to the vessel-based funds given the continued costs to maintain a vessel. ADF&G proposes to use 2021/22 and 2022/23 QS holdings as eligibility criteria for QS holders because those are the years included in this fishery disaster. ADF&G proposes to use participation in the 2019/20 and 2020/21 BSS seasons as eligibility criteria for vessel owners and captains and crew because these are the last two years that the BSS fishery was open.

Harvester component	Allocation	Estimated funds
QS Holders	42%	\$28,256,736
Vessel owners	37%	\$24,583,360
Captains/crew	21%	\$14,437,846
		\$67,277,942

BSS QS Holders – 42% of harvester funds (~\$28 million). The following criterion is proposed for a QS holder to qualify for a direct payment:

- Must be listed as a QS holder of Catcher Vessel Owner (CVO), Catcher/Processor Owner (CPO), Catcher Vessel Crew (CVC), and/or Catcher/Processor Crew (CPC) quota for BSS for the 2021/22 or 2022/23 season(s).

ADF&G proposes to distribute direct payments to QS holders pro rata based on each QS holder’s proportion of the total QS units of all QS holders who apply and are eligible for QS holder funds. There were 388 individual QS holders of BSS quota for the 2020/21 and 2022/23 seasons. Some QS holdings would result in very small payment estimates. ADF&G is requesting comments on whether a minimum number of QS units should be considered for eligibility to provide for more efficient distribution of funds.

ADF&G is requesting comments on whether direct payments for initially issued QS should be different than payments for purchased QS, or ‘recently’ purchased QS, as the impacts of the fishery disaster were likely more severe for QS holders who may still owe lenders for quota investments. Approximately 46% of the BSS QS in 2022/23 was initially issued.

³ [§ 680.20\(g\)\(2\)\(ii\)](#) The Non-Binding Price Formula Report is prepared annually for the Bering Sea Arbitration Organization (harvesters) and the Alaska Crab Processors Arbitration Organization (processors).

BSS vessel-based payments for vessel owners, captains, and crew – 58% of the harvester funds (~\$39 million).

The following criterion is proposed to determine vessel-based payment eligibility:

1. The vessel must have been used to harvest BSS in the Individual Fishing Quota fishery during either the 2019/20 or 2020/21 season.

ADF&G proposes to calculate vessel-based payments pro rata to each eligible vessel's proportion of the total 2019/20 and 2020/21 pounds of BSS crab, not including deadloss, landed by all eligible vessels. ADF&G estimates that the owners, captains, and crew of 66 vessels may be eligible for direct payments based on this criterion.

ADF&G received comments in support of dividing the vessel-based payments between vessel owners and captain/crew based on 60%/40%, 70%/30%, or 63%/37% split. Based on the initial public comments, ADF&G proposes a 63/37 split, which is consistent with BSS exvessel revenue distribution between vessel owners and captains/crew reported in the Crab Economic SAFE report⁴ by NOAA Fisheries and equates to vessel owners receiving 37% of the harvester funds and captains/crew receiving 21% of the harvester funds.

BSS vessel owners – 37% of the harvester funds (~\$24 million)

ADF&G proposes direct payments to vessel owners listed in the CFEC vessel database as the 2020 vessel owner for the 2019/20 season and to the 2021 vessel owner for the 2020/21 season. Although the crab seasons span two calendar years, harvests of BSS crab occur primarily after January. If a different owner is listed in each year, the vessel owner payment is proposed to be divided proportionally to the BSS landings in each calendar year.

BSS captains/crew – 21% of the harvester funds (~\$14 million)

ADF&G proposes direct payments to captains and crew who worked on eligible vessel during the 2019/20 and 2020/21 seasons and who meet all eligibility criteria.

The following criteria are proposed for captains and crew to qualify for a direct payment:

1. Captains and crew must have participated in the BSS IFQ fishery on an eligible vessel as defined above for vessel-based payments. Eligibility is proposed to be verified based on crew contract, crew settlement, or an affidavit from the vessel owner or CFEC permit holder. Eligibility for captains may also be verified from the CFEC permit information on Fish Tickets.
2. Captains must have held a T91Q CFEC permit for each season they are claiming eligibility and crew must have held a commercial crew license or a CFEC permit for any fishery for each season they are claiming eligibility. These requirements are met by holding a permit or license in 2020 for the 2019/20 season or in 2021 for the 2020/21 season.

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.

ADF&G is requesting comments on the methodology for determining payments to captains and crew. The 2019/20 Bering Sea Tanner crab spend plan used a share-based approach where crew received one share and captains received two shares for each season that they met the eligibility criteria. One public

⁴ NOAA Fisheries Crab Economic Status Report: <https://media.fisheries.noaa.gov/2023-06/2022-crabsafe.pdf>

comment proposed to base captain and crew payments on payment rates submitted by the vessel owner. ADF&G encourages comments on these, or other potential approaches.

If no eligible captains or crew apply for a share of a vessel-based payment, ADF&G proposes to share the funds proportionally among all other eligible captains and crew. These unclaimed funds would be additive to the portion of the vessel-based payment for other captains and crew.

Public comment noted that some BSS crab fishery vessels received economic benefits from participation in the 2022/23 Gulf of Alaska Tanner crab fishery. ADF&G is requesting comment on whether BSS relief payments for those vessel owners, captain and crew should be reduced by deducting harvest in the GOA Tanner crab fishery from the vessel-based calculation for the BSS crab fishery.

BSS Processors: ADF&G is proposing direct payments to Processor Quota Share (PQS) holders and active processing companies that processed BSS during the 2021/22 or 2022/23 season. The processor allocation is proposed to be split 50/50 between PQS holders and active processing companies. Active processing companies include shore-based processing facilities that processed crab, including custom processing.

The following criterion is proposed for PQS holders to qualify for a direct payment:

- Must be listed as a PQS holder for BSS in 2021/22 or 2022/23.

ADF&G proposes to distribute direct payments to PQS holders pro rata based on each PQS holder's proportion of the total PQS units of all PQS holders who apply and are eligible for PQS holder funds. There were 17 individual PQS holders during the 2021/22 and 2022/23 BSS seasons.

ADF&G is requesting comments on whether direct payments for initially issued PQS should be different than payments for purchased PQS, or 'recently' purchased PQS, as the impacts of the fishery disaster were likely more severe for PQS holders who may still owe lenders for quota investments. Approximately 68% of the BSS PQS held in 2021/22 and 2022/23 was initially issued.

The following criterion is proposed for active processing companies to qualify for a direct payment:

- BSS must have been delivered to a shore-based processing plant owned by the processing company during the 2019/20 or 2020/21 season.

ADF&G proposes to distribute payments to active shore-based processing companies pro rata based on each company's proportion of the total 2019/20 and 2020/21 pounds of BSS crab, not including deadloss, delivered to all shore-based processing plants. There were five active processing companies during the 2019/20 and 2020/21 seasons.



Coastal Villages Region Fund

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July 12, 2023

Alaska Dept. of Fish and Game
Attn: Karla Bush, Extended Jurisdiction Program Manager
dfg.com.fisheriesdisasters@alaska.gov
P.O. Box 115526
Juneau, Alaska 99811-5526

Re: Spend Plan Recommendations for the 2021/22 and 2022/23 Bering Sea Snow and Bristol Bay Red King Crab Fishery Disaster Declaration

Dear Ms. Bush,

We would like to take this opportunity to provide comment on the 2021/22 and 2022/23 Bristol Bay Red King Crab (“BBRKC”) and Bering Sea Snow (“BSS”) Fishery Disaster funding spend plans.

Coastal Villages Crab, LLC (CVC) is a wholly owned and operated division of Coastal Villages Region Fund (CVRF), the largest of the six Western Alaska Community Development Quota Program (CDQ) groups. The CDQ program, which serves 28,000 residents in 65 Bering Sea communities, was started in 1992 to help address persistent poverty in Western Alaska and historic lack of access to the Bering Sea fisheries. 10% of each annual crab TAC is set aside for the CDQ sector, and each of the CDQ groups has made additional investments in Bering Sea crab fisheries. Our statutory mandates require us to help us provide economic and social benefits in our respective communities, and our crab revenue has contributed a great deal to this purpose.

The CVRF region has more than 9800 residents in 20 rural communities that make up more than one-third of the entire CDQ population. CVRF has become the largest crab fishery owner-operator among the CDQ groups in the BBRKC and BSS crab fisheries. The environmental effects that influenced a drastic quota decrease for the 2021/22 BSS fishery and subsequent complete closures of the 2022/23 BSS fishery and the 2021/22 and 2022/2 BBRKC fisheries have had multi-level impacts to CVRF and our crab business, and those impacts have had direct effects on our ability to fund and implement the programs we provide.

For any fishery disaster spend plan, there are multiple ways to determine the proportion that should go to each affected party (apart from administrative fees).

For the 2019/20 Tanner Crab Disaster spend plan, crab industry participants were insistent that the final plan be used only as general guidance for future Bering Sea crab disaster funding, and not as a prescriptive



Coastal Villages Region Fund

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formula, and CVRF supported that position. CVRF has participated in recent discussions with other affected parties that attempted to come to agreement on the basic terms and ratios for the BBRKC and BSS spend plans. Unfortunately, there have been difficulties in reaching agreement on several points and the industry appears to remain divided, but we appreciate the State's patience and consideration of allowing more time to attempt to come to agreement on this. For the BBRKC and BSS Fishery Disaster spend plans, CVRF would like to call attention to the following components:

- 5.0% for research under both the BBRKC and BSS plans. This is less than the fraction outlined in the final Tanner crab plan (10%). 5% is equally agreed upon by the CDQ groups and is higher than some in the industry have proposed. Historic and unprecedented downturns in the BBRKC and BSS populations and subsequent closures of these fisheries has been devastating to those who have relied on them, and significant answers to the cause are outstanding. However, an allocation of 10% or more would equal nearly \$20 million, and be at the expense of fishery participants who have lost considerable revenue during the last two BBR & BSS seasons. Additionally, there must be effort outside the industry by state and federal fishery managers to actively continue to contribute to research questions to better understand the complex reasons for these crab declines. These disaster funds should not be considered the only funding mechanism to support research efforts.
- 4.75% for communities. This value is consistent with the 2019/20 Tanner crab plan, although some stakeholders wished for a larger portion for communities and others requested a smaller portion. During discussion for the Tanner crab plan, it was pointed out that the 4.75% was intended to partly compensate for the loss of state and local fisheries landing taxes (which has been variously stated to amount to between 3 and 4% of ex-vessel value), with an additional amount to account for mitigation of other effects on community economies. CVRF believes that 4.75% for both BBRKC and BSS is still an appropriate amount for this distribution. Some discussion at industry meetings noted that there may be a perceived need to focus on relative crab dependence between communities, but this will be borne out in the relative difference in magnitude between disaster funding allocated to BBRKC and BSS, and may be further allotted using fishery-based metrics, such as analysis of delivery location shown on ADF&G fish tickets, or community discussions of relative need between communities.
- 10% for CDQ (after allocations to the administrative, community, and research categories). This value is consistent with the 2019/20 Tanner crab plan. According to federal regulations, 10.0% of the harvestable amount (Total Allowable Catch) is allocated to CDQ before the remainder is distributed to other participants. Placing the CDQ allocation at 10%, seems to have been universally accepted through comments at industry meetings. We applaud the apparent consensus agreement on this and support it.

In addition to the above, CVRF would like to call attention to several additional points to consider incorporating into the BBRKC and BSS plans:



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- Qualifying years for all fishery stakeholders (harvesters, processors, quota holders, vessel owners, and crew) should comprise of the 2019/20 and 2020/21 crab seasons. Vessel landings for those years would likely reflect a normal set of participants who are recently invested in the fisheries.
- Dividing allocations between vessels in the harvesting category should be determined in a manner similar to the final Tanner crab spend plan, where payments are made pro rata to each eligible vessel based on their proportion of the total 2019/20 and 2020/21 pounds of BBR and BSS crab (not including deadloss) landed by all eligible vessels.
- Shares for crew should be based on the pro rata distribution to the vessel on which they worked, as opposed to equal rates for all crew. Some vessels fished longer seasons to catch more quota, and benefits to crew should similarly be based on vessel performance (which in normal years is directly tied to crew wages). The final version of the Tanner crab spend plan appears to be unclear on this.

We at CVRF have a substantial interest in this matter given our significant investments in the Bering Sea crab fisheries and their importance to achieving our mission of alleviating poverty and improving economic development in some of the poorest and most isolated communities in the United States. We look forward to providing any further assistance as the department considers the direction of the spend plan for this Fishery Disaster.

Thank you for your consideration in this matter.

Sincerely,

A handwritten signature in blue ink, appearing to read "Eric Deakin".

Eric Deakin,
Chief Executive Officer, Coastal Villages Region Fund



City of King Cove
PO Box 37
King Cove, Alaska 99612

OFFICE OF THE MAYOR

July 14, 2023

Alaska Department of Fish & Game
ATTN: Karla Bush
Juneau, Alaska 99811-5526

email to: (dfg.com.fisheriesdisasters@alaska.gov)

Dear Ms. Bush,

The City of King Cove welcomes the opportunity to comment and assist ADF&G in identifying funding priorities and developing spend plans for the Bristol Bay Red King Crab (BBRKC) and Bering Sea Snow Crab (BSSC) disasters for the 2021/2022 and 2022/2023 seasons.

King Cove's economy has been fisheries dependent since its founding over 112 years ago. The community's economic base continues to be relatively stable, but has endured many changes during this time due to a myriad of market changes, climate/environmental changes, and regulatory changes. Over the last 20 years, our total, local ex-vessel fish tax (2%) values have ranged from \$380,000 to \$1.5 million per year. These fish tax revenues have been relatively evenly divided between crab, salmon, and bottomfish during this time.

The recent BBRKC and BSSC disasters are our latest challenges. The City's current estimate is that these two crab disasters are **annually** impacting our general fund & harbor fund revenues by about \$580,000. We also believe this is a conservative estimate. The attached memo further documents our basis for these crab revenue losses.

Consequently, these crab disasters over the last two years have resulted in a **minimum loss of over \$1.16 million** for the city's revenue base. The attached memo further documents our assessment and data to support this claim.

Also, as previously expressed in a joint letter (*emailed to you on July 6th*) with the other crab-dependent municipalities (and borough), King Cove supports the proposed 7% allocation of the 2022 and 2023 crab disaster funds to these local governments. King Cove also recognizes and supports the unique position that the City of St. Paul is in with its almost exclusive dependency on BSSC for its economic base, and supports the recommended additional 1% allocation of these disaster funds to St. Paul.

I would also like to reinforce my support for the statements in that letter regarding: a) our communities' vulnerability to the economic impacts of fishery failures and the inherent difficulties in maintaining essential municipal services and infrastructure with uneven revenues; and b) how the State has benefitted over the decades from the successful fisheries infrastructure investments made by our communities. A good King Cove example is that we were just the second municipal government back in 1995/96 to accept a harbor ownership transfer from the State. And following that process, and with the support of the Aleutians East Borough and Army Corps of Engineers, the City was able to accept ownership of a second, larger harbor about a decade later. This harbor was built in large part to serve the BBRKC and BSSC fleets. Unfortunately, this harbor has been pretty empty for the last two king and snow crab seasons and that greatly concerns me, the community, and our local processor.

Thank you for reviewing and considering this information as ADF&G works towards a successful implementation of the BSSC and BBRKC Spend Plan for these recent fisheries' disasters.

Sincerely,

A handwritten signature in black ink, appearing to read 'Warren Wilson', written in a cursive style.

Warren Wilson
Mayor

Attachment: *"King Cove, Alaska: A Current Overview of Our Fisheries Based Economy"*



King Cove, Alaska
A Current Overview of Our Fisheries Based Economy
July 2023

King Cove was settled in 1911 when a Seattle based fishing company, Pacific American Fisheries, built a cannery on the sand spit between King Cove Bay and Lagoon. The cannery became the focal point for the settlement of King Cove.

King Cove incorporated as a city in 1949 when Alaska was still a Territory. King Cove was one of the first incorporated cities in the Territory and one of the smallest and remotest communities to incorporate at that time. Then, King Cove became a first-class city in 1974 and adopted a Mayor/Council form of local government. The city has employed a City Administrator since 1976. The current City Administrator was hired in November 1989.

Fishing has been King Cove's primary economic and revenue base for 112 years. The city is fortunate to have one of Alaska's oldest, most diverse, and year-round seafood processors in the community. The ownership of the fish plant has changed a few times during this period but has continually maintained a viable operation and has usually been a stabilizing revenue influence for King Cove.

The following tables provide a brief synopsis of the last five years of city fish and general sales taxes, and the other key local and State revenues that are the mainstay of the city's economy. This summary was prepared without specifically disclosing actual pounds and value by species. It is also noted that these data include at least three different processors and/or buyers paying the city's 2% fish tax during FY18-FY21. There have also been a number of major custom processing activities and subject to paying the city's 6% sales tax.

For FY 18-21, King Cove had annual average general fund revenues of approximately \$2.6 million revenues (**Table A**). About 60% of these revenues are directly from local and state fish taxes.

During these same years, the city's enterprise and special funds (Harbor/port, electric, water/sewer, and solid waste) had combined annual average revenues of approximately 3.3 million. These funds clearly fluctuate depending on the number of vessels, crews, processing activities, and the number of fish plant employees. The last two BBRKC and BSSC crab seasons (2021/2022 and 2022/2023) have clearly shown a major decline for many of these services that help to generate city revenue.

Our FY22 general fund revenues are also shown on **Table A** and are likely an anomaly due to a record setting year for bottomfish taxes.

Table B shows the composition (%) of our FY18-21 local 2% fish tax by species. Note the rather equal split of local taxes between salmon, bottomfish, and crab. However, for FY22 that split was 48% bottomfish, 26% crab, and 26% salmon compared to the FY18-21 annual average split of 35% crab, 34% bottomfish, and 31% salmon.

At the same time starting in FY22, the composition of the city's crab tax revenues made a significant shift with major decreases in BBRKC and BSSC revenues that were offset, somewhat, with increases in tanner and Dungeness crab tax dollars (see **Table C**).

The city's estimate for the loss of fish and sales tax revenues for these two disaster years for BBRKC and BBSC is a **minimum of \$1.16 million**. The city developed this estimate based on both direct local and state fish tax losses and estimates of the indirect city revenue losses for city sales tax (6%) and loss moorage, harbor electric sales, and fuel sales.

Table D documents these averages and indirect estimates for these losses on an annual basis. This annual estimate of \$576,000 for one year was further extrapolated to **\$1.16 million** for two years.

The average local crab tax revenues for BBRKC and BSSC for FY18-21 were used as the basis for this estimate. The same process was used for estimating the loss of state shared fisheries tax for these two crab categories.

The indirect revenue losses are from two categories: a) decreases in the city sales tax (6%) estimated to be 10% of the average annual sales taxes for FY18-21 which was \$850,000; and b) estimates of the decrease in moorage, fuel sales, and purchase of electricity.

SUMMARY

After ADF&G finalizes the two seasons of crab disaster allocations amongst all the intended recipients, the City understands that historic ADF&G fish ticket data will be the official basis for recommending the final allocation of these BSRKC and BBSC disaster funds to the King Cove and the other eligible municipal governments.

The City expects this general allocation methodology would reasonably address our projected \$1.16 million in loss revenue for these two BBRDK and BSSC crab disasters.

Table A
General Fund Revenues
FY18-FY22
(Millions)

	FY18	FY19	FY20	FY21	FY22	FY18-21 AVERAGE
LOCAL						
Fish (2%)	\$1.32	.84	.73	.75	\$1.50	.91
Sales Tax (6%)	.63	.65	.79	1.33	.94	.85
Fish Impact Tax	.10	.10	.10	.10	.10	.10
Other	.07	.06	.13	.06	.12	.8
	\$2.12	\$1.65	\$1.75	\$2.24	\$2.66	\$1.94
STATE						
Shared Fisheries	.55	.61	.45	.39	.47	.50
Revenue Sharing	.09	.09	.08	.07	.07	.08
Other	.66	.74	.57	.52	.61	.62
TOTAL	\$ 2.78	\$ 2.39	\$ 2.32	\$ 2.76	\$ 3.27	\$ 2.56

Table B
Annual Local Fish Tax Percentages by Species
FY18-FY21

	FY18	FY19	FY20	FY21	FY18-21 AVERAGE
SALMON	51%	32%	15%	25%	31%
BOTTOMFISH	23%	38%	42%	32%	34%
CRAB	26%	30%	43%	43%	35%
	100%	100%	100%	100%	100%

Table C
Local Crab Fish Tax Percentages by Type

	FY18	FY19	FY20	FY21	FY22	FY18-21 AVERAGE
B.B. KING	62%	42%	31%	29%	10%	41%

B.S. SNOW	32%	50%	69%	56%	18%	52%
TANNER	6%	8%	0	5%	29%	5%
DUNGENESS	0	0	0	10%	43%	2%
Total	\$355,000	\$293,000	\$277,000	\$318,000	\$250,000	

Table D
Estimate of Annual Crab Tax Revenue Loss

Direct Fish Tax Loss

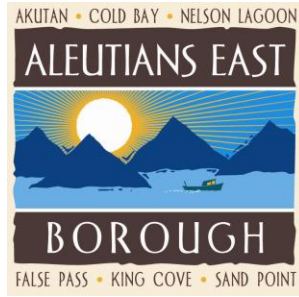
BERING SEA SNOW CRAB		
	FY18-FY21 Average Annual City Fish Tax	\$156,000
	FY18-FY21 Average Annual State Shared	\$ 70,000
Fish		
BRISTOL BAY RED KING CRAB		
	FY18-FY21 Average Annual City Fish Tax	\$130,000
	FY18-FY21 Average Annual State Shared	\$ 60,000
Fish		
<i>SUB-TOTAL</i>		<i>\$416,000</i>

Indirect Revenue Loss

CITY SALES TAX	\$85,000 ¹
Harbor moorage, Electricity & Fuel	\$75,000 ²
TOTAL – Estimate of annual crab revenue losses for the City	\$576,000

¹ Assume 10% decrease in City 6% sales tax; FY18-FY21 average annual sales tax was \$850,000 (See Table A)

² Estimate of annual revenue loss for these categories with less crab boats and crews in King Cove.



June 30, 2023

Karla Bush
ADF&G Extended Jurisdiction Program Manager
dfg.com.fisheriesdisasters@alaska.gov

RE: Bristol Bay red king crab and Bering Sea snow crab 2021/2022, 2022/2023 Fishery Disaster
Funding Spend Plans

The Aleutians East Borough welcomes the opportunity to comment and help the Alaska Department of Fish & Game identify funding priorities and develop spend plans for federal fishery disaster allocations. The Aleutians East Borough is a 2nd Class Borough of the State of Alaska including waters of the Alaska Peninsula and Aleutian Islands from the Southwestern Unalga Island to Strogonof Point on the North Peninsula and Kupreanof point on the South Peninsula. Our municipality encompasses the cities of Akutan, Cold Bay, False Pass, King Cove and Sand Point, and the village of Nelson Lagoon. There are on-shore seafood processing plants in Akutan, False Pass, King Cove and Sand Point as well as a processing plant at Port Moller.

The Borough and our communities are heavily reliant on raw fish taxes on crab and fish delivered to our onshore plants. The loss of fish tax revenue from Bristol Bay Red King Crab (BBRKC) and Bering Sea Snow crab for the 2021/2022 and 2022/2023 seasons is impactful to the Borough and all of our communities, and in particular the communities of King Cove and Akutan where the majority of these crab landings have previously occurred. Local businesses that are dependent on revenues from these crab fisheries have also suffered. Borough fish taxes are spent in support of education and infrastructure development, including marine infrastructure to support the fishing industry and bond payments to repay debt on these projects.

The Aleutians East Borough fiscal year runs from July 1 through June 30 and today June 30, 2023 marks the last day of our fiscal year 2023. Fiscal year 2023 matches up with the 2022/2023 crab season and fiscal year 2022 matches up with the 2020/2022 crab season under discussion. We will have preliminary fish tax data for AEB FY 2023 sometime after July 15th 2023. As many of our processing communities are one-processor towns, the Borough endeavors to follow the 'rule of three' and handle much of our fish tax data as confidential proprietary information. The Borough will, however, respond to any data requests by the Department in order to facilitate the spend plans development.

The Aleutians East Borough is currently fortunate to have a diverse portfolio of crab and fish delivered to our ports. The average percent of AEB fish tax from BBRKC from fiscal years 2016 to 2021 was 10.5%, Snow crab also averaged 10.5% for a combined BBRKC and snow crab

average 21% of AEB fish tax for fiscal years 2016 through 2021. In fiscal year 2022, BBRKC was 0.0% of AEB fish tax and snow crab was just 4%.

The Aleutians East Borough supports an allocation in the both the 2021/2022 and 2022/2023 BBRKC and Bering Sea Snow Crab Fishery Disaster funds spend plans of **7% to communities** with qualified landings. We agree with the other Southwest Alaska and Bering Sea communities we have met with that communities with more reliance on these crab fisheries should receive extra consideration. In the case of the community of Saint Paul with near total reliance on the Snow crab fishery, **an extra 1% off the top to Saint Paul** should be allocated in acknowledgement of that dependence.

We look forward to continued engagement on these spend plans, thank you.

Sincerely,

Ernest Weiss
Natural Resources Director



June 30, 2023

Commissioner Doug Vincent-Lang
Alaska Department of Fish and Game
P.O. Box 115526
Juneau, Alaska 99811
Submitted via email: dfg.com.fisheriesdisasters@alaska.gov

Re: Federal Fishery Disaster Spend Plan Development

Dear Commissioner Vincent-Lang:

On behalf of Chugach Regional Resources Commission (CRRRC), I submit these written comments regarding ADF&G's development of spend plans for the \$131.8 million that Congress recently appropriated for Alaska for federally-declared fishery disasters that have devastated our region.

CRRRC's experiences with our Alutiiq Pride Marine Institute (APMI) make us uniquely positioned to weigh in on ADF&G's development of spend plans for federal fishery disaster relief funds. APMI is one of only two Tribal hatcheries, and the only shellfish hatchery, in Alaska. For nearly thirty years, APMI has conducted research, produced high-quality hatchery technology, and repopulated plant and animal resources. As a marine research facility managed by CRRRC's seven member Tribes, APMI's work is framed by our Tribal communities' rich understanding of the Chugach region ecosystems, which have been developed through daily observation over centuries. Drawing upon this wealth of knowledge, APMI has dedicated significant resources towards the research and development of large-scale hatchery enhancement models for both red and blue king crab. For the reasons that follow, CRRRC and APMI urge ADF&G to: (1) increase the amount of funding in the spend plans for scientific research, and (2) reinvest in the Alaska King Crab Research, Rehabilitation and Biology Program (AKCRRAB).

1. Research is key to preventing the next fisheries collapse.

An ounce of prevention is worth a pound of cure. Our only chance of preventing the next devastating fisheries collapse hinges on appropriate investment in scientific research. Specifically, we encourage ADF&G to adequately fund the following research themes in its forthcoming spend plans: (1) the economic viability of cultivating red and blue king crab; (2) the survival rates of hatchery-raised red and blue king crab when introduced into the wild; (3) the

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effect of hatchery-raised red and blue king crab on wild stocks; and most importantly, (4) can Alaska's king crab fisheries be restored using large-scale hatchery culture? Other necessary research includes funding multi-stressor exposure studies to better understand how changing conditions are impacting temperature, food availability, and ocean acidification. There is no shortage of research that needs to be done – only a shortage of funding.

Investment in scientific research is also necessary to better understand why certain fisheries have not recovered to the extent anticipated. For example, the red king crab fishery failure in the Gulf of Alaska occurred forty years ago and yet, we continue to have more questions than answers about why recovery has stalled. However, the level of research required to learn these answers can only occur if it is supported by the state through ADF&G. This data can also be used to aid the development of the State's preparedness, response, and recovery strategies for addressing future fishery failures.

We cannot possibly hope to prevent future population crashes without first having a better understanding of why previous failures happened in the first place. And this research cannot be successful if it is conducted in silos; investing in Tribally-led research is key to building a holistic, intergovernmental approach to understanding fisheries declines, disasters, and potential for recovery. We strongly recommend that funding for scientific research be made available from ADF&G directly to research institutions, and not filtered through several layers of agency bureaucracy. APMI for example can use this research support for tasks only we have been able to successfully complete, such as scaling hatchery production and refining techniques.

Our Tribes' traditional use area covers an expanse of 20,000 square miles of marine waters, including more than 5,000 miles of coastline along the southern tip of the Kenai Peninsula in Lower Cook Inlet, through the Kenai Fjords, Prince William Sound, and the Gulf of Alaska. These waters were once one of the richest and most biologically productive ecosystems in the world. This is rapidly becoming no longer true, as fisheries crashes have become more frequent and more devastating. Because the ability to harvest from these rich waters is vital to the cultural, nutritional, economic, and spiritual well-being of our Tribal communities, the impact of fisheries failures cannot be overstated.

2. Reinvestment in the AKCRRAB Program is key to preventing future crab crashes.

The AKCRRAB program was created in 2006 to master the large-scale culturing needs of wild red and blue king crab stocks, and to perfect strategies for hatching and rearing crab for release into the wild and help reverse low stock abundance in Alaska. AKCRRAB brought together Tribes,

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academic researchers, private scientists, federal agencies, and commercial industry professionals to better understand the need for, and to improve the methodology of, the enhancement of king crab by perfecting strategies for hatching, rearing, and out planting king crab in the North Pacific. This program produced several publications and research studies that create a foundation for understanding how crab live and die. It was a stellar example of the scientific knowledge that can be gained when scientific research receives appropriate financial support. This knowledge is key to providing policymakers the information needed to assess the feasibility of ecologically sound management of depressed crab stocks. Unfortunately, the program ended due to lack of funding.

In its May 2021 Final Report to Governor Dunleavy, the Alaska Mariculture Task Force explained the importance of enhancement projects for Alaska's fisheries and how such work could help mitigate the impacts of changing ocean conditions on commercially valuable crab fisheries.¹ ADF&G must sufficiently reinvest in AKCRRAB so that the scientific community can collect the data needed for policymakers to make informed decisions about population management in the coming years.

We appreciate the opportunity to share our thoughts with ADF&G about the importance of appropriate investment in scientific research to preserve the fisheries upon which all Alaskans depend. CRRC has been working in this space for three decades, and we welcome the opportunity to share our experiences, best practice, and ideas for future collaborations as you develop these spend plans.

Sincerely,

A handwritten signature in black ink that reads "Willow Hetrick-Price".

Willow Hetrick-Price
Executive Director

¹ Appendix E, available at <https://afdf.org/asset/635154a1246bd/Mariculture-Task-Force-Report-to-Gov-Final-compressed.pdf>.



CITY OF SAINT PAUL

ALASKA

July 6, 2023

Alaska Department of Fish & Game
Attn: Karla Bush, dfg.com.fisheriesdisasters@alaska.gov
P.O. Box 115526
Juneau, Alaska 99811-5526

Re: Comments on Proposed Spend Plan for the 2021/22 and 2022/23 Bering Sea Snow Crab and Bristol Bay Red King Crab Fisheries Disasters

Dear Ms. Bush,

On behalf of the City of Saint Paul, Alaska (City), I wanted to thank the Alaska Department of Fish and Game (ADF&G) for requesting comments on the proposed Spend Plan to address the 2021/22 and 2022/23 Bering Sea snow (BSS) crab and Bristol Bay red king crab (BBRKC) fisheries disaster determinations.

I. Community Request for the BSS and BBRKC Spend Plan:

For reasons further discussed below, Saint Paul Island and other crab dependent communities are proposing an allocation of 7% of the funds responding to BSS and BBRKC disasters to be directed to Alaskan communities. This proposed allocation is 3.25% higher than the allocation of 4.75% proposed earlier for the Tanner Crab Spend Plan, but is reflective of the much higher dependence of Saint Paul and other communities on the BSS and BBRKC fisheries.

In addition, the City is proposing a 1% allocation off the top only for Saint Paul Island that is reflective of our community's much higher level of dependence on the crab fisheries. This proposal is supported by other communities.

It is important to note that while the proposed allocation to communities is reflective in part on revenues generated by local and state fisheries taxes, it also considers various other factors unique to communities including:

- **The importance of communities to the Three Pie Crab Program -**

When the U.S. Congress and the North Pacific Fisheries Management Council (NPFMC) took action to rationalize the crab fisheries two decades ago, they recognized the historic participation and investments made by various sectors to develop the crab fisheries, including communities, and sought to protect these through various community protection mechanisms. Under this framework, the stake of communities in the crab fisheries, is considered the third leg of a stool constituted with the harvesting and

processing sectors, one that is equally deserving of protection of the costs and benefits of participation in the crab fisheries.

- **The unique vulnerability of communities in the face of fisheries disasters -**

Communities do not have the same ability, at least in the short term, to pivot in response to fishery disasters and the resulting economic impacts. This is unlike private sector fishing operations, which can relocate their operations to other fisheries and waters. In addition, past community investments in fisheries-related infrastructure to support the efforts of the fishing industry require local matches and in many instances high debt levels. Moreover, operations and maintenance work on existing infrastructure must continue, regardless of the status of the fishery and its optimal use. On top of these existing commitments, repositioning and diversifying a community's economy requires substantial investment in new infrastructure and other forms of economic support.

The Magnuson-Stevens Act's (MSA) fishery disaster provisions recognize the unique position of fisheries-dependent communities and their heightened vulnerability to commercial fishery failures. The need to provide for the sustained participation of fisheries-dependent communities in federal fisheries management actions is also captured in the MSA's National Standard 8. Moreover, additional levels of consideration towards communities whose populations are largely indigenous, as is the case, are required under National Standard 4 guidelines regarding equity in allocations, as well as in National Environmental Policy Act (NEPA) provisions, and executive decrees and policies including Equity and Environmental Justice (EEJ) principles concerning underserved populations.

- **Funds Spent in Alaskan communities benefit Alaska –**

Over the decades, the State has benefitted from successful fisheries investments made by communities through the 3% of shared fisheries taxes derived from the crab fisheries as well as from the businesses that have been attracted to the State's commercial fisheries. Undoubtedly, thriving fishing communities have been a net benefit to the State allowing it to focus its limited resources in other, less economically dynamic, regions.

Similarly, a prolonged economic crisis and even a failure by some communities to recover from the collapse of the crab stocks, would result in additional economic burdens to the State. To the extent, therefore, that disaster funds are being deployed to assist affected Alaskan communities, those funds will remain in Alaska to the overall benefit of the State and its residents.

II. The Bases for Requesting an Additional 1% Allocation for Saint Paul:

Saint Paul Island's economy is largely dependent on the activities of the Bering Sea's commercial crab fisheries. The City derives fishery landing taxes and other fees associated with these activities. Revenues from fisheries taxes in turn constitute approximately 60% of the City's general fund revenues, which support essential municipal operations and services. Unlike other

crab dependent communities which have more diversified economies and mixed fisheries portfolios, Saint Paul Island is almost entirely dependent on the BSS crab fishery. The table below provides an overview of City taxes and revenues from 2018 onwards. The impacts from the loss local and state fish taxes is clear.

Year	2018 (actual)	2019 (actual)	2020 (actual)	2021 (actual)	2022 (actual)	2023 (budgeted)	Avg 2018-21
Local Fish Tax	\$1,120,918	\$1,655,960	\$1,827,588	\$3,347,430	\$503,856		-\$1,987,974
Shared State Fish Tax	\$623,979	\$593,330	\$841,798	\$840,827	\$1,545,892	\$200,000	\$724,984
Total	\$1,744,897	\$2,249,290	\$2,669,386	\$4,188,257	\$2,049,748	\$200,000	\$2,712,958
Change		\$504,393	\$420,096	\$1,518,871	\$(2,138,509)	\$(1,849,748)	\$2,512,958
%Change		29%	19%	57%	-51%	-90%	
Total General Fund Revenue	\$2,937,238	\$3,869,686	\$4,456,780	\$5,750,825	\$3,410,439	\$2,363,122	\$4,253,632
Other GF Revenue	\$1,192,341	\$1,620,396	\$1,787,394	\$1,562,568	\$1,360,691	\$2,163,122	\$1,540,675
% of GF Revenue from Fish Tax	59%	58%	60%	73%	60%	8%	
% of GF Revenue from Other Sources	41%	42%	40%	27%	40%	92%	

In response to the loss of a significant portion of its revenues, the City has been forced to make severe cuts to its budget which included:

- A hiring freeze of key positions;
- Loss of paid EMS services;
- Reduction of police officer positions from 4 to 2;
- No funding for community donations and City sponsored community events;
- Limiting purchases to essential purchases only; and,
- No travel budget to participate in essential municipal meetings.

For this calendar year the City has had to take funds from its limited savings account to maintain ongoing municipal operations and minimize the devastating impacts that the crab fishery closures have had upon City finances and our community.

In addition, Saint Paul Island still has considerable obligations regarding investments in fisheries-related infrastructure that were made starting in the late 1980s, after the phase-out of the commercial fur seal harvest in 1983. During this period, the community embarked on a multimillion dollar/multidecade effort, with the financial support of the State of Alaska, the Federal Government, and the U.S. Congress, to build and upgrade harbors, fuel farms, water storage tanks, outfalls, and other infrastructure necessary to benefit the Bering Sea crab and other commercial fisheries. As a local sponsor of these projects, Saint Paul became for a period of time one of the most highly indebted communities in Alaska on a per capita basis and this community of about 350 residents still owes close to \$10 million. Private sector processing and harvesting operations also invested heavily on Saint Paul Island to develop the capacity necessary to pursue the crab fisheries.

For about two decades, during the 1990s and 2000s, these local, State, Federal, and private sector investments proved their worth to the crab industry, the State of Alaska and the Nation, generating hundreds of millions of dollars to fishery participants year to year. The City and the State also derived substantial municipal and state taxes from these fisheries.

III. Use of Disaster Funds:

Prospectively, and upon future implementation of this BSS and BBRKC Spend Plan, the City and other affected Alaskan crab communities, support disaster funds being used, at least in part, as direct payments to replace lost resource revenues and taxes. Communities affected by a fishery disaster must be able to “keep the lights on” and replace lost municipal revenues that are normally used to provide essential municipal services, or else they will wither away, lose population, and be further impaired in their ability to use disaster funds to respond to the fishery disaster -- either through infrastructure investments or other projects.

In Saint Paul’s case, the City is working with other local entities, state and federal agencies, and partners in the fishing industry to identify projects and expenditures to be pursued with its eventual allocation of disaster funds including:

- investing in opportunities that diversify Saint Paul’s economy, including but not limited to other fisheries activities, mariculture, and expanded tourism;
- working on deferred maintenance of critical public, fisheries-related, infrastructure;
- connecting the Trident Seafoods plant to the City’s electrical grid, and;
- matching disaster funds to federal and state grants that require a local match.

Determinations of commercial fishery failures and criteria for uses of disaster relief are made pursuant to the provisions of MSA Section 312(a).¹ In addition, the National Marine Fisheries Service (NMFS) issued a policy on December 20, 2021, providing further guidance on criteria and uses of disaster funds. It must be noted that neither the MSA Statute, nor the relevant NMFS regulations or policy guidance contain limitations on direct payments to communities.² In addition to being unfair, inequitable, and legally questionable, such limitations would be counterproductive to the spirit and objectives of Section 312(a) regarding assistance communities affected by fishery disasters.

¹ 16 U.S.C. 1861a, states in the relevant section that: (2) Upon the determination under paragraph (1) that there is a commercial fishery failure, the Secretary is authorized to make sums available to be used by the affected State, fishing community, or by the Secretary in cooperation with the affected State or fishing community for assessing the economic and social effects of the commercial fishery failure, or any activity that the Secretary determines is appropriate to restore the fishery or prevent a similar failure in the future and to assist a fishing community affected by such failure [emphasis added]. Before making funds available for an activity authorized under this section, the Secretary shall make a determination that such activity will not expand the size or scope of the commercial fishery failure in that fishery or into other fisheries or other geographic regions.

² Representatives for the City and the Central Bering Sea Fishermen’s Association (CBSFA) held meetings with NMFS representatives in DC and Juneau on November 10, 2022, who confirmed that there were no such limitations on direct payments to communities in NMFS policies and regulations. The limitation appears to come from the Office of Management and Budget (OMB). The City reached out to OMB on December 9 and 14, 2022, but was sent back to NMFS for guidance and never got a substantive response from OMB.

Regardless, Congress provided additional clarity on the matter in the Consolidated Appropriations Act of 2023, which amended various provisions of Section 312 and spelled out eligible uses for the use of disaster funds.³ These provisions unequivocally allow direct assistance to a fishing community.

To conclude, the City appreciates ADF&G's work in the development of the BSS and BBRKC Spend Plan as well as its broader efforts in support of crab dependent communities and other fishery stakeholders affected by recent fishery disasters.

The City remains available for any questions or feedback regarding its comments.

Sincerely,



Phillip A. Zavadil, City Manager

Cc. Saint Paul City Council
Amos Philemonoff, President, Aleut Community of Saint Paul
Phillip Lestenkof, President, Central Bering Sea Fishermen's Association
Christopher Mandregan, CEO, TDX Corporation

³ <https://www.congress.gov/117/bills/hr2617/BILLS-117hr2617enr.pdf>

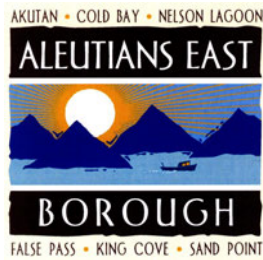
HR 2617 or the Consolidated Appropriations Act of 2023 states in the relevant section that:

“(F) DISBURSAL OF FUNDS.—

“(i) AVAILABILITY.—Funds shall be made available to grantees not later than 90 days after the date the Secretary receives a complete spend plan.

“(ii) METHOD.—The Secretary may provide an allocation of funds under this subsection in the form of a grant, direct payment, cooperative agreement, loan, or contract. ‘

“(iii) ELIGIBLE USES.—“(I) IN GENERAL.—Funds allocated for fishery resources disasters under this subsection shall restore the fishery affected by such a disaster, prevent a similar disaster in the future, or assist the affected fishing community, and shall prioritize the following uses, which are not in order of priority: “(aa) Habitat conservation and restoration and other activities, including scientific research, that reduce adverse impacts to the fishery or improve understanding of the affected species or its ecosystem. “(bb) The collection of fishery information and other activities that improve management of the affected fishery. “(cc) In a commercial fishery, capacity reduction and other activities that improve management of fishing effort, including funds to offset budgetary costs to refinance a Federal fishing capacity reduction loan or to repay the principal of a Federal fishing capacity reduction loan. “(dd) Developing, repairing, or improving fishery-related public infrastructure. “(ee) Direct assistance to a person, fishing community (including assistance for lost fisheries resource levies) [emphasis added] or a business to alleviate economic loss incurred as a direct result of a fishery resource disaster, particularly when affected by a circumstance described in paragraph (5)(D) or by negative impacts to subsistence or Indian Tribe ceremonial fishing opportunity.



CITY OF
Saint Paul
ALASKA



July 6, 2023

Alaska Department of Fish & Game
Attn: Karla Bush, dfg.com.fisheriesdisasters@alaska.gov
P.O. Box 115526
Juneau, Alaska 99811-5526

Re: Comments on Proposed Spend Plan for the 2021/22 and 2022/23 Bering Sea Snow Crab and Bristol Bay Red King Crab Fisheries Disasters

Dear Ms. Bush,

The undersigned Alaskan crab-dependent communities wanted to thank the Alaska Department of Fish and Game (ADF&G) for requesting comments on the proposed Spend Plan in response to the 2021/22 and 2022/23 Bering Sea snow (BSS) crab and Bristol Bay red king crab (BBRKC) fisheries disaster determinations.

Over the course of several meetings among community representatives and with the broader crab industry, the communities agreed to propose that an allocation of 7% of the funds responding to the BSS and BBRKC disasters be directed to Alaskan communities. This proposed allocation is 3.25% higher than the allocation of 4.75% proposed earlier for the Tanner Crab Spend Plan, but is reflective of the much higher dependence of our communities on the BSS and BBRKC fisheries.

In addition, in recognition of Saint Paul's Island much higher level of dependence on the BSS fishery, the communities are proposing that the State of Alaska set aside a 1% allocation off the top for Saint Paul.

The proposed allocation to the community sector is reflective in part on revenues generated by local and state fisheries taxes, but also considers a number of other less tangible, but important, factors including:

- i) the considerations extended to fisheries communities by Congress under the Magnuson-Stevens Act's (MSA) fishery disaster provisions as well as MSA National Standard 8, in addition to relevant NEPA principles and executive decrees relevant to Indigenous Americans and other underserved populations that reside in our communities and are dependent on the activities of the crab fisheries;
- ii) the recognition by the U.S. Congress, the State of Alaska, and the

NPFMC through the Crab Rationalization Program of the critical investments and contributions made by our sector over the decades to develop the Bering Sea crab fisheries, and the need to protect these;

iii) our communities' vulnerability to the economic impacts of fishery failures and the inherent difficulties we face in maintaining essential municipal services and infrastructure while attempting to diversify our economies, and;

iv) the fact that our State has benefitted through the decades from the successful fisheries infrastructure investments made by our communities -- which include substantial local matches -- through the 3% of shared fisheries taxes derived from the crab fisheries, as well as from the businesses that have been attracted to Alaska thanks to these investments. The community proposal also takes into account that disaster funds disbursed to assist affected Alaskan communities are more likely to remain in Alaska to the benefit of the State and its residents. Similarly, a prolonged economic crisis and even a failure by some communities to recover from the crab collapse, would likely result in additional economic burdens to the State, and speaks to the need for a larger community share of the disaster funds.

We would like to thank you for your consideration and look forward to working with ADF&G towards successful implementation of the BSS and BBRKC Spend Plan.

Sincerely,



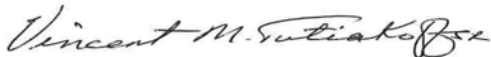
Alvin D. Osterback, Mayor
Aleutians East Borough



Warren Wilson, Mayor
City of King Cove



Jacob Merculief, Mayor
City of Saint Paul



Vincent M. Tutiakoff, Sr., Mayor
City of Unalaska

BSFRF

Bering Sea
Fisheries
Research
Foundation



BERING SEA FISHERIES RESEARCH FOUNDATION

23929 22ND DR SE BOTHELL, WA. 98021

FORGING COOPERATIVE RESEARCH PARTNERSHIPS IN THE BERING SEA

July 12, 2023

Ms. Karla Bush
Extended Jurisdiction Program Manager
Alaska Department of Fish and Game
P.O. Box 115526
Juneau, AK 99811

RE: Comments on the 2021/2022 and 2022/2023 Alaska Bristol Bay Red King Crab (BBR) and Bering Sea Snow Crab (BSS) fisheries disaster relief spend plan – for research funds.

Dear Karla,

We wanted to comment briefly on the spend plan development and details for research for BBR and BSS disasters. The Bering Sea crab industry has voluntarily supported collaborative crab research efforts over the last 20 years in a strong commitment through BSFRF, working with state, federal, and other partners. We know that collaborative research plays an important role for improving our understanding of crab stock status, improving management options, and hopefully avoiding industry disasters going forward. For the crises at hand, we understand some designation of relief funds for research is likely, but we hope to see that relief funds are largely directed to those who need it the most. Our role collaborating on the highest priority crab research with our agency partners will be scaled to available funds directed toward crab research.

We look forward to further opportunities to refine and specify details for crab research topics and specific projects for high priority BBR and BSS research as part of the next steps in the spend plan review. Our plans are to coordinate with you and our collaborative research partners directly for further input.

Thank you for your time and consideration of our input.

Sincerely,

A handwritten signature in black ink, appearing to read 'Scott Goodman', is written over a thin horizontal line.

BERING SEA FISHERIES RESEARCH FOUNDATION
Scott Goodman
Executive Director



July 12, 2023

Alaska Department of Fish & Game (ADF&G)
Attn: Karla Bush
P.O. Box 115526
Juneau, Alaska 99811-5526

Re: Draft Spend Plan for the 2021/2022 and 2022/2023 Bristol Bay Red King Crab and Bering Sea Snow Crab Fishery Disaster Allocations

Dear Ms. Bush:

The Community Development Quota (CDQ) groups that make up the Western Alaska Community Development Association (WACDA), would like to thank the Alaska Department of Fish and Game (ADF&G) for the opportunity to offer comments as the agency develops a draft spend plan for the 2021/2022 and 2022/2023 Bristol Bay Red King Crab (BBRKC) and Bering Sea Snow Crab (BSS) federal fishery disaster allocations. We appreciate the agency's continued commitment to seek input from impacted participants, and we would like to provide some brief comments specifically on the CDQ and research allocations.

WACDA recommends that the spend plan include a CDQ allocation of 10%, after accounting for research, communities, and administrative support. Similar to past comments, we believe this is a straightforward and largely accepted approach, as it reflects our sector's interest under the crab rationalization program. We also support the CDQ sector's allocation be further apportioned based on individual group's BBRKC and BSS crab fishery allocations, as specified in federal regulations. As you are aware, CDQ groups have significant participation in the BBRKC and BSS crab fisheries through our community quota and in investments made in the harvesting and processing sectors. These funds will help mitigate our sector's crab related losses during the disaster years and help us continue to provide important benefits to the 65 communities in the program through numerous CDQ-managed economic, social, and fisheries development programs.

Additionally, WACDA supports a 5% allocation towards crab research, and would recommend that the funds be administered through the Bering Sea Fisheries Research Foundation (BSFRF). CDQ groups greatly value the collaborative efforts of the BSFRF in working with ADFG, NOAA and the crab industry. BSFRF is guided by processors, harvesters, and communities, and focuses on science, transparency, and its capacity for strong cooperative projects leveraging industry support (vessels, gear, skippers/crews, and funding) with research capacity from federal, state, and academic partners. Importantly, working with BSFRF would ensure an award process that minimizes administrative costs, results in timely implementation, and assures that the project will result in scientifically defensible data.

We appreciate the complexities involved in developing a process for equitably allocating disaster relief funding and sincerely thank the State of Alaska for its efforts and leadership.

Best regards,



Angel Drobica, Director of Fisheries
and Government Affairs, Aleutian Pribilof
Community Development Association



Robin Samuelsen, Chairman
Bristol Bay Economic Development
Corporation



Jeff Kauffman, Vice President
Central Bering Sea Fishermen's
Association

Eric Deakin, Chief Executive Officer
Coastal Villages Region Fund



Simon Kineen, Vice President
Norton Sound Economic
Development Corporation



Ragnar Alstrom, Executive Director
Yukon Delta Fisheries Development
Association



Central Bering Sea Fishermen's Association

P.O. Box 288 | Saint Paul Island, Alaska 99660 | Phone: 907.546.2597 | Fax: 907.546.2450 | cbsfa.com

July 14, 2023

Alaska Department of Fish & Game
Attn: Karla Bush
P.O. Box 115526
Juneau, Alaska 99811-5526

Re: Spend Plan for Bering Sea Snow Crab and Bristol Bay Red King Crab Fishery Disasters

Dear Ms. Bush:

The Central Bering Sea Fishermen's Association (CBSFA) would like to express thanks to the Alaska Department of Fish and Game (ADFG) for taking comments on the proposed spend plan to address the Bering Sea 2021/2022 and 2022/2023 Bristol Bay Red King Crab (BBRKC) and 2021/2022 and 2022/2023 Bering Sea Snow Crab (BSS) fishery disaster determinations. In the drafting earlier this year of the Bering Sea tanner crab spend plan, ADFG was particularly responsive to public comments from the crab industry and crab-dependent communities, and we anticipate that distributions for snow crab and red king crab losses will benefit CBSFA and communities such as Saint Paul.

CBSFA is the Community Development Quota (CDQ) group for Saint Paul Island. Due in part to Saint Paul's proximity to the Bering Sea's crab resources, CBSFA is allocated significant percentages of the total Bering Sea crab resources that are set aside for the CDQ Program, and has made substantial additional investments in crab harvesting and processing quota.

CBSFA is in full support of the 10% allocation of disaster funds to the CDQ sector (after the calculation of community and research allocations), reflective of the percentage of the crab resource that was granted to the CDQ program. All of the CDQ groups can be counted on to use their portion of the disaster funds to benefit their member communities and residents, consistent with the tenets of the CDQ program. Such economic support of coastal communities provides substantial benefits to the State of Alaska.

As the crab industry and dependent communities seek to rebuild and restore iconic crab fisheries, distributions supported by the State of Alaska will enable the maintenance of critical community infrastructure. Communities affected by a fishery disaster must be able to "keep the lights on" and replace lost municipal revenues that are normally used to provide essential municipal services, or else they will wither away, lose population, and be further impaired in their ability to use disaster funds to respond to the fishery disaster – either through infrastructure investments or other projects.

Saint Paul Island has been one of Alaska's primary crab processing locations since the 1990's. Saint Paul Island's municipal budget is reliant on taxes derived from Bering Sea snow crab processing, along with a smaller amount of BBRKC. The cumulative impact of the recent crab fishery closures – tanner crab in 2019-20, Bristol Bay red king crab in 2021 and 2022, and the Bering Sea snow crab fishery in 2022-23 – has been devastating to our unique Unangan community.

CBSFA supports the proposal made by Saint Paul Island and other crab dependent communities in their joint and individual comment letters for an allocation of 7% of the BSS and BBRKC disaster funds to be directed to Alaskan communities. This proposed allocation is 3.25% higher than the allocation of 4.75% proposed earlier for the Tanner Crab spend plan, and is reflective of the much higher dependence of processing communities on the BSS and BBRKC fisheries. CBSFA and the City of Saint Paul clearly stated in our Tanner Crab spend plan comment letters that we intended to propose a higher community allocation for snow and red king crab disaster monies in light of this dependence.

In addition, CBSFA supports the community proposal to direct a 1% allocation off the top for Saint Paul, to recognize our community's much higher level of dependence on the crab fisheries in relation to other seafood processing communities.

It is important to note that while the proposed allocation to communities is reflective of revenues generated by local and state fisheries taxes, it also considers various other factors unique to communities, including the importance of communities to the Three-Pie Crab Program, the unique vulnerability of communities in the face of fisheries disasters, and the fact that funds spent in Alaskan communities benefit Alaska. Please consider these factors in your allocation deliberations.

When the U.S. Congress and the North Pacific Fisheries Management Council (NPFMC) took action to rationalize the crab fisheries two decades ago, they recognized the historic participation and investments made by various sectors to develop the crab fisheries, including communities, and sought to protect these through various community protection mechanisms. Under this framework, the stake of communities in the crab fisheries is considered the third leg of a stool constituted with the harvesting and processing sectors, one that is equally deserving of protection of the costs and benefits of participation in the crab fisheries.

Additionally, communities do not have the same ability as private sector fishing operations to pivot in response to fishery disasters and the resulting economic impacts. In addition, past community investments in fisheries-related infrastructure to support the efforts of the fishing industry require local matches and high debt levels. Moreover, operations and maintenance work on existing infrastructure must continue, regardless of the status of the fishery and its optimal use.

The Magnuson-Stevens Act's (MSA) fishery disaster provisions recognize the unique position of fisheries-dependent communities and their heightened vulnerability to commercial fishery failures. The need to provide for the sustained participation of fisheries-dependent communities in federal fisheries management actions is also captured in the MSA's National Standard 8.

And finally, over the decades, the State has benefitted from successful fisheries investments made by communities through the 3% of shared fisheries taxes derived from the crab fisheries as well as from the businesses that have been attracted to the State's commercial fisheries. Undoubtedly, thriving fishing communities have been a net benefit to the State, allowing it to focus its limited resources in other, less economically dynamic, regions.

To the extent that disaster funds are being deployed to assist affected Alaskan communities, those funds will remain in Alaska to the overall benefit of the State and its residents.

Regarding the basis for requesting an additional 1% allocation for Saint Paul, it is well-known that Saint Paul Island's economy is largely dependent on the activities of the Bering Sea's commercial crab fisheries. The City derives fishery landing taxes and other fees associated with these activities. Revenues from fisheries taxes constitute approximately 60% of the City's general fund revenues, which support essential municipal operations and services. Unlike other crab-dependent communities which have more diversified economies and mixed fisheries portfolios, Saint Paul Island is almost entirely dependent on the BSS crab fishery.

The impacts from the loss of local and state fish taxes have been clear and devastating. For this calendar year the City has had to take funds from its limited savings account to maintain ongoing municipal operations and minimize the major impacts that the crab fishery closures have had upon City finances and our community.

In addition, Saint Paul Island still has considerable obligations regarding investments in fisheries-related infrastructure that were made starting in the late 1980s, after the phase-out of the commercial fur seal harvest in 1983. During this period, the community embarked on a multimillion dollar/multidecade effort, with the financial support of the State of Alaska, the Federal Government, and the U.S. Congress, to build and upgrade harbors, fuel farms, water storage tanks, outfalls, and other infrastructure necessary to carry out the Bering Sea crab and other commercial fisheries.

Private sector processing and harvesting operations also invested heavily on Saint Paul Island to develop the capacity necessary to pursue the crab fisheries. For about two decades, during the 1990s and 2000s, these local, State, Federal, and private sector investments proved their worth to the crab industry, the State of Alaska and the Nation, generating hundreds of millions of dollars to fishery participants.

CBSFA helped develop the community proposal for disaster funds to communities and to Saint Paul, and strongly supports the proposed allocation framework as fair and transparent.

However, we would consider any framework/s that recognize the importance of community participation in the crab program, and acknowledge the higher relative dependence of Saint Paul on crab processing.

In a final comment, CBSFA also strongly supports the use of 5% of the disaster funds for crab research. Those of us who participate in crab management issues at the North Pacific Council level are constantly reminded that management decisions with the potential to help the failing crab resources require biological and ecosystem information that is not yet completely available. Understanding the causes of the declines of various crab species will be critical to implement responsive fisheries management policies. Only with increased research, including repeating this winter's crab pot survey, can crab management be improved for the benefit of the whole industry, the communities and the State.

In summary, CBSFA appreciates ADFG's work in the development of the BSS and BBRKC Spend Plan, as well as its broader efforts in support of crab dependent communities and other fishery stakeholders affected by recent fishery disasters.

Sincerely,

A handwritten signature in black ink, appearing to read 'P. Lestenkof', written in a cursive style.

Phillip Lestenkof, President
Central Bering Sea Fishermen's Association

Alaska Department of Fish and Game
Attn: Karla Bush
ADF&G Extended Jurisdiction Program Manager
P.O. Box 115526
Juneau, AK 99811
dfg.com.fisheriesdisasters@alaska.gov

RE: BBRKC and BSS 2021/2022 and 2022/2023 Fishery Disaster Spend Plans

Dear Ms. Bush,

The Aleutian Pribilof Island Community Development Association (APICDA) and the City of Akutan appreciate the opportunity to offer comments for consideration in the development of a spend plan for the anticipated federal funding to help address the 2021/2022 and 2022/2023 Bering Sea Snow Crab (BSS) and Bristol Bay Red King Crab (BBRKC) fishery disasters. We also appreciate the agency's continued efforts in the development of these spend plans, and the extensive efforts of your staff in seeking stakeholder feedback to understand the unique considerations and relationships in each fishery.

APICDA is one of six CDQ groups representing six communities in the Aleutian Pribilof region. As is the case for other CDQ organizations, we have been allocated a certain percentage of CDQ in the snow and BBRKC fisheries and, over the years, have made additional investments in crab processing and harvesting quota. Revenue from our crab and other fishery investments is used to provide important community and social benefits in Western Alaska, as mandated under the CDQ program. Akutan is one of APICDA's six member communities and has had significant historic and recent participation in the BSAI crab fisheries.

There are several crab-dependent communities in the Aleutian Pribilof region that have been negatively impacted by recent reductions and subsequent closures in the snow crab and Bristol Bay red king crab fisheries. These communities have incurred significant losses in raw fish and sales taxes that they would have otherwise received from crab and have witnessed reduced crab-related economic activity for local businesses and support services. As you are aware, Alaska communities use their fishery tax revenue to serve essential roles in supporting crab and other groundfish fisheries, including providing utilities, maintaining critical infrastructure such as docks and roads, and employing qualified personnel.

We support meaningful consideration for community allocations in the spend plan to mitigate revenue losses and help support the costly and ongoing maintenance of rural infrastructure and services that will be necessary for the processing and harvesting sectors when crab fisheries recover. Our recommendation for community allocations assumes that the anticipated relief funding is broken up proportional to each fisheries' loss, resulting in approximately 31% (~\$60 million) to BBRK and 68% (~\$130 million) to BSS. Specifically, we support a 7% community allocation from the BBRKC fishery that could be sub-allocated based on landings from specified years, which we believe is consistent with the position of other community comments on the spend plan. In addition, we believe consideration is warranted for the stronger impact of North/South regionalization, the lack of diversification in other groundfish fisheries in the North, and the relative dependency of St. Paul specifically on the BSS fishery. While there are different approaches to achieve this, we believe a heavier weighting on the BSS fishery, at 8.5%, is logical, and would result in a similar total level of community allocation as other

recommendations while serving similar objectives. The BSS regional N/S sub-allocations could be based on pro rata landings, the regional percentage split required under regulation, or additional consideration of dependency in the North could be approached by establishing a regional split formula off from the A share quota pool.

We also support a 10% CDQ allocation, consistent with the percentage that the sector receives under the crab rationalization program. The sub-allocations for each group should be commensurate with the percentage interest of each group in the two fisheries under regulation. Additionally, we support the agency's past approach to net the CDQ allocation after the research and community funding amounts.

Finally, we support that a minimum of 5% of the anticipated disaster funding be allocated for research. This funding could provide an important and unique opportunity to address long-standing information gaps in crab management. To the extent feasible and similar to how other relief funding has been directed, we believe the research allocation should be managed in coordination with the Bering Sea Fisheries Research Foundation (BSRF) to support projects that improve fishery information and help mitigate future fishery disasters. We understand that a list of priority research projects and budgets will be recommended by the BSRF based on the total amount of the research allocation.

Thank you for your consideration.



Luke Fanning
CEO, APICDA



Joe Bereskin
Mayor, City of Akutan



July 14, 2023

Alaska Department of Fish and Game
Attn: Karla Bush, Extended Jurisdiction Program Manager
P.O. Box 115526
Juneau, Alaska 99811-5526

Re: Spend Plan Recommendations for the 2021/22 and 2022/23 Bristol Bay Red King Crab and Bering Sea Snow Crab Fishery Disaster Declaration - HARVESTERS

Dear Ms. Bush:

We appreciate the opportunity to comment on the spend plan for the 2021/22 and 2022/23 Bristol Bay red king crab (BBR) and Bering Sea snow crab (BSS) fishery disaster declarations. The Alaska Bering Sea Crabbers (ABSC) is a trade association representing the majority of independent crab harvesters who commercially fish for king, snow (opilio), and Tanner (bairdi) crab with pot gear in the Bering Sea and Aleutian Islands (BSAI) Crab Rationalization Program. Our organization is funded by active BSAI crab harvesters and quota share (QS) holders. However, we strive to include the perspectives of and represent all crab harvesters (QS holders, vessel owners, captains, and crew) as the components that work together to harvest crab. To that end, ABSC held six meetings of crab harvesters that have extended beyond ABSC's membership and provided opportunity for input from any crab harvesters.

In addition, we coordinated four meetings open to all crab stakeholder groups, including harvesters, processors, communities, and community development quota (CDQ) groups, to better understand each group's perspective and to explore areas of potential alignment on the spend plan sharing, like what was done for the 2019/20 bairdi spend plan. ABSC appreciates the Alaska Department of Fish and Game's (ADFG's) willingness to extend the comment deadline to July 14th to give the larger group more time to explore a joint letter. Unfortunately, we were not able to reach agreement among all stakeholder groups for the main spend plan categories like we did for the recent bairdi disaster spend plan.

ABSC's recommendations for this spend plan were developed from the lens of helping those most impacted by these crab fishery disasters, working to share equitably among affected stakeholders, and using research to avoid future fishery disasters.

ABSC provides sharing recommendations for all categories. The fishery disaster model in the United States is structured around lost ex-vessel revenue. In other words, it's based on lost revenue to harvesters. Further, if the disaster is granted and funds allocated, they are traditionally a fraction of the total losses to harvesters. Then, those funds are required to be shared among other impacted fishery stakeholders, like processors and communities, and rightly so. What this results in, however, is a process where harvesters have a vested interest in every

dollar going to other impacted stakeholders, especially if those other groups have access to financial relief elsewhere or are more diversified in other fisheries or industries and not as dependent on crab fisheries. Added to this is the magnitude of the fishery disaster crab harvesters are facing with a near complete closure of all of our crab fisheries over multiple years resulting in tangible things like the sale of vessels and homes and multi-generational crab fishing families at risk of losing everything to less tangible ones like loss of identity. Because of the way the national fishery disaster program is structured, no impacted stakeholder will recover all their losses. Harvesters fully recognize the interdependence the larger crab stakeholder community (harvesters, processors, communities, CDQ groups, research) shares to keep this industry successful and want us all to share the available funds. However, we want to see the disaster funds matched with those that need them most and share our ideas on what we think is fair or reasonable for all categories.

ABSC offers the following recommendations for the BBR and BSS fishery disaster spend plan, largely modeled on approaches used in the recent final spend plan for the 2019/20 Bering Sea Tanner (bairdi) fishery disaster and to some extent on sharing in the Crab Rationalization Program. As was done in the bairdi spend plan, ABSC recommends research and community allocations come off the top before deducting the CDQ allocation, with the remainder split between harvesters and processors.

1. RESEARCH – 2% and goes through BSFRF

ABSC recommends research funds flow through the Bering Sea Fisheries Research Foundation (BSFRF) to further mitigate impacts on harvesters and processors that voluntarily fund that research organization based on pounds landed. The expectation is that BSFRF would work collaboratively with ADFG, National Marine Fisheries Service (NMFS or NOAA Fisheries), and the crab industry on BBR and BSS research. ABSC recommends research be awarded 2.00% because there are several other resources for crab research funding in the works through grants and Congress, totaling many millions of dollars. Further, given the \$191M awarded for the 2021/22 and 2022/23 BBR and BSS fishery disaster, 2% results in \$3.8M, a substantial additional amount toward research compared to typical annual BSFRF funding of between \$1M to \$2M. While funding is available for research from multiple sources, this fishery disaster funding is the only source of financial relief available for fishermen/harvesters that isn't a loan. Finally, harvesters would like to hear from research organizations on what specific projects they have in mind, how much money they need to do BBR/BSS research, and what it will provide to help keep the industry from experiencing future disasters.

2. COMMUNITIES – 4.75%

ABSC recommends awarding 4.75% to communities; the same amount that was agreed upon by communities, CDQ groups, processors, and harvesters in the recent final bairdi spend plan. This is roughly double the lost fishery landing tax which ranges from 2-3.5% depending on the community. Harvesters recognize there are impacts to the community beyond the lost landing tax revenue and that is why we are proposing a higher percentage to help those communities that are most severely impacted by this fishery disaster. In

addition, there are other sources of financial relief for communities that are not available to harvesters. We recognize different communities are impacted by the crab fishery disaster differently, due to their dependence on the crab fishery, their diversification into other fisheries, markets, and other factors. Some communities have actually seen increases in revenue during the subject fishery disaster years due to their diversification in other fisheries and positive markets. The communities that have diversified income streams do not need the same amounts as the less diversified and more severely impacted communities. We have seen in the news and heard from members of the community of Saint Paul Island how reliant that community is on crab and how it has devastated their economy. We encourage the state to consider within the pool of community funds how to best allocate to those affected communities most in need.

3. CDQ Groups – 10%

ABSC recommends CDQ be awarded 10%, after research and community has been allocated, consistent with Crab Rationalization Program’s allocation of fishing quota, before allocating remaining funds between harvesters and processors. Further, for vessels with CDQ landings, those vessels, captains, and crew would receive their share of disaster funds from the funds that were allocated to the CDQ entities.

4. Harvesters/Processors – BBR 86.02%/13.98%, BSS 77.93%/22.07%

ABSC recommends the same approach for the harvester/processor split as the recently approved bairdi final spend plan which based the sharing on the non-binding price formula as reported the year before the fishery disaster. The harvester/processor sharing is calculated after the CDQ portion and is based on the historical distribution of revenue from the Non-Binding Price Formula for BBR and BSS as reported in the 2020/21 Non-Binding Price Formula Report.

BBR - Harvester/Processor split		2020/2021
Formula (non-binding price)		(FOB Alaska Price X 0.5744) - 0.4964
TAC		2,648,000
SAFE First Wholesale Price (T1.1)		\$22.41
Expected Ex-Vsl Price from formula		\$12.38
Recovery		64%
Fishery Gross Revenue	\$	38,097,359
Ex-Vessel Gross Revenue	\$	32,771,394
Harvester % of Gross		86.02%
Processor % of Gross		13.98%

BSS - Harvester/Processor split	2020/2021
	(FOB Alaska Price X 0.5612) - 0.5354
Formula (N&S)	(FOB Alaska Price X 0.5760) - 0.5427
TAC	45,000,000
SAFE First Wholesale Price (T1.1)	\$9.94
Expected Ex-Vsl Price from formula (avg)	\$5.11
Recovery	66%
Fishery Gross Revenue	\$ 295,218,000
Ex-Vessel Gross Revenue	\$ 230,077,530
Harvester % of Gross	77.93%
Processor % of Gross	22.07%

This approach is consistent with the approach used in the Bairdi final spend plan and is consistent with established harvester/processor sharing arrangements in the Crab Rationalization Program (i.e., the Non-Binding Price Formula for the historical distribution of revenue). The processing sector average price per pound for the first wholesale price for BBR in 2020 and BSS in 2021 is from Table 1.1 in the [Crab Economic SAFE \(NMFS, Mar 2023\)](#). For BSS, the price formulas for North and South were averaged. Also, for BSS, harvesters increased the recovery from 62% to 66% based on processor input during discussions.

ABSC considered several different harvester/processor sharing arrangements before selecting this recommended approach. All were based on revenue sharing for reasons described below. ABSC considered revenue sharing based on the Non-Binding Price formula for one, two, and five years for each species (see Attachment A) with data coming from the Crab Economic SAFE. In addition to the price formula approach, we also considered the ratio of sharing from actual reported revenue in the Crab Economic SAFE for one, two, and five years (see Attachment B). These scenarios yielded fairly similar results except for the 5-year revenue ratio for BSS was quite a bit higher for harvesters. Finally, we looked at revenue reported in the Commercial Operator’s Annual Report (COAR) reports for two and five years for both BBR and BSS (see Attachment C). Using COAR reports results in higher amounts going to harvesters in all cases.

ABSC stands behind the revenue-based approach to sharing between harvesters and processors as the fairest way to make an “apples to apples” comparison between impacts to the two groups. Others have pitched including costs into the equation. Both harvesters and processors have significant costs to participate in crab fisheries. Considering costs into the equation quickly becomes complicated by not being able to determine for many costs whether they are a result of crab fisheries or extend beyond to other fisheries or factors. For example, most if not all processors handle multiple species, not just crab, making it hard to tease apart costs by species or fishery. This is why the non-binding price formula was created based on revenue and purposely did not include costs and was agreed to by both harvesters and processors for the Crab Rationalization Program.

Further, as mentioned several places in our letter, we encourage the state to consider need in creating the spend plan, addressing those most harmed by the fishery disaster and matching relief to those needing it most. For many processors, crab is generally a small percent of their overall revenues (6% according to a [Report on the Economic Value of Alaska's Seafood Industry](#), Jan2022, p.8) while for most crab harvesters it is the large majority of their revenue.

The tables below show the resulting percent split between all categories for BBR and BSS.

BBR

Off the Top Deductions	
Communities	4.75%
Research	2.00%
Sum	6.75%
Net	93.25%
Then CDQ	
CDQ	10.00%
CDQ % of Net	9.33%
Net after CDQ	83.93%
From remainder, Harvester/Processor split	
Harvester % of Gross	86.02%
Processor % of Gross	13.98%
Harvester % of Net	72.19%
Processor % of Net	11.73%

BSS

Off the Top Deductions	
Communities	4.75%
Research	2.00%
Sum	6.75%
Net	93.25%
Then CDQ	
CDQ	10.00%
CDQ % of Net	9.33%
Net after CDQ	83.93%
From remainder, Harvester/Processor split	
Harvester % of Gross	77.93%
Processor % of Gross	22.07%
Harvester % of Net	65.41%
Processor % of Net	18.52%

Proposed HARVESTERS Sharing Arrangement

ABSC offers the following recommendations for subcategories within the harvester category, eligibility criteria, and how to allocate funds among the subcategories. These subcategories and recommendations are based on existing sharing arrangements resulting from the Crab Rationalization Program and largely following the model created by the 2019/20 Bering Sea Tanner (bairdi) crab fishery disaster final spend plan. A description by crab species, BBR and BSS, is provided below.

The recommended subcategories of affected crab harvesters are QS holders, vessel owners, and captains/crew. A harvester may receive funds for any of the following subcategories for which they qualify. ABSC recommends looking at data from the [Crab Economic SAFE \(NMFS\)](#),

[Mar 2023](#)) over two seasons (2019/20 & 2020/21 as the most “normal” recent crab seasons) and using the actual lease amounts paid (Table 1.3 for total lease costs as reported for BBR and BSS for all quota types in calendar years 2019 & 2020 for BBR and 2020 & 2021 for BSS) to back calculate the lease rate percent to QS holders and using the actual captain and crew pay (Table 1.2 for total million dollars paid for captain and crew shares combined for BBR and BSS) in those seasons. The rationale was that compared to using reported lease rate percentages, this approach accounts for arrangements where there are no lease fees and helps the vessels the most given their continued costs. The percent share between QS holders and vessels (vessels owners & captains/crew) is based on ex-vessel gross revenue minus taxes to determine a net value. See Attachment D tables showing the calculations for both BBR and BSS.

The resulting harvester shares are:

BBR

53% to QS holders
30% to vessel owners
17% to captains/crew

BSS

42% to QS holders
37% to vessel owners
21% to captains/crew

- **QS Holders**

QS holders for BBR and BSS will be identified using the NMFS Restricted Access Management (RAM) database for the 2021/22 and 2022/23 BBR and BSS seasons (i.e., the fishery disaster years). For a QS holder to qualify for direct payment, they must be listed as the QS holder of Catcher Vessel Owner (CVO), Catcher/Processor Owner (CPO), Catcher Vessel Crew (CVC), and/or Catcher/Processor Crew (CPC) quota for BBR and/or BSS in the 2021/22 and/or 2022/23 seasons. Payment distribution for eligible QS holders is based on each QS holder’s proportion of the total QS units of all QS holders who apply and are eligible for QS holder funds.

- **Vessel Owners, Captains, and Crew**

The share between vessel owners and captains/crew is calculated using the net to the vessel after taxes and QS lease fees are deducted. Next, the crew shares and captain shares are calculated as reported for BBR and BSS in the [Crab Economic SAFE \(NMFS, Mar 2023\)](#) over two seasons (2019/20 & 2020/21 as the most “normal” recent crab seasons) (Table 1.2 for total million dollars paid for captain and crew shares combined for BBR in 2019 & 2020 and for BSS in 2020 & 2021). The remainder goes to the vessel owner. The resulting percent share between vessel owners and captains/crew is

64%/36%, respectively, for BBR and 63%/37% for BSS. See Attachment D for the calculations.

Like the sharing calculation, the eligibility criteria for vessel owners and captains/crew use the 2019/20 and 2020/21 BSAI crab seasons as the most “normal” recent crab seasons. Harvesters discussed the number of years, which years, and other options. The group settled on these two seasons as the most recent “normal” seasons for both fisheries and excluded the low BSS season in 2021/22 as not representative for the entire fleet. The group noted that including the small BSS season would penalize vessels that chose to stand down in a low quota year.

- **Vessel Owners** - Vessel owners will be identified using the Commercial Fisheries Entry Commission (CFEC) vessel license database for BBR in each year 2021 and 2022 and for BSS in each year 2022 and 2023. The following criteria will be used to determine the vessel-based payments:
 1. The vessel must have been used to harvest BBR or BSS in the Individual Fishing Quota (IFQ) fishery during either the 2019/20 or 2020/21 season.
 2. Total vessel landings of BBR or BSS in the IFQ fishery for the 2019/20 or 2020/21 seasons must be greater than 100 pounds.

Payment distribution for qualified vessel owners is pro-rata to each eligible vessel’s proportion of the total 2019/20 and 2020/21 BBR and BSS landings by species and season, not including deadloss, landed by all eligible vessels.

64% for BBR and 63% for BSS of each eligible vessel’s payment is proposed to go to the vessel owner in the CFEC vessel database for BBR in each year 2021 and 2022 and for BSS in each year 2022 and 2023. The remainder for that vessel would go to the eligible captains/crew for that vessel. If ownership of an eligible vessel was transferred between 2019 and 2023, eligibility for payment will not be impaired by such transfer, and any payments shall be made as agreed between the transferor and transferee.

- **Captains/Crew** – 36% for BBR and 37% for BSS of each eligible vessel’s payment is proposed to be shared by the captains and crew who worked on the vessel during the 2019/20 and/or 2020/21 seasons for BBR and BSS and who meet all eligibility criteria. Instead of the point system used in the recent bairdi spend plan (see p.5 of the [bairdi spend plan](#)), payments would be calculated based on an affidavit submitted by the vessel owner with their application listing the captains and crew that participated in those years for BBR and BSS and the percent of that vessel’s landings that each should be credited for (see example in Attachment E). This approach was deemed by those at the harvester meetings as fairer for captains/crew based on actual payment rates without much added complexity to the process.

The following criteria are proposed for captains and crew to be eligible to qualify for a direct payment:

1. Captains and crew must have participated in the BBR or BSS IFQ fishery on an eligible vessel as defined above for vessel-based payments. Eligibility will be verified based on crew contract, crew settlement, or an affidavit from the vessel owner or CFEC permit holder from each of the 2019/20 and 2020/21 seasons for BBR and BSS separately. Eligibility for captains may also be verified from the CFEC permit information on Fish Tickets.
2. Captains must have held a CFEC T91Q permit for each season they are claiming eligibility and crew must have held a commercial crew license or a CFEC permit for any fishery for each season they are claiming eligibility. These requirements are met by holding a permit or license in 2019 or 2020 for the 2019/20 season and in 2020 or 2021 for the 2020/21 season.

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.

If no eligible captains or crew apply for the captain/crew portion of a vessel-based payment, the funds are proposed to be shared proportionally among all other eligible captains and crew. These unclaimed funds would be additive to the captains/crew portion of the vessel-based payment for other captains and crew. This approach will ensure that the entire funds for captains/crew get shared within that funding pool and spent.

We are happy to answer any questions you may have on these recommendations and thank you for considering our comments.

Sincerely,



Jamie Goen

Executive Director

Alaska Bering Sea Crabbers

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Attachment A – Non-Binding Price Formula Harvester/Processor Splits for 1, 2, and 5 Years

Price Formula Scenarios	BBR - Harvester/Processor split	2020/2021	BSS - Harvester/Processor split	2020/2021
1 year	Formula (non-binding price)	(FOB Alaska Price X 0.5744) - 0.4964	Formula (N&S)	(FOB Alaska Price X 0.5612) - 0.5354 (FOB Alaska Price X 0.5760) - 0.5427
	TAC	2,648,000	TAC	45,000,000
	SAFE First Wholesale Price (T1.1)	\$22.41	SAFE First Wholesale Price (T1.1)	\$9.94
	Expected Ex-Vsl Price from formula	\$12.38	Expected Ex-Vsl Price from formula (avg)	\$5.11
	Recovery	64%	Recovery	66%
	Fishery Gross Revenue	\$ 38,097,359	Fishery Gross Revenue	\$ 295,218,000
	Ex-Vessel Gross Revenue	\$ 32,771,394	Ex-Vessel Gross Revenue	\$ 230,077,530
	Harvester % of Gross	86.02%	Harvester % of Gross	77.93%
	Processor % of Gross	13.98%	Processor % of Gross	22.07%

Price Formula Scenarios	BBR - Harvester/Processor split	2019/20 & 2020/21	BSS - Harvester/Processor split	2019/20 & 2020/21
2 years	Formula (non-binding price)	(FOB Alaska Price X 0.5744) - 0.4964	Formula (non-binding price) (N&S)	(FOB Alaska Price X 0.5612) - 0.5354 (FOB Alaska Price X 0.5760) - 0.5427
	TAC		TAC	
		2019/20 3,797,000		2019/20 34,019,000
		2020/21 2,648,000		2020/21 45,000,000
	SAFE First Wholesale Price (T1.1)		SAFE First Wholesale Price (T1.1)	
		2019/20 \$21.29		2019/20 \$8.34
		2020/21 \$22.41		2020/21 \$9.94
	Expected Ex-Vsl Price from formula		Expected Ex-Vsl Price from formula (avg)	
		2019/20 \$11.73		2019/20 \$4.20
		2020/21 \$12.38		2020/21 \$5.11
	Recovery	64%	Recovery	66%
	Fishery Gross Revenue (total)	\$ 89,995,438	Fishery Gross Revenue	\$ 482,472,184
		2019/20 \$ 51,898,079		2019/20 \$ 187,254,184
		2020/21 \$ 38,097,359		2020/21 \$ 295,218,000
	Ex-Vessel Gross Revenue	\$ 77,319,985	Ex-Vessel Gross Revenue	\$ 373,061,904
		2019/20 \$ 44,548,591		2019/20 \$ 142,984,374
		2020/21 \$ 32,771,394		2020/21 \$ 230,077,530
	Harvester % of Gross	85.92%	Harvester % of Gross	77.32%
	Processor % of Gross	14.08%	Processor % of Gross	22.68%

Price Formula Scenarios	BBR - Harvester/Processor split	2016/17 - 2020/21	BSS - Harvester/Processor split	2016/17 - 2020/21
5 years	Formula (non-binding price)	(FOB Alaska Price X 0.5744) - 0.4964	Formula (non-binding price) (N&S)	(FOB Alaska Price X 0.5612) - 0.5354 (FOB Alaska Price X 0.5760) - 0.5427
	TAC		TAC	
		2016/17 8,469,000		2016/17 21,570,000
		2017/18 6,601,000		2017/18 18,961,000
		2018/19 4,308,000		2018/19 27,581,000
		2019/20 3,797,000		2019/20 34,019,000
		2020/21 2,648,000		2020/21 45,000,000
	SAFE First Wholesale Price (T1.1 & T1*)		SAFE First Wholesale Price (T1.1)	
		2016/17 \$19.61		2016/17 \$7.86
		2017/18 \$17.86		2017/18 \$7.64
		2018/19 \$19.23		2018/19 \$7.51
		2019/20 \$21.29		2019/20 \$8.34
		2020/21 \$22.41		2020/21 \$9.94
	Expected Ex-Vsl Price from formula		Expected Ex-Vsl Price from formula (avg)	
		2016/17 \$10.77		2016/17 \$3.93
		2017/18 \$9.76		2017/18 \$3.81
		2018/19 \$10.55		2018/19 \$3.73
		2019/20 \$11.73		2019/20 \$4.20
		2020/21 \$12.38		2020/21 \$5.11
	Recovery	64%	Recovery	66%
	Fishery Gross Revenue (total)	\$ 325,489,891	Fishery Gross Revenue	\$ 826,685,647
		2016/17 \$ 106,621,492		2016/17 \$ 111,896,532
		2017/18 \$ 75,687,858		2017/18 \$ 95,608,946
		2018/19 \$ 53,185,103		2018/19 \$ 136,707,985
		2019/20 \$ 51,898,079		2019/20 \$ 187,254,184
		2020/21 \$ 38,097,359		2020/21 \$ 295,218,000
	Ex-Vessel Gross Revenue	\$ 278,398,587	Ex-Vessel Gross Revenue	\$ 632,891,245
		2016/17 \$ 91,190,669		2016/17 \$ 84,773,249
		2017/18 \$ 64,441,497		2017/18 \$ 72,147,629
		2018/19 \$ 45,446,436		2018/19 \$ 102,908,462
		2019/20 \$ 44,548,591		2019/20 \$ 142,984,374
		2020/21 \$ 32,771,394		2020/21 \$ 230,077,530
	Harvester % of Gross	85.53%	Harvester % of Gross	76.56%
	Processor % of Gross	14.47%	Processor % of Gross	23.44%
	*2016/17 values from Table 1 in the Feb2022 Crab Economic SAFE document.			
	All other values from Table 1.1 in the Mar2023 Crab Econ SAFE document.			

Attachment B – Revenue-based Harvester/Processor Splits for 1, 2, and 5 Years – CRAB ECONOMIC SAFE

In the first set of revenue-based tables, the data comes from revenue as reported in the Crab Economic SAFE documents. Harvester/processor revenue is shown for BBR and BSS in a single year (2020/21), as well as averages over two years (2019/20 & 2020/21) and five years (2016/17 – 2020/21). For the single year, the year before the fishery disasters was chosen. For all other scenarios, additional two years and five years were explored to consider changing markets and different harvest levels. In the 5-year scenario, 2016/17 values from Table 1 in the [Feb2022 Crab Economic SAFE document](#). All other values from Table 1.1 in the [Mar2023 Crab Econ SAFE document](#).

Revenue Ratio	BBR - Harvester/Processor split	2020/21			BSS - Harvester/Processor split	2020/21				
Scenarios	Wholesale Gross Revenue (T1.1)	\$	39,940,000		Wholesale Gross Revenue (T1.1)	\$	287,390,000			
1 year	Ex-Vessel Gross Revenue (T1.1)	\$	33,610,000		Ex-Vessel Gross Revenue (T1.1)	\$	219,130,000			
	Harvester % of Gross		84.15%		Harvester % of Gross		76.25%			
	Processor % of Gross		15.85%		Processor % of Gross		23.75%			
Revenue Ratio	BBR - Harvester/Processor split	2019/20 & 2020/21			BSS - Harvester/Processor split	2019/20 & 2020/21				
Scenarios	Wholesale Gross Revenue (T1.1)	\$	47,095,000		Wholesale Gross Revenue (T1.1)	\$	235,445,000			
2 years	Ex-Vessel Gross Revenue (T1.1)	\$	40,435,000		Ex-Vessel Gross Revenue (T1.1)	\$	178,400,000			
	Harvester % of Gross		85.86%		Harvester % of Gross		75.77%			
	Processor % of Gross		14.14%		Processor % of Gross		24.23%			
Revenue Ratio	BBR - Harvester/Processor split	2016/17 - 2020/21		97.9	111.28	BSS - Harvester/Processor split	2016/17 - 2020/21		95.9	110
Scenarios	Wholesale Gross Revenue (T1.1 & T1)	\$	67,876,000	66.06	78.98	Wholesale Gross Revenue (T1.1)	\$	161,786,000	80.76	94.2
5 years	Ex-Vessel Gross Revenue (T1.1 & T1)	\$	58,406,000	47.2	54.93	Ex-Vessel Gross Revenue (T1.1)	\$	129,558,000	114.33	134
	Harvester % of Gross		86.05%	47.26	54.25	Harvester % of Gross		80.08%	137.67	184
	Processor % of Gross		13.95%	33.61	39.94	Processor % of Gross		19.92%	219.13	287
	*2016/17 values from Table 1 in the Feb2022 Crab Economic SAFE document									
	All other values from Table 1.1 in the Mar2023 Crab Econ SAFE document									

Attachment C – Revenue-based Harvester/Processor Splits for 2 and 5 Years – COAR REPORTS

BBR - COAR Report 2 & 5 year splits

BBR - HARVESTER AND PROCESSOR SHARE - 2 YEAR AVERAGE PROFIT SHARE BASED ON COAR REPORT DATA

	2019	2020	Total
Processor Wholesale Value (COAR Production Report)	\$ 51,789,961	\$ 34,819,491	
Divided by: Vessel Pounds Delivered (COAR Buying Report)	3,852,158	2,600,051	
Processor Gross Revenue Per Pound Delivered	\$ 13.44	\$ 13.39	
Less: Average Statewide Exvessel Price Per Pound (COAR Buying Report)	\$ 11.77	\$ 11.89	
Processor Profit Per Pound Delivered	\$ 1.67	\$ 1.50	
Processor Share (Profit Per Pound/Processor Gross Revenue Per Pound)	12.43%	11.19%	
Processor Average Share of BBR (Processor %/2 Years)	6.22%	5.59%	11.81%
Vessel Share of BBR			88.19%

BBR - HARVESTER AND PROCESSOR SHARE - 5 YEAR AVERAGE PROFIT SHARE BASED ON COAR REPORT DATA

	2016	2017	2018	2019	2020	Total
Processor Wholesale Value (COAR Production Report)	\$ 102,964,375	\$ 75,368,660	\$ 55,085,171	\$ 51,789,961	\$ 34,819,491	
Divided by: Vessel Pounds Delivered (COAR Buying Report)	9,140,822	7,235,975	5,128,192	3,852,158	2,600,051	
Processor Gross Revenue Per Pound Delivered	\$ 11.26	\$ 10.42	\$ 10.74	\$ 13.44	\$ 13.39	
Less: Average Statewide Exvessel Price Per Pound (COAR Buying Report)	\$ 10.18	\$ 8.91	\$ 9.27	\$ 11.77	\$ 11.89	
Processor Profit Per Pound Delivered	\$ 1.08	\$ 1.51	\$ 1.47	\$ 1.67	\$ 1.50	
Processor Share (Profit Per Pound/Processor Gross Revenue Per Pound)	9.63%	14.46%	13.70%	12.45%	11.21%	
Processor Average Share of BBR (Processor %/5 Years)	1.93%	2.89%	2.74%	2.49%	2.24%	12.29%
Vessel Share of BBR						87.71%

Statewide COAR Buying by Species

Year	Species Code	Species Name Common	COAR Buying Pounds Bought	COAR Buying Final Amount Paid	Preliminary Statewide Average Exvessel Price per Pound (Nominal)	Final Statewide Average Exvessel Price per Pound (Nominal)	Processor Count
2020	921	crab, red king	2,600,051	\$30,924,839	\$11.85	\$11.89	11
2019	921	crab, red king	3,852,158	\$45,350,365	\$11.77	\$11.77	12
2018	921	crab, red king	5,128,192	\$47,553,513	\$9.27	\$9.27	11
2017	921	crab, red king	7,235,975	\$64,498,202	\$8.91	\$8.91	18
2016	921	crab, red king	9,140,822	\$93,075,940	\$10.18	\$10.18	14

Statewide COAR Production by Species

Year	Species Name Common	Company Count	Net Weight (Sum)	Wholesale Value (Sum)
2020	crab, red king	11	1,948,584	\$34,819,491
2019	crab, red king	12	2,743,997	\$51,789,961
2018	crab, red king	12	3,249,845	\$55,085,171
2017	crab, red king	19	5,050,262	\$75,368,660
2016	crab, red king	14	5,586,973	\$102,964,375

BSS - COAR Report 2 & 5 year splits

BSS - HARVESTER AND PROCESSOR SHARE - 2 YEAR AVERAGE PROFIT SHARE BASED ON COAR REPORT DATA

	2019	2020	Total
Processor Wholesale Value (COAR Production Report)	\$ 139,826,357	\$ 150,145,930	
Divided by: Vessel Pounds Delivered (COAR Buying Report)	26,313,098	32,317,123	
Processor Gross Revenue Per Pound Delivered	\$ 5.31	\$ 4.65	
Less: Average Statewide Exvessel Price Per Pound (COAR Buying Report)	\$3.98	\$3.96	
Processor Profit Per Pound Delivered	\$ 1.33	\$ 0.69	
Processor Share (Profit Per Pound/Processor Gross Revenue Per Pound)	25.09%	14.83%	
Processor Average Share of BSS (Processor %/2 Years)	12.54%	7.42%	19.96%
Vessel Share of BSS			80.04%

BSS - HARVESTER AND PROCESSOR SHARE - 2 YEAR AVERAGE PROFIT SHARE BASED ON COAR REPORT DATA

	2020	2021	Total
Processor Wholesale Value (COAR Production Report)	\$ 150,145,930	\$ 277,487,639	
Divided by: Vessel Pounds Delivered (COAR Buying Report)	32,317,123	42,240,645	
Processor Gross Revenue Per Pound Delivered	\$ 4.65	\$ 6.57	
Less: Average Statewide Exvessel Price Per Pound (COAR Buying Report)	\$3.96	\$4.96	
Processor Profit Per Pound Delivered	\$ 0.69	\$ 1.60	
Processor Share (Profit Per Pound/Processor Gross Revenue Per Pound)	14.83%	24.43%	
Processor Average Share of BSS (Processor %/2 Years)	7.42%	12.22%	19.63%
Vessel Share of BSS			80.37%

BSS - HARVESTER AND PROCESSOR SHARE - 5 YEAR AVERAGE PROFIT SHARE BASED ON COAR REPORT DATA

	2016	2017	2018	2019	2020	Total
Processor Wholesale Value (COAR Production Report)	\$ 154,703,485	\$ 111,349,791	\$ 87,302,357	\$ 139,826,357	\$ 150,145,930	
Divided by: Vessel Pounds Delivered (COAR Buying Report)	36,590,494	20,579,183	21,056,890	26,313,098	32,317,123	
Processor Gross Revenue Per Pound Delivered	\$ 4.23	\$ 5.41	\$ 4.15	\$ 5.31	\$ 4.65	
Less: Average Statewide Exvessel Price Per Pound (COAR Buying Report)	\$2.67	\$4.07	\$3.89	\$3.98	\$3.96	
Processor Profit Per Pound Delivered	\$ 1.56	\$ 1.34	\$ 0.25	\$ 1.33	\$ 0.69	
Processor Share (Profit Per Pound/Processor Gross Revenue Per Pound)	36.95%	24.78%	6.10%	25.09%	14.83%	
Processor Average Share of BSS (Processor %/5 Years)	7.39%	4.96%	1.22%	5.02%	2.97%	21.55%
Vessel % Share of BSS						78.45%

BSS - HARVESTER AND PROCESSOR SHARE - 5 YEAR AVERAGE PROFIT SHARE BASED ON COAR REPORT DATA

BSS Calculation of Processor & Harvester Share						
	2017	2018	2019	2020	2021	Total
Processor Wholesale Value (COAR Production Report)	\$ 111,349,791	\$87,302,357	\$ 139,826,357	\$150,145,930	\$277,487,639	
Divided by: Vessel Pounds Delivered (COAR Buying Report)	20,579,183	21,056,890	26,313,098	32,317,123	42,240,645	
Processor Gross Revenue Per Pound Delivered	\$ 5.41	\$ 4.15	\$ 5.31	\$ 4.65	\$ 6.57	
Less: Average Statewide Exvessel Price Per Pound (COAR Buying Report)	\$4.07	\$3.89	\$3.98	\$3.96	\$4.96	
Processor Profit Per Pound Delivered	\$ 1.34	\$ 0.25	\$ 1.33	\$ 0.69	\$ 1.60	
Processor Share (Profit Per Pound/Processor Gross Revenue Per Pound)	24.78%	6.10%	25.09%	14.83%	24.43%	
Processor Average Share of BSS (Processor %/5 Years)	4.96%	1.22%	5.02%	2.97%	4.89%	19.05%
Vessel Share of BSS						80.95%

Statewide COAR Buying by Species

Year	Species Code	Species Name Common	COAR Buying Pounds Bought	COAR Buying Final Amount Paid	Preliminary Statewide Average Exvessel Price per Pound (Nominal)	Final Statewide Average Exvessel Price per Pound (Nominal)	Processor Count
2021	932	crab, Tanner, snow (opilio)	42,240,645	\$203,632,960	\$4.96	\$4.96	10
2020	932	crab, Tanner, snow (opilio)	32,317,123	\$127,877,948	\$3.96	\$3.96	10
2019	932	crab, Tanner, snow (opilio)	26,313,098	\$104,748,403	\$3.98	\$3.98	10
2018	932	crab, Tanner, snow (opilio)	21,056,890	\$81,979,505	\$3.89	\$3.89	10
2017	932	crab, Tanner, snow (opilio)	20,579,183	\$83,756,674	\$4.07	\$4.07	11
2016	932	crab, Tanner, snow (opilio)	36,590,494	\$97,534,710	\$2.67	\$2.67	9

Statewide COAR Production by Species

Year	Species Name Common	Company Count	Net Weight (Sum)	Wholesale Value (Sum)
2021	crab, Tanner, snow (opilio)	11	32,382,486	\$277,487,639
2020	crab, Tanner, snow (opilio)	9	25,809,455	\$150,145,930
2019	crab, Tanner, snow (opilio)	11	22,207,284	\$139,826,357
2018	crab, Tanner, snow (opilio)	10	14,204,007	\$87,302,357
2017	crab, Tanner, snow (opilio)	12	17,366,493	\$111,349,791
2016	crab, Tanner, snow (opilio)	10	29,019,034	\$154,703,485

Attachment D – Harvester Sharing Calculations

BBR - Vessel/Captain-Crew split		2019/20 & 2020/21		
	\$M		%	
Ex-vsI Gross Revenue	80.87			
2019/20	47.26			
2020/21	33.61			
minus taxes	4.54			
2019/20 (5.7%)	2.69			
2020/21 (5.5%)	1.85			
net after taxes	76.33			
minus Lease Fees (actuals)	40.43	53%	of net after taxes	
2019/20	23.56			
2020/21	16.87			
net after royalties subtotal	35.9			vsl/crew split
minus Captain+Crew Pay	12.97	17%	of net after taxes	36%
2019/20	7.59			
2020/21	5.38			
Net Revenue to Vessel	22.93	30%	of net after taxes	64%

Crab Econ SAFE on calendar year - used 2020 for BBR; 2021 for BSS
Table 1.1 - Crab Econ SAFE (Mar 2023)

BBR Taxes 19/20 = 0.85% IFQ fee, 2% landing tax, 2.5% buyback fee, 0.33% BSFRF fee, no arbitration fee
BBR Taxes 20/21 = 0.655% IFQ fee, 2% landing tax, 2.5% buyback fee, 0.33% BSFRF fee, no arbitration fee

Table 1.3 for all quota types in 2020/BBR & 2021/BSS - Crab Econ SAFE (Mar 2023)

Table 1.2 total million \$ for crew and captain shares combined - Crab Econ SAFE (Mar 2023)

BSS - Vessel/Captain-Crew split		2019/20 & 2020/21		
	\$M		%	
Ex-vsI Gross Revenue	356.80			
2019/20	137.67			
2020/21	219.13			
minus taxes	31.31			
2019/20 (8.9%)	12.25			
2020/21 (8.7%)	19.06			
net after taxes	325.49			
minus Lease Fees (actuals)	135.50	42%	of net after taxes	
2019/20	51.88			
2020/21	83.62			
net after royalties subtotal	189.99			vsl/crew split
minus Captain+Crew Pay	69.73	21%	of net after taxes	37%
2019/20	27.11			
2020/21	42.62			
Net Revenue to Vessel	120.26	37%	of net after taxes	63%

Crab Econ SAFE on calendar year - used 2020 for BBR; 2021 for BSS
Table 1.1 - Crab Econ SAFE (Mar 2023)

BSS Taxes 19/20 = 0.85% IFQ fee, avg 3.5%N-2%S (2.75%) landing tax, 5% buyback fee, 0.33% BSFRF fee, no arbitration fee
BSS Taxes 20/21 = 0.655% IFQ fee, avg 3.5%N-2%S (2.75%) landing tax, 5% buyback fee, 0.33% BSFRF fee, no arbitration fee

Table 1.3 for all quota types in 2020/BBR & 2021/BSS - Crab Econ SAFE (Mar 2023)

Table 1.2 total million \$ for crew and captain shares combined - Crab Econ SAFE (Mar 2023)

Attachment E – Example Captain/Crew Affidavit

BSS EXAMPLE - Vessel A								
Year	2020			2021			Total	
Lbs	910,000			1,200,000			2,110,000	
Name		Relative %	Relative lbs		Relative %	Relative lbs	Relative %	Relative lbs
Crew A	-	28.6%	260,571	-	19.2%	229,882	23.2%	490,453
Crew B	-	17.1%	156,000	-	16.6%	198,941	16.8%	354,941
Crew C	-	5.8%	52,857	-	9.6%	115,540	8.0%	168,397
Crew D	-	14.3%	130,000	-	15.5%	185,540	15.0%	315,540
Crew E	-	11.4%	104,000	-	11.1%	132,627	11.2%	236,627
Crew F	-	8.6%	78,000	-	3.5%	42,000	5.7%	120,000
Crew G	-	6.1%	55,714	-	0.0%	-	2.6%	55,714
Crew H	-	5.7%	51,429	-	14.0%	168,000	10.4%	219,429
Crew I	-	2.4%	21,429	-	5.8%	70,000	4.3%	91,429
Crew J	-	0.0%	-	-	4.8%	57,470	2.7%	57,470
Crew share		100.0%	910,000		100.0%	1,200,000	100.0%	2,110,000



July 14, 2023

Commissioner ADFG Doug Vincent-Lang
Karla Bush
Via Email

Re: Fishery Disaster Relief Fund-Comments

Dear Commissioner Vincent-Lang and Staff:

Thank you for the opportunity to comment on the draft spending plan for disaster relief funding resulting from the 2021/2022 and 2022/2023 Bristol Bay Red King Crab (BRR) and 2021/2022 and 2022/2023 Bering Sea Snow Crab (BSS) fishery disasters. **We request that the allocation of the available fishery disaster funds between harvesters and processors for the BBR and BSS fishery disaster funds should be 75% to IFQ holders and 25% to IPQ holders (3:1 ratio). We support the recognition of IPQ holders who actively process BBR and BSS crab. And we support combining the funds pools for both fishery disaster periods into one spend plan.**

The NPCA is a small trade association comprised of Alaskan fishery businesses that concentrate on processing crab resources in the Bering Sea. NPCA members hold a significant majority of the individual processing quota shares (IPQ) issued under the federal crab rationalization program. Our members directly process IPQ shares in processing plants in the Bering Sea. Some of our members also custom process their IPQ shares and directly market their crab. All NPCA members hold processing quota shares of BBR and BSS crab that is the subject of the current fishery disaster funding. Our members include processing companies who operate crab processing plants in Akutan; Dutch Harbor; Unalaska; King Cove; Port Moller; and St. Paul. Our members also include entities owned by community development quota (CDQ) that hold processing quota shares. Those shares are custom processed in the Bering Sea crab processing plants.

Our members commented on and will participate in the recently finalized spending plan for approved fishery disaster funding for the 2019/2020 Bering Sea Tanner (BST) crab fishery disaster. Our members joined all crab fishery stakeholders (harvesters; processors; crab dependent communities; and community development quota holders) in a joint proposal for the spending plan to allocate the funds appropriated for that fishery disaster. All stakeholders worked hard to reach an agreement on a proposed spending plan in order to expedite the funds getting to all parties who were impacted by that fishery loss.

The same stakeholder group has met and discussed whether a similar agreement can be reached for the draft spending plan to cover the BBR/BSS disaster funds. Unfortunately, that agreement was not reached regarding the allocation between the harvesting and processing sectors. Our members do agree that the spend plan should combine the available BBR/BSS funds for all set of disaster seasons into one spend plan. **Our members agree that the spend plan should allocate to Research; CDQ entities under the Crab Rationalization Program; Crab Dependent Communities in the Bering Sea pursuant to their proposal; with additional recognition to the community of St. Paul who suffered the greatest loss due to the BSS fishery disasters.**

Our members disagree with the proposed allocations from the IFQ harvesting sector. The harvesting sector wants a harvester/processor split of available funding pursuant to historical shares of the first wholesale revenue from the sales of processed BBR and BSS. They want to use the Crab Rationalization Program's arbitration system non-binding price formula. Their proposal would allocate the available disaster funds to the harvester and processor sectors pursuant to the formula's historical division of first wholesale value revenue. That formula was used in the BST final spend plan and our members did agree to its use for that spend plan. Importantly, however, is that our agreement was strictly limited to that use for only that specific fishery disaster. We believe the disasters covering BBR and BSS are significantly different. And the losses suffered in the BBR and BSS fishery disasters are greater and, in the case of processing operations-different than just the loss of revenue from the BBR and BSS crab sales.

The BST fishery is much smaller and is ancillary to the BBR and BSS fisheries. The BST fishery occurs in conjunction with the much larger BSS fishery. BST deliveries and processing occurs directly concurrent with the BSS fishery. Therefore the processing operations were also processing BSS crab at the same time and the loss of the BST fishery in 2019/2020 was difficult but it was not the loss of the entire crab processing operations as occurred with the BBR and BSS fisheries. The use of the crab program arbitration formula for the BST spend plan resulted in an approximately 75/25 ratio for harvesters to processors. In the final spend plan harvesters received 57% of the available funds and processors approximately 18% of the available funds (a 3:1 ratio). This seemed like a fair allocation given the size of the fishery and the extent of the loss.

Using the same formula for the BBR fishery disaster funding the arbitration formula allocates approximately 85% of the first wholesale value to harvesters and 15% to processors. In the BSS fishery the formula yields approximately 76% to harvesters and 24% to processors. The harvesters have proposed a blend of BBR and BSS fishery disaster funds that will yield approximately 61% of the available crab disaster funds to the harvesting sector and approximately 15% of the available funds to the processing sector (a 4:1 ratio). This is not a fair allocation.

It is important to emphasize that the purpose of the non-binding price formula was established to provide an arbitration proceeding with a price formula that identifies the historical division of revenue between harvesters and processors. It was created to protect an isolated crab harvester from being forced to accept unreasonable crab delivery terms from its matched processor if that harvester has no other options.

Further, the non-binding price formula has been controversial since the inception of the Crab Rationalization Program. The non-binding price formula is based on a historical review of the division of revenue from historical data bases of first wholesale value of the subject crab fishery. The non-binding price formula was established to provide an arbitration proceeding with a price formula that identifies the historical division of revenue between harvesters and processors. One of the unique consequences of the formula in the BBR fishery is that: as the first wholesale price increases the greater the percentage of the increase that goes to the harvester. So if the market is increasing to higher finished prices, the harvesters receive a larger share of that benefits.

The use of a historical distribution of revenue is limited. The data underlying the period used is not always accurate and relies on techniques and calendar dates that are now quite old. The historical share of revenue certainly is an indicator of the losses suffered by harvesters and processors. But it is not the only indicator. One of the problems, from the processor perspective, is the reflection of increased costs in the production of crab products. In order to innovate and to open new markets, crab processors have incurred recent costs that are not reflected in the non-binding price formula. Harvesters do not want costs considered and instead want to rely solely on historical date to establish the formula. That is why, as mentioned before, as the price of finished crab products increase the formula dictates a higher share of the revenue go to the harvesting sector. While this issue will likely come up as the North Pacific Fishery Management Council undertakes its next program review of Crab Rationalization, it is important in this context to highlight the inapplicability of the non-binding price formula as a rigid tool for finding a fair allocation between harvesters and processors.

As you know the Bering Sea crab fisheries are located in areas that are some of the most challenging in the country. All processing locations are remote and require labor and materials and people to travel into for the processing operation. Freight and fuel costs are extremely high and the plants depend on the resource to allow for their businesses to operate in a financially sound manner.

The loss of the BBR and BSS crab fisheries were devastating to all crab stakeholders. Processing quota shareholders and crab processing companies saw also their entire crab operations cease and are now trying to hold together the infrastructure necessary to allow crab processing to continue when the stocks return. This means that crab processing stakeholders must continue to invest in their crab processing operations and keeping crab oriented employees and equipment operational within in their operations. Crab processing operations are unique and the processing sector has been investing in innovative machinery and technology to achieve higher recoveries and new product forms. Those investments are not fully recovered by sharing the formulaic percentage of first wholesale revenue resulting from the arbitration formula.

We believe that the spend plan for the BBR and BSS fishery disaster funds should be 75% to IFQ holders and 25% to IPQ holders (3:1 ratio). This is a fair allocation and directs the vast majority of the available funding to the IFQ holders. Like in the BST spend plan we support the sub allocation to active processing companies. We support the BST spend plan's direction to allocate funding to IPQ holders based on their historical share of the IPQ holdings in the BBR and BSS fisheries. We support the BBR

and BSS spend plan also provide direction to allocate funding to IPQ holders who engaged in active crab processing operations.

The BBR and BSS crab fisheries are rationalized. Harvesters; Processors; Community Development Quota entities and crab dependent communities were all part of the rationalization program. All these stakeholders built and maintained these great fisheries. We believe that an equitable share of the fishery disaster relief funding can be reached for the participants.

We thank you for considering our comments and look forward to reviewing and further commenting on the ADFG proposed spending plan for the disbursements of the disaster relief funding.

Thank you,

John Iani

President NPCA

jiani@perkinscoie.com
206 412 5531
1201 Third Avenue
Suite 4900
Seattle, WA 98101

NPCA Members:

Trident Seafoods Corp.

UniSea Inc.

Royal Aleutian Seafoods, Inc.

Westward Seafoods, Inc.

Alyeska Seafoods, Inc.

57 Degrees North (Central Bering Sea Fishermens Association)

APICDA

CITY OF UNALASKA
43 Raven Way - P.O. Box 610
Unalaska, Alaska 99685
TEL (907) 581-1251 FAX (907) 581-4469



June 30, 2023

Karla Bush, Extended Jurisdiction Manager
Alaska Department of Fish and Game
PO Box 115526
Juneau, Alaska 99811-5526

RE: Federal Fishery Disaster Relief ADFG Revised Allocation Spend Plan for Bering Sea Snow Crab and Bristol Bay Red King Crab Fisheries.

Dear Karla:

The City of Unalaska has been the State of Alaska's largest crab processing community for over fifty years. Unalaska has been heavily impacted by the crash of many of our historic Bering Sea Crab stocks. The allocation reductions and off-season closures have had a terrible financial impact on the crab industry, harvesters, processors, CDQ groups, and crab-dependent communities of Southwest Alaska. Impacts include not just lost fish tax revenues to our General Fund but major impacts to sales tax revenues, especially fuel sales from harvesters, processing, and support sector businesses in Unalaska. Employment in all the region's communities was impacted as well. The disaster allocation for two years of \$191,302,494 million will not make any sector whole.

Therefore, Unalaska supports a percentage of 7.0% off the top of the \$ 191 million for communities, and additionally, we support a 1% off the top allocation for the community of Saint Paul Island. The community has been devastated by the loss of the Snow Crab fishery, which was the community's only major fishery that supported their local economy. The closure of the community's only processing plant that processed Snow Crab and assisted with the processing of Halibut by the local small boat fleet that is so important to Saint Paul Island residents has also caused hardships that have to be addressed.

We realize that the percentage amount for communities has increased from the 2019 Tanner Crab Disaster funding. The reason for that is the closure of two years of the Bristol Bay Red King Crab fishery, the reduced Snow Crab allocations, and for the

first time, the closure of the 2022/2023 Snow Crab fishery. The impacts of this disaster have far exceeded what the communities faced with the Tanner Crab Disaster of 2019.

I would also like to point out that disaster funding for communities will stay in the Alaska communities to the benefit of the residents and businesses in our communities. It is also important to remember that the 2005 Crab Rationalization Plan was put together with three components or the three-legged stool. Harvesters, Processors, and Communities all were equal partners in the development of the program and should be remembered as ADFG considers these spend plan disaster funding requests.

Naturally, Unalaska would support the direct payments to the communities where Bering Sea Tanner was landed option, but if that option is not available. Unalaska would support ADFG's recommendation in the revised Spend Plan section for communities that ADFG would make funds available to communities for use in managing, repairing, or maintaining infrastructure services or habitat that supports Bering Sea Crab fisheries in the region using project-based funding process which has been used in other recent Alaska Fishery disasters.

We would like to thank the Alaska Department of Fish and Game for considering the City of Unalaska's comments on the Bering Sea Crab Fisheries Revised Spend Plan as it pertains to the communities section of the plan.

Sincerely,
CITY OF UNALASKA


Vincent Tutiakoff Sr.
Mayor

CC: City Manager Bill Homka,
Unalaska City Council Members,

From: Angela Perkey
Sent: Friday, June 30, 2023 1:19 PM
To: DFG, ComFisheriesDisasters (DFG sponsored)
Subject: Re: Fishing Disaster for Families

Another note if the owners get the relief some of the Captains and crew have had to take other fishing jobs like cod because of no crab season. They might not get the relief money. My husband has been a crab Captain for over 30 years and had to do cod this year so we could have some income. It should go to those who lost income due to no crab seasons.

On Fri, Jun 30, 2023 at 1:24 PM Angela Perkey <a> wrote:

This is regarding the Alaska King Crab, Opilio and Bairdi fisheries. I just talked with my husband who is in Alaska right now doing summer tendering he said that some of the owners are pushing for 30-70 split so the owners would get the monies. This WOULD NOT be paid out to any of the captains and crew members which keep these boats going. This has had such a bad impact on our lives having our income cut over half every year. This started going downhill year 2021. Because of no crab my husband has had to take another job and is sharing the captain spot with another captain. It really has had an impact on our lives. The captains and crew need to get some relief. Thank you if you need more info please feel free to contact me. Angela Perkey

Sent from [Mail](#) for Windows

Just wanted to put input in on this matter. This affected our families income so much. Due to no crab fishing my husband had to find another fishing job which cut his income in half. This really has effected us the last few years. If there is any relief the captains and crew need to be included. If it goes to the owners and canneries the little guys will not see a dime.

We are having a hard time with the lose of income. My husband has fished for a living for the last 35 years. This is what he does. The captains and crew need to be considered in this decision.

Please give the little guys some relief.

Thank you

Angela Perkey

Captains wife

From: Mikal Mathisen
Sent: Friday, June 30, 2023 8:38 AM
To: DFG, ComFisheriesDisasters (DFG sponsored)
Subject: King crab/Opilio plan

The crew was shorted in the vessel/crew split on the tanner crab relief plan. The traditional split in the crab fishery that I am familiar with after 32 years in the industry is 60% to the boat and 40% to the crew. To further break that down our normal crew is a captain and five deckhands. The captain receives 12%, four of the deckhands get 6% and the last guy gets 4%.

Before anyone gets paid we have several expenses coming off the top of the gross revenue. First expense is any landing fees, buyback fees, borough taxes and that sort of thing. This is generally in the 7-9% range. Next all quota lease fees are paid. For king crab standard lease rate is 65-70% and for Opilio it is 50%. And finally all fuel and bait expenses are deducted and the crew is paid 40% of the remainder.

For distribution of crew relief money I think the vessel owner should turn in a list of crew members and what their pay percentage was for the effected seasons. Then the relief agency can pay the crew directly from the vessel share and everyone gets their normal and fair percentage.

Thank you

Mikal Mathisen

From: ocean fury
Sent: Monday, June 26, 2023 6:22 PM
To: DFG, ComFisheriesDisasters (DFG sponsored)
Subject: Crab funds

You should consider the the tv boats (discovery boats) had made big money through the disaster. Percentage of that should be taken off the share of funds.

Sent from my iPhone

From: d
Sent: Monday, June 26, 2023 3:16 PM
To: DFG, ComFisheriesDisasters (DFG sponsored)
Subject: BSS & BBRKC Disaster Spend

ADF&G,

As a Bering Sea crab Fisherman for over 20 years I've had the fortune and luck to be apart of a professional operation that has always paid a 60/40 split, vessel gets 60% , captain and crew get 40%.

A fishery disaster is an event that affects all parties involved and I believe all parties involved should benefit from any fishery disaster spend plan equally.

By keeping the 60/40 spilt, along with pay based on active participation , I believe you are keeping the spend plan inline with a pay settlement from a normal IFQ season.

Sincerely
Damien Catala

From: Roberto Barron
Sent: Friday, June 16, 2023 9:05 PM
To: DFG, ComFisheriesDisasters (DFG sponsored)
Subject: I be crabs 30 years in Dutch Habor King crabs and snow crab is not right to the no owners crab keep the money and don't give none to the crew that's not right and they should give the money to the crewmembers. I think and all the time the crew get...

From: joe wright
Sent: Friday, June 16, 2023 7:05 PM
To: DFG, ComFisheriesDisasters (DFG sponsored)
Subject: Captain comments

My name is joe wright I am the captain of the f/v tempo sea. I've been an active participant in the crab fisheries for over 30 years. Having no crab seasons has been a disaster for our industry. We have lost a lot of good deckhands that have had to find other ways to support their selves and families. I know everyone has been affected by this but when your looking at how to allocate this disaster money please keep in mind the people that live paycheck to paycheck and risk everything for what they love doing. The big corporations will be just fine as they have multiple forms of revenue. While we rely on just one. If you have any questions feel free to contact me.

Sent from my iPhone

From: Robert Perkey
Sent: Friday, June 30, 2023 5:34 PM
To: DFG, ComFisheriesDisasters (DFG sponsored)
Subject: Disaster relief

My name is robert perkey I have been a bering sea crab Fisherman for 36 years.i have seen the reduction of the fleet and recieved nothing when a public resource was divided up between a group of canneries and owners,leaving out new captain's and crew.i brought this up with my wife and told her I thought it was hopeless.the rich get richer and the laborers get left behind.i have been running boats since the late nineties and now cod fish full time at one third the income yes the crab crash has made a huge impact on my families well being.ive heard [REDACTED] testified that 30 Oct to captain and crew is to much exactly what I mean,never underestimate the power of greed.maybe once everyone who has given their whole adult life to this way off life may benefit if there is relief deemed worthy.

Fishery Disaster Spend Plans Virtual Listening Sessions

When: Thursday, June 15, 2023

Session Two Agenda:

June 15th 2:00 PM – 4:00 PM Alaska Daylight Time

- 2:00 pm: Bristol Bay red king and Bering Sea snow crab fisheries
- 3:00 pm: Open session

Meeting Notes:

Call to order and introduction by Karla

- Guiding principles for disaster spend plans, email address also available to send in comments there. Opening the floor for Bristol Bay and Bering Sea crab comments.

Bristol Bay red king and Bering Sea snow crab comments

- 1) John Iani – Asked us to state the Bairdi methodology for the last fishery disaster
 - a. Karla- described input, comments, categories and how those allocation decisions were made based on NOAA reports and past median exvessel information.
- 2) Frank Kelty with Unalaska – Community sector allocations for the Tanner crab would've liked more than 4.75% for communities, but these two (red king and snow) are the most important and largest revenue generators for the communities. The communities are hurting from things like unemployment, low sales tax revenue, total plant closures, etc. They deserve a larger chunk, at least 10%, for communities this go around.
- 3) Phillip Zavadil with St. Paul – Agrees with Frank. St Paul has been dependent on snow crab over the years and wants to see additional percentage for the communities.
- 4) Ernie Weiss with SW Alaska Borough (Cold Bay, Sand Point, etc.) – Echoes the comments for larger community payments and quick distributions.
- 5) Mateo Paz – Looking for clarifying language regarding how soon provisions apply and information regarding direct payments to the communities.
 - a. Karla- the State is supporting direct payments and continues to do so.
- 6) Charlie Rehder a Quota Share holder for A,B,C shares- Active harvesters should be considered as well, they are the ones using their money in those communities. Looking back 5 years would be a good start. Recommends using the EDR.
- 7) Gretar – All communities would like a bigger portion of this distribution but agrees that the Baiardi plan was fair. It (the community share) should not be so large that it takes away from the hard-working harvesters who deserve to be kept afloat as well.
- 8) Owen – Looking for more information about the 70/30 split decision for boat and crew. Those tabulations for EDRs should not be used twice. He is a captain and active fisherman and has always worked under a 60/40 split after rationalization. Should be adjusted with an increase for the crew.
- 9) Jamie with Alaska Bering Sea Crabbers – June 20th and June 23rd are scheduled meeting to get a large amount of harvesters together and send some comments in as a group. Harvesters do not have other options like the communities and researchers who might be able to diversify their income.

- 10) Heather McCarty – Question regarding IPQ holders and active processor directed shares, why did we do an equal 50/50 split? Asked what management approaches to mitigate impacts of future fishery disasters could mean? Karla explained this is the language NOAA uses when approving grants and gave examples from past disasters.
- 11) Scott Goodman – He will be submitting written comments before June 30th and appreciates the listening session.
- 12) Paul Wilkins – does the state have different criteria for snow and red king crab fisheries, they have different impacts and deserve different allocations.
 - a. Karla- As a starting point, we typically do view the fisheries as separate events and look at the loss per fishery not combined. The previous 5-year average will be compared to the closed year. We allocate amongst those fisheries and years a proportional amount of the loss and build eligibility individually. Vessels could qualify for both fisheries and both years.
 - b. Paul and Lenny suggest using the small season as one of the years for the small snow crab year.
 - c. Phillip Zavadil jumped in to ask if we would allocate different amounts by the years 2021/22 and 2022/23, viewing them separately.
- 13) Gretar – how will you calculate when active boats are under different ownership between the years?
 - a. Karla- payments went to the owner of the vessel in the disaster year not the current owner, went of ADF&G of the vessel and the history.
 - b. Gretar recommends doing the same like in Baridi
- 14) Mike Shelford – Downsized the vessel and sold the historical vessel they fished on; he would like the payment to go to the *owner at the time of the fishing year* not the current owner. He sold his vessel in the 22/23 year but fished in 21/22, and the person that owns it now (22/23 disaster year) doesn't crab and shouldn't get funds. Thinks the Baiardi plan was fair with community payment, communities are hurting but so are the harvesters.
- 15) Nikolai – Recommends looking at 5-year history.
- 16) Charlie Rehder- Dutch harbor has the pollock fishery but St. Paul is totally dependent on crab, a note to pay attention when we are looking at the community payments. (Pro rate for communities? - Darion) Recommends the 5-year history and EDR for Harvester payments and giving harvesters the majority of the funds.
- 17) Mike Mathisen – Following up on crew/vessel splits that the 70/30 could be because there were no expenditures from tax/fuel/bait etc. A 60/40 split is common but is considered after the taxes/fuel/bait expenditures.

5/31/23

To whom it may concern:

Thank you for taking the time to consider the relief program payout for Bering Sea Crab fisheries. What I am sending to you is a letter I Bryan Horn wrote back at the end of November. This letter is addressed to the Commissioner of the Alaska Department of Fish and Game which was sent on November 30th. However, I also sent it to local ADFG and through the entire Alaska legislation.

Thank you for your time and consideration:

Bryan Horn

Doug Vincent-Lang, Commissioner
Alaska Department of Fish and Game
1255 W. 8th Ave
Juneau, AK 99502

Equity For Kodiak Tanner Crab Fishermen

To whom it may concern:

I am writing to you because of the inequity that traditional Kodiak Tanner crab fishermen will experience when Bering Sea crab fishmen participate in the Kodiak tanner crab fishery and, in addition, also receive Federal Bering Sea crab relief money. From what I'm hearing, there are many Bering Sea quota share crab Boats planning to fish the Kodiak Tanner crab fishery and also apply to collect disaster relief money from the Bering Sea crab relief fund. I do not believe that these vessels that could not historically be in two places at one time should benefit by having the Bering Sea fisheries closed and now fish in Kodiak. The Bering Sea vessels who intend to to participate in the 2023 Kodiak tanner crab fishery will significant and negatively impact my fishery, while they also double dip by receiving disaster relief compensation. For the last 20 years or more these vessels have chosen to fish in the Bering Sea fishery rather than fishing the Kodiak Tanner crab fishery. It seems only fair that the State of Alaska take this into consideration when developing a disaster relief program for Bering Sea crabbers.

The fact is that long before crab rationalization was instituted, Bering Sea crab fishermen made a choice each year to fish either Kodiak or the Bering Sea, but they could not fish both. As you consider the distribution of Bering Sea disaster relief money for 2022/23 the same choice should be made. If a vessel fishes in Kodiak, it should not be eligible for Bering Sea crab disaster relief. I was personally told by a crew member from one such Bering Sea crab boat crew that they were planning to "double dip." That tells me that the Being Sea fishermen that are now planning to fish in Kodiak know that what they are doing isn't fair, but they are

nevertheless planning to double dip anyway. Right off the top of my head I can think of a significant number Bering Sea larger crab vessels that would reap the benefits of a relief program and compete with the local small boats from Kodiak and surrounding villages.

I've had another thought as well. I understand that some Bering Sea crab vessels will want to both fish in Kodiak and apply for Bering Sea crab disaster relief, in part, because the Kodiak tanner fishery is guaranteed income and eventual Bering Sea crab disaster relief is unsure. I'm thinking that the State may want to consider a disaster relief distribution plan that subtracts the ex-vessel value a vessel/claimant earned from fishing the 2023 Kodiak tanner crab season from their Bering Sea disaster relief compensation. The amounts deducted could then be applied to managing and assessing the Kodiak tanner crab season. This won't help me and the other small boat fishermen that will lose money this season but it would be more equitable by helping the Kodiak tanner crab fishery overall.

This year seems to be a perfect storm in the Bering Sea Alaska crab fisheries with most of the Bering Sea Crab fisheries shut down and market prices dropping rapidly. Unexpectedly, Kodiak's 2023 tanner crab quota is now the largest quota in the State, which, for the last 20 years has been less than a couple of million pounds. Many of the old-time fishermen I know I have worked hard to slowly build Kodiak's tanner crab fishery since the mid-1990s. Consequently, we needed to be very careful to conservatively manage this crab. My second concern is that the Bering Sea crab killing machines negatively impact our fragile local resource. With a small boat about 60 pot pulls is what I can do in a day along with travel and moving gear. These large vessels are likely to have the capacity to pull at least two or three times the daily pot pulls of our small boat fleet. This will result in substantially more crab sorting. When we sort crab during cold winter days, we increase leg loss and discard mortality. How will the Department account for this increased negative impact on our tanner crab resource? Again, sorting females over and over is exactly what we should be avoiding in this fishery. Perhaps we will need an emergency regulation that limits the number of pots pulls each day.

It should also be noted that the new entrant larger Bering Sea crab vessels and trawl vessels are likely to fish substantially further off shore. Consequently, their fishing in the Kodiak tanner crab fishery will not only impact the traditional crab fishery by the number of crabs they catch, and by the amount of sorting that is likely to occur, but they will also spatially impact the fishery and the resource. The traditional smaller boats in the fishery were limited by weather from fishing too far off shore. However, during the 2023 season the larger Bering Sea crab vessels and trawl vessels will likely be fishing of a large number of pots offshore and consequently impact crab migration and availability to the small boat fleet fishing in-shore. In short, we don't know how the large vessel's gear set further offshore will impact crab migration, reproduction of the tanner crab resource and availability to the small boat fleet.

Of utmost importance to Kodiak's 2023 tanner crab fishery is need for an exceptionally strong enforcement presence offshore. I anticipate that the larger Bering Sea crab vessels and the larger Trawl vessels will jog off shore all night. As you know, the Kodiak tanner crab fishery is a "daylight only 8 a.m. – 6p.m." fishery. This regulation was intended to protect crab freezing on deck and to limit pot pulls each day. Smaller vessels generally pick their gear during the day and return to an anchorage at night. I think it's going to very tempting for the larger vessels to keep fishing during the night and claim that they were jogging. The fishery is too short and too competitive not to have this occur. This eventually must be vigilantly overseen by the state of Alaska enforcement and management entities. Again, my concern about the Bering Sea crab boats "double dipping" is not only the inequity of two revenue streams but also how they will negatively impact the tanner crab resource I have helped rebuild. I envision the following: "Hey guys, its midnight and I don't see any lights lets run these pots really quick, I'm thinking we might get 2000 crab with a quick pick". A single pick like this could

be a complete season for a small boat. 2000 crab at 2.2 pound per crab average, at last year prices is \$36,500. That's only a 66 crab per pot average. This example is very easy for a large vessel to accomplish with nobody watching. ENFORCEMENT FOR THE SEASON MUST BE DOUBLE OR TRIPPLE PAST YEARS ENFORCEMENT!

I also fear that the smaller vessels in the fishery may feel forced to make poor weather choices this season. The rapid catch rates expected from the larger Bering Sea crab and local trawl vessels will shorten the season. The Kodiak tanner crab fishery, because of the weather, is a dangerous fishery. This is why we have the "fair start" provision that focuses on the weather forecast before the fishery is open. However, some of the smaller boat skippers are already feeling pressure that they won't have time to catch the crab needed to make a season. Even if we lose one vessel or fisherman due to poor weather choices, it's not worth it to have the larger Bering Sea crab vessels and local trawl vessels involved in the fishery.

You have to know that this is deeply personal with me. When the season closed there was a seven-year period that Kodiak fisherman did not get to fish. There was no federal relief program offered and none asked for. This forced my stay-at-home mother to get a job in the school district. As my father sat on the beach, he worked construction with my uncle and coached me through middle school and high school basketball. As a team my parents made up the difference in income for our family with no Kodiak tanner crab season. I remember when my dad had to resign from coaching basketball and Cliff Anderson took over. This was so that my father could go tanner crab fishing again. I was not sad my dad couldn't be there coaching me! I was excited for the fact crab were returning, and that I may be able to catch crab in the future. Over the last 15 years that I have owned a Kodiak Tanner crab permit I have endured small quotas and consecutive year closures. I had to pay my permit loan payment regardless if I got to fish or not. There was no relief package asked for and none given. I had to resort to pot cod fishing because I do not have a vessel that can fish Bering Sea crab, and therefore, I had no other options.

It's apparent to all that the Kodiak tanner crab fishery has too many CFEC permits issued. For years only a third to half of the permits fished. That balanced a small boat fishing opportunity with available tanner crab quota. Now, with several new entrant Bering Sea crab vessels and Kodiak trawl vessels, as well as the new entrant smaller vessels preparing to fish the 2023 Tanner Crab season, the fishery will be a "Olympic style" race with the small boats missing out and being significantly disadvantaged. I request that the State of Alaska work with the Kodiak Tanner Crab Association to forge a path toward reducing the number of Kodiak tanner crab permits.

This all brings me back to the fact that the Bering Sea crab fleet would not be fishing Kodiak Tanner Crab if they had the option to fish crab in the Bering Sea. Allowing these vessels to collect crab disaster relief money as well as fish the Kodiak fishery is fundamentally unfair. In addition, they will harm the Kodiak tanner crab resource, likely increase illegal fishing activity and fish in areas that small vessels cannot access. I'm asking you to do three things. First, don't allow vessels that fish in the Kodiak tanner crab fishery to apply for Bering Sea crab disaster relief or, alternatively, deduct their Kodiak tanner crab earnings from disaster relief compensation. Second, energize and expand enforcement efforts during the 2023 Kodiak tanner crab season. Third, initiate a process for the Kodiak tanner crab fleet to reduce CFEC Kodiak tanner crab permits.

Thank you for your consideration of my requests.

Sincerely,

Bryan Horn

From: ocean fury
Sent: Friday, June 16, 2023 11:46 AM
To: DFG, ComFisheriesDisasters (DFG sponsored)
Subject: Crab disaster

To whom it may concern,

The funds should be for 50% crew and 50% for quota owners. Some of the quota owners say they will pay the crew. And end up keeping it all to the selfs.

I have been a crab fisherman for 35 years on deck for 20 and captain for 15

Just because we don't have capital invested in the fisheries does not mean we should not get relief. We have our life's invested in the fishery. Quota owners that lease their crab and are not currently fishing should not get relief. Most quota owners were given the quota by the government they didn't earn it. And some bought as a investment

From: Robert Perkey
Sent: Thursday, June 15, 2023 7:25 PM
To: DFG, ComFisheriesDisasters (DFG sponsored)
Subject: Crab relief

Maybe for once when disaster relief is distributed, the captain's and crews see some money not just owners and canneries

Appendix 2: High priority research needs to facilitate recovery of the Bering Sea snow crab and Bristol Bay red king crab fisheries.

The research topics below fall generally into three main categories: 1) better understanding crab distributions with changing environmental conditions, 2) reduction of bycatch, and 3) understanding the benefits of closure areas.

Snow Crab

1) Movement of adult male snow crab on the Bering Sea slope and along the US/Russian border.

- Are crabs found on the slope and the Russian border part of the larger snow crab population and should therefore be accounted for in biomass estimation?

Methods: Catch large crab along the slope and Russian border and use satellite tags to follow their movement over a year's time.

2) Distribution and abundance of snow crab on the Bering Sea slope.

- Develop survey methods to better inform abundance estimates in areas where the EBS trawl survey doesn't cover.

Methods: Trial 1-3 different survey designs (e.g., Long-lined pots, single pots, small mesh trawl) to determine a long-term strategy to best survey the slope in a cost-effective manner.

3) Reduction of bycatch in directed fishery

- Examine multiple ways to reduce catch rates of female and small male crab in commercial crab gear.

Methods: Modify soak times, mesh size, and trial new pot designs to examine effects on reducing female and small male catch and maintaining preferred male catch rates.

4) Fine scale distribution of juvenile snow crab

- Better understand the huge bottleneck of juvenile crab surviving into legal size crab and better understand how to protect them.

Methods: track the current small recruitment pulse over the next few years using small mesh pots and/or trawl gear.

5) Snow crab habitat concerns

- What is the efficacy of the Pribilof closure areas for snow crab?

Methods: Conduct habitat assessments inside and adjacent to closure area using towed video array (Camera sled).

- Are there consistent "nursery" hotspots for snow crab?

Methods: Use skipper knowledge to focus on potential nursery areas and examine juvenile crab and habitat characteristics inside and outside those areas using towed video array (Camera sled).

Red King Crab

- 1) Movement of adult male and female red king crab in the Bristol Bay management area
 - Are there general seasonal migration patterns (e.g., molt/mating hotspots), and what is the level of inter-annual variability?
Methods: Catch and tag large male and female crab in proportion to their abundance using satellite tags and follow their movement over time.
- 2) Distribution of BBRKC in the winter (Jan – March)
 - Where are RKC during the vulnerable mating/molting times in January through March? Help minimize bycatch mortality from the groundfish fisheries.
Methods: Conduct winter pot survey to identify RKC areas of high abundance.
- 3) Reduction of bycatch in directed fishery
 - Examine multiple ways to reduce catch rates of female and small male crab in commercial crab gear.
Methods: Modify soak times, mesh size, and trial new pot designs to examine effects on reducing female and small male catch and maintaining preferred male catch rates.
- 4) Red king crab habitat concerns
 - What is the efficacy of the Red King Crab Saving area for BBRKC crab?
Methods: Conduct habitat assessments inside and adjacent to closure area using towed video array (Camera sled).
 - Are there consistent “nursery” hotspots for BBRKC crab?
Methods: Use skipper knowledge to focus on potential nursery areas and examine juvenile crab and habitat characteristics inside and outside those areas using towed video array (Camera sled).
- 5) Larval dynamics and delivery rates
 - Are post-larvae reaching nursery habitats?
Methods: Collect crab larvae using settlement bags and correlate to habitat characteristics.
- 6) Update/improve data on RKC growth and molting probabilities.
 - Improve population models and track potential changes in biology.
Methods: Conduct a multiple mark-recapture study, by collecting and tagging crab using (t-bar) tags that are retained through the molting process.