

Excerpts from *Committee Report C* from December 2006 Board of Fisheries relative to restructuring proposals #15, #21, and #39

ALASKA BOARD OF FISHERIES
COMMITTEE REPORT

RC # 140

COMMITTEE C – Gear, Vessels, and Registration
December 8, 2006

Board Committee Members:

1. John Jensen, *Chair
2. Rupe Andrews
3. Art Nelson

Alaska Department of Fish and Game Staff Members:

1. Tim Sands
2. Jeff Regnart
3. Charlotte Westing
4. Karen Brito
5. Ed Dersham

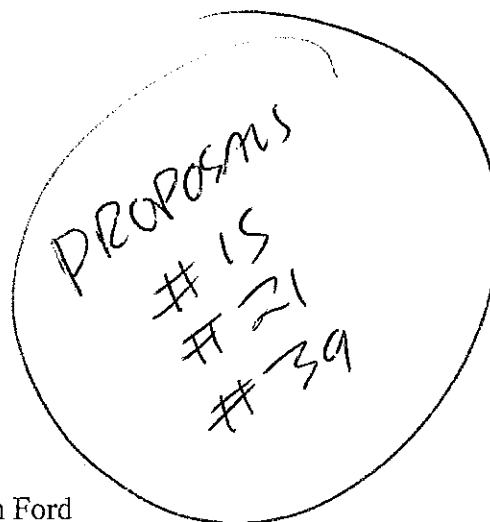
Advisory Committee Members:

Vince Webster (NKAC)
Hans Nicholson (NAC)
Roland Briggs (LBBAC)

Public Panel Members:

Robin Sameulson
Peter Christopher
Chuck Thompson
Stosh Anderson
Nick Lee
Moses Toyukak Sr.
Vic Schiebert
John Lowrance
Travis Ball
Al Bauman

Shannon Ford
Harlin Bailey
Malcolm Wright
Bob Waldrop
Chuck McCallum
Warren Gibbons
David Harsila
Roland Briggs
Gene "Pat" Glaab



This committee met December 8 at 10:45 a.m.-11:45 a.m., 1:15 p.m.- 4:15 p.m.

PROPOSALS BEFORE THE COMMITTEE WERE: (34 Total)

Fishing Gear Specifications and Operations; (14-20), Use of 200 fathoms of Gillnet; (21-28), Vessel Specifications and Operations; (29-47)

PROPOSAL 15 - 5 AAC 06.331. Gillnet Specifications and Operations. Amend this regulation as follows:

Allow the holder of two setnet permits to fish and operate simultaneously.

Staff Reports: RC 3

Staff Comments: RC 2, Page 36-37

Dept. of Law Comments: None

AC Reports: RC 1, AC comment tab

Public Comment: RC 1, Public comment tab

Record Comments: RC 5, 9, 21, 30, 31, 32, 34, 43, 68, 97, 98, 103, 113, 123

Narrative of Pros and Cons

Department: The department is neutral due to allocative aspects of the proposal. However, the proposal is unclear whether it intends to allow gear to be operated end-to-end or if it intends to allow two separate operations. Increasing the length of legal gear could negatively impact adjacent setnetters, could diminish quality, and violate the existing regulations dictating the legal distance of operating gear from shore.

- If permit stacking is allowed for drift fleet, it would need to be allowed for the setnetters for equitability
- Currently done within the regulations by putting an extra permit in someone else's name, this would simplify and remove risk of logistics preventing users from fishing extra permits that they own.
- Do not support longer gear, would need to be split into two sites.
- Some are against stacking in general but feel that if it is used, it must apply to both gear types.
- Under current regulations, it can be difficult to transfer a permit again if a person doesn't work out as a permit holder (e.g. minors, or medical transfers)

POSITIONS AND RECOMMENDATIONS

Advisory Committee Recommendation: Togiak AC – Support, Nushagak AC – Opposed, Naknek /Kvichak AC – Opposed, Lake Illiamna AC – Opposed, Lower Bristol Bay AC – Opposed

Public Panel Recommendation: Consensus to approve if permit stacking is allowed for drift gillnetters. (note permit stacking for drift is recommended to be tabled for restructuring)

Board Committee Recommendation: Support

Substitute Language:

PROPOSAL 21 - 5 AAC 06.333. Requirements and specifications for use of 200 fathoms of drift gillnet in Bristol Bay. Amend this regulation as follows:

This proposal would allow the holder of two Bristol Bay drift gillnet permits to fish and operate 200 fathoms of drift gillnet gear from a single vessel except in special harvest areas.

Staff Reports: RC 3

Staff Comments: RC 2, Page 41

Dept. of Law Comments: None

AC Reports: RC 1, AC comment tab

Public Comment: RC 1, Public comment tab

Record Comments: RC 5, 9, 21, 25, 30, 31, 32, 33, 34, 40, 43, 48, 56, 58, 62, 68, 74, 96, 98, 103, 113, 123

Narrative of Pros and Cons

Department: The department is neutral on the allocative aspects of this proposal.

Panel questioned whether or not it would be appropriate for the Board to address restructuring proposals.

Criteria have been developed for evaluating “restructuring” proposals. The board decided to informally follow the criteria until it is tweaked and formally adopted.

Cons

- This is not a permit reduction program; it is a boat reduction program.
- Redistributes wealth away from the poorest third of the fleet to the richest third.
- The lower third of the fisherman most distinctly control the impact of the fishery on local economies.
- Permits remain dormant until factors become favorable. This proposal brings latent permits back into the fishery and increases gear in the water.
- This proposal would create another class of fishermen. With a limited number of latent permits available, not everyone has the opportunity to participate at the same level.
- With limited processor capacity, this allows for fleet consolidation.
- Permit holders will be spending money on snatching up a permit instead of innovating for quality.
- Quality is the only way to get more money for the fish and dual permits do not increase quality.

- Currently special privileges would impact the Nushagak since it is the only district sometimes where full boundaries are used.
- There is a potential impact of out migration of permits due to permit stacking. Economic impact on local communities will be huge.

Pros

- This regulation would not keep two people from operating together, it would also allow one person to own two. Every time you stack permits, you reduce the gear in the water by 100 fathoms.
- Lower third either can't or won't invest to improve in quality. The only people that will improve quality are those that are interested in investing in improvements. The benefits will trickle down to all users.
- If allowed, would cut down on medical transfer paperwork because that is how people are currently doing it. At this time one person purchases a second permit and puts it into another's name using a medical transfer.
- Reduced boats, reduces competition which increases quality.
- Can slow down and put up a more quality product.
- Owning two permits prevents people from jumping ship with a permit that you truly own.

POSITIONS AND RECOMMENDATIONS

Advisory Committee Recommendation: Togiak AC – No Comment, Nushagak AC – Opposed, Naknek /Kvichak AC – Opposed, Lake Illiamna AC – Support, Lower Bristol Bay AC – Support

Public Panel Recommendation: No consensus.

Board Committee Recommendation: Table for restructuring work.

Substitute Language:

PROPOSAL 39- 5 AAC 06.341. Vessel Specifications and Operations.

This proposal would eliminate the current 32-foot length restriction on Bristol Bay commercial salmon fishing vessels.

Staff Reports: RC 3

Staff Comments: RC 2, Page 55-56

Dept. of Law Comments: None

AC Reports: RC 1, AC comment tab

Public Comment: RC 1, Public comment tab

Record Comments: RC 9, 21, 23, 25, 26, 27, 30, 31, 32, 33, 34, 35, 43, 47, 48, 53, 54, 55, 56, 57, 58, 59, 62, 63, 68, 69, 74, 75, 80, 93, 97, 98, 99, 100, 102, 103, 111, 113, 119, 121, 123

Narrative of Pros and Cons

Department is neutral on this proposal.

Pros

- Would like a bigger boat for catcher processor operations. Doesn't know if the board to specify who can have a bigger boat.
- Would change the focus to quality.
- Small percentage of people would be affected negatively but most would benefit.
- Affects more than fishers but whole communities.
- Basic business principles- Innovate, be creative, look to future.
- Safety issues on smaller boats. One would still have the same amount of gear, has the same delivery limitations.
- Study from 1997 advocates the removal of the 32-foot limit.

Cons

- Bigger boats will be packed with more fish.
- It will be inequitable among gear types.
- Costs of building a boat are enormous.
- Fishery is overcapitalized already.
- In 1992, a survey said more than 80% of the fleet opposed length change.
- When permit holders entered the fishery, they knew the limitations and chose to buy in anyways.
- Many people are able to focus on quality within the 32-foot restriction.
- Wealth will be redistributed to people that can afford bigger boats because they will be more competitive.
- Concerned about a full evaluation about the effects of these proposals. Difficult to reverse.

- Large boats can impact quality and the ability of others to deliver promptly. Are the returns in price per fish going to pay off the investments
- Majority of local villagers are unemployed. Some can't even cover their costs now and this would only make it worse.
- There will be very large boats. Permit holders will always try to maximize their benefit within the law. Boats will get bigger and bigger. Pressure will be on the fleet to upgrade.
- Permit holders will push their financial limits and that is not good for communities.
- The harbor master says the harbor cannot support 400 boats of a bigger size
- All kinds of quality can come from all kinds of boats. A lot of quality comes from fishing style, location, and period time. Bigger boats do not necessarily mean higher quality.
- Boat builders have done a good job within the 32 foot limitations.
- People that live in Bristol Bay need a voice because it will have social implications.
- Large capitol investment that may or may not increase quality.
- Inefficient way of stacking the fleet to the detriment of others.

POSITIONS AND RECOMMENDATIONS

Advisory Committee Recommendation: Togiak AC – Opposed, Nushagak AC – Opposed, Naknek /Kvichak AC – Opposed, Lake Illiamna AC – Opposed, Lower Bristol Bay AC – Support

Public Panel Recommendation: No consensus.

Board Committee Recommendation: No consensus.

Substitute Language: