Department of Fish and Game



OFFICE OF THE COMMISSIONER
Headquarters Office

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March 1, 2023

DRAFT Spend Plan for funds appropriated to address the 2019/2020 Bering Sea Tanner crab fishery disaster determination. NOAA Fisheries allocated \$12,935,199 for the 2019/2020 Bering Sea Tanner crab fishery disaster. The spend plan informs the federal grant application submitted by Pacific States Marine Fisheries Commission (PSMFC) to NOAA Fisheries and is subject to change based on approval of the final grant.

Written comments are requested on all elements of the proposed spend plan and should be as specific as possible. Comments will be posted as received online and therefore, 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: Karla Bush

PO Box 115526

Juneau, AK 99811-5526

Comments must be submitted by March 16, 2023, for consideration in the final spend plan.

Process to develop the spend plan: ADF&G provided an initial draft spend plan for public comment in December 2022 and received 5 written comments on the initial plan (Appendix 1). ADF&G revised the plan based on public comments and is requesting public comments on this second draft spend plan before the plan is finalized and submitted to PSMFC.

In response to comments received on the initial draft plan, ADF&G is recommending the following revisions:

Communities

 ADF&G is proposing direct payments to impacted fishing communities that meet the eligibility criterion as requested in public comment.

Research

• ADF&G is proposing a non-competitive process for research funds and will identify specific funded research projects directly in the final spend plan. The projects will be identified in cooperation with the Bering Sea Fisheries Research Foundation. ADF&G expects a non-competitive process to decrease administrative burden and maximize the time available to conduct research during the five-year limitation on availability of grant funds.

Harvesters

- Clarified that 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.
- To distinguish captains from crew, ADF&G is proposing that captains must have held a CFEC T91Q permit to be eligible for captain's shares.

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

- 1) assist fishery participants harmed by the 2019/2020 Bering Sea Tanner crab fishery disaster, and
- 2) improve fishery information used to assess and forecast future fishery performance and to develop management approaches that avoid and/or mitigate the impacts of future fishery disasters that cannot be prevented.

Proposed allocations to project categories: The proposed categories and allocations reflect comments received from stakeholder input except for the research fund allocation. Initial public comments supported a 2% allocation to research and ADF&G is proposing a 10% allocation to promote the second guiding principle for use of disaster funds to improve fishery information and avoid and/or mitigate the impacts of future fishery disasters. The 10% research allocation was supported by comment on the initial draft of the spend plan.

Proposed categories	Allocation	Estimated funds ^a
Research	10%	\$1,293,000
Communities	4.75%	\$614,000
Community Development Quota (CDQ) Program ^b	8.51%	\$1,101,000
Harvesters	57.72%	\$7,465,000
Processors	18.90%	\$2,444,000
ADF&G Program Support	< 0.1%	\$14,000
Total	100%	

^a Additional funds will be allocated to Pacific States Marine Fisheries Commission (PSMFC) to administer the federal grant.

- Research: The 2019/2020 Bering Sea Tanner crab fishery disaster resulted from undetermined and natural causes which led to low estimated mature male biomass in the eastern and western management areas. These estimates were below thresholds required for a fishery opening during the 2019/2020 season. The relationship between Tanner crab productivity, biomass, and the environment is not well understood but environmental changes and new extremes in sea temperature and ice extent likely play a role in the distribution, growth rate, and natural mortality of Tanner crab.
 - <u>Communities</u>: Municipalities and boroughs rely on revenue generated from Bering Sea Tanner crab fishery landings and other economic activities related to the Bering Sea Tanner crab fishery. ADF&G is proposing direct payments to communities meeting all eligibility criteria. ADF&G notes that it is uncertain whether NOAA Fisheries will approve direct payments to communities where Bering Sea Tanner crab are landed. If direct payments are not approved, ADF&G proposes to make funds available to eligible communities for use in managing, repairing, or maintaining infrastructure, services, or habitat that support the Tanner crab fishery in the region using a project-based funding process similar to that used in recent Alaska fishery disasters.
 - Western Alaska Community Development Quota (CDQ) Program: Direct payments to CDQ groups meeting all eligibility criteria. CDQ groups share an allocation of the Bering Sea Tanner crab Total Allowable Catch (TAC) and are mandated by statute to provide economic and social benefits to their respective communities from revenues generated by CDQ fishery allocations. ADF&G proposes to

^b After allocations for research, communities, and administrative support are taken off the top, 10% of the remainder is allocated to CDQ groups; this represents approximately 8.51% of the total available funds.

distribute funds to CDQ groups in proportion to each group's Bering Sea Tanner crab fishery allocation specified in federal regulations¹.

The remaining funds are proposed to be shared between harvesters and processors based on the historical distribution of revenue from the Non-Binding Price Formula² for Tanner crab as reported in the 2018/19 Non-Binding Price Formula Report.

2018/19 Tanner crab - Harvester/Processor sharing based on the				
Non-Binding Price Formula				
Non-Binding Price Formula	Wholesale price x 0.49767 - 0.1043			
Total Allowable Catch	2,439,000			
First Wholesale Price (SAFE Report)	\$7.83			
Expected Ex-vessel value from Formula	\$3.79			
Recovery	64.3%			
Fishery Gross Revenue	\$12,279,609			
Ex-Vessel Gross Revenue	\$9,249,800			
Harvester % of Gross	75.33%			
Processor % of Gross	24.67%			

- <u>Harvesters</u>: Direct payments are proposed to Western Bering Sea Tanner (WBT) crab quota share (QS) holders, vessel owners, captains and crew who meet all eligibility criteria. Quota share holders are proposed to be identified using the National Marine Fisheries Service (NMFS) Restricted Access Management (RAM) database for the 2019/20 WBT crab season. Vessel owners are proposed to be identified using the Commercial Fisheries Entry Commission (CFEC) vessel license database for 2019. Captain and crew eligibility are proposed to be verified based on crew contract or settlement from the 2017/18 and/or 2018/19 season, or an affidavit from the vessel owner or CFEC permit holder. Captains may also be verified based on CFEC permit holder data from fish ticket landings during the 2017/18 and/or 2018/19 season.
- <u>Processors</u>: Direct payments are proposed to processor quota share (PQS) holders meeting all eligibility criteria. Processor quota share holders are proposed to be identified using the NMFS RAM database for the 2019/20 WBT season.
- <u>Program Support</u>: The Alaska Department of Fish and Game proposes to designate funds for staff working on fishery disaster plan development and implementation in coordination with PSMFC.

Proposed allocations and eligibility for disaster relief funds:

<u>Research – 10% of total funds (~\$1.29 million):</u> ADF&G proposes to allocate research funds to improve available fishery information and to help prevent and/or mitigate future fishery disasters. Research themes were informed by public comments and developed in coordination with the Bering Sea Fisheries Research Foundation and ADF&G staff and are shown below in order of relative priority:

 $^{^{1}\,\}underline{\text{https://www.federalregister.gov/documents/2006/08/31/06-7326/fisheries-of-the-exclusive-economic-zone-off-alaska-western-alaska-community-development-quota}$

² § 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).

- 1. Refined understanding of terminal molt and growth for Tanner crab stock components east and west of 166° W long., with an emphasis on growth increments at terminal molt.
- 2. Further evaluation of mature male biomass (MMB), exploitation rates, and potential management strategy evaluation work to examine the relationships between MMB, legal size, and industry preferred size on stock dynamics.
- 3. Evaluation of juvenile bottlenecks related to the recent apparent lack of recruitment to the legal-size class.
- 4. Examine the relationship between spatiotemporal changes in fishing-induced habitat disturbance and Tanner crab abundance and spatial distribution.
- 5. Further evaluation of spatial and temporal dynamics of the eastern/western stock components.
- 6. Movement/distribution shifts as a function of environmental factors (e.g., temperature).
- 7. Understanding the importance of groundfish (e.g., Pacific cod) predation and cannibalism as a function of crab abundance and environmental conditions.
- 8. The relationship between snow and Tanner crab stock status, including the dynamic of hybridization, with emphasis on Tanner crab status in response to the snow crab collapse.
- 9. Gear modifications to reduce incidental catch of female/small male crab.

ADF&G is requesting input on these or other suggested research themes. ADF&G is not proposing to include public comment recommendations for research themes related to transitioning the current Tanner crab stock assessment model to the Generalized Modeling for Alaskan Crab Stocks (GMACS) framework and considering survey selectivity in the stock assessment mode. These projects are currently underway, and ADF&G has identified the research themes above as the highest priorities for fishery disaster research funds.

ADF&G is proposing to use a non-competitive bid process for research funds and will identify in the final spend plan specific research project(s), funding amounts, and research entities receiving the funds. ADF&G is requesting input on prioritization of the research themes and will coordinate with the Bering Sea Fisheries Research Foundation prior to finalizing the spend plan to identify specific research projects consistent with prioritized themes as the proposed funds allow.

Communities – 4.75% of total funds (~\$614,000): Municipalities and boroughs rely on revenue generated from Tanner crab landings and other economic activities related to the Tanner crab fisheries. Based on stakeholder input, ADF&G is proposing direct payments to affected communities that meet the eligibility criterion to mitigate the impacts of the disaster. ADF&G notes that it is uncertain whether NOAA Fisheries will approve direct payments to eligible communities. If direct payments are not approved, ADF&G proposes to make funds available to eligible communities for the purpose of managing, repairing, or maintaining approved infrastructure, services, or habitat that support Tanner crab fisheries in the Bering Sea using a project-based funding process similar to that used in recent Alaska fishery disasters. According to guidance from NOAA Fisheries, fishery disaster funds cannot be used as a match requirement for any other projects.

The following criterion is proposed for a community to receive a distribution of funds:

• WBT crab must have been landed in the community during the 2018/19 season based on the port of landing from ADF&G Fish Ticket data.

Disaster funds are proposed to be distributed pro rata to eligible communities based on each community's proportion of the total 2017/18 and 2018/19 pounds of WBT crab landed in all eligible communities. There are four communities where landings of WBT occurred during the 2017/18 and 2018/19 seasons: Dutch Harbor/Unalaska, Akutan, St. Paul, and King Cove.

<u>CDQ Groups – 8.51% of total funds (~\$1.1 million):</u> CDQ groups receive, in aggregate, a 10% allocation of the annual WBT crab harvest limit and depend on revenue generated from WBT crab landings to provide economic and social benefits in their respective 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 WBT crab fishery CDQ allocation in federal regulation and shown in the table below.

CDQ group	Allocation	Estimated amount
Aleutian Pribilof Island Community Development Association	10%	\$110,000
Bristol Bay Economic Development Corporation	19%	\$209,000
Central Bering Sea Fisherman's Association	19%	\$209,000
Coastal Villages Region Fund	17%	\$187,000
Norton Sound Economic Development Corporation	18%	\$198,000
Yukon Delta Fisheries Development Association	17%	\$187,000
Total	100%	\$1,100,000

Harvesters – 57.72% of total funds (~\$ 7.46 million)

Based on public comments, ADF&G proposes to allocate harvester funds into three pools: QS holders, vessel owners, and a combined pool for captains and crew. The proposed allocation to QS holders is 31%, which is based on the 2018 median exvessel lease rate. The lease rate is the proportion of exvessel value paid by a harvester to a QS holder for use of individual fishing quota to harvest crab and is reported in Table 3 of the January 2022 economic status report³ for all Bering Sea Tanner crab quota types. The remaining 69% is proposed to be allocated to vessel owners and captain/crew. The 2017/18 and 2018/19 WBT seasons are proposed to be used as eligibility criteria for vessel owners and captains and crew because the WBT fishery was open in the two years immediately preceding the disaster and the 2016/17 season was closed.

- QS Holders 31% of harvester funds (~\$2.3 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 WBT in 2019/20.

Direct payments to QS holders are proposed to be distributed 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 326 individual QS holders of WBT quota for the 2019/20 season.

Based on this pro rata distribution and the proposed allocation of funds to this category, payments to QS holders with less than 25,000 QS units are estimated to be <\$300. <u>ADF&G is requesting</u> comments on whether to establish a minimum holding of QS units to qualify for a direct payment or

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³ https://meetings.npfmc.org/CommentReview/DownloadFile?p=9e166e8f-4e58-4522-973a-ca074306e42e.pdf&fileName=D7%20Crab%20Economic%20SAFE.pdf

a minimum direct payment amount. This could reduce administrative costs and burden and promote greater efficiency in the process to distribute funds.

• Vessel Owners, Captains and Crew – 69% of harvester funds (~\$5.1 million). The remaining 69% of funds allocated to harvesters are proposed to be shared between vessel owners and captains and crew by calculating a vessel-based payment for each vessel meeting all criteria as described below. Vessel-based payments are proposed to be split 70/30 between vessel owners and captains/crew based on the proportion of fishery revenues paid to captains and crew, after deducting lease fees, for the 2018 Tanner crab fishery as reported in the January 2022 economic status report:

2018 Tanner crab Vessel owner and Captain/Crew split	\$Million	Revenue split
Bering Sea Tanner (BST) Gross Revenue (Table 1)	\$9.79	
BST All Quota Lease Fees (31%, Table 3)	\$3.03	
subtotal	\$6.76	
Payments to Captains and Crew (\$0.61 +\$1.44, Table 2)		30%
Net Revenue to Vessels	\$4.71	70%

The following criteria are proposed for calculating vessel-based payments:

- 1. The vessel must have been used to harvest WBT in the Individual Fishing Quota (IFQ) fishery during either the 2017/18 or 2018/19 season.
- 2. Total vessel landings of WBT in the IFQ fishery for the 2017/18 and 2018/19 seasons must be greater than 100 pounds.

ADF&G estimates that 35 vessels may be eligible for vessel-based payments based on these criteria.

Vessel-based payments are proposed to be distributed pro rata to eligible vessels based on each vessel's proportion of the total 2017/18 and 2018/19 pounds of WBT crab, not including deadloss, landed by all eligible vessels.

70% of each eligible vessel's payment is proposed to go to the individual listed as the 2019 vessel owner in the CFEC vessel database.

30% of each eligible vessel's payment is proposed to be shared by the captains and crew who worked on the vessel during the 2017/18 and 2018/19 seasons and who meet all eligibility criteria.

Payments to captains are typically twice the amount of a crew member, so each eligible captain is proposed to receive two 'shares' and each eligible crew member is proposed to receive one 'share' for each season they are eligible for.

In the example on the right, the vessel met eligibility criteria for both seasons and operates with one captain and four crew members each season. A different captain worked each season and two crew members worked both seasons.

The maximum number of captain shares is four, two for each season if the vessel qualified for both seasons, and the maximum number of crew shares is two. An individual

	Season		_	Percent of total
	2017/18	2018/19	Shares	Captain/Crew funds
Captain A	X		2	16.7%
Captain B		X	2	16.7%
Crew 1	X		1	8.3%
Crew 2	X	X	2	16.7%
Crew 3	X	X	2	16.7%
Crew 4		X	1	8.3%
Crew 5		X	1	8.3%
Crew 6	X		1	8.3%
		Total	12	100%

may qualify on the same vessel for a captain share in one season and a crew share in the other season but may not qualify for both a captain and crew share on the same vessel for the same season.

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

- 1. Captains and crew must have participated in the WBT 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. 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 2017 or 2018 for the 2017/18 season and in 2018 or 2019 for the 2018/19 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 30% 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 30% portion of the vessel-based payment for other captains and crew.

Processors – 18.9% of total funds (~\$2.4 million)

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

 Must be listed as a PQS holder for WBT in 2019/20. Payment distribution for PQS holders is proposed to be pro rata based on the total PQS units of all PQS holders who apply and are eligible for QS holder funds. There were 14 individual PQS holders for the 2019/20 WBT season.

ADF&G is requesting comments on whether processing facilities should be included in the processor category in addition to PQS holders.

<u>Program Support - <1% of total funds (\$14,000):</u> ADF&G is proposing to allocate funds to partially cover salary and benefits for a Program Coordinator who helps manage the fishery disaster program on behalf of the State of Alaska.



CITY OF SAINT PAUL

ALASKA

December 14, 2022

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

Re: Proposed Spend Plan for Bering Sea Tanner Crab 2019-20 Fishery Disaster

Dear Ms. Bush,

On behalf of the City of Saint Paul (City), I wanted to thank the Alaska Department of Fish and Game (ADF&G) for this opportunity to comment on the proposed Spend Plan developed in response to the Bering Sea Tanner Crab 2019-20 Fishery Disaster.

As has been noted in earlier submissions, Saint Paul Island's economy is largely dependent on the activities of the Bering Sea's commercial crab fisheries. During peak seasons and in normal fishery years, the Saint Paul Harbor hums with activity, both from crab harvesting vessels delivering crab and from the Trident Seafoods Plant which processes product and prepares it for export to mainland US and global markets.

Due to these economic activities, the City's main source of revenues are the fishery landing taxes and other fees assessed on the activities of the crab fisheries. They account for approximately 85-90% of the City's revenues and are in turn used to support essential municipal services, as well as to maintain and upgrade the fisheries-related infrastructure that support the activities of the fishing industry. The current closures of the snow crab and Bristol Bay red king crab fisheries, therefore, will have profound and devastating impacts on Saint Paul, particularly if they last for several years.

Although Saint Paul Island's reliance on Tanner crab is limited and not critical to its overall economic well-being, Saint Paul has been a participant in this fishery. The City finds the proposed categories and allocations, including the 4.75% to be allocated to communities on a pro-rata basis based on the location of the crab landings and average pounds processed in each, to be a fair distribution of the disaster funds. The City is also supportive of the 10% allocation being proposed for various listed research themes. It is clear that scientists, fisheries managers, and the industry need to have a better understanding of what is happening with the resource and future recruitment.

However, concerning the 2021-22 and 2022-23 snow crab and BBRKC fisheries, should a disaster determination be made in the future, the City will be proposing a different formula that is reflective of its nearly total dependence. Unlike other crab dependent communities which have more diversified economies and mixed fisheries portfolios, Saint Paul Island is almost entirely dependent on the snow crab fishery. The relative dependence of crab dependent communities on

the snow and BBRK crab fisheries will therefore be an important consideration for Saint Paul Island in weighing in on future Snow/BBRKC spend plans for the 2021-22 and 2022-23 seasons.

The City will also highlight other considerations. Saint Paul Island only entered the surrounding commercial fisheries after the phase out of the commercial fur seal harvest in 1983. By that time, other communities had been established fishery stakeholders for decades and had been able to develop fisheries-related infrastructure in a more deliberate and planned manner. Saint Paul Island, on the other hand, became heavily indebted in a short period of time in order to create the infrastructure platform, including the harbor, necessary to serve the crab fisheries. The lack of snow crab resulting from its closure will impair the City's ability to maintain and upgrade this infrastructure, and to provide local matches for future improvements. Future aid to Saint Paul Island, whether through MSA Section 312 or otherwise, needs to take this history and the fact that the community remains indebted, into account.

Before concluding, the City wants to note the unfairness, inequity, and legal questionability concerning the federal guidance that communities cannot receive direct payments from Section 312 funds unlike other fishery participants. This limitation is not in the MSA Statute nor in relevant NMFS regulations or policy guidance. The result is that if the affected fishing community does not have the resources to "keep the lights on" and replace lost municipal revenues that are normally used to provide essential municipal services, it will wither away, lose population and be further impaired in its ability to use disaster funds to respond to the fishery disaster — either through infrastructure investments or other projects. This is counterproductive to the spirit and objectives of MSA Section 312 with regard to assisting affected fishing communities.

While the City agrees with the need for communities to use fishery disaster funds for managing, repairing, or maintaining approved infrastructure, services, or habitat that support crab fisheries, a community cannot do so if is unable to use at least a portion of the disaster funds as directed payments to provide basic municipal services in the first place. The City has appreciated ADF&G comments in support of its position on this matter and looks forward to working with ADF&G and Alaska congressional offices to address this problem.

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

Sincerely.

Phillip A. Zavadil, City Manager

Cc. Saint Paul City Council

TANADIZ

Phillip Lestenkof, President, Central Bering Sea Fishermen's Association



December 16, 2022

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

Re: Comment on the Draft Spend Plan for the 2019/2020 Eastern Bering Sea Tanner Crab Fishery Disaster Declaration

Dear Ms. Bush:

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 Crab Rationalization Program. We appreciate the opportunity to comment on the draft spend plan for the 2019/2020 Eastern Bering Sea Tanner crab fishery disaster declaration.

ABSC supports the recommendations outlined in the Alaska Department of Fish and Game's (ADFG) initial draft spend plan, except as noted below. We appreciate ADFG's work to move this package quickly and their considerations of the joint crab stakeholder letter dated June 17, 2022, that included sharing arrangements largely based on the Crab Rationalization Program structure.

We recognize that ADFG increased the amount of funds going to research from the 2% proposed in the joint crab stakeholder letter to 10%. While we think the percent for research could be lower given other sources for crab research funding, we understand the need for and support further research to help avoid future fishery disasters. More importantly, ABSC continues to recommend as much research funds as possible be provided to the Bering Sea Fisheries Research Foundation (BSFRF) to lead and coordinate Tanner crab research with agency and academic partners. BSFRF is best suited to receive the research funds and coordinate collaborative research in a timely manner, following the Tanner research priorities outlined in the initial draft spend plan. In addition, providing the research funds through BSFRF further mitigates economic impacts on harvesters and processors that fund that research organization.

Thank you for considering our comments.

Sincerely,

Jamie Goen
Executive Director

Alaska Bering Sea Crabbers



BERING SEA FISHERIES RESEARCH FOUNDATION 23929 22ND DR SE BOTHELL, WA. 98021

FORGING COOPERATIVE RESEARCH PARTNERSHIPS IN THE BERING SEA

December 16, 2022

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

RE: Comments on 2019/20 Bering Sea Tanner Disaster Relief Spend Plan - Initial Draft (Dec 2, 2022)

Dear Karla,

We submitted comments on June 15 of this year to note that now is a more important time than ever to be capable and ready to help current science, research, and management for crab. The reality of fishery disaster events for Bering Sea crab is evident and a well-defined and crafted relief response is critical. BSFRF appreciates the opportunity to provide comments in support of the approach for disaster relief funds directed to bairdi research.

In the latest update of the plan we are pleased to see the research percentage set to a higher amount (10%). For our input on the methods for the award process, we would prefer to see mostly a non-competitive process that would seek to provide further project specific details to most efficiently address the important bairdi research which could be built into project grants, but we also support a competitive strategy as noted in the initial draft if required. A few of our project-specific details and connections to the research priorities outlined in the draft spend plan are noted below.

BSFRF supports the review and refinement of the 7 items in the December 2 draft and would note in particular that we have capacity to be working directly on several of these project areas. The 1^{st} priority which is a management strategy evaluation (MSE) that would help management questions related to mature male biomass (MMB), legal size, and retention size dynamics is an area linked to current and developing BSFRF expertise. This work would build on BSFRF collaboration involving a MSE for bairdi which helped update the State of Alaska harvest strategy for Tanner crab. Additionally, we see that the focus on growth and spatial/temporal stock structure as noted in items 2 and 3 of the current list could be part of focused work through BSFRF. Our growth studies have supported a basis for informing juvenile growth per molt to date, and a more narrowly focused project for east and west stock components at near-terminal molt sizes would be research that we are well-suited to design and execute. The 4th and 6th items on the list would also likely match to work we are considering with graduate student work on bairdi-opilio hybridization dynamics, and further evaluation of groundfish predation and cannibalism. The last item (7th on the list) we would look forward to in a support role as additional movement/tagging research for bairdi is identified to help understand changing distributions. We can provide further details within the next few days on these project options and others, as soon as possible.

As we noted in our prior letter, we support a 'more is better' approach for disaster relief bairdi research and that any BSFRF research would be conducted as part of our typical approach to work closely with ADFG, NOAA, and others in all aspects of our research. Since our inception our mission has guided our focus on science, transparency, and our capacity for strong cooperative research.

We look forward to further opportunities to help develop and plan high priority bairdi research, and as noted we can do so in the next few days as soon as possible, with a hope to refine project specific options as part of the next steps in the BST spending plan review.

Thank you for your time and consideration of our input.

Sincerely,

BERING SEA FISHERIES RESEARCH FOUNDATION

Scott Goodman Executive Director















December 20, 2022

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

Re: Proposed Spend Plan for Bering Sea Tanner Crab 2019-20 Fishery Disaster

Dear Ms. Bush:

The Community Development Quota (CDQ) groups that form the Western Alaska Community Development Association (WACDA) thank the Alaska Department of Fish and Game (ADF&G) for this opportunity to comment on the proposed Spend Plan developed in response to the Bering Sea Tanner Crab 2019-20 Fishery Disaster.

The draft spend plan proposes allocating CDQ Groups collectively 8.53% of total funds (~\$1.1 million). This amount is 10% of the full amount of the disaster fund, minus the up-front allocations to research and communities, as recommended by stakeholders. Based on initial stakeholder input, ADF&G is proposing direct payments to each CDQ group based on each group's allocated share of the Bering Sea Tanner crab fishery in federal regulation, and has requested comments on whether vessel owners, captains, and crew participating in the Bering Sea Tanner crab CDQ fishery should be eligible for direct payments in the CDQ category.

The CDQ groups recommend that the vessel owners, captains and crew participating in the tanner crab CDQ fishery not receive direct payments in the CDQ category. Rather, since each CDQ entity has its unique vessel ownership scenario and contractual agreements, each CDQ entity should receive its CDQ allocation to disburse in accordance with the group's model.

We continue to recommend that the allocations determined in the spend plan are guided by how the participants derive value from the crab fishery. Since disaster funds are intended to offset the harm incurred from a fishery failure, this general approach would help ensure that the disaster funds are allocated proportionately to the harmed participants in a way that is fair and reasonable. It is important that the unique value of the crab CDQ allocation is fully recognized, and we appreciate the efforts of ADFG in this regard.

In the original round of comments on the Tanner Crab spend plan, many crab stakeholders supported 2% of the disaster relief funds being allocated to research, and recommended that the funds be administered through the Bering Sea Fisheries Research Foundation (BSFRF). The proposed spend plan increases the research amount to 10%, and requests input on how those

funds would be disbursed. Our understanding is that the entire grant will be to Pacific States Marine Fisheries Commission (PSMFC), and that the two options are for 1) the spend plan to include research sub-awards to other entities, or 2) the spend plan to call for PSMFC to administer an RFP to award research funds.

There are merits and drawbacks to a funding strategy in which entities are awarded research funds, as well as one driven by a PSMFC competitive bid process. There may also be merit to a hybrid approach. For WACDA members, the most important considerations are that the chosen award process does not result in excess administrative costs, that it results in the most timely implementation, and that it assures the projects will result in scientifically defensible data.

We agree with allocating 10% of the disaster money to increase tanner crab research, and we are hopeful that some, if not all, of the research funds will ultimately be awarded to BSFRF. Coordination of crab research by BSFRF would be an efficient and timely way to get appropriate projects in the water.

BSFRF employs the successful approach of working closely with ADFG, NOAA, and others in all aspects of crab research. The group 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 funds) with research capacity from federal, state, and academic partners (project design, methods, results, etc.)

We expect that BSFRF will respond to this call with concrete research recommendations. In the first round of comments, BSFRF recommended that research priorities should represent a combination of review, field work, and modeling project areas, including:

- Further evaluation of MMB, exploitation rates, and potential MSE work to evaluate the relationships between MMB, legal size, and industry preferred size on stock dynamics
- Refined understanding of terminal molt and growth for EBT compared to WBT stock components, with an emphasis on growth increments at terminal molt
- Further evaluation of spatial and temporal dynamics of the EBT/WBT stock
- Further considerations of survey selectivity within the stock assessment
- The relationship between opilio stock status with bairdi stock status, including the dynamic of hybridization, with emphasis on bairdi status in response to opilio collapse

We greatly appreciate the attention of the State of Alaska to the desperate situation in the major crab fisheries, and to this process of equitable allocation of disaster funding.

Best regards,

Angel Drobnica, Chair

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Western Alaska Community Development Association

From:

To: DFG, ComFisheriesDisasters (DFG sponsored)

Subject: Crab disaster spend plan

Date: Wednesday, December 21, 2022 4:36:48 AM

To Whom It May Concern:

I hope this gets to the people that need to hear it. If not, please forward to them.

In the past, payments have been made for China tariffs, retros, and other miscellaneous dealings to the crab "Harvesters". Some of the "Harvesters", or quota holders and vessel owners were given very large sums of money, and in some cases it was never dispersed to the actual crew who risked their lives by leaving the dock to actually harvest the crab. One of the things that politicians will hear a lot when we have a crab crash is how much these fisherman are hurting, and trying to figure out how to support their families. As people are sympathetic to these fishing families when they make the decision to declare disasters and appropriate funds to help remedy, the money never gets to the fisherman. Some boat owners pocket the sum, some share a little, some are honest and pay the crew what they would have earned.

There are "industry leaders" or organizations and co-ops that will line up and tell you who to write the check to, but they are ran by vessel and quota owners. As a vessel owner and quota share holder ask that you keep the little guys in mind, and realize that some of the people in this system are greedy, and will lobby hard for the money with less then genuine intentions for their crew. There is also another factor which gets overlooked in these scenarios. There are people who were issued quota, and there are people who purchased quota, and some that have obtained it both ways. The rationalization forced some of us to buy in to keep our jobs, and notes are still held that need to be paid back. There are also people who kept steel, and have invested heavily to keep these platforms in good condition, and to keep their fisherman safe, which was the entire point of rationalization, right? Let's make sure the people who put money in after rationalization are not forgotten and NOT considered equal to people who are second and third generation trust fund babies and have been handed their quota, never once fishing commercially themselves.

-caseymc