

PROPOSAL 212 – 5 AAC 39.115. Designation of salmon net registration area. Repeal or modify the requirement to designate a single salmon net registration area, as follows:

Option: Repeal regulation - 5 AAC 39.115 Designation of salmon net registration area.

Additional reasoning: Individuals with two salmon net permits would still be required to have two salmon vessels under 5 AAC 39.120 (c)

Secondary option: Amend the regulation eliminating the registration for individuals with drift gillnet permits. The regulation would be amended to read as noted in bold:

5 AAC 39.115 Designation of salmon net registration area. A person who holds a salmon net gear permits for more than one area listed in 5 AAC 39.120

(d) shall designate upon a form provided by the commercial fisheries entry commission the single area in which he/she desires to salmon net fish in that year. The area so designated must be an area in which the person holds a valid permit. **If a person holds multiple drift gillnet permits, the individual may designate more than one salmon net registration area, but may not participate in more than one salmon net registration area in the same calendar day.**

Reasoning: There are roughly 1,836 Bristol Bay permits, 473 Southeast gillnet permits, and 536 Prince William Sound Permits, 569 Cook Inlet gillnet permits, and 162 False Pass gillnet permits. The effect on the total number of permits owned by two individuals would likely be negligible, but provide some data to warrant opening full repeal in coming years for other net fisheries.

What is the issue you would like the board to address and why? Currently, permit holders within the net fisheries are allowed to own more than one permit in more than one salmon registration area. The current regulation, 5 AAC 39.115, prohibits an individual from participating in more than one area regardless of the number of permits or the areas in which the permits are owned.

This prohibition only applies to net fisheries of like kind. An individual, who owns a Bristol Bay permit cannot gillnet in Bristol Bay if the same individual owns a permit and gillnets in Prince William Sound. The aforementioned regulation does not apply to other net fisheries however. An individual who owns a Bristol Bay gillnet permit is allowed to seine in Prince William Sound. Why are individuals penalized if they would like to fish in the same type fishery in more than one registration area? The regulation is outdated, inconsistent, and should be repealed.

Secondly, 5 AAC 39.120 (b) requires that a commercial fishing vessel fishing for salmon must be registered in a salmon net registration area. Thus commercial vessels used for salmon would still be restricted to one salmon registration area as required under the vessel registration regulation.

Therefore, if the regulation requiring an individual to register for only one net salmon registration area were repealed, then a second vessel would be required to prosecute a second

salmon fishery in another area. The practice of participating in two salmon net fisheries already exists to some degree as family members often use their direct children to hold permits in second salmon net fisheries. By repealing the existing requirement for an individual, the state levels the playing field for all fishermen regardless of the number of children produced.

The regulation (5 AAC 39.115 Designation of Salmon Net Registration Area) was leftover in dealing with an issue prior to Limited Entry, whereas fleets of boats traveled from one area of the state to another. Under Limited Entry, there is a limitation on the number of permits in each fishery; therefore, no new entrants are allowed into any one fishery without the transfer of an existing permit. In other words, there would be no increase in the number of permits nor existing fishermen.

Why would we prohibit individuals from fishing in another area if they have permits in both areas?

Upon purchase of another net permit in a second area, CFEC notifies the individual that the owner must choose one area over another. With the unpredictable nature of the commercial fisheries, any sound business model should allow for some level of differentiation particularly within the commercial salmon fisheries.

Everyone wins by removing the existing regulation. Without the existing regulation, an individual who lives in Cordova could fish in Bristol Bay, while removing his/her participation from the Prince William Sound (PWS) gillnet fishery. There is an additional benefit to having one permit not participating in PWS, which leaves more opportunity for those fishermen still fishing in Prince William Sound. Likewise, when the two-fishery individual returns, people still fishing in Bristol Bay have the added benefit of one less competitor.

Importantly, an individual fishing in multiple areas would be required to have access to two different boats for two different salmon net registration areas. The two boat requirement would spread wealth and businesses over multiple geographical areas while also allowing an individual to insulate himself from the unrelenting fluctuation of any one salmon fishery. Good business requires some level of diversification and repealing the existing regulation opens up additional opportunities with zero harm to the existing salmon net fisheries and the fishermen. In fact, repealing the regulation likely will create more opportunity for fishermen who decide not to participate in a second salmon net fishery.

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