



**Southern SE Regional Aquaculture Association**

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**Written Testimony to the Alaska Board of Fisheries concerning:**

**Proposal 203.**

The following was written on behalf of the Southern SE Regional Aquaculture Association (SSRAA) Board of Directors.

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**Written in March of 2016**

**Background:**

Southern Southeast Regional Aquaculture Association is a not-for-profit corporation. The SSRAA Board of Directors is comprised of 21 people, 13 of whom are commercial fishermen holding designated gear-group seats. The willingness of SE Alaska fishermen to annually tax themselves 3% of the ex-vessel value to fund SSRAA (and NSRAA) is the fiscal cornerstone of the corporation.

SSRAA derives most of its operating revenue from the cost recovery harvest of summer chum salmon in the Neets Bay Special Harvest Area (SHA).

SSRAA operates 4 of its own hatcheries and in addition will soon assume the operation of Klawock Hatchery. We also operate one state facility (Crystal Lake in Petersburg) through contract with the Division of Sport Fish. Summer and fall chum, summer and fall coho, and chinook comprise the primary production at the SSRAA facilities. SSRAA also conducts sockeye rehabilitation projects when those projects are warranted. SSRAA does not produce pink salmon.

**SSRAA supports Proposal 203.**

**Rationale:**

All salmon enhancement organizations in Alaska are operated as nonprofit entities. The programs require several things to be successful: appropriate

permits through ADF&G and other agencies governing land and water use; broodstock to perpetuate the production of different stocks of fish; technical expertise - good fish culture practices; and, revenue to pay for the production of fish.

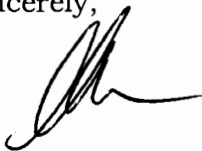
The original program was designed by the Alaska Legislature as an application of the "user pays" philosophy. Commercial fishermen voted to tax themselves to initiate the program. In addition to paying for the program the taxes also served as collateral for loans to build facilities. Once fish were produced, the organization was allowed to harvest part of the return in what was termed "cost recovery". Cost recovery and broodstock collection occur only in Special Harvest Areas (SHA's); generally a relatively small area where the fish were released.

All of the fish released for salmon enhancement are intended for common property harvest. SHA's are generally terminal areas, in essence the end of the homeward run of a salmon - the spawning grounds. Returning fish are often harvested before entering the SHA; but, traditional common property fisheries can also take place in an SHA.

To put cost recovery in perspective: using SSRAA as an example, early in its existence the SSRAA Board set a goal of perpetuating the program on 25% of the return. This goal would allow 75% of the return for all common property users. This was difficult or impossible to meet 20 years ago when terminal chum salmon had very little value. This is not now the case. Today SSRAA takes about 20% of the return to fund its programs. About 80% of the returning fish go to all common property harvesters including numerous significant sport fisheries in southern SE Alaska. Commercial fishermen still tax themselves 3% of the ex-vessel value of their fish, which also goes to the regional association; comprising about 15% of the necessary revenue.

In order for these programs to continue it is essential that sufficient numbers of salmon are available for cost recovery as well as broodstock. Historically this has been the case in the Neets Bay SHA where SSRAA captures chum salmon broodstock as well as conducts its primary cost recovery. The Neets Bay SHA has been effectively managed in concert with ADF&G, but this has not been the case everywhere in Alaska. Whatever the case, Proposal 203 is intended to provide additional regulatory authority to ADF&G so that SHA's can be effectively managed to provide both the broodstock and cost recovery necessary to sustain these programs.

Sincerely,



David Landis  
General Manager