

Bristol Bay Drift Permit Stacking?

A Bad Idea for rural Alaska

Unless the State of Alaska consciously intends to accelerate the disenfranchisement of rural resident participating in Bristol Bay's commercial salmon fishery, it should not endorse the "stacking" of drift permits in the fishery, whereby one individual can own and fish two limited entry permits. The inevitable consolidation of fishery access rights, inevitably followed by growing demand for larger vessels, will increasingly impoverish coastal residents to the detriment of the state. Permit value is directly proportional to the value of the fishery, and transferability of permits to the highest bidder is the economic engine that drives the loss of permits from rural Alaska residents.

See https://www.nature.org/content/dam/tnc/nature/en/documents/RightingTheShip_elec_2021.pdf

And see, excerpt below from Dr. Gunnar Knapp, University of Alaska Institute of Social and Economic Research, describing the economic forces contributing to rural permit loss:

"Changes in ownership of limited entry permits by local residents of the region where a fishery occurs may have significant economic and social implications for fishery-dependent regions. This paper examines changes in local permit ownership in Alaska salmon fisheries, for which a long-term decline in rural local permit ownership is an important policy concern. Theoretically, permit markets allocate permits over time to the individuals who are willing to pay the most for them.... This tends to increase the share of non-local residents among buyers willing to pay the market price for permits, reducing the equilibrium share of permits held by local residents. This leads to a conflict between two important policy goals: increasing fishery profitability and maintaining rural local permit ownership."

<https://seagrant.uaf.edu/events/2011/wakefield-people/presentations/knapp-local-salmon-permits.pdf>