

11.28.23

To: Alaska Board of Fisheries

P.O. Box 115526

Juneau, AK 99811-5526

RE: Lower Cook Inlet Regulatory Meeting / November 28 – December 1, 2023

Chairman John Wood,

My name is Paul A. Shadura II. I reside on the Kenai Peninsula.

I am concerned today with the future of our State's fisheries; to many, our way of life.

All Alaskans have been impacted by climate change and the downturn in productivity of individual species. Many are looking for solutions. Unfortunately, some of us find faults that we believe will make beneficial overall changes but in fact are destructive to the natural order. Instead of pursuing fault from one-another, we should be embracing our unique collective abilities to address change using the best available technology (BAT) with the best available science (BAS). Hatchery operations in Alaska have been a part of and in operation for decades (late 19th century). Always an experiment, they have served at first to mitigate the overall effectiveness of fish traps, latter to accommodate the recreational desires of user groups.

In the 1970's, here in Cook Inlet, individuals, commercial fishermen and community minded stakeholders formed the Cook Inlet Aquaculture Association (CIAA). Many of us then, as we are now, were concerned with declines in certain salmon stocks. An extensive regional plan was extensively researched through collaboration with Alaska Department of Fish & Game (ADF&G) personnel and others within the designated region through the Regional Planning Team (RPT) process. Habitat issues, production assessments and augmentation concepts were readily discussed. No one at the time knew what would work the best or how we would pay for the many desired programs. The State, after all, could not fund many of the previous programs so they left it up to the Limited Entry Salmon permit holders to devise a way to fund the operations.

Cost Recovery (CR) became the mechanism of necessity and the State with the support of the Alaska Legislature enacted rules and statutes to fund the regional aquaculture associations through a revolving loan fund. A regional self-assessment tax, a Salmon Enhancement Tax (SET) was voted on by salmon fisheries in each region. Like any economic model, profits, loses and operational costs continue to fluctuate overtime.

CIAA's emphasis has always been to produce the maximum benefits to the entire common property users. Many of their endeavors, relative to assessments and stream improvements are not cost-effective. Meaning that there is no readily available direct way to be financially compensated for this valuable work. This reliance on the SET becomes constrained at times. This tends to center more efforts toward existing successful revenue producing projects. Risk is increased proportionally. After almost 50 years of existence, CIAA finds there to be constrains resulting in difficulties in carrying out the "Missions & Goals" of the Association. At one time, the State approved and funded the sockeye augmentation of Tustumena/Kasilof River sockeye stocks.

The idea was to increase productivity on a known stock that had a potential to increase the biological escapement goal (BEG) but had limitations to both the spawning and rearing capacities. The program worked in that higher returns were realized which, in turn, increased the percentage of the SET revenues that helped to offset the costs to operate.

Today, the Upper Cook Inlet (UCI) fleets are restricted from harvesting the historically abundant sockeye returns which have severely impacted the overall operations of CIAA. Relying on less enhancement operations generally increases risk as in any fisheries related economies. It should be noted that ALL Limited Entry Salmon Permit holders who operate within the; Cook Inlet, outer Kenai Peninsula coast line and Resurrection Bay, contribute to the 2% tax assessment on their yearly gross salmon harvest proceeds. To further restrict, to create new regulatory hurdles will undoubtedly will hasten the operability of the CIAA regional viability. A loss to all the regional communities that would be near impossible to repair utilizing government, non-profit or private funding.

I would urge the BOF to not support proposals that would further reduce CIAA operational capabilities.

Proposal 43 – Please Do Not Support

This proposal relies on 5 AAC 40.820 Basic management plans to justify a reduction in permitted capacities. The directions within this regulation is a stepdown to AS 16.10.375 through 16.10.555. I highly encourage the Board to review the Legislative intent to implement aquaculture activities within the State. Clearly, the direction of the law gives specific guidelines to the Commissioner of Fish and Game to review on an annual basis the compliance and efficacy of each individual permitted program within each region of the State. A memo from the Department of Law outlines their interpretation of the current rules and rulings in place.

The authors of this proposal are asking for public hearings for statewide reductions in permitted aquaculture programs. The BOF is well suited to hear comments from the public on several fisheries issues but also must decide if there is a specific solution that they have the authority to implement. Some decisions are better addressed through the appropriate ADF&G process. Many safeguards are in place through the public process that the Commissioner of Fish and Game must apply to approve a given permit. On this issue, the BOF has the flexibility to recommend to the Commissioner to consider certain concepts and policies but does not have the clear distinction of changes of legislative intent or implement what could be costs to the State and it's stakeholder participants.

Thank you for your attention

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