# **Department of Fish and Game**



OFFICE OF THE COMMISSIONER Headquarters Office

> 1255 West 8th Street P.O. Box 115526 Juneau, Alaska 99811-5526 Main: 907.465.6136 Fax: 907.465.2332

# January 16, 2023

ASKA

Second Draft Spend Plan for funds appropriated to address the 2020 Prince William Sound (PWS) pink and coho salmon fishery disaster determination. NOAA Fisheries allocated \$15,730,357 for this salmon 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. The scope of this fishery disaster includes fisheries for pink and coho salmon. A separate spend plan was developed for the 2018 Copper River and 2020 PWS Chinook, sockeve and chum salmon fisheries disaster and forwarded to PSMFC in August 2023.

Written comments are requested on all elements of the proposed spend plan and should be as specific as possible. Comments will be posted online as received and therefore, the Alaska Department of Fish and Game (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: Darion Jones

PO Box 115526 Juneau, AK 99811-5526

Comments must be sent by January 23, 2023, for consideration in the final spend plan.

Process to develop the spend plan: ADF&G posted an initial draft spend plan for public comment in December 2023 and received twenty-two written comments (Appendix 1). ADF&G revised the spend plan based on those comments and is requesting input on this second draft spend plan before it is finalized and submitted to PSMFC.

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

Allocation

ADF&G proposes to allocate funds between the Harvester and Processor sectors similar to the • method in the final 2020 PWS Chinook, sockeye, and chum salmon spend plan. The Harvester allocation decreased from 67% to 60% and the Processor allocation increased from 20% to 27%. This revision more adequately recognizes losses to both sectors, bringing the harvester sector to 47% of recent historical value and the processing sector to 17% of recent historical value.

### Harvester

ADF&G received comments in support of an equal share distribution and comments in support of • tiered payment approaches based on a participant's catch history. ADF&G is proposing a hybrid approach where permit holders who meet eligibility criteria would receive a minimum 'base' payment and an additional tiered payment would be added based on each permit holder's average gross revenue value for the five years prior to the disaster year. New entrants to the fishery in the disaster year will be eligible for a tiered payment. ADF&G proposes to use the sector-specific annual average gross revenue for all permit holders to determine the five-year historical average

for new entrants during the disaster year. This is the method used in the final 2020 PWS Chinook, sockeye and chum salmon spend plan.

• ADF&G is proposing to reduce the proportion of drift gillnet funds for crew members from 10% to 5% based on public comments that many drift gillnet vessels do not employ crew for these fisheries. Based on experience with other recent fishery disasters, separating crew and permit holder payments into two pools simplifies and expedites the distribution process. Creating a separate pool for crew also reduces incentives to mis-report crew information and provides equal access to the funds for all crew who meet the eligibility criteria. ADF&G is also proposing to increase the proportion of seine funds for crew members from 20% to 30% based on public comments that most seine operations have at least three crew members.

### Processors

• ADF&G does not require facility ownership under the eligibility criteria as requested in previous public comment. The eligibility criteria apply to processing activity at the company level, based on federal tax identification number, for the fisheries included in this fishery disaster. The minimum requirement for demonstrated exvessel value loss does not affect the number of eligible processors.

**Guiding principles for disaster fund distribution**: Disbursement of funds is intended to 1) assist fishery participants harmed by the 2020 salmon fishery disasters 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.

The impact of the fishery disaster created significant loss of income to those involved in the harvesting and processing sectors and to the communities in which the cultural and basic economic structure is the marine economy. Some of these funds will be allocated to research activities that restore the fishery or prevent a similar failure in the future, but they will also be used to help assist the fishing communities that were affected by this fishery resource disaster by recognizing the loss of incomes. These direct payments will compensate participants consistent with fishery investments and/or historical fishery performance. Historically one of the purposes of disaster funding was to get funds to communities and fishermen as fast as possible. Direct payments provide that method.

Category	Allocation	Estimated funds <sup>a</sup>
Research	10%	\$1,540,000
Communities	3%	\$463,000
Harvesters	60%	\$9,270,000
Processors	27%	\$4,170,000
Program Support	<0.1%	\$10,000
Total	100%	\$15,453,000

## The proposed categories and allocations reflect comments received from initial stakeholder input:

<sup>a</sup> Additional funds will be allocated to Pacific States Marine Fisheries Commission

(PSMFC) to administer the federal grant.

<u>Research – 10% (\$1,540,000)</u>: ADF&G proposes research funds be available through an open and competitive bid process administered by PSMFC. Entities that are authorized to receive federal grant

funds would be eligible to submit proposals. Funds would be allocated to support projects intended to improve available fishery information and help prevent and/or mitigate future fishery disasters. The scope of this fishery disaster includes PWS pink and coho salmon.

These proposed research themes were suggested as priorities for funding:

- Radio-telemetry project to improve upriver timing and distribution forecasting for coho salmon to determine distribution and spawning locations in the Copper River.
- Research projects designed to investigate the potential effect of hatchery pink salmon releases on the size and number of returning salmon.
- Investigate the potential causes of sporadic coho salmon returns.

ADF&G is requesting input on these or other suggested research themes. Some research themes suggested in public comment were not added to this draft spend plan. One request was to make wild fish stocks and escapement goals be the management priority, which is already the case. Another request was to take action to address sealion predation on salmon near hatcheries which is not possible due to sealions being a protected marine mammal.

<u>Communities – 3% (~\$463,000):</u> ADF&G is proposing direct payments to municipalities and boroughs based on the port of landing where pink and coho salmon deliveries occurred. Municipalities and boroughs rely on revenue generated from salmon landings and other economic activities related to the salmon fisheries. The state's Fishery Business tax rate is 3% for shore-based landings and is shared 50/50 with the state and municipalities/boroughs where the landings occur. If landings occur in the bounds of a municipality and borough, they are shared 50/50 between each entity. Some municipalities and boroughs levy an additional local raw fish tax at a rate of 2% to 3.5% depending on the location and species. ADF&G is proposing a 3% allocation to municipalities and boroughs to mitigate these revenue losses.

The following criteria are proposed for community eligibility:

- 1. Pink and/or coho salmon from PWS must have been landed in the community in 2020 based on the port of landing from ADF&G Fish Ticket data.
- 2. Estimated gross revenue value for those salmon species landed in the community in 2020 must be less than the previous five-year average (2015-2019).

ADF&G proposes to distribute funds pro rata to eligible communities based on each community's demonstrated loss relative to the total loss of all eligible communities. If landings occurred in a community represented by both a municipality and borough, the funds are proposed to be split 50/50 between the municipality and borough, consistent with the methodology for state Fishery Business taxes. Based on the proposed criteria, the following six communities and two boroughs may be eligible for community-designated funds: Cordova, Valdez, Whittier, Seward & Homer and the Kenai Peninsula Borough, and Kodiak and the Kodiak Island Borough.

<u>Harvesters – 60% (\$9,270,000)</u>: This category includes permit holders and vessel crew. The estimated loss in Commercial Entry Fishery Commission (CFEC) exvessel value for the drift gillnet and seine gear sectors due to the 2020 PWS pink and coho salmon disaster is approximately \$20 million dollars. Funds allocated to the harvester sector are intended to mitigate this loss by providing funds to bring the harvester sector up to 47% of recent historical value.

ADF&G proposes direct payments to commercial seine and gillnet fishery permit holders and their vessel crew who meet all eligibility criteria. CFEC permit information and fish ticket data from commercial salmon landings will be used to determine eligibility and payment for permit holders. Eligibility for vessel crew will be verified using ADF&G commercial crew license or CFEC permit data and an affidavit from the permit holder or vessel owner.

ADF&G proposes to allocate harvester funds to the drift gillnet and seine gear sectors proportional to the estimated loss in gross revenue for the 2020 PWS pink and coho salmon fisheries. The estimated loss in gross revenue for coho salmon is calculated by subtracting the value of the fishery in the disaster year from the 2015 through 2019 average. The estimated loss in gross revenue for pink salmon is calculated by subtracting the value of the fishery in the disaster year from the five even-year average from 2010 through 2018 because pink salmon run on an even or odd year cycle.

Gear Type	5-yr avg. Value	2020 Value	Estimated loss	Percent of total loss	Estimated funds
Seine					
Coho	\$837,103	\$233,496	-\$603,607	3%	\$282,158
Pink	\$41,341,133	\$24,082,472	-\$17,258,661	87%	\$8,067,608
Drift Gillnet					
Coho	\$4,381,448	\$3,257,995	-\$1,123,453	6%	\$525,161
Pink	\$1,731,000	\$885,838	-\$845,162	4%	\$395,073
Total			-\$19,830,883		\$9,270,000

# 2020 Prince William Sound seine ~\$8.35 million

ADF&G proposes to divide the allocation to the seine sector into two pools, one for S01E permit holders, 70%, and one for vessel crew members, 30%. Public comments state that most seine operations employ three or more crew members, each earning around a 10% share.

2020 S01E Permit Holders - 70% of seine harvester funds.

Proposed eligibility criteria for 2020 seine permit holders:

- 1. S01E permit must have been used to make pink or coho salmon landings in 2020.
- 2. Permit holder must have experienced a loss in 2020 CFEC estimated exvessel value. The estimated loss is calculated by subtracting the exvessel value in the disaster year from the previous five-year average from 2015 through 2019. ADF&G is proposing to use the annual fleet average to calculate a five-year average for permit holders who were new entrants in 2020.

Funds are proposed to be paid to the person listed as the 2020 'Permit holder' and temporary emergency transfer permit holders (transferees) in the CFEC database. Permit holders who did not make any landings in 2020 and certified they were unable to participate to qualify for an emergency transfer and permit holders who permanently transferred a permit away in 2020 will not receive payments.

Each permit holder who meets all eligibility criteria are proposed to receive a minimum 'base' payment of \$10,000. Base payments are intended to help offset operational and startup costs incured by all permit holders and the amount is determined by the number of eligible participants and funds allocated to each sector. If multiple eligible permit holders made landings in 2020 on the <u>same limited</u> entry permit, the base payment is proposed to be split pro rata to the value of each eligible permit

holders' pink and coho salmon landings in 2020. A total of 223 permit holders made landings on 218 S01E permits in 2020. An estimated 219 permit holders are eligible for payment based on the proposed criteria

After accounting for minimum base payments, the remaining funds are proposed to be allocated to four tiers as shown in the table below. The tiers are established based on the 2015 to 2019 average estimated CFEC gross revenue value for pink and coho salmon landed by each individual based on their unique CFEC identification number. Individuals who were new entrants in 2020 will receive the annual average gross revenue of all permit holders to determine their tier. Twenty-five percent of the remaining funds are proposed to be apportioned to each tier and each individual in the same tier will receive an equal payment. This is the same method used for the 2020 PWS Chinook, sockeye and chum salmon final spend plan.

Tier Level	2015-2019 average CFEC gross revenue value of PWS pink and coho	Tier Allocation	Est. number of eligible permit holders
1	≥ \$275,000	25%	34
2	\$228,000 - \$274,999	25%	46
3	\$186,000 - \$227,999	25%	56
4	≤ \$185,999	25%	83

### 2020 Seine vessel crew – 30% of seine harvester funds.

Seine crew must meet the following proposed criteria to be eligible for an **equal payment** of the 2020 seine vessel crew funds. 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.

Proposed PWS seine crew eligibility criteria:

- 1. Crew member must have held a 2020 commercial crew license or a 2020 CFEC permit for any fishery. This information will be verified using the ADF&G Licensing database or the CFEC permit database.
- 2. Crew member must provide information to show they participated as fishing crew in the 2020 commercial seine salmon fishery for a <u>qualified S01E permit holder</u>, based on an affidavit from the permit holder or vessel owner.
- 3. Crew member may not be eligible for fishery disaster funds as an S01E permit holder in 2020.

# 2020 Prince William Sound drift gillnet ~ \$920,000

The allocation for the drift gillnet sector is proposed to be divided into two pools, one for S03E permit holders, 95%, and one for vessel crew members, 5%. The proposed split between permit holders and crew members is based on a typical crew size of zero to one person earning a 10% crew share.

### 2020 S03E Permit Holders – 95% of drift harvester funds.

Proposed eligibility criteria for 2020 drift gillnet permit holders:

1. S03E permit must have been used to make pink or coho salmon landings in 2020.

2. Permit holder must have experienced a loss in 2020 CFEC estimated exvessel value. The estimated loss is calculated by subtracting the exvessel value in the disaster year from the previous five-year average from 2015 through 2019. ADF&G is proposing to use the annual fleet average to calculate a five-year average for permit holders who were new entrants in 2020.

Funds are proposed to be paid to the person listed as the 2020 'Permit holder' and temporary emergency transfer permit holders (transferees) in the CFEC database. Permit holders who did not make any landings in 2020 and certified they were unable to participate to qualify for an emergency transfer and permit holders who permanently transferred a permit away in 2020 will not receive payments.

**Each permit holder who meets all eligibility criteria receive a minimum 'base' payment of \$1,000.** Base payments are intended to help offset operational and startup costs incured by all permit holders and the amount is determined by the number of eligible participants and funds allocated to each sector. If multiple eligible permit holders made landings in 2020 on the <u>same limited entry permit</u>, the base payment is proposed to be split pro rata to the value of each eligible permit holders' pink and coho salmon landings in 2020. A total of 446 permit holders made landings on 443 S03E permits in 2020. An estimated 327 permit holders are eligible for payment based on the proposed criteria.

After accounting for minimum base payments, the remaining funds are proposed to be allocated to four tiers as shown in the table below. The tiers are established based on the 2015 to 2019 average estimated CFEC gross revenue value for pink and coho salmon landed by each individual based on their unique CFEC identification number. Individuals who were new entrants in 2020 will receive the annual average gross revenue of all permit holders to determine their tier. Twenty-five percent of the remaining funds are proposed to be apportioned to each tier and each individual in the same tier will receive an equal payment. This is the same method used for the 2020 PWS Chinook, sockeye and chum salmon final spend plan.

Tier Level	2015-2019 average CFEC gross revenue value of PWS pink and coho	Tier Allocation	Est. number of eligible permit holders
1	≥ \$21,000	25%	35
2	\$15,500 - \$20,999	25%	56
3	\$11,000 - \$15,499	25%	93
4	≤ \$10,999	25%	143

<u>2020 drift gillnet vessel crew – 5% of drift harvester funds</u>

Drift gillnet vessel crew must meet the following proposed criteria to be eligible for an **equal payment** of the 2020 drift gillnet crew funds. 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.

Proposed PWS drift gillnet crew eligibility criteria:

- 1. Crew member must have held a 2020 commercial crew license or a 2020 CFEC permit for any fishery. This information will be verified using the ADF&G Licensing database or the CFEC permit database.
- 2. Crew member must provide information to show they participated as fishing crew in the 2020 commercial drift gillnet salmon fishery for a <u>qualified S03E permit holder</u>, based on an affidavit from the permit holder or vessel owner.

3. Crew member may not be eligible for fishery disaster funds as an S03E permit holder in 2020.

<u>Processors – 27% (~\$4,170,000)</u>: The total estimated loss in exvessel value for the 2020 PWS pink and coho salmon disaster is \$25 million dollars. Funds allocated to the processor sector are intended to mitigate this loss by providing funds to bring the processing sector up to 17% of recent historical value. ADF&G proposes direct payments to processing companies that meet all eligibility criteria. Commercial Operators Annual Report (COAR) fisheries buying data will be used to determine eligibility and payment. Processing companies will be identified based on the nine-digit federal tax identification number.

Salmon processing companies that meet all proposed criteria would be eligible for payment based on the estimated loss in exvessel value using COAR buying data for 2020 PWS pink and coho salmon. The estimated loss is calculated by subtracting the exvessel value in the disaster year from the previous five-year average from 2015 through 2019.

Proposed processor eligibility criteria:

- 1. Processing company must have processed PWS pink or coho salmon in 2020.
- 2. Processing company must have a demonstrated minimum loss of \$10,000 in exvessel value for 2020 PWS pink and coho salmon.

Disaster payments to processing companies are proposed to be **pro rata** to each company's demonstrated loss relative to the total loss of all eligible processing companies.

ADF&G is seeking additional comments on whether tender operations should be included in the processor category for the pink and coho spend plan. Tender vessels were allocated 4% of the processor funds in the 2020 PWS Chinook, sockeye and chum salmon disaster spend plan.

**<u>Program Support - <0.1% (\$10,000)</u>**: ADF&G is proposing to designate funds for staff working on fishery disaster plan development and implementation in coordination with PSMFC.

Appendix 1. Public comments on initial draft spend plan.

December 29, 2023

Attn: Karla Bush Alaska Department of Fish and Game PO Box 115526 Juneau, AK 99811-5526 dfg.com.fisheriesdisasters@alaska.gov

Re: Initial Draft Spend Plan for 2020 PWS pink and coho salmon

Dear Ms. Bush:

Thank you for the opportunity to comment on the Federal Fishery Disasters Draft Spend Plan for 2020 Prince William Sound pink and coho salmon.

OBI supports and appreciations the allocation of funds in the draft spend plan, particularly the earmarked 10% for research. We believe this allocation is fair and crucial for mitigating future fishery disasters. We are optimistic about the proposed Radio-telemetry project in the Upper Copper River, anticipating its positive impact on upriver timing and distribution forecasting.

OBI also endorses the allocation of 3% for communities and 0.1% for program support, as it aligns with our past requests and provides a reasonable breakdown.

However, we are less supportive of the proposed 67% Harvester / 20% Processor split. We respectfully request it be revised to a 57% Harvester / 30% Processor split. The COVID-19 pandemic did not differentiate between user groups, impacting processors as severely as harvesters. Where we recognize the impacts the 2020 season had on harvesters, processors had to incur much greater expenses to ensure the 2020 season could take place.

OBI Seafoods has been actively involved in processing salmon in the Prince William Sound region since 1985, contributing significantly to the local community and economy. Our processing operation generates job opportunities, providing stable income and supporting local families. The economic ripple effect stimulates ancillary industries, fostering stability and growth. Unfortunately, during the 2020 season, the COVID-19 pandemic posed significant challenges to this positive economic cycle.

Processors, such as OBI Seafoods, typically advance funds to fishermen before the start of the season to cover expenses like gear, insurance, repairs, and airfare. These advances, usually offset by salmon harvests, were not repaid in 2020 due to the minimal returns. OBI experienced considerable economic harm as a result of this shortfall, compounded by having tenders and capacity in place for expected volumes.

Processors faced heightened operational expenses as they worked to safeguard our processing facilities in Prince William Sound against the spread of COVID. In our commitment to

maintaining facility operations, we incurred supplementary costs related to the implementation of rigorous measures. These included expenses for worker quarantines, extensive investments in personal protective equipment (PPE) to prevent transmission, and the adoption of enhanced sanitation protocols. Additionally, the need for frequent testing and health monitoring further contributed to the rising costs associated with COVID mitigation efforts. These unforeseen expenditures, coupled with the challenges of ensuring a safe working environment, significantly added to the overall cost of processing salmon in our facility. Additionally, we believe tenders should be included in the calculation for processors. OBI Tenders were paid their full contract regardless of the amount of fish they purchased on the grounds.

In conclusion, we express gratitude for the dedicated efforts in developing the spend plan and addressing the salmon disasters. We commend the inclusion of public comment solicitation and appreciate the opportunity to contribute our input.

Sincerely,

Brian O'Leary VP Alaska Kodiak and PWS Ops OBI Seafoods, LLC

From:	Eric Fleming
Sent:	Friday, December 29, 2023 10:06 AM
То:	DFG, ComFisheriesDisasters (DFG sponsored)
Subject:	Initial Draft Plan 2020 Pink&Coho, Attn: Darion Jones

Darion,

I think it would be a priority to spend the research funds on the PSWAC Pink and Cohos salmon runs for the Initial Draft Plan. After all, these are the runs that have been on the decline in recent years and they are also the reason for these appropriations.

One very obvious problem effecting the Pink and Coho runs, is the overabundance of Sea Lions and Black Bears populations at the Ester River Spawning grounds. While the hatchery personnel and most fishermen know this is a problem, there hasn't been any plan set in place to resolve it. I believe it may be because of multiple reasons, but mainly because there hasn't been an official office created to resolve such issues. When it comes to wildlife affecting enhanced salmon runs it tends to become a very sensitive issue and one most participants (hatcheries,harvesters, adf&G, processors, PSWAC) haven't been willing to solve.

I think it would be beneficial to start with the most obvious problems to the diminished Pink and Coho salmon runs at Ester River. Its the perfect time to create a solution to the over abundance of wild predators pulverizing and stressingout the spawning salmon and fry at ester river. After all starting with the biggest problems to the salmon spawning and release life cycle will create a solid foundation for future research into these and other PWS salmon runs.

Erick Fleming

From:	Matthew Maxwell
Sent:	Tuesday, December 26, 2023 2:42 PM
То:	DFG, ComFisheriesDisasters (DFG sponsored)
Subject:	Spend Plan Comments - 2020 Prince William Sound Pink and Coho Salmon Fisheries

I have been an area E drift fisherman all my life and owned a drift permit for since 2010.

I have the following questions about the spend plan:

1) Why would ADFG allow for a non-competetive bid process for the research funding? I am not sure if I agree with this.

2) Why allocate 10% of the drift gillnet funding to crew members, when the amount of drifters that employ a crewman is probably under 30%? I agree that 10% of a boat's gross income is a good number for crew pay, but there are relatively few drift skippers that employ a crew.

If you do employ drift crew, why wouldn't the employer be responsible for distributing the funds from their personal share of disaster funds .. Almost ALL Area E fishermen do not employ a crew for coho specifically.. I strongly disagree with crew allocation.

Thank for for reading, Matthew Maxwell To Whom It May Concern:

I am writing to comment on the spend plan for 2020 pink and coho disaster. I am an area e drift gillnet holder and held an EMT drift gillnet permit in 2020.

#### Research

I would like research funding to be used for an investigation into hatchery/wild management plans. The primary cause of the 2020 pink salmon disaster was the inability of Prince William Sound Aquaculture Corporation (PWSAC) to collect broodstock from hatchery fish. I believe that the primary cause of the disaster was the fact that hatchery fish are given management priority in Prince William Sound. The management report from 2020 states that wild Pink Salmon stocks were over escaped primarily because the Southwest and Eshamay districts were underfished despite an impressive wild biomass. I believe that had these stocks been fished appropriately there would not have been a disaster in 2020. Furthermore it is likely that current levels of hatchery production is unsustainable, hatchery pink salmon in Prince William Sound (PWS) are of much smaller body size than wild fish. This severely depresses the ex-vessel value of both wild and hatchery pink salmon because of the increased cost of processing smaller fish by processors. In a cursory review of publicly available data it seems that total pink salmon biomass is independent of total pink salmon numbers, therefore it would be desirable to have fewer larger fish as the overall value of the catch would be higher.

I would like investigations to the following research topics funded:

-What is the economic impact of managing for hatchery stocks in PWS instead of wild stocks? -What would the impact to management and ex-vessel value be of switching to biomass based management of Pink Salmon?

-How does the number of hatchery released pink salmon affect the size and numbers of returning pink salmon? (Can we optimize our releases for the most biggest fish)

I suggest an open call for proposals to study these topics as they are currently of great concern in the fisheries community. There is a large chorus of voices opposing the current hatchery system in PWS with little actual data, this would be a good use of disaster money to start researching these issues.

In terms of coho management, the primary driver of the disaster was 2 fold, first chum and sockeye disasters lead to increased effort from the drift gillnet fleet for coho, this lead to conservative management and increased pressure on the Copper River and Bering River districts. Second, PWSAC is unable to regularly produce a coho salmon return to the Wally Nuremberg Hatchery (WNH). It would be a good use of disaster money to investigate the causes of the very sporadic returns of coho.

#### Harvesters

I think drift gillnet permit holders should get a larger percentage of the overall disaster funding because of the compounding disasters in 2020. Typically drift gillnet permit holders do not directly target pink salmon at scale, however in 2020 because of the chum, chinook and

sockeye disasters there was exponentially increased effort in directed pink salmon fishing, this lead to a catch that was higher than usual as a proportion of the overall PWS salmon catch. Furthermore the actual economic impact on drift gillnetters of the 2020 season was much greater than seiners. The average seine catch was just under 50% of their usual catch for the 2020 season, whereas the average gillnet catch was 25% of the 2020 season.

Crew members of the seine fishery should receive at least 30% of the allocated funds, typical seine boats must have at least 3 crewmembers in addition to the captain. Typically crew members earn 10% of the overall catch.

Drift gillnet permit holders should get 95% of the allocated funds as typically drift gillnet boats do not employ a deckhand, especially in the coho fishery. I would estimate that less than 30% of permit holders directly fishing for pink or coho employ a single crew member. Therefore the losses to crew is less than 10% furthermore due to the poor season many crew left PWS for better opportunities, something most permit holders cannot practically due. Thus permit holders took more of a loss.

I support providing equal payments to all permit holders, especially drift gillnet permit holders.

#### Processors

Tender vessels should get a bulk of the funding available for processors. Processors have various ways to offset losses throughout their portfolios, which often results in lower ex-vessel prices. It is imperative that the workers such as tender vessels for the processors get a bulk of the disaster relief rather than owners of large corporations.

Patrick McCormick Eagle River Alaska

From:	Dustin Cline
Sent:	Wednesday, December 20, 2023 4:50 AM
То:	DFG, ComFisheriesDisasters (DFG sponsored)
Subject:	2020 PWS pink and coho disaster

Hello,

Writing in regards to allocation of PWS disaster relief specifically for seine fleet. I am in favor of equal distribution for all boats. Costs related to younger fisherman are higher, and using a 5 year average gives a fisherman that started within 3-4 years ago a much lower value.

From:	Justin Ryan
Sent:	Tuesday, December 19, 2023 6:07 PM
То:	DFG, ComFisheriesDisasters (DFG sponsored)
Subject:	2020 PWS pinks and coho disaster

I support equal payments.

Thank-You, Justin S01E Permit Holder

Ryan

From:	Kari Gilman
Sent:	Tuesday, December 19, 2023 4:44 PM
То:	DFG, ComFisheriesDisasters (DFG sponsored)
Subject:	2020 disaster allocation

I am writing as a seine crew member from the year 2020 and now a current S03E permit holder.

The seine split of 80/20 makes no sense. The logic that since the owner of the vessel has more "invested" in the fishery means that they can take away funding that should be intended for crew is criminal.

Captains/owners of permits and vessels know the risks involved with salmon fishing. They are aware of the uncertainty of pricing and run strength, its unjust to allocate funding away from crew that are essential in a seine operation to function. Without crew a captain could not catch any salmon. The split should be 70/30 to reflect the common operation having at least 3 crew. In the past with these disaster relief allocation plans and requirements, crew members have been repeatedly under represented and uninformed.

Thank you, Kari Gilman

From:	Jonathan Thomassen
Sent:	Tuesday, December 19, 2023 4:06 PM
То:	DFG, ComFisheriesDisasters (DFG sponsored)
Subject:	2020 pink and coho disaster relief

Hello,

Reading through the proposal for the spending plan, I feel there are a few adjustments that need to be made to the plan.

In 2020 the pink salmon projection was poor before the season and many seiners decided to switch areas or just participate enough to qualify for the expected relief money that would later arrive. Many boats that traveled to PWS to participate also left early because they did not feel it was worth their time to stay. My crew fished from mid June until the very end of August to maximize our profits on a poor year. I think the spending plan should not reward those who left early or just made the minimal effort to recieve relief money, as much as it should benefit those who made an effort to fish the whole season. This could either be done by number of landings or the vessels total fish caught during the 2020 year. Every seine boat has equal opportunity and I don't think mimimal effort should be rewarded the same.

The spending plan also outlines a 1.5 million dollar "research" allocation and outlines it would be used for upriver sonar improvements on the copper river. The spending plan is for Coho and Pink salmon, but the loses are heavily incurred in the seine caught pink salmon. Spending 10 percent of the money on a sonar improvement that does not benefit pink salmon or seine fisherman in general is outrageous and should have been taken care of in the spending plan for the Copper river relief.

Jon Thomassen

From:	Darin gilman
Sent:	Tuesday, December 19, 2023 4:03 PM
То:	DFG, ComFisheriesDisasters (DFG sponsored)
Subject:	2020 Disaster Spend Plan

I am writing in as a S03E permit holder, I read that 10 percent of the funds were being allocated for crew for the S03E disaster funding. This is a disingenuous number, most of the S03E fleet does not have crew for the season in our drift fishery and there is almost zero crew during the coho and pink season since it is not needed or financially viable for crew to be employed that time of year. The 2018 and 2020 disaster funding for the drift gillnet fleet landed on a 5 percent allocation for funding for crew. I believe it should be even lower for a 2020 coho and pink salmon disaster plan to 2.5 percent since crew is essentially absent during the coho season.

I would also advocate for a base payment to all qualifying S03E permit holders with a tiered approach involved to reflect fishermen's effort involved in the fishery. Similar to how the 2018 and 2020 disaster funding will be allocated out. It is the fairest approach while ensuring nobody gets left behind all together in the funding.

The seine split of 80/20 does not make sense. The logic that since the owner of the vessel has more "invested" in the fishery that they can take away funding that should be intended for crew is just flat out robbing people. As captains and owners of permits and vessel we know the risks involved with salmon fishing and one of them is that uncertainty of pricing and run strength, its unjust to allocate funding away from crew that are essential in a seine operation to function. The split should be 75/25 at minimum or 70/30 would be more an accurate representation of the fishery.

-Thank you for your time and consideration, Darin Gilman

From:Norm CampbellSent:Friday, December 22, 2023 1:51 PMTo:DFG, ComFisheriesDisasters (DFG sponsored)

I would like a even distribution for all permit holders, Thank you Norman Campbell SO3E Permit holder

From:	Michael Hand
Sent:	Thursday, December 21, 2023 12:05 PM
То:	DFG, ComFisheriesDisasters (DFG sponsored)
Subject:	Initial draft spend plan pws pink and coho

To whom it may concern:

I am writing to comment in support of the initial draft spend plan for pink and coho. I believe equal payments to harvesters is the most fair way to distribute the funds. The disaster is already years ago now and moving this forward asap with a plan that is easy to implement is best for the fleet.

Thank you

Michael hand Area E seine permit holder

From:	Lloyd Montgomery <seaseerider67@gmail.com></seaseerider67@gmail.com>
Sent:	Friday, December 22, 2023 12:15 PM
То:	DFG, ComFisheriesDisasters (DFG sponsored)
Subject:	Equal shares for drift permit holders

From:	Mark Hazeltine
Sent:	Friday, December 22, 2023 12:37 PM
То:	DFG, ComFisheriesDisasters (DFG sponsored)
Subject:	2020 PWS Pink and Coho Disaster Spend Plan

Hello,

This is a comment pertaining to the 2020 PWS pink and coho salmon fishery disaster 1st draft spend plan.

Under the heading:

"2020 Prince William Sound drift gillnet ~ \$1.04 million"

And sub heading:

"Proposed eligibility criteria for 2020 drift gillnet permit holders"

#1 reads:

" S03E permit must have been used to make pink or coho salmon landings in 2020."

Many permit holders in the S03E fleet do not participate in any meaningful way in either the pink or coho fisheries, or participate in one but not the other. In my opinion this criteria would allow for fisherman who experienced no loss (because they wouldn't normally participate in these harvests) will be given a share of the disaster money if they caught a few pinks while fishing for chums or sockeye. Additionally, with the current wording, permit holders who caught pinks, but no coho, and who don't necessarily participate in the coho fishery (which many don't) would be awarded disaster relief for the coho fishery. And vice-versa.

It is my opinion that the criteria should require a history of participating in these harvests specifically. In addition, eligibility for pink and coho funds should be separate.

Permit holders who do not participate in these run harvests would not have been affected by the disaster and should not receive compensation. The loss sustained by the fleet was sustained by the permit holders who do participate in these fisheries and they should be the ones awarded compensation.

Thank you for your consideration,

S03E permit holder, Mark Hazeltine

From:	Ron Thomson
Sent:	Friday, December 22, 2023 3:04 PM
То:	DFG, ComFisheriesDisasters (DFG sponsored)
Subject:	2020 Drift Gillnet Pink and Coho Spend Plan

I would like to see the 2020 Drift Gillnet Pink and Coho spend plan mirror the plan for 2018 and 2020 Chinook, Sockeye, and Chum plan that has been finalized.

A base amount paid to each permit holder that qualifies and a portion based on previous performance in the fishery. Both the Pink and Coho fisheries have a much lower participation rate than do the Sockeye and Chum fisheries so participants that have a long track record in participating in these fisheries would not be reasonably compensated on a across the board payment method. Those that regularly participate have built nets for these fisheries that can cost upwards of \$10,000 and it would be only reasonable to award these individuals based on their increased investment in the fishery.

Thank you for your consideration,

Ron Thomson

From:	Ezekiel Brown
Sent:	Friday, December 29, 2023 3:51 PM
То:	DFG, ComFisheriesDisasters (DFG sponsored)
Subject:	2020 Prince William Sound (PWS) pink and coho salmon fishery disaster spend plan comments

I am a current area e seine permit holder and was a area e gillnet permit holder during the 2020 season. I would like to comment in support of the proposed equal shares plan. My only suggested change would be in the event a permit holder does not have a full 5 year history that fleet averages for missing years be used to determine eligibility.

I also would like to see any research dollars spent from this plan used to research the species impacted in this disaster not the proposed Radio-telemetry project. It is not appropriate for ADFG to use pink salmon disaster funds to study sockeye or king runs.

Thank you, Ezekiel Brown Pws seine permit holder 2014-present Pws gillnet permit holder 2011-2020

From:	Max K
Sent:	Saturday, December 23, 2023 12:50 AM
То:	DFG, ComFisheriesDisasters (DFG sponsored)
Subject:	Disaster Relief Comment S03E Drift

To whom it may concern,

I believe there is an opportunity to restructure the funds to better support the active participants and address the specific challenges they have encountered.

Under the Magnuson-Stevens Act, the disaster relief provision was designed to assist participating fishermen who are actively catching and producing fish for consumption. According to the Magnuson-Stevens Act, not only does this ensure food security but also enhances the economy.

I propose a tiered approach that focuses on the most pink/coho poundage caught exclusively in the 2020 year as the basis for distributing the relief funds. Here is my reasoning:

By prioritizing those who actively participated in the fishery during 2020, we can better target the relief funds to those who have experienced the greatest financial hardships. This approach acknowledges the increased startup costs, wear-and-tear, and overall maintenance expenses incurred by fishermen, especially new entrants to the fishery.

Considering that a significant number of individuals have quit fishing and did not participate in the fishery. And instead continued work outside of fishing, it would be unfair to distribute the relief funds equally among all fishermen. By implementing the proposed tiered approach, we ensure that the relief funds are directed to those who have actively contributed to the fishery, addressing their specific challenges and supporting their financial well-being.

I strongly recommend restructuring. This will result in a more effective and equitable distribution of the disaster relief funds, taking into account the individuals who have remained dedicated to the fishery despite the challenges faced.

Sincerely,

Maksim Kuzmin F/V Epic

From:	Bill Lindow
Sent:	Sunday, December 24, 2023 7:36 AM
То:	DFG, ComFisheriesDisasters (DFG sponsored)
Subject:	2020 PWS pink and coho salmon disaster spend plan

Greetings:

I have been a drift gillnet permit holder/fisherman in Area E for 46 years. I am a long time resident of Cordova.

My comments on the proposed spend plan for the 2020 PWS pink and coho salmon disaster funding are as follows:

1) I question why there is proposed to be a non-competetive bid process for the ADFG research funding. Accepting noncompetetive bids for research can result in the State paying far more than necessary for the desired research project. 2) I object to the allocation of 10% of the Drift Gillnet funding to drift gillnet crew members. While I agree that 10% of vessel gross income is a pretty normal rate of pay for a single crew member in this fishery, I believe that less than 30% of fishery participants employ even one crew member. In addition, many crew members are are only employed for a portion of the season. Therefore, allocating 10% of the drift gillnet funding to crew members results in an excessive and inappropriate distribution of the disaster funding to the crew members. A 4 or 5 % allocation to crew members would be more appropriate.

Thank you for considering my comments.

Sincerely, William Lindow

From:	Petro Basargin
Sent:	Sunday, December 24, 2023 8:37 PM
То:	DFG, ComFisheriesDisasters (DFG sponsored)
Subject:	2020 pink coho drift gillnet

#### To whom it may concern-

I am writing in as a S03E permit holder, I saw that 10 percent of the funds were being allocated for crew for the S03E disaster funding. This is a disingenuous number, most of the S03E fleet does not have crew for the season in our drift fishery and there is almost zero crew during the coho and pink season since it is not needed or financially viable for crew to be employed that time of year. The 2018 and 2020 disaster funding for the drift gillnet fleet landed on a 5 percent allocation for funding for crew. I believe it should be even lower for 2020 coho and pink salmon disaster plan to 2.5 percent since crew is absent during the coho season.

I would also advocate for a base payment to all qualifying S03E permit holders with a tiered approach involved to reflect fishermen's effort involved in the fishery. Similar to how the 2018 and 2020 disaster funding will be allocated out. It is the fairest approach while ensuring nobody gets left behind all together in the funding.

Thank you for your time and opportunity!

Petro Basargin

From:	Ms Sarah
Sent:	Friday, December 29, 2023 6:42 PM
То:	DFG, ComFisheriesDisasters (DFG sponsored)
Subject:	Comment: Initial Draft Spend Plan for funds appropriated to address the 2020 Prince William Sound

Written comments are requested on all elements of the proposed spend plan and should be as specific as possible.

Comments will be posted verbatim online and 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: Darion Jones PO Box 115526 Juneau, AK 99811-5526

#### SPEND PLAN:

Initial Draft Spend Plan for funds appropriated to address the 2020 Prince William Sound (PWS) pink and coho salmon fishery disaster determination.

#### **REGARDING:**

Processor eligibility criteria, Proposed Qualifier (2)

 Processing company must have a demonstrated loss in wholesale value greater than \$10,000 for 2020 Prince William Sound pink and coho salmon.

#### COMMENT:

Imposing a minimum loss requirement within a sector that encompasses small businesses is harmful to those unable to meet the arbitrary \$10K financial loss threshold. What might seem like a minor loss for larger processors could have a significant and lasting impact on a smaller sized business.

The AK Dept of Commerce, DEC and ADFG do not ease the burden of licensing, taxing and reporting based on the earnings of a Processor. All Processors are held to the same standards regardless of revenue. This established consistency should also be applied when funds are to be dispersed.

In previous funding rounds, federally allocated disaster funds for the processing sector were withheld from otherwise qualifying small-sized Processors due to an arbitrary requirement by ADFG mandating facility ownership for fish processing. This distinction lacked relevance, no similar qualifier had been made between those that owned a facility and those that did not when earning and loss calculations for the Processor sector were established based on Commercial Operators Annual Report (COAR) fisheries buying data. Unnecessary exclusion criteria resulted in significant economic loss for those affected at a time when support was greatly needed by the small-business community.

When determining which businesses will receive support in crucial areas such as establishing the criteria for spending plans, it is important to acknowledge the involvement and critically important contributions made by small independently owned businesses that participate in the harvest and production of Alaskan seafood.

Maintaining a diverse production stream is vital for the economic well-being of coastal communities and the stability of the US seafood supply chain.

Thank you.

From:	Thomas Lopez
Sent:	Friday, December 22, 2023 10:47 AM
То:	DFG, ComFisheriesDisasters (DFG sponsored)
Subject:	Allocation

Hello,

I am writing in regards to allocation of disaster relief specifically for seine fleet in the PWS.

I am in favor of equal distribution for all boats.

Costs related to younger fisherman are higher, and using a 5 year average gives a fisherman that started within 3-4 years ago a much lower value.

Additionally, when considering the recent market issues and costs of operating this would be incredibly damaging to a significant portion of the fleet. A portion of the fleet of which it has become even harder to survive.

Thank you, Thomas

From: Morgan Williams Sent: Friday, December 22, 2023 10:40 AM To: DFG, ComFisheriesDisasters (DFG sponsored) dfg.com.fisheriesdisasters@alaska.gov Subject:

Hello,

Writing in regards to allocation of PWS disaster relief specifically for seine fleet. I am in favor of equal distribution for all boats. Costs related to younger fisherman are higher, and using a 5 year average gives a fisherman that started within 3-4 years ago a much lower value. Thank you.

-Morgan Williams

From:	Lukeria
Sent:	Wednesday, December 20, 2023 11:24 AM
То:	DFG, ComFisheriesDisasters (DFG sponsored)
Subject:	Responding to the commission request for comment of the dispersant of the funds,

The dispersant of funds for Prince William Sound.

The Prince William Sound had suffered the consequences of the Effects of Covid and the mandates. We as a drift gill net fishermen, the market has been hit hard. the price of our fish had had suffered huge consequences that are irreparable. The price on the fish had dropped more than 50%. The price of fuel has doubled. The Gill Net fisherman have suffered as a result. The consequences that would take years to repair.