# **Department of Fish and Game**



OFFICE OF THE COMMISSIONER
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# October 9, 2024

Final DRAFT Spend Plan for funds appropriated to address the 2021 and 2022 Upper Cook Inlet (UCI) East Side Set Gillnet (ESSN) salmon fishery disaster determination. NOAA Fisheries has allocated \$11,484,675 for these fishery disasters. 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.

**Process to develop the spend plan:** ADF&G posted an initial draft spend plan in July 2024 and received 61 written comments. ADF&G revised the spend plan based on those comments and posted a second draft in September 2024. Twelve comments were received on the second draft spend plan (Appendix 1). In response to public comment, ADF&G made the following modifications to the second draft spend plan for this final spend plan:

#### Harvesters

• ADF&G maintained buoy sticker purchase as the eligibility criterion and did not include fishery participation in the disaster year or payment of a shore fishery lease as criteria for permit holders to meet eligibility requirements. A shore fishery lease is not required for set net fishing and on its own does not exclude others from set net fishing in a leased site.

### Crew payments

- ADF&G acknowledges public comments recommending that permit holders should be delegated responsibility for distributing crew payments. However, this delegation would require the PSMFC to establish an administratively burdensome multi-step verification process to ensure every permit holder distributes crew funds appropriately. The process would require the PSMFC to distribute 90% of a permit holder's direct payment and reimburse each permit holder in a separate payment for the 10% designated as crew funds after verifying those funds were distributed to eligible crew.
- Based on public comment, ADF&G modified crew eligibility requirements to only include crew with annual licenses. Crew with 7-day licenses are not eligible for direct payments based on their limited fishery participation.

#### **Processors**

• ADF&G clarified that processor eligibility and payments are based on sockeye salmon rather than all salmon species because sockeye salmon are the primary target of the ESSN fishery.

Guiding principles for disaster fund distribution: Disbursement of funds is intended to 1) assist fishery participants harmed by the 2021 and 2022 ESSN salmon fishery resource disasters and 2) improve information used to manage the fishery impacted by the fishery resource disaster.

This spend plan recommends the following categories and allocations for fund disbursement:

Category	Allocation	Estimated funds <sup>a</sup>
Research	10%	\$1,125,000
Communities	3%	\$343,000
Harvesters	62%	\$7,036,764
Processors	25%	\$2,840,000
Program support	<0.1%	\$11,000
Total		\$11,355,764

<sup>&</sup>lt;sup>a</sup> Additional funds will be allocated to Pacific States Marine Fisheries Commission to administer the federal grant

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. A portion of these funds will be allocated to research activities that promote restoration of the fishery and 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.

<u>Research – 10% (\$1,125,000)</u>: Research funds will be available through an open, competitive bid process administered by PSMFC. The review panel for proposed projects may include both agency and non-agency experts. Federal agencies, such as the US Fish and Wildlife Service, are not eligible to receive federal fishery disaster grant funds.

The following research themes were suggested by ADF&G staff and public comments and are informed by the previous disaster spend plan as priorities for funding:

- Research that improves understanding of the relative importance of specific mechanisms that drive productivity of Kenai late-run Chinook salmon, which could include:
  - o how ocean/climate conditions impact future runs;
  - o freshwater and early marine survival bottlenecks, habitat use, and movement patterns; and
  - o the role of diet, health, and disease on the survival and spawning success of Kenai late-run Chinook salmon.
- Research to inform non-adult abundance estimates of Kenai Chinook salmon that can be used in developing or improving forecasting tools.
- Improved methods for estimating adult salmon harvest and abundance including genetic analysis
  for stock composition and further assessment and review of the Kenai late-run Chinook salmon
  estimates of abundance for all age classes.
- Research to investigate how large sockeye salmon escapements to the Kenai and Kasilof rivers may influence productivity and future returns.
- Investigations of Chinook salmon habitat, including intertidal, nearshore, riverine rearing areas, and spawning areas. Research on smolt outmigration and survival.
- Continued evaluation of alternative gear types aimed at reducing harvest of weak stocks in marine fisheries.

<u>Communities – 3% (\$343,000):</u> ADF&G proposes direct payments to municipalities and boroughs that rely on revenue generated from ESSN salmon landings and other economic activities related to the salmon fisheries. These local government entities were negatively impacted by the fishery disaster because fishery revenues comprise a significant portion of local operating budgets and are used to support education, public works, ports and harbors, and other services. 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, landing tax revenues are shared 50/50 between each entity.

Eligibility criteria for communities:

- 1. Fish ticket port of landing data must show that salmon from the 2021 or 2022 ESSN salmon fishery were landed in the community.
- 2. Estimated loss in gross revenue value for salmon landed in the community from 2021 and 2022 ESSN fisheries combined must be at least \$10,000. The estimated loss in gross revenue is calculated by subtracting the value of the fishery in the disaster year from the previous five-year average, excluding the disaster years of 2018 and 2020.

Disaster funds for communities are distributed **pro rata** to each community's demonstrated loss relative to the total loss of all eligible communities. Based on the criteria, three municipalities and one borough may be eligible for community-designated funds: City of Homer, City of Kenai, City of Soldotna, and the Kenai Peninsula Borough.

<u>Harvesters – 62% (\$7,036,764):</u> This category includes permit holders and crew. The total estimated loss in gross revenue for the 2021 and 2022 ESSN fishery disasters is ~\$14 million dollars. Funds allocated to the harvesting sector are intended to mitigate this loss by providing funds to bring the harvesting sector up to 49.4% of the sector's recent historical value.

ADF&G proposes direct payments to commercial fishery permit holders and crew who meet all eligibility criteria. Commercial Fisheries Entry Commission (CFEC) permit information, fish ticket data from commercial salmon landings, buoy sticker registration, and CFEC gross earnings data are used to determine eligibility for permit holders. Permit holders can apply for each year in which they meet eligibility criteria but cannot apply as both a permit holder and crew member in the same year. Eligibility for crew will be verified using ADF&G commercial crew license or CFEC permit data and an affidavit from the permit holder or vessel owner. An affidavit form will be provided by PSMFC in the application materials.

The harvester allocation is divided into two pools, one for S04H permit holders (90%) and one for crew members (10%). 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.

### ESSN Permit Holders – 90%

Eligibility criterion for permit holders:

• Individual must have registered a valid S04H CFEC permit and purchased a buoy sticker for the Upper Subdistrict in 2021 and/or 2022 as demonstrated by ADF&G Division of Commercial Fisheries records. A permit is considered valid if fees were paid to renew the permit.

Funds are paid to the person listed as the 2021 and/or 2022 'Permit holder' and temporary emergency transfer permit holders (transferees) in the CFEC database. Permit holders who certified they were

unable to participate to qualify for an emergency transfer and permit holders who permanently transferred a permit away before registering and purchasing a buoy sticker in 2021 and/or 2022 will not receive payments.

Each permit holder who meets the eligibility criterion shall receive an **equal payment** for each eligible permit in each year for which they purchased an Upper Subdistrict buoy sticker. A total of 422 permits in 2021 and 402 permits in 2022 were registered to fish with an Upper Subdistrict buoy sticker.

ESSN crew -10%: East Side set gillnet crew must meet the following criteria to be eligible for an **equal payment** of the ESSN crew funds for each year in which they participated as fishing crew.

### ESSN crew eligibility criteria:

- 1. Crew member must have held an <u>annual 2021</u> and/or 2022 commercial crew license or a 2021 and/or 2022 CFEC permit for any fishery. This information will be verified using the ADF&G Licensing database and the CFEC permit database. Crew members with 7-day commercial crew licenses are not eligible.
- 2. Crew member must provide information to show they participated as fishing crew in the 2021 and/or 2022 ESSN salmon fishery for a <u>qualified S04H permit holder</u>, based on an affidavit from the permit holder.

Anyone qualified for disaster funds as an ESSN permit holder or transferee cannot qualify as crew in the same year.

<u>Processors – 25% (\$2,840,000)</u>: ADF&G proposes direct payments to processing companies. ADF&G estimated total loss in first wholesale revenue for sockeye salmon for all eligible processors at ~\$18 million dollars. This estimate was calculated by first determining the proportion of ESSN sockeye salmon delivered to each eligible processor as a function of all UCI sockeye salmon delivered in each year using fish ticket data. Those proportions were applied to the first wholesale value for sockeye salmon reported in the Commercial Operators Annual Report (COAR) production data for each eligible processor in each year. Funds allocated to the processing sector are intended to mitigate this loss by providing funds to bring the processing sector up to 15.8% of the sector's recent historical value.

Processing permit holders that are required by 5 AAC 39.30 and 50 CFR 679 to complete and submit the COAR and who meet the eligibility criterion are eligible for direct payment. COAR buying data are used to determine eligibility and payment for processors because those data are linked to the location of salmon harvest, and the scope of this fishery disaster includes the 2021 and 2022 ESSN salmon fisheries. Final exvessel price from the COAR buying data are used to determine processor losses.

Processing companies are identified based on the nine-digit federal tax identification number. A processing company may hold more than one processing permit and companies with more than one identification number will be consolidated based on company name and address. Disaster payments to processing companies are proportional to each company's demonstrated loss relative to the total loss of all eligible processing companies.

## Eligibility for processors:

- 1. Processing company must have purchased ESSN sockeye salmon in 2021 and/or 2022.
- 2. Processing company must have a demonstrated loss in final exvessel value for sockeye salmon purchased by the company from the 2021 and 2022 ESSN fisheries. The estimated loss in value

is calculated by subtracting the final exvessel value of sockeye salmon in 2021 and 2022 from the previous five-year average, 2014 through 2017 and 2019 excluding years with no value.

Disaster payments are **pro rata** to each company's demonstrated loss relative to the total loss of all eligible processing companies. Based on the criteria, a total of seven processing companies may be eligible for processor funds.

<u>Program Support – <0.1% (\$11,000):</u> ADF&G allocates funds for staff working on fishery disaster plan development and implementation in coordination with Pacific States Marine Fisheries Commission.

Dear Darion Jones,

We are the Executive Board of the Kenai Peninsula Fishermen's Association (KPFA), a non-profit 501(c) (6) commercial fisheries advocacy trade group representing Cook Inlet (CI) fishing families since 1954. KPFA's mission is "Ensuring the Sustainability of Our Fishery Resources." Our goal is to continue to strengthen our fishing community and to promote the economic stability of the Cook Inlet Setnet Fishery.

KPFA primarily represents salmon set net permit holders on the East Side of Cook Inlet. The geographical area of the fishery reaches from Ninilchik in the south to Boulder Point to the north, spanning more than 60 miles along Cook Inlet's Eastside. The salmon harvested by the East Side Setnet Fishery originate almost exclusively in the Kasilof and Kenai River systems.

Some 440 limited entry permit holders, each small businesspersons, fish for salmon in this area and are primarily Alaska residents (86% Alaska, 80% Central Peninsula residents).

We are writing today to express the Kenai Peninsula Fishermen's Association's position **has not** changed on the distribution of 2021 and 2022 NOAA Fisheries allocated Disaster Relief Funds in the amount of \$11,484,675.

Our consensus is that the disaster funds available for the 2021 and 2022 Upper Cook Inlet Eastside Setnet fishery disasters should be split evenly among the affected fisheries harvesters that requested the disaster declarations. The Eastside Setnetters. Permit holders at 90% and Crew members at 10%. Specifically, the only affected parties to the disaster were the East Side Setnet Fishery in 2021and in 2022. We agree that in 2021 and 2022 that the purchase of buoy stickers should be the qualifier for eligibility to receive disaster funds.

It is our consensus that in 2021 and 2022, permitholders paid their crews accordingly, and permit holders should handle any payout related to the 2021 and 2022 disaster funds. We are amenable to providing proof of payout to satisfy the intent of the disaster relief program. If funds are set aside for distribution to crewmembers, we want to have a say in how they're distributed. We expect any unclaimed funds to be returned to the East Side Setnet fishers equally. I.E. some crewmembers are paid on a flat rate, some on a daily rate, and others are paid on a percentage basis.

Lastly, our consensus is that if ADF&G is to receive any disaster funds for research, KPFA expects the funds to be spent on our impacted fishery and that KPFA has input on where and how all ADF&G research funds derived from the 2021 and 2022 disasters would be expended.

We believe that the investment in new or past alternative gear should be considered as a reimbursable expense to fishermen from the ADF&G research funds. As stated in the draft plan, "A portion of these funds will be allocated to research activities that promote restoration of 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." We propose gear reimbursement as a non-competitive process project if new alternative gear types become available for King Conservation.

Thank you, Lisa Gabriel, Secretary, Project Lead Andy Hall, President Eric Nyce, Vice-President From:

**Sent:** Wednesday, September 11, 2024 8:04 AM **To:** DFG, ComFisheriesDisasters (DFG sponsored)

**Subject:** Comments: 2nd Draft Disaster funding 2021 and 2022 for ESSN salmon fishery

Thank you for the opportunity to comment on the 2<sup>nd</sup> Draft of the Spend Plan for the 2021 and 2022 Upper Cook Inlet Eastside Setnet salmon fisheries disaster.

My family and I have operated a setnet fishing operation in the Upper Subdistrict of Cook Inlet for 4 generations. The trajectory of the losses in fishing time over the past decade for our fishery amounts to disaster after disaster. We are grateful for the proposed disaster plan in this second draft and believe the allocations should be kept in the percentages outlined.

Having read all the comments published so far, I do not think the processor allocation should be increased at the expense of less allocation for ESSN. Processors were able to run their plants with fish brought in from boat gillnetters, and from other areas of the peninsula and the state that did not experience closures. It is factually proven that ESSN, who are mostly seasonal small business owners, suffered more harm and therefore the greatest allocation of the disaster fund for setnet fishery is appropriate.

In addition, the plan to pay crew members equal payments of the 10% ESSN crew funds creates severe inequities for the crews hired during 2020-21. Again, we are small businesses who, because of the erratic hours our fishery has been mandated, via emergency order openings and closures, are put in the position of hiring those who we can find available on very short notice. The hours worked on an eastside setnet operation are unpredictable, so there is often a great variance in wages depending on when we can "catch" a crew member on short notice. Permit holders should handle distribution of disaster funds to their crew members. Proof of hours and wages paid to crew from our business are easily verified. We can most readily apportion equitable amounts based on hours crew members worked. Since many ESSN sites are operated using our own children, friends, and relatives, it stands to reason that the adult permit holders and owners of the business could more effectively assume the "administrative burden" of providing wage documentation and current addresses. It is unlikely those, especially amongst young people in the crew data bases you may have from 2021-22, still reside at the addresses recorded during those years. It is also most likely that because of the relationships we hold amongst our crew, we would know the most current addresses for reaching those who worked during those years. Sincerely,

Lynn Deakins

From: Pauline Mills

**Sent:** Tuesday, September 10, 2024 9:41 AM **To:** DFG, ComFisheriesDisasters (DFG sponsored) **Subject Disaster Policy Funds for 2021 8, 2022** 

**Subject:** Disaster Relief Funds for 2021 & 2022

### To Whom It May Concern:

I am an Eastside Set netter and have been for many years when allowed. My comments for this disaster relief first and foremost is that all fisherman should get the exact amount as any other Eastside Set netter. Also, I don't believe that any other entity should be able to piggyback on our request. They should have to prove their own disaster and request funds for their own situation. I realize this is an emergency but it isn't treated as such. It takes years to receive any relief. There has still been no release of funds to set netters for 2018, 2020. We are just now commenting for 2021, 2022 and it will take years for that to come to fruition. Many fisherman waiting for those monies have already passed away. We haven't been allowed to fish 2023 and 2024. I would like to see the process more streamlined and easier to help fisherman during the year of the actual disaster and not years to get the much needed help.

Thank you for the opportunity to voice my opinion.

Pauline Mills Eastside Set netter

From: John Mills

Sent:Tuesday, September 10, 2024 8:59 AMTo:DFG, ComFisheriesDisasters (DFG sponsored)Subject:Comments regarding Emergency Telief

As an east side setnetter in Cook Inlet, I have seen so many bad seasons in recent years, and emergency financial relief would help very much. My primary concern is that all Setnetters, regardless of their fishing location, should receive the same amount of funds. It is ridiculous that any one fisherman should receive more financial relief than any other. We all shop at the same stores and have the same needs, and we should all receive the exact same amount of relief.

In addition, I am amazed at how long it takes for financial relief to arrive. In declaring an emergency, it is implied that there is an immediate and desperate need for help. I am amazed that we are just now talking about relief so many years after the disaster. Thank you for considering my comments.

John Mills

**From:** Dean Osmar

**Sent:** Monday, September 9, 2024 9:06 PM

**To:** DFG, ComFisheriesDisasters (DFG sponsored)

**Subject:** Re: Second Draft Spend Plan for 2021 and 2022 UCI ESSN Salmon Fisheries Disaster

**Hello Darion Jones** 

Thanks for the opportunity to comment on the second draft of the spending plan, 2021, 2022. I support the plan. I feel it's fair...in most ways.

Fishery participation during the disaster:

I feel it is wrong to demand commercial dip net fishery participation during a disaster year as a requirement to receive disaster funds.

We did the commercial dip net fishing on my Cook Inlet set net sites in July of 2024. My son, my wife, and I fished hard with dip nets for 9 different days. We fished all of the flood, and about half of the ebb. We didn't fish on the very rough days.

The commercial dip net fishery was a total 'joke' ...in my area. It was an insult for the ADFG to 'allow ' us to do this fishery.

We averaged about 21 red salmon per day. Our best day was 61 red salmon. We harvested a total of less than 200 reds, and 1 pink, for the month of July.

On Humpy Point, where my Cook Inlet sites are located, the fish are never concentrated along the shore, as compared to upper Kalifonsky Beach and Salamatof beach. In my area, and most of the set net sites from south of the Kasilof river all the way to Ninilchik river (about 28 miles) the fish are about equal in concentration (low and steady) all the way from shore out to 1 mile off shore. And in some areas out to the 1 1/2 mile limit.

The commercial dip net fishery along the ESSN beaches (south of the Kasilof river) will never be profitable. Requiring ESSN to participate in this fishery to get disaster relief funds is not reasonable.

The ESSN fishery is more than a century old.

I'm 77 years old. I have been set net fishing in Cook Inlet since the age of 8. My brothers and I helped my father on his various set net sites /location since 1955, a few years before statehood. My brother and I fished our own sites during our teenage years. I started my own set net sites in 1965. I have seen many changes over the decades.

Closing the ESSN fishery is by far the worst change . To stop the harvest of hundreds of thousands of red salmon (or possibly millions), and to put hundreds of long time ESSN families in dire financial straits, to save about a hang full of King salmon, is not reasonable. To cause gross over escapement of red salmon, 3-4 times the optimum goal, to save a handful of king salmon is not reasonable.

Thank you

Dean Osmar

From: Andy Hall

Sent: Sunday, September 8, 2024 8:51 PM

**To:** DFG, ComFisheriesDisasters (DFG sponsored)

**Subject:** 2021 and 2022 Upper Cook Inlet East Side Set Net Salmon Fisheries Disaster Relief Fund Second

Draft Spend Plan

Ms. Jones,

Thank you for the opportunity to comment on this second draft of the 2021 and 2022 draft spend plan. I generally support the plan as it stands now, though I have a few areas of concern.

### Fishery participation during a disaster

It is unfair to demand fishery participation during a disaster year as a requirement for receiving disaster funds. While the Board of Fish recently approved the use of dipnet during this time of low abundance, the viability of that harvest tool is not equal throughout the 90-mile-long area known as the East Side. Dipnets may be economically viable in areas where sockeye coalesce in large numbers and dense schools. To my knowledge, these areas are north of the Blanchard Line, closer to the mouth of the Kenai River. Even then, the yield vs. effort is questionable, given the need to hire, feed, and pay a crew and take home enough for the owner to make any income.

For those of us who fish south of the Blanchard in the Kasilof Section, the fish do not coalesce at all. Rather, they move in a slow and unsteady trickle throughout the season, punctuated by one or two days of concentrated movement—if we're lucky. If the fish do move, questions remain, including:

- n Will the tide allow us to get our nets in and out of the water safely?
- n Will the weather cooperate?
- n Will the department fish us when the fish are present?

In the Kasilof section, the use of dipnets is not remotely economically viable, given the nature of the sockeye movement in that segment of the fishery.

Setnetting is not a hobby. It is a business pursuit that requires significant annual investment to set up camp, purchase fuel and food, maintain gear, hire crew, splash boats, set lines and buoys, and maintain a feed/house crew while keeping expenses below cost throughout the season to earn enough to make it worthwhile for crew and permit holders. In short, requiring setnetters to fish in an unprofitable manner to get disaster relief is not reasonable. We have already lost our investment in permits, shore leases, fishing gear, land, seawalls, camps, and the many long-term investments made with the belief that the century-old fishery would continue. Forcing us to lose more money to prove that we deserve disaster relief adds insult to injury. It undermines the intent of the relief: to mitigate our losses until the fishery returns. Permit renewal and buoy sticker purchase is enough to establish intent to fish.

#### Research:

I'd like to see specific guidelines for spending the research funds.

Smolt-out programs for Sockeye and Chinook in the Kenai and Kasilof rivers are imperative to understanding the health of those runs and the dynamics that have impacted and will impact their health. This is especially important given the gross sockeye over-escarpments occurring in the Kenai and Kasilof unchecked.

The impact of the in-river commercial guide industry on the Chinook habitat has been ignored for years. With the loss of access to Kenai Chinook, these in-river commercial fishermen have focused on harvesting sockeye, running multiple trips per day, and leaving loosely guided parties on banks and bars throughout the river with few limitations. The impact of

increased boat and foot traffic in and around spawning beds and rearing areas must be assessed. When questions of habitat health are raised, the focus is immediately shifted away from the river to "unfavorable ocean conditions and prolonged marine heatwaves." Claims that may be true but, until confirmed, are speculative at best. Further, ocean conditions are uncontrollable. Let's look at habitat with the intent to manage for sending healthy smolt out into the sea to grow big and return in sustainable numbers.

I'd like to see representatives from the setnet fleet on the research committee that decides how the research funds are spent.

Unfortunately, the department is unduly influenced by politics rather than science when making decisions that impact the pursuit of real answers to the Chinook decline and management of the East Side Setnet fishery. If that's how the decisions will be made, we need a seat at the table.

Finally, spending disaster relief funds on studying alternative gear types is inappropriate. The East Side Setnet Fishery has sustainably harvested all five salmon species for over a century. Yes, we legally harvest kings in pursuit of sockeye. Still, the explosive expansion of in-river commercial guides targeting large Kenai Chinook salmon invariably contributed to the decline of the large Kenai Kings, along with warmer seas, climate change, and increased pressure on the Kenai River due to the exponential population growth in southcentral Alaska.

Looking to alter the ESSN's gear is not a path that will lead to finding out what is impacting the health of the Kenai River Chinook.

It only furthers the false narrative that the ESSN is responsible for the decline.

Thank you again for the opportunity to comment.

Andy Hall Eagle River, Alaska From: Philip Sheridan

Sent: Sunday, September 8, 2024 9:25 AM

**To:** DFG, ComFisheriesDisasters (DFG sponsored)

**Subject:** ESSN Disaster

Please only distribute East Side Set Net Money to ESSN fisherman. We have suffered plenty, completely shut down while everyone else continues fishing in some way. Only ESSN fisherman unfairly received the death sentence over king closures.

Sincerely,

Philip Sheridan ESSN Permit Holder

From: Matt Tikka

**Sent:** Friday, September 6, 2024 3:03 PM

**To:** DFG, ComFisheriesDisasters (DFG sponsored)

Subject: Hi. Matt Tikka lifelong east side setnetter in Upper Cook Inlet wishes he could be fishing instead of

commenting on disaster relief funds. It seems like this is the future for know. So sad! Closed for the

last 2 seasons and limited gear and time restr...

From: Jan Kornstad

Sent: Thursday, September 5, 2024 3:40 PM

**To:** Jones, Darion B (DFG)

**Subject:** Re: 2021/22 Disaster Funds Crew Member Spend Plan

### Darion,

Thank you for your prompt and thoughtful response. I'm passing these correspondences on to my crew members to see if there are some other ideas out there. One thought that has come up is related to the fact there are two kinds of crew member licenses available: the one-week license and the season license. Would the current spend plan be to disperse equal amounts to either kind of license? Are you able to have access to that information or would you be relying on the applicant to be giving some kind of descriptive information?

Jan Kornstad, CFO

From: Jan Kornstad

Sent: Wednesday, September 4, 2024 4:24 PM

To: Subject: 2021/22 Disaster Funds Crew Member Spend Plan

### Hello Mr. Jones,

I am the CFO of our small business ESSN fishing site. I recently reviewed the 2<sup>nd</sup> Draft for the 2021/22 Disaster Funds Spend Plan. Before I submit comments, I have a scenario that fits our situation and would be interested in your thoughts. I'm fairly certain that many of the setnet businesses in Cook Inlet experience this same situation. So consider the following please;

We have the capability to fish 12 nets. During the course of the fishing season, we employ as many as 20-25 crew members. This happens because some can only commit to a few days of work, others a couple of weeks and some the full season. Our crew members are paid according to the percentage of the season that they work. It doesn't seem reasonable for a crew member that only works a few days to receive the same Disaster Funds allocation as the crew member who works the whole season.

Here is what I propose, unless you tell me that this is legally not acceptable. I, as the permit holder that has employed the crew, will send "whoever" an affidavit listing each crew member's name along with whatever identifier is required. The spend plan would then send me, the permit holder, the total for my crew members and I will disperse the appropriate percentage to each crew member. This seems far simpler for you and far more equitable than giving everyone the same amount. Since you will have to cross-reference crew member names with your database no matter what plan is accepted, it seems this would not create any extra work for you. In fact, possibly less since fewer checks would be written. I do

realize that there could be some problems with less than diligent permit holders who won't make the effort to track down crew members from years past. Perhaps emails to the crew members in your database could "encourage" them to contact their permit holder employer?? Maybe some kind of fine could be assessed to a permit holder who did not send the eligible crew member their allocation?? This is a cumbersome and complicated situation and maybe the dollar amounts don't justify getting into too much detail.

I'm interested in your thoughts. Please feel free to shoot holes in any of my suggestions and/or refer me to some group that may be considering how to resolve this issue!

Thanks for listening, Jan Kornstad, CFO **Sent:** Wednesday, September 4, 2024 2:58 PM **To:** DFG, ComFisheriesDisasters (DFG sponsored)

Subject: Comments 2021 & 2022

Darion Jones P O Box 115526 Juneau, Ak. 99811

Hello Mr. Jones,

I am Gary Hollier. I am a 53 year Eastside Setnetter. I reside in Kenai, Alaska.

I am supplying comments on the second round for the 2021 & 2022 disaster distribution, that was recently made public.

Although not perfect, I agree with the spend plan as written.

I would add that for a S04H permit holder to receive compensation:

- 1. They must have renewed their permit(s) for the appropriate years.
- 2. They must have purchased buoy stickers for those same years. By purchasing buoy stickers, that showed intent that they were registered to set net in the Eastside Set Net fishery.

Thank you,

Gary L Hollier

Kenai, Ak

**From:** Gary Hollier

Sent: Friday, September 6, 2024 10:10 AM

**To:** DFG, ComFisheriesDisasters (DFG sponsored)

**Subject:** Re: Comments 2021 & 2022

Hello Darion

Thank you for your reply and clarification.

One thing I would like to add, it would be good to get disaster monies distributed ASAP.

The 2018 & 2020 has had the monies awarded. The money needs to get to Pacific States and sent to the individuals who have suffered losses from 6 years ago.

Hopefully distribution of monies can be made in a more timely manner!

Thank you

**Gary Hollier** 

Sent from my iPhone

**From:** warren Brown

**Sent:** Wednesday, September 4, 2024 2:48 PM **To:** DFG, ComFisheriesDisasters (DFG sponsored)

**Subject:** Re: Cook Inlet disaster

How much more of a disaster is there if the fishery is closed or only looking at an opener or 2? I pay my shore lease every year why isn't that an important criteria?

Most fishers that are getting disaster money don't even have shore leases, at least I pay mine every year weather I fish or not.

Warren Brown

I think it's a shame that older fishers like me who has spent a lot of money on my set net sites/permits etc but couldn't afford to gear up for 2seasons we didn't know if we're going to get any fishing time. The only people that could afford to fish were the people who has great sites and can make it on just a couple days fishing, now they are the ones that are getting disaster money and not the little people who couldn't afford to gear up. Seems like a bad plan to me

Warren Brown

From: Cheryn Clark

**Sent:** Tuesday, September 3, 2024 2:50 PM

**To:** DFG, ComFisheriesDisasters (DFG sponsored) **Subject:** 2021-22 UCI ESSN Spend Plan Comments

#### Hello,

My name is Russell Clark and I am an ESSN fisherman. I support the spend plan as currently drafted and believe that the qualifier for consider per permit should be the purchase of buoy stickers. I feel that participation should not be a qualifier during these years as Covid was a factor in reduced participation. Also restrictions in the ESSF has been a deterrent for participation during these disastrous years which permit holders have no control over. Each setnet operation is different and many times permits are registered in fishing groups. This may create a situation where a permit holder actually fished his permit but a landing was recorded on a different permit in the registered group. Landings were not delivered with disaster relief in mind so I encourage a properly registered permit with buoy sticker registration as valid qualification for disaster relief.

Respectfully,

Russell Clark