

Permit Values for Area M and Chignik are not relevant to Proposal 186.

Area M has double to nearly quadruple the number of Latent (unfished) Permits when compared to Chignik. Permit Values are strongly driven by the supply versus demand for permits - the number of latent (unused) permits and not by the fishery value. The difference of permit values between Area M and Chignik is meaningless regarding proposal 186. The large number of latent permits is very relevant for proposal 189 and speaks to being very cautious about allowing dual permits in Area M because it could pull in latent permits and significantly increase the amount of fishing gear in the water which could vastly increase the interception of mixed stocks. The proposer makes the poor assumption that eventually 100% of the total 119 permits issues will all be fished which would vastly increase effort - and that this is the best proposal to deal with that potential future boogey-man problem. See Page 2.

Year	Area M Seine Latent Permits	Total Chignik Latent Permits	Percentage more Latent Permits in Area M than in Chignik
2014	70	21	333%
2013	59	15	393%
2012	63	22	286%
2011	60	27	222%
2010	56	26	215%

Please Read the letter on Page 2

Chuck McCallum

Dear Alaska Board of Fish,

My name is Dan Veerhusen, and I am from Homer, Alaska.

I have been a Commercial Fisherman here in Alaska for dam near 50 years, and have participated in the Chignik Seine fishery since 1970, and with my own boat and permit since 1987.

Several years ago, I decided to try my hand in the Area M seine fishery, and purchased a permit there. To this date, I have been unable to get a market in the Area M Shumigan Island district to even be able to participate in the fishery!

I am convinced that the main reason that the value of Area M Seine permits is low (around \$65,000 vs. over \$200,000 for a Chignik permit) is because there are a large number of Latent Area M permits - and the reason that they are latent is because many of the permit holders are unable to get a market in the fishery!

During the 80's and early 90's, almost all of the approximately 125 Area M seine permits were used. The same in Chignik for it's approximately 100 seine permits.

I believe that a select group of around 35- 45 Area M seiners, have been able to pressure the canneries in Area M to not allow any more fishermen back into the fishery. When our prices collapsed in the mid 90's, many fishermen around the State quit fishing - Most Area's have seen a re-bound in permit utilization since 2010 when prices started coming back up, and in most cases are back up to at least 80% utilization.

Not so in Area M. For some reason, the "chosen few" have influence with the processors, and prevent people like myself, who legally own a permit in Area M, from even being allowed to fish.

This effectively makes my Area M permit worthless, and is one of the reasons why the permit value is so much less than in Chignik, where any of the approximately 100 permits can freely come and fish.

I just wanted to clarify this mis-understanding about permit values! Any questions give me a call 299 1395 email veerhusen@gmail.com

Sincerely,

Dan Veerhusen,
PO Box 971
Homer, AK 99603

A handwritten signature in black ink that reads "Dan Veerhusen". The signature is written in a cursive, flowing style with a large, stylized 'D' and 'V'.