



THE STATE  
of **ALASKA**  
GOVERNOR BILL WALKER


RC 007

Commercial Fisheries Entry Commission

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To: Glenn Haight, Executive Director  
Board of Fisheries

Date: December 1, 2015

From: Bruce Twomley, Chairman  
 Benjamin Brown, Commissioner  
Commercial Fisheries Entry Commission

Subject: CFEC's General  
Comments on Bristol Bay  
Stacking Proposals

The Alaska Commercial Fisheries Entry Commission supports efforts by the Alaska Board of Fisheries to work with Alaska salmon fishermen to find regulatory methods to help restructure their fisheries in order to reduce harvesting costs and improve economic returns.

In 2002, the Alaska Legislature enacted AS 16.43.140(c)(5) authorizing a person to hold up to two permits in a particular salmon fishery for purposes of fleet consolidation. The same legislation prohibited the holder of two entry permits in the same fishery from fishing under the second entry permit.

In 2006, the Legislature enacted AS 16.05.251(i) granting the Board of Fisheries authority to adopt a regulation to allow a person who holds two entry permits for a salmon fishery an additional fishing opportunity.

Since 2004, Board of Fisheries regulation 5 AAC 06.333 allows two Bristol Bay salmon drift gillnet permit holders operating from the same vessel to fish an additional 50 fathoms of gear under certain conditions. This regulation has encouraged some consolidation of fishing operations within a season. Please refer to the section on dual-permit drift operations in CFEC Report Number 15-4 (Nov. 2015), *CFEC Permit Holdings and Estimated Gross Earnings in Bristol Bay Commercial Salmon Fisheries, 1975 – 2014*.

In 2009, the Board of Fisheries adopted 5 AAC 06.331(u), which authorized a single individual to employ two Bristol Bay salmon set net entry permits and fish two full compliments of gear. This regulation was subject to a sunset provision which caused the regulation to terminate after December 31, 2012.

There are presently several proposals before the Board to amend 5 AAC 06.331 again to include additional fishing privileges to a person holding two permits for a Bristol Bay salmon fishery. The commission believes that this type of regulation would encourage some persons to purchase a second permit and would therefore be a catalyst for fleet consolidation as the number of fishing operations in the fishery would be reduced. Please refer to the section on set net permit stacking in the report *CFEC Permit Holdings and Estimated Gross Earnings in Bristol Bay Commercial Salmon Fisheries, 1975 – 2014*. This could improve the economic returns of all operations remaining in the fishery, both for those with two permits and those with a single permit.

The commission supports the concept of allowing a person with two permits in a fishery an incremental amount of additional fishing privileges (short of simply doubling the opportunity). In effect, the Board would be creating additional incentives for a voluntary “market-driven” fleet-consolidation program that would not require a government-run, fisherman funded permit buy-back program. Fleet consolidation could begin immediately without the need for a large upfront loan and without the imposition of buy-back taxes on all permit holders to pay back the loan.

While the commission supports the concept, the commission is not supporting any of the specific proposals before the Board. In particular, we would not support proposals that raise significant concerns among Department of Fish & Game managers or Department of Public Safety enforcement officers.

Additionally, the proposals would likely increase demand for entry permits. We would suggest consideration of the potential effects on permits held by watershed and Alaska residents. We would also suggest consideration of the potential effects on the substantial effort and resources that have been expended to maintain and increase the number of permits held by watershed and Alaska residents. Finally, we would suggest consideration of the potential effects on dual operations by two permit holders.