

State of Alaska FY2002 Governor's Operating Budget

Department of Fish and Game
Commercial Fisheries
Budget Request Unit

Commercial Fisheries Budget Request Unit

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BRU Mission

The mission of the Division of Commercial Fisheries is to manage, protect, rehabilitate, enhance, and develop fisheries and aquatic plant resources in the interest of the economy, consistent with the sustained yield principle and subject to allocations through public regulatory processes.

BRU Services Provided

The mission of the Commercial Fisheries division is accomplished by researching the status of exploited fish stocks, establishing biological guidelines to protect reproductive biomasses, rehabilitating or enhancing where possible, and managing harvests within acceptable limits. The division implements decisions of the Board of Fisheries which allocate fishery resources to commercial, personal use, and subsistence uses. Fishery resources consists of shellfish (crab, shrimp, clams, scallops), herring, five species of salmon, and some groundfish populations.

The Fisheries Management Components contain the division's regional and statewide basic resource management and administrative programs, such as resource assessment, fisheries monitoring, inseason regulation, vessel support, administrative support, fiscal and program planning, data processing and project review. The Fisheries Development Component contains the division's fisheries rehabilitation, enhancement and development programs, such as oversight and technical support to the state's private and public salmon hatcheries and mariculture industry, developing techniques for rehabilitating depressed fish populations, and enhancing healthy, but less productive populations, and support for the development of new fisheries. The Special Projects Component contains authority to allow the division to receive funding from various contracts and grants to further our mission. The CIP Positions Costs component contains authority to document personal services costs for employees working on CIP Projects.

BRU Goals and Strategies

1. Provide for healthy, sustainable, and economically viable commercial fisheries.
 - Help the commercial fishing industry respond to changing market conditions.
 - Develop new fishing opportunities that will strengthen and broaden the economic base of Alaska's commercial fisheries.
 - Conduct research to help understand and anticipate major changes in salmon production.
2. Provide for subsistence harvest of fish, shellfish, and aquatic plants as the priority use consistent with the sustained yield principle.
3. Manage Alaska's fish, shellfish, and aquatic plant resources based on sound science, good management principles, and a fair and open public process.
 - Manage for sustained yield following objectives set by division managers and the Board of Fisheries.
 - Utilize the best available scientific information and technology to ensure well-informed, sustainable fisheries management.

Key BRU Issues for FY2001 – 2002

The division is increasingly involved in new tasks related to dual State-Federal management of subsistence fisheries in the general categories of management coordination, regulatory coordination, and cooperative research and monitoring.

Division staff have been named to an Alaska Steller Sea Lion Restoration Team which was formed by Governor Knowles to provide an assessment of the factors likely to have promoted the recent decline in western Steller sea lion populations, the need for recent and future restrictions to commercial fisheries in order to protect and restore sea lion populations, and recommendations for adaptive research to test whether such restrictions are necessary, beneficial or harmful.

Salmon Markets

Reduced salmon prices are resulting in severe economic impacts on coastal and river residents, local governments, and the state. The division has been working with the Salmon Industry Response Cabinet to develop and implement projects that will improve market conditions and with fishermen and processors at the local and regional level to develop management strategies that will improve quality. The department continues to work with salmon hatchery operators, fishermen, processors, as well as food banks, to develop strategies that ensure the full utilization of hatchery produced salmon.

Developing Fisheries

In recent years there has been a growth in the exploitation of previously under-utilized species, such as sea cucumbers, sea urchins, and clams. These growing industries, however, are exploiting stocks not normally assessed or managed by the division. In order to take advantage of these development opportunities, more assessment and management planning will be required. The division, in cooperation with the industry, the Board of Fisheries and the Legislature, is developing policies that will guide the development of new fisheries. These policies will address sustainable harvest strategies, funding, markets, product quality, resident employment, and distribution of benefits.

Declining Salmon Returns to Western Alaska

Poor salmon returns to western Alaska in recent years have resulted in severe hardships for residents of the area that are heavily dependent on the salmon resources for commercial salmon fishing income and subsistence. The division is developing a federally-funded, research plans that will assist in understanding and anticipating major changes in salmon production. The research plan will be coordinated with other divisions, agencies, and entities conducting research aimed toward understanding changes in fish production in the Bering Sea.

Fisheries Allocations

The allocation of fisheries resources among various users continues to be one of the most significant issues facing state policy makers and natural resource managers. The number of allocation issues is increasing in complexity and scope. In many cases, the division does not have adequate funding to gather and analyze the data needed by the policy makers to address these more complex issues, nor does it have the funds needed to carry out allocative management decisions that require new or expanded programs for implementation.

Vessels and Aircraft Maintenance

The division has five large research and support vessels and four small aircraft, with a total replacement value in excess of \$12 million. These vessels and aircraft require regular maintenance and periodic overhaul. They are integral to a variety of finfish, shellfish, and groundfish stock assessment programs, and also provide platforms for inseason management of several specific fisheries. Maintenance must be provided to protect this capital investment, to assure efficient operations, and meet department and federal safety requirements. A request for funds for major maintenance work is contained in the Fish and Game CIP request.

Major BRU Accomplishments for FY2000

The 2000 Alaska commercial salmon catch of 135.7 million fish was below the forecasted harvest of 153 million, but still ranks as the 12th highest harvest during the last 123 years. This equated to 702.8 million pounds of fish, with an exvessel value of over \$260 million. Overall salmon returns to the AYK Region were poor for the third consecutive year.

Alaska's statewide commercial salmon fisheries program was certified as well managed and sustainable by the Marine Stewardship Council (MSC). Alaska is the only salmon fishery in the world to be certified as meeting the rigorous MSC standards. The MSC certification recognizes the overall high quality and fundamental conservation strengths of Alaska's salmon management program.

A Sustainable Salmon Fisheries Policy for Alaska was adopted in regulation by the Alaska Board of fisheries. The policy contains five fundamental principles for sustainable salmon management, each with criteria that will be used by the department and the board to evaluate the health of the state's salmon fisheries and address any conservation issues and problems as they arise.

For FY2002, \$1 million dollars in federal funding was obtained to develop a snow crab research program that includes at-sea reconnaissance surveys to define stock distribution, laboratory and field studies on crab biology, and experiments to estimate handling and other fishing-related sources of mortality and remedial measures.

For FY2002, \$5 million in federal funds were obtained for a comprehensive salmon research program in the Norton Sound area. The division is developing a research plan that will assist in understanding and anticipating major changes in salmon production in the Norton Sound area where salmon returns have been very poor in recent years. This research plan will be coordinated with other divisions, agencies, and local organizations.

New federal and private funds have been obtained to continue the division's ongoing efforts to develop new fishing opportunities that will strengthen and broaden the economic base of Alaska's commercial fisheries.

The State manages groundfish in the 0 to 3 mile territorial sea in concert with federal groundfish management actions. The department, in concert with local communities, the industry, and the Board of Fisheries, has developed some small, slower-paced fisheries that will benefit Alaska coastal communities.

Efforts continue to promote efficiencies and achieve cost savings by reprogramming resources toward the highest priority issues, consolidating or eliminating programs, utilizing staff attrition to downsize the workforce, and developing cooperative resource assessment projects with private entities.

Key Performance Measures for FY2002

Measure: The number of escapement objectives met compared to the total number of objectives set per region.

(Developed jointly with Legislature in FY2001.)

Measure: The number of allocation objectives met compared to total number of objectives set per region.

(Developed jointly with Legislature in FY2001.)

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
• The harvest for each fishery, based on the location, species, and gear, compared to the 10-year average for that fishery.					X
• The percentage of fisheries open in one year compared to total number of fisheries.					X
• The percentage of permits actively fished compared to 10-year average of permits fished.					X
• The actual harvest compared to the projection.					X

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	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
<ul style="list-style-type: none"> The number of escapement objectives met compared to the total number of objectives set per region. The number of allocation objectives met compared to total number of objectives set per region. 		X			
		X			

Commercial Fisheries
BRU Financial Summary by Component

All dollars in thousands

	FY2000 Actuals				FY2001 Authorized				FY2002 Governor			
	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds
Formula Expenditures None.												
Non-Formula Expenditures												
SE Region Fisheries Mgmt.	4,149.6	451.1	532.7	5,133.4	4,245.6	528.9	1,150.1	5,924.6	4,252.1	533.9	646.4	5,432.4
Central Region Fisheries Mgmt.	5,315.7	0.0	686.2	6,001.9	5,172.1	0.0	980.3	6,152.4	5,186.9	0.0	971.9	6,158.8
AYK Region Fisheries Mgmt.	3,827.8	0.0	44.7	3,872.5	4,037.0	0.0	170.3	4,207.3	4,035.0	0.0	168.5	4,203.5
Westward Region Fisheries Mgmt.	5,476.3	0.0	862.3	6,338.6	5,583.7	0.0	1,751.3	7,335.0	5,601.5	0.0	2,224.0	7,825.5
Headquarters Fisheries Mgmt.	3,502.0	0.0	383.6	3,885.6	3,172.0	383.7	757.9	4,313.6	3,314.6	0.0	733.6	4,048.2
Fisheries Development	2,157.3	0.0	0.0	2,157.3	2,300.2	0.0	29.5	2,329.7	2,254.3	0.0	2.3	2,256.6
Comm Fish Special Projects	0.0	6,449.0	1,729.0	8,178.0	0.0	8,623.1	4,012.5	12,635.6	0.0	9,999.3	5,017.1	15,016.4
Comm Fish CIP Position Costs	0.0	0.0	705.5	705.5	0.0	0.0	1,165.2	1,165.2	0.0	0.0	1,155.2	1,155.2
Comm Fish EVOS Restoration Projs	0.0	0.0	349.6	349.6	0.0	0.0	247.1	247.1	0.0	0.0	246.1	246.1
Totals	24,428.7	6,900.1	5,293.6	36,622.4	24,510.6	9,535.7	10,264.2	44,310.5	24,644.4	10,533.2	11,165.1	46,342.7

Commercial Fisheries**Proposed Changes in Levels of Service for FY2002**

The division is requesting a \$1 million dollar federal authority increment in the Special Projects component that will fund federal subsistence projects. An additional \$1 million Receipt Services increment also in the Special Projects component will fund various fishery projects across the state. No other services changes are anticipated.

Commercial Fisheries**Summary of BRU Budget Changes by Component****From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	24,510.6	9,535.7	10,264.2	44,310.5
Adjustments which will continue current level of service:				
-SE Region Fisheries Mgmt.	6.5	5.0	-503.7	-492.2
-Central Region Fisheries Mgmt.	14.8	0.0	-8.4	6.4
-AYK Region Fisheries Mgmt.	-2.0	0.0	-1.8	-3.8
-Westward Region Fisheries Mgmt.	17.8	0.0	472.7	490.5
-Headquarters Fisheries Mgmt.	142.6	-383.7	-24.3	-265.4
-Fisheries Development	-45.9	0.0	-27.2	-73.1
-Comm Fish Special Projects	0.0	376.2	4.6	380.8
-Comm Fish CIP Position Costs	0.0	0.0	-10.0	-10.0
-Comm Fish EVOS Restoration Projs	0.0	0.0	-1.0	-1.0
Proposed budget increases:				
-Comm Fish Special Projects	0.0	1,000.0	1,000.0	2,000.0
FY2002 Governor	24,644.4	10,533.2	11,165.1	46,342.7