

# **State of Alaska FY2018 Governor's Operating Budget**

## **Department of Fish and Game Commercial Fisheries Entry Commission Component Budget Summary**

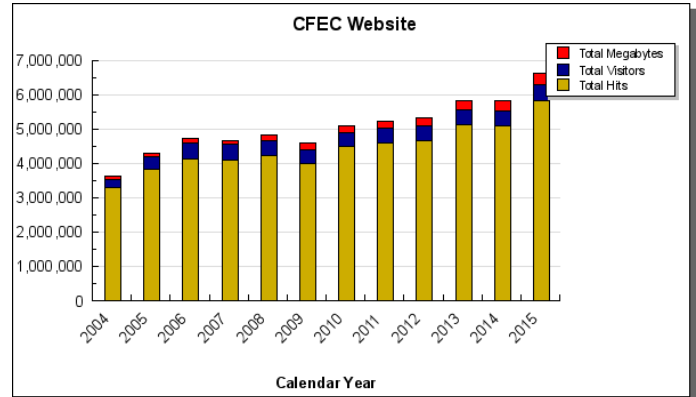
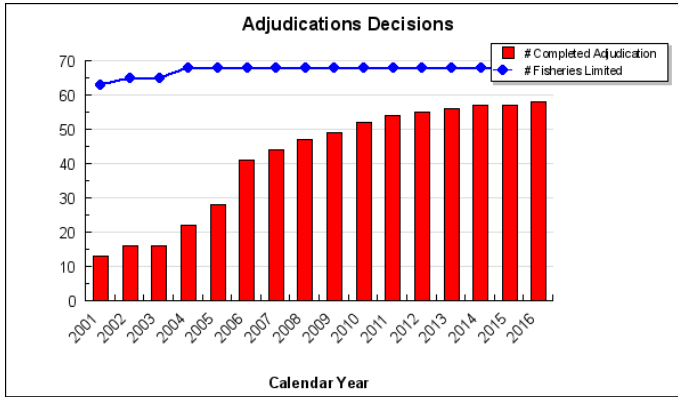
**Component: Commercial Fisheries Entry Commission**

**Contribution to Department's Mission**

To control entry into Alaska's commercial fisheries to promote conservation of Alaska's fishery resources and economic health of commercial fishing.

**Results**

(Additional performance information is available on the web at <https://omb.alaska.gov/results.>)



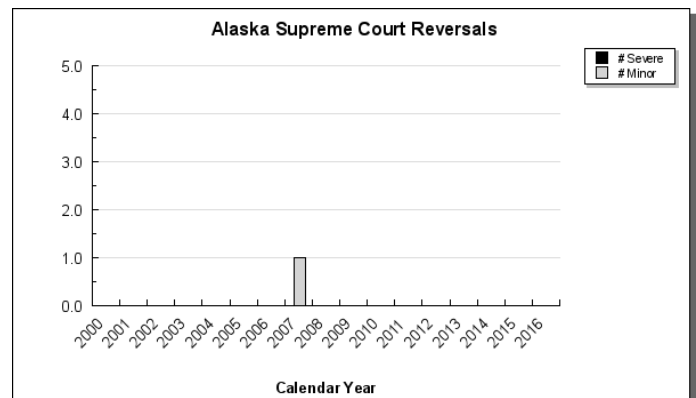
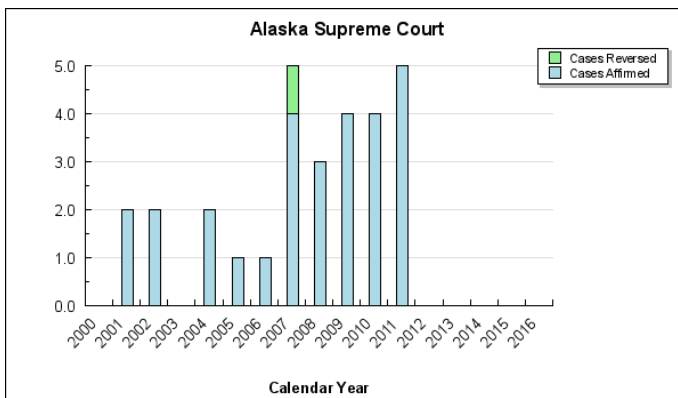
**Core Services**

- Ensure all commission decisions are consistent with requirements of the Limited Entry Act and the Alaska Constitution.
- Timely and accurate processing and documentation of annual permit and license renewals, and of permit transfers.
- Timely publication of research reports including the monthly permit value reports.

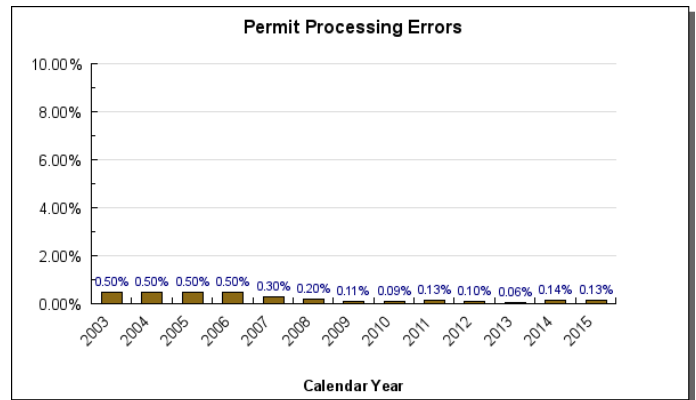
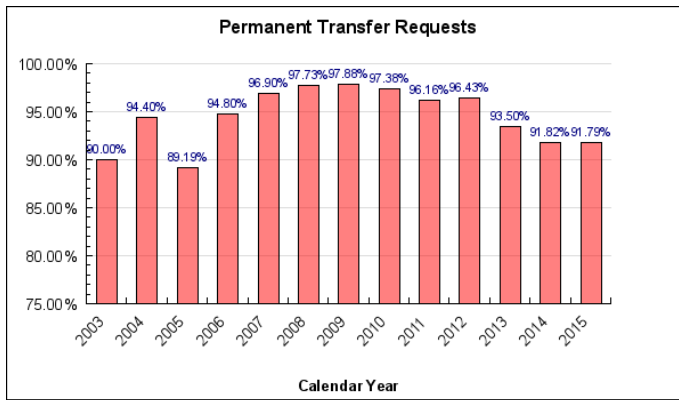
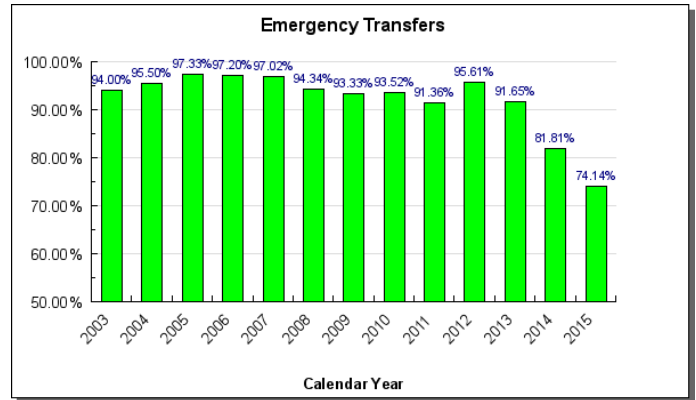
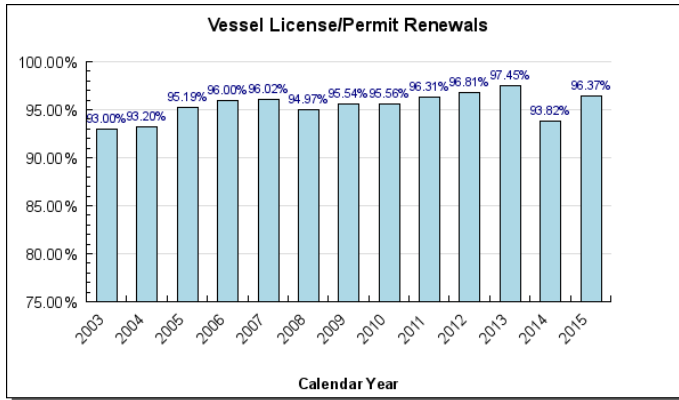
**Measures by Core Service**

(Additional performance information is available on the web at <https://omb.alaska.gov/results.>)

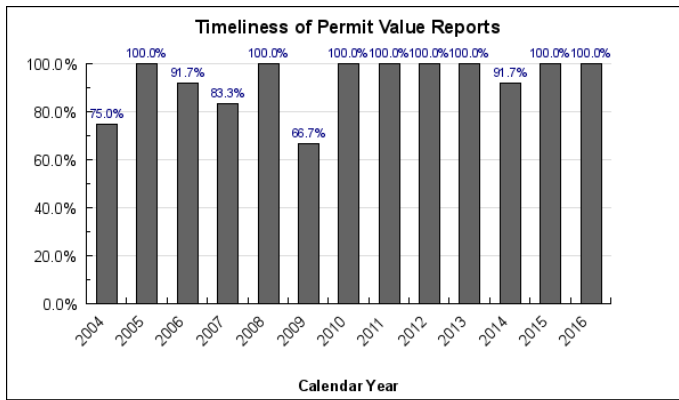
**1. Ensure all commission decisions are consistent with requirements of the Limited Entry Act and the Alaska Constitution.**



**2. Timely and accurate processing and documentation of annual permit and license renewals, and of permit transfers.**



**3. Timely publication of research reports including the monthly permit value reports.**



**Major Component Accomplishments in 2016**

**CFEC Regulations**

**Proposed Regulation to Authorize Alternative Gear Type for Southern Southeast Inside Sablefish Longline Limited Entry Permit Holders**

During the 2016 Board of Fisheries Work Session, holders of limited entry permits in the Southern Southeast Inside sablefish longline fishery requested that they be authorized to use pot gear as an alternative gear type to protect their catch from orca predation. In response, on October 25, 2016, Board of Fisheries Chairman John Jensen wrote to request help from the Commercial Fisheries Entry Commission (CFEC) as follows:

There is no question longline fishermen in Southern Southeast are experiencing killer whale predation, just as longline fisheries across Alaska have faced. While the board could not clearly determine the predation is a conservation concern, there is enough uncertainty that action is potentially warranted.

The Board recognizes ... CFEC is authorized to allow pot gear to be used under limited entry longline permits. The Board is encouraged by CFEC's interest in this matter to date and requests it consider conducting a regulatory review of allowing pots as an acceptable gear type under limited entry longline permits for the Southern Southeast sablefish fishery (C61C).

Should CFEC change its regulations the Board may need to consider any follow up regulatory action under its authority. [For the Board to have sufficient time to undertake its regulatory action,] CFEC would need to have its regulation change accomplished by March 2017 or at the latest, before the Board's October 2017 Work Session.

In response, CFEC submitted a draft regulatory proposal to Susan Pollard, Chief Assistant Attorney General & Regulations Attorney with Department of Law. CFEC is proposing a comment period that would end on February 17, 2017, when CFEC would also conduct a public hearing on the proposed regulations.

While CFEC's scoping discussions with Southern Southeast longline and pot fishermen and processors have encouraged CFEC to go forward with the proposal, at the same time it is anticipated there may be opposition to the proposed regulations. If, after the end of public comment, CFEC can conclude from the record that authorizing pots as an alternative type of legal gear under AS 16.43.100(a)(12) would be consistent with the purposes of the Limited Entry Act, CFEC would be inclined to act favorably on the proposal.

#### **Proposed Regulation to Remove Sitka Sound from the Northern Southeast Herring Roe-on-Kelp Fishery Administrative Area**

At the request of the Board of Fisheries, CFEC proposed a regulation to exclude Sitka Sound from the Northern Southeast administrative area for the herring roe-on-kelp pound fishery. This change would have allowed the Board of Fisheries to go forward with a proposal to allow permit holders in the Southeast herring roe seine fishery to harvest herring roe with pounds rather than seine nets.

The CFEC received numerous public comments from stakeholders on the proposal and held a well-attended hearing to take public testimony. The public comment – both written and testimonial – was overwhelmingly in opposition to the proposal, and the Commission decided not to go forward with the proposed change. CFEC notified the Board of Fisheries of its decision in a letter in January 2016, stating as follows:

Nothing in our research or the public comment we received on this latest proposal convinces us that a change is needed at this time in the administrative area definition for the fishery that has been in place since 1995. If, however, the Board of Fisheries decides to go forward with Proposal 126 or something like it, we would reconsider the matter and examine whether allowing the Southeast roe herring seine permit holders to participate as pound fisherman would be consistent with the Limited Entry Act. Without prejudging the issue ... based on the overwhelmingly negative public comment we received, proponents of such a change will have a significant burden of persuasion.

#### **Regulations Adopted to Update Federal Poverty Guidelines and to Facilitate Emergency Transfers between Parties to a Proposed Permanent Transfer of an Entry Permit**

In the fall of 2016 the Commission proposed and adopted the following changes in CFEC's regulations.

20 AAC 05.245(a)(1) was amended to make clear that "estimated value" used by CFEC to set permit fees for a limited fishery is the same as "appraised value" transmitted to the Department of Commerce, Community & Economic

Development's (DCCED) Division of Economic Development and the Commercial Fishing & Agriculture Bank (CFAB) for the commercial fishing loan programs they administer (20 AAC 05.1990).

20 AAC 05.245(a)(3) was amended to reflect the fact that the Commission will at times adjust permit renewal fees when a strict application of the 4/10 of 1% calculation provided for in regulation does not accurately reflect the economic returns in a given fishery. This can occur when calculating a fee for either a limited fishery (20 AAC 05.245(1)) or an open-access fishery (20 AAC 05.245(2)). The regulation that allows the adjustment (20 AAC 05.245(3)) previously referenced only open-access fisheries in its first paragraph, but referenced both types of fisheries in the subsection that directly pertains to the economic return problem (20 AAC 05.245(3)(B)). This change made the regulation internally consistent.

As is the practice annually, 20 AAC 245(c)-(e), 250(b), and 1910(h) were amended because the Commission allows a reduction in fees when an applicant can demonstrate that his or her annual income is within the poverty guidelines and food stamp asset limits, both of which are set each January by Federal regulation. CFEC annually amends its regulations to match the most recent Federal law changes in time to be reflected on the renewal forms sent out every year in early November.

20 AAC 05.1725(c) was amended to conform the section to reflect a change made in 2015 that allows for the emergency transfer of a second permit in the same salmon fishery when it is in aid of an otherwise legitimate permanent transfer that can't be done in time to get the permit fishing for the current season (typically because the 60-day notice period required by AS 16.43.170(b) has not expired). The purpose of this change was to avoid the hardship that lost fishing time can cause the transferee when the notice period runs during the fishing season.

The Commission amended 20 AAC 05.1740(b) to put in regulation for the first time a longstanding Commission practice to allow for the grant of a temporary emergency transfer of an entry permit to alleviate the hardship that can occur when an otherwise legitimate permanent transfer cannot be completed (typically because of the 60-day notice problem) and fishing time would be lost. The Commission allows this type of temporary emergency transfer on a case-by-case basis, and these account for approximately 10% of the total emergency transfers allowed each year.

### **Board of Fisheries**

Research & Planning's analysts consistently maintained open channels of communication with the Board of Fisheries regarding information on fishery resources and the context for proposed regulatory changes. For the Board's 2016/2017 meeting cycle, Research produced two formal, published reports: 1) *CFEC Permit Holdings and Estimates of Gross Earnings in the Kodiak Commercial Salmon Fisheries, 1975-2015 – CFEC Report 16-7N*; and 2) *CFEC Permit Holdings and Estimates of Gross Earnings in the Cook Inlet Commercial Salmon Fisheries, 1975-2015 – CFEC Report 16-5N*. The reports were carefully researched and written to reflect that they are intended not only as informational resources for Board members, but also for regulators, Department of Fish & Game (DFG) fishery managers, and the fishing community at large. These reports and others like them are relevant not only in the moment when they are produced, but provide a valuable resource in perpetuity for all those concerned with and interested in Alaska's commercial fishing industry.

### **Emergency Transfer Study**

Research & Planning published the report *Emergency Transfers of Alaska's Commercial Fisheries Limited Entry Permits, 1975-2015 - CFEC Report 16-6N*. This report is an encyclopedic summary of the emergency transfer of CFEC fishery permits, and is intended as an informational resource for the Alaska Legislature, regulators, and the fishing community at large. This report was written in response to an increasing number of requests over time for more data to illustrate the aggregate statistical facts of emergency transfers as well as the socio-economic and other factors that drive fishermen to request permission under the Limited Entry Act for these temporary transfers.

### **Statutory Fee Ceiling**

From the end of the 2015 legislative session through 2016, many members of the Alaska Legislature and representatives of the Administration have shown interest in the \$3000 ceiling on limited entry permit renewal fees contained in AS 16.43.160(c) because they see this ceiling as causing potentially significant foregone revenues at a time when the State is in need of every possible dollar to fund essential operations. Research analysts investigated the matter and prepared for Commissioners numerous analyses of the effect of eliminating the fee ceiling. These analyses presented the concomitant increase in State revenues that would result from elimination of the ceiling, as well as the different fisheries and permit holders who would be impacted by such a change in policy by the

Legislature. A formal memorandum was prepared for one legislator in September 2016.

### **Other Ad Hoc Reports**

Research analysts generated other specialized *ad hoc* reports requested by other governmental agencies, private research firms, and academics. One such analysis was done for the McDowell Group which relied upon it to develop and write the report *Sockeye Market Analysis: Fall 2016* published by the Bristol Bay Regional Seafood Development Association. This report was presented at the Pacific Marine Exposition (Fish Expo) in Seattle in November 2016, to which (because of a ban on non-essential travel) for the first time in recent memory CFEC Research & Planning staff were not able to attend (despite the authorization for five individuals from DFG to attend the same meeting). Another *ad hoc* report was an analysis done for the Alaska Local Boundary Commission (housed administratively in DCCED), summarizing CFEC permits held by residents of Dillingham and Manokotak.

### **SARDFA Fleet Reduction**

Research & Planning and the CFEC Commissioners were contacted by the Southeast Alaska Regional Dive Fishery Association (SARDFA) regarding its continued efforts towards fleet capacity reduction through a permit buyback program. SARDFA is seeking to permanently retire a selection of permits from one or more of the Southeast dive fisheries: the Southeast geoduck clam dive fishery, the Southeast sea cucumber dive fishery, and/or the Southeast sea urchin dive fishery. Among other things, SARDFA is concerned about sea otter predation. Research performed a review of the status of permits in each of the three discrete fisheries. The review yielded information essential to CFEC Commissioners to be able to assist and advise SARDFA on its potential buyback program. The review is also useful information for SARDFA management to be able to explore potential paths forward, such as which fisheries and permits to target, and further refine and develop a successful program.

### **Cook Inlet Salmon Setnet Surveys and Information Gathering**

Research & Planning has undertaken and concluded an initial survey of the Cook Inlet salmon set gillnet fishery, and produced the report *Baseline Data Survey of the Cook Inlet Salmon Set Gillnet Fishery – CFEC Report 16-4C*. Research will focus additional attention on the economic health of the Cook Inlet salmon set gillnet fishery with a follow-up survey of permit holders. The second survey is under design and being developed for permit holders to take in winter 2016/2017; it will collect specific data on the economics underlying the fishery. These economic data collected will be useful as public interest continues to grow in how this fishery will be managed in future years.

### **Permit Values**

An essential and ongoing CFEC Research function is to provide an estimated value of limited entry permits on a regular basis. Research analysts published monthly reports of estimated permit values for use by permit holders, brokerage firms, lenders such as the Division of Economic Development and CFAB, and the general public. These efforts of Research staff may not generate as much overt praise and appreciation as other special projects and *ad hoc* reports, but are every bit as essential to CFEC's mission to support and nurture a healthy and productive commercial fishing industry in Alaska.

### **Information Technology**

CFEC's Information Technology (IT) Section continued in 2016 to provide the most secure, consistently available, and reliably comprehensive data on Alaska's commercial fishing industry while providing staff and clients with world-class service. IT provides critical data to the general public, clients, and Federal and State agencies with a high degree of service and efficiency. CFEC is home to the most crucial and unique economic data on Alaska's commercial fisheries available anywhere and the IT staff is a key medium by which this information is processed and made available.

With a continuing emphasis towards securely providing an array of services to all of CFEC's clients, including fishermen and other members of the public, CFEC has in the past year striven to comply or exceed all State, Federal, and industry standards for the protection of Personally Identifiable Information (PII) and Payment Card Information-Data Security Standards (PCI-DSS). In 2016, CFEC upgraded the environmental systems that control temperature and humidity in the network/server room in response to continuing challenges arising from facility and hardware problems. IT staff also completed the development and deployment of a new web-based application to survey participants of any targeted fishery for analytical results that will enhance CFEC's ability to make the most well-informed decisions on permit management and economics of these fisheries. This new tool has tremendous potential to allow for rapid generation of data in response not only to CFEC's identified priorities but also other State and Federal agencies which timely identify and request research assistance.

2016 also saw enhancements to many of CFEC's existing local applications and processes for sharing data with other organizations. At the same time that existing services and programs were maintained, planning and design for future systems replacements has continued. These preparations for the future include surveying capacity requirements and undertaking preliminary design for a new version of CFEC's Employment Management Application (EMA), which is used for all time-keeping, leave requests and approvals, and timesheet submissions for CFEC staff. EMA's redesign has been necessitated by the State of Alaska's transition to the Integrated Resource Information System (IRIS) across all departments of the executive branch. The new EMA will be fully compliant with the standards and directives of IRIS and will allow for a seamless transition to a new era of electronic management of staff-related IT functions.

### **Licensing**

CFEC's Licensing Section staff is responsible for serving Alaska's commercial fishing industry in sometimes very complex situations with challenging elements ranging from biological and economic to medical and personal. Licensing staff members are required to be able to make accurate determinations regarding eligibility for requested transactions, to accurately track salmon net area vessel registrations, to assess demerit points in response to notifications from the Alaska Court System, and to evaluate and prioritize the need to expedite processing of paperwork pertaining to critical limited entry permits and vessel licenses. Because fishermen rely on these forms of documentation of legal fishing privileges for their livelihood, CFEC's Licensing staff must take care in handling the renewals of licenses and permits and work closely with the CFEC Commissioners and Law Specialist to ensure compliance with the Limited Entry Act.

With a staff of 6 individuals, the Licensing Section has issued 4,354 permits, 2,515 vessel licenses, processed 170 emergency transfers, 259 permanent transfers and issued demerit points to 135 fishermen since July 1, 2016.

### **Permit Holders and Public Assistance**

Several years ago, CFEC helped Alaska Legal Services Corporation (ALSC) win a case before a Social Security Administration (SSA) Administrative Law Judge on behalf of a former limited entry permit holder from Togiak and this achievement continued in 2016 to benefit other similarly-situated permit holders. The woman had received her setnet permit by gift from her grandmother, but later became disabled and transferred the permit by gift to her younger sister. Because she did not sell the permit for value, SSA disqualified her from eligibility for disability payments. CFEC conducted research and provided testimony to the Administrative Law Judge who ruled entirely in the woman's favor. Part of CFEC's contribution was to call attention to an older successful lawsuit by ALSC which caused the SSA to modify their controlling regulation to make an accommodation for Alaska limited entry permit holders. The amendment and its administrative history in the Federal Register helped to guide the judge in his reading and favorable application of the regulation.

The fact that CFEC's information would not otherwise have been before the judge suggests that relevant information can be overlooked within the SSA. As permit holders in similar circumstances continue to contact CFEC this indicates that dissemination of information about the case has not been automatic. CFEC has a continuing duty to work with permit holders and their advocates employing best efforts to ensure that the decision will help other Alaska limited entry permit holders now and in the future. If CFEC finds that problems persist in a given State or Federal agency, CFEC will likely engage in systemic advocacy through agency managers.

### **Fleet Reduction**

Under statutory authority conveyed by the Alaska Legislature to DFG in AS 16.40.250 (§ 1 Chapter 134, SLA 2002), the Commissioner of Fish & Game in 2003 approved formation of the Southeast Revitalization Association (SRA) as a qualified salmon fishery association for the purpose of fleet consolidation in the Southeast salmon purse seine fishery. DFG and CFEC supported the fleet reduction program developed by the SRA for the Southeast salmon purse seine fishery. In 2004 almost half of the permits (49.5%) had gone unfished.

DFG facilitated the initial phase of the program by issuing a Federal grant to the SRA of nearly \$3 million which resulted in the relinquishment of 35 Southeast salmon purse seine permits. Following the passage of Federal

legislation, in November 2011 the National Marine Fisheries Service (NMFS) published final regulations governing the program and the Federal loan funds. Following hearings in which CFEC participated during March of 2012, NMFS conducted a referendum in which a majority of the permit holders voted to obligate themselves to repay a Federal \$13.5 million loan (at 3% interest over 40 years) to purchase and retire 64 entry permits, thereby reducing the fleet to 315 permit holders.

During the 2008 buyback round, nonresidents held 74% of the permits relinquished and 24 out of the 35 permits relinquished (69%) had not been fished for five or more years. During the 2012 buyback, nonresident permit holders relinquished 67% of the permits and 50% of permits relinquished had not been fished for at least five years.

After the foregoing fleet reduction activities, \$10.4 million of the Federal loan appropriation remained available. NMFS approved the SRA's second capacity reduction plan in October 2016. The final regulations require NMFS to conduct a referendum to determine the industry's willingness to repay a second fishery capacity reduction loan to purchase the permits identified in the second reduction plan.

CFEC identified 315 permits in the S01A fishery. These permit holders are eligible to vote in the NMFS referendum scheduled to start December 13, 2016, and to end on January 13, 2017.

During 2008, 44.5% of the permits in the S01A fishery remained unfished. Since 2008, 2015 showed the next lowest non-participation rate at 10.8% which represented 34 unfished permits. The number of permits proposed for retirement in the current round is 22, which would reduce the fleet to 293, if a majority of permit holders approve in the referendum. Previously, Representative Charisse Millett introduced successful legislation to facilitate the SRA's fleet reduction program which included legislative intent that fleet reduction would not reduce the total number of S01A permits below 260.

Permit holders in other fisheries in Alaska have expressed interest over the past year in pursuing buyback or other fleet consolidation measures in their fisheries. Individual Alaskans and legislators have also asked whether fleet consolidation might be practicable to resolve gear conflicts in a particular fishery.

## **Key Component Challenges**

### **Federal Legislation**

Federal legislation previously introduced by Alaska's Congressional delegation to ensure that a maritime lien cannot be imposed on a license or permit issued under Federal or State law that authorizes a person or a vessel to fish remains desirable and CFEC supports its passage. The legislation is intended to protect Alaska limited entry permits and Federal individual fishing quota to ensure that fishermen do not lose their means of earning a living. Additionally, the legislation would also serve to protect the two State-authorized loan programs (run by the Division of Economic Development and CFAB) from losing collateral for their loans. Political opposition has in the past unfortunately prevented successful enactment of the legislation. One of the CFEC Commissioners met with key staff for Senator Lisa Murkowski, Senator Dan Sullivan, and Congressman Don Young in February 2016 to ascertain the status of these legislative efforts. CFEC has been requested to resubmit a formal written statement in support of a ban on maritime liens as this issue is expected to resurface in the 115<sup>th</sup> U.S. Congress, and the Commissioners are working on preparing this statement as well as a strategy to achieve this long-held legislative objective for the benefit of Alaskan fishermen.

### **State Legislation, Legislative Audit & Administrative Order 279**

During FY 2016, the CFEC Commissioners spent significant time responding to a variety of efforts to restructure or eliminate the agency. Some of these efforts began prior to FY 2016 and continue to the present day. These initiatives demanded more of the Commissioners' time and attention when they were entirely unanticipated and when CFEC was not given any prior notice or any opportunity to be consulted about the plans.

In 2015, at the beginning of the 29<sup>th</sup> Legislature, House Bill 112 was introduced by the new Chair of the House Special Committee on Fisheries. HB 112 was initially almost identical to its predecessor HB 386, before a new



version of the bill was adopted by the Fisheries Committee in March 2015. No further hearings were held on HB 112 in 2015 as a consensus emerged that it was best to await the results of the performance audit.

In January 2015, the CFEC Commissioners held an initial meeting with the Division of Legislative Audit to discuss the scope and timeline of the performance audit, and to offer their assistance in ensuring a thorough and comprehensive review of the agency. Over the next six months the auditors interviewed all current and several former CFEC staff, numerous DFG staff, and numerous stakeholders with an interest in the performance, structure, and future of CFEC. All interviewees had the opportunity to confidentially submit information, opinions, beliefs, and personal thoughts about CFEC to the auditors. In June 2015, the Commissioners met with the auditors to review the results of the audit and to review the preliminary audit report.

In early April 2016 the House Resources Committee held a hearing on and adopted a new version of HB 112, shortened from 58 to two pages. The bill's sponsor testified that the new bill was in response to AO 279, that it would provide for part-time compensation for the CFEC Commissioners as of the beginning of 2017, and provide statutory guidance for the movement of formerly exempt CFEC employees into the classified service at DFG under the State Personnel Act. One of the CFEC Commissioners testified in general support of making the Commissioners' statutory compensation hourly and thus scalable to part-time at some point in the future. HB 112 moved no further during the 29<sup>th</sup> Legislature.

### **Operating Budget Process in the State Legislature**

The CFEC Commissioners prepared their final proposed budgetary reductions and presented them to the House and Senate DFG Finance Subcommittees in February 2016. This proposal suggested the elimination of six Position Control Numbers (PCNs) from CFEC's budget, reducing the staff by six individuals. At the time this reduction was proposed, three of the PCNs were vacant, and three were occupied. The proposal also included reductions to non-personnel areas of CFEC's budget. Both the House and Senate DFG Finance Subcommittees accepted and adopted CFEC's proposed reductions, which were incorporated into the operating budget bills adopted by the full House and Senate Finance Committees. CFEC's proposed budgetary savings were duly enacted into law and took effect on July 1, 2016, at the beginning of the 2017 fiscal year. Three employees were laid off as of that date, and their PCNs as well as three vacant PCNs were permanently retired and eliminated from the State's budget system as of that date.

In preparing the FY2018 budget, CFEC has reduced expenditures by another \$114.4 which is analogous to the Federal receipt authority CFEC has had in its budget for many years, but never used. The CFEC Commissioners and E.D. are will continuing to work with OMB and the Legislature to find further ways to reduce expenditures while providing the best possible services to Alaska's commercial fishermen in the straitened times facing the State of Alaska.

### **Significant Changes in Results to be Delivered in FY2018**

#### **Limiting & Closing Out Fisheries**

Recently the Commission completed all remaining cases in the Southeast brown king crab pot fishery, thereby closing out 58 of the originally limited 68 fisheries and bringing the Commission 85.3% of the way toward completion of the task. At this point in the limitation process, a single decision has the potential to impact a number of other pending cases. Commission final decisions resulting in denials are frequently followed by judicial appeals that lead to potential remands and reversals. Other types of cases than applications for permanent entry permits require the commission's attention.

Commission limitation decisions also entail a unique and serious risk, because of the legal rule that all applicants must be treated alike to afford them due process. The *Byayuk* case required the Commission to apply a Supreme Court reversal retroactively to reopen previously closed applications. Subsequently, the *Cashen* case applied the same principle to require the Commission to accept new applications for the first time long after original deadlines. The *Byayuk* retroactivity holding required additional adjudications, leaving the Commission no margin of error in its decisions. At this point, a reversible error by the Commission could undo the limitation of a fishery upon which Alaskan fishermen rely for their livelihoods. Therefore, in adjudicating each individual case the Commission cannot place the goal of quantity above the mandate for quality.

Persistent interruptions, including those arising from existential threats to the agency, have caused work toward completing adjudications and issuing decisions regarding issuance of permits to move forward haltingly in 2016. In 2017, the Commissioners will make all efforts to decide pending applications and close out the ten remaining limited fisheries.

The Commissioners will have to continue to address cases that come from the Licensing Section involving permanent and emergency transfers of entry permits, where the immediate right to fish is at stake. These cases must take priority when they arise to avoid causing fishermen to lose fishing time, in contrast to applications for permanent entry permits, where the applicant is able to continue to participate in a fishery while the applicant's case remains pending before the Commission or on appeal to the judicial system.

In addition to the possibility of reversals and remands from the courts, CFEC continues to actively monitor several fisheries that may require limitation. When the record of a fishery shows that its limitation would serve conservation and prevent economic distress among fishermen, CFEC has an affirmative statutory duty to limit entry. Once entry to a fishery is limited, cases requiring adjudication all arise at nearly the same time thereby instantly creating a significant new caseload. The Commissioners have been contacted by many fishermen in 2016 with respect to several specific fisheries these fishermen believe require limitation presently or in the near future, and this is expected to continue in FY 2018.

### Statutory and Regulatory Authority

Article VIII, Section 15. Alaska Constitution  
AS 16.43.010-990  
20 AAC 05.010 - 20 AAC 05.1990

Contact Information
<p><b>Contact:</b> Benjamin Brown, Commissioner <b>Phone:</b> (907) 790-6942 <b>Fax:</b> (907) 790-7042 <b>E-mail:</b> ben.brown@alaska.gov</p>

Commercial Fisheries Entry Commission Personal Services Information				
Authorized Positions			Personal Services Costs	
	FY2017 Management Plan	FY2018 Governor		
Full-time	22	22	Annual Salaries	1,962,864
Part-time	0	0	Premium Pay	0
Nonpermanent	0	0	Annual Benefits	1,101,495
			<i>Less 2.14% Vacancy Factor</i>	<i>(65,459)</i>
			Lump Sum Premium Pay	0
<b>Totals</b>	<b>22</b>	<b>22</b>	<b>Total Personal Services</b>	<b>2,998,900</b>

Position Classification Summary					
Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Adjudications Project Leader	0	0	1	0	1
Analyst/Programmer IV	0	0	2	0	2
Analyst/Programmer V	0	0	1	0	1
Comm Fish Permit Clerk V	0	0	1	0	1
Comm Fish Permit Clerk VI	0	0	1	0	1
Comm Fish Permitting Ck III	0	0	2	0	2
Commissioner, CFEC	0	0	3	0	3
Economist	0	0	1	0	1
Executive Director	0	0	1	0	1
Executive Secretary III	0	0	1	0	1
Fisheries Analyst	0	0	1	0	1
It Data Processing Svcs Leader	0	0	1	0	1
Law Specialist III	0	0	1	0	1
Licensing Project Leader	0	0	1	0	1
Network Specialist II	0	0	1	0	1
Paralegal I	0	0	1	0	1
Research&Planning Proj. Leader	0	0	1	0	1
Transfer Officer	0	0	1	0	1
<b>Totals</b>	<b>0</b>	<b>0</b>	<b>22</b>	<b>0</b>	<b>22</b>

**Component Detail All Funds**  
**Department of Fish and Game**

**Component:** Commercial Fisheries Entry Commission (471)  
**RDU:** Commercial Fisheries (143)

Non-Formula Component

	FY2016 Actuals	FY2017 Conference Committee	FY2017 Authorized	FY2017 Management Plan	FY2018 Governor	FY2017 Management Plan vs FY2018 Governor	
71000 Personal Services	2,948.2	2,945.9	2,945.9	2,945.9	2,998.9	53.0	1.8%
72000 Travel	13.3	35.0	35.0	35.0	20.0	-15.0	-42.9%
73000 Services	548.9	609.0	609.0	609.0	538.3	-70.7	-11.6%
74000 Commodities	11.7	94.1	94.1	94.1	75.4	-18.7	-19.9%
75000 Capital Outlay	0.0	10.0	10.0	10.0	0.0	-10.0	-100.0%
77000 Grants, Benefits	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
78000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
<b>Totals</b>	<b>3,522.1</b>	<b>3,694.0</b>	<b>3,694.0</b>	<b>3,694.0</b>	<b>3,632.6</b>	<b>-61.4</b>	<b>-1.7%</b>
<b>Fund Sources:</b>							
1002Fed Rcpts (Fed)	0.0	114.4	114.4	114.4	0.0	-114.4	-100.0%
1201CFEC Rcpts (DGF)	3,522.1	3,579.6	3,579.6	3,579.6	3,632.6	53.0	1.5%
<b>Unrestricted General (UGF)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0%</b>
<b>Designated General (DGF)</b>	<b>3,522.1</b>	<b>3,579.6</b>	<b>3,579.6</b>	<b>3,579.6</b>	<b>3,632.6</b>	<b>53.0</b>	<b>1.5%</b>
<b>Other Funds</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0%</b>
<b>Federal Funds</b>	<b>0.0</b>	<b>114.4</b>	<b>114.4</b>	<b>114.4</b>	<b>0.0</b>	<b>-114.4</b>	<b>-100.0%</b>
<b>Positions:</b>							
Permanent Full Time	26	22	22	22	22	0	0.0%
Permanent Part Time	2	0	0	0	0	0	0.0%
Non Permanent	0	0	0	0	0	0	0.0%

**Change Record Detail - Multiple Scenarios with Descriptions**  
**Department of Fish and Game**

**Component:** Commercial Fisheries Entry Commission (471)  
**RDU:** Commercial Fisheries (143)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2017 Conference Committee To FY2017 Authorized *****												
<b>FY2017 Conference Committee</b>												
	ConfCom	3,694.0	2,945.9	35.0	609.0	94.1	10.0	0.0	0.0	22	0	0
1002 Fed Rcpts		114.4										
1201 CFEC Rcpts		3,579.6										
<b>Subtotal</b>		<b>3,694.0</b>	<b>2,945.9</b>	<b>35.0</b>	<b>609.0</b>	<b>94.1</b>	<b>10.0</b>	<b>0.0</b>	<b>0.0</b>	<b>22</b>	<b>0</b>	<b>0</b>
***** Changes From FY2017 Management Plan To FY2018 Governor *****												
<b>Reduce Uncollectible Federal Receipts</b>												
	Dec	-114.4	0.0	-15.0	-70.7	-18.7	-10.0	0.0	0.0	0	0	0
1002 Fed Rcpts		-114.4										
A reduction of uncollectible receipt authority will bring the Department's budget closer in line with actual spending. This is a technical adjustment and has no impact on services to the public.												
<b>Budget Savings Through Reorganization and Efficiencies</b>												
	Dec	-1.0	-1.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1201 CFEC Rcpts		-1.0										
The Division of Legislative Audit completed a thorough review of the agency in October 2015 and identified several areas where efficiencies and cost savings can be realized, totaling approximately \$1.3 million over three years. The Administration looks forward to working with the Legislature through the budget subcommittee process and on pending legislation to reorganize the commission to reflect current workload while maintaining effective services to commercial fishermen.												
<b>FY2018 Alaska Care &amp; PSEA Health Insurance Increase</b>												
	SalAdj	54.0	54.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1201 CFEC Rcpts		54.0										
Alaska Care rate increase from \$1346 to \$1555 per month for exempt and partially exempt employees. \$54.0												
<b>Totals</b>		<b>3,632.6</b>	<b>2,998.9</b>	<b>20.0</b>	<b>538.3</b>	<b>75.4</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>22</b>	<b>0</b>	<b>0</b>

**Personal Services Expenditure Detail**  
**Department of Fish and Game**

**Scenario:** FY2018 Governor (13956)  
**Component:** Commercial Fisheries Entry Commission (471)  
**RDU:** Commercial Fisheries (143)

PCN	Job Class Title	Time Status	Retire Code	Barg Unit	Location	Salary Sched	Range / Step	Comp Months	Split / Count	Annual Salaries	COLA	Premium Pay	Annual Benefits	Total Costs	UGF Amount
11-3001	Comm Fish Permitting Ck III	FT	A	XE	Juneau	N05	12C	12.0		44,820	0	0	34,492	79,312	0
11-3004	Paralegal I	FT	A	XE	Juneau	N05	13A	12.0		44,820	0	0	34,492	79,312	0
11-3005	Analyst/Programmer V	FT	A	XE	Juneau	99	22O / P	12.0		121,740	0	0	61,591	183,331	0
11-3008	Commissioner, CFEC	FT	A	XE	Juneau	99	27L / M	12.0		144,216	0	0	68,466	212,682	0
11-3011	Network Specialist II	FT	A	XE	Juneau	N05	19F	12.0		79,992	0	0	46,883	126,875	0
11-3013	Comm Fish Permitting Ck III	FT	A	XE	Juneau	N05	12D	12.0		46,224	0	0	34,986	81,210	0
11-3014	It Data Processing Svcs Leader	FT	A	XE	Juneau	99	23N	12.0		125,784	0	0	63,015	188,799	0
11-3015	Analyst/Programmer IV	FT	A	XE	Juneau	N05	20F	12.0		85,452	0	0	48,806	134,258	0
11-3017	Analyst/Programmer IV	FT	A	XE	Juneau	99	20L	12.0		95,436	0	0	52,324	147,760	0
11-3019	Executive Director	FT	A	XE	Juneau	N05	24A	12.0		94,236	0	0	51,901	146,137	0
11-3020	Fisheries Analyst	FT	A	XE	Juneau	N05	20J	12.0		88,224	0	0	49,783	138,007	0
11-3025	Transfer Officer	FT	A	XE	Juneau	N05	16F	12.0		65,364	0	0	41,730	107,094	0
11-3026	Comm Fish Permit Clerk V	FT	A	XE	Juneau	N05	16B	12.0		56,916	0	0	38,753	95,669	0
11-3031	Research&Planning Proj. Leader	FT	A	XE	Juneau	N05	23C	12.0		94,236	0	0	51,901	146,137	0
11-3033	Economist	FT	A	XE	Juneau	N05	20J	12.0		88,224	0	0	49,783	138,007	0
11-3034	Commissioner, CFEC	FT	A	XE	Juneau	N05	27E	12.0		124,452	0	0	62,546	186,998	0
11-3035	Commissioner, CFEC	FT	A	XE	Juneau	99	27L	12.0		133,980	0	0	65,487	199,467	0
11-3036	Licensing Project Leader	FT	A	XE	Juneau	N05	23F	12.0		104,640	0	0	55,566	160,206	0
11-3041	Executive Secretary III	FT	A	XE	Juneau	N05	17J	12.0		72,552	0	0	44,262	116,814	0
11-3062	Law Specialist III	FT	A	XE	Juneau	N05	22B	12.0		85,452	0	0	48,806	134,258	0
11-3063	Adjudications Project Leader	FT	A	XE	Juneau	N05	23B	12.0		91,272	0	0	50,857	142,129	0
11-3068	Comm Fish Permit Clerk VI	FT	A	XE	Juneau	N05	18F	12.0		74,832	0	0	45,065	119,897	0
<b>Total</b>													<b>Total Salary Costs:</b>	1,962,864	
<b>Positions</b>													<b>Total COLA:</b>	0	
<b>New</b>													<b>Total Premium Pay::</b>	0	
<b>Deleted</b>													<b>Total Benefits:</b>	1,101,495	
<b>Full Time Positions:</b>															
<b>Part Time Positions:</b>															
<b>Non Permanent Positions:</b>															
<b>Positions in Component:</b>															
<b>Total Component Months:</b>														264.0	
													<b>Total Pre-Vacancy:</b>	3,064,359	
													<b>Minus Vacancy Adjustment of 2.14%:</b>	(65,459)	
													<b>Total Post-Vacancy:</b>	2,998,900	
													<b>Plus Lump Sum Premium Pay:</b>	0	
													<b>Personal Services Line 100:</b>	2,998,900	

Note: If a position is split, an asterisk (\*) will appear in the Split/Count column. If the split position is also counted in the component, two asterisks (\*\*) will appear in this column. [No valid job title] appearing in the Job Class Title indicates that the PCN has an invalid class code or invalid range for the class code effective date of this scenario.

**Personal Services Expenditure Detail**  
**Department of Fish and Game**

**Scenario:** FY2018 Governor (13956)  
**Component:** Commercial Fisheries Entry Commission (471)  
**RDU:** Commercial Fisheries (143)

<b>PCN Funding Sources:</b>	<b>Pre-Vacancy</b>	<b>Post-Vacancy</b>	<b>Percent</b>
1201 Commercial Fisheries Entry Commission Receipts	3,064,359	2,998,900	100.00%
<b>Total PCN Funding:</b>	<b>3,064,359</b>	<b>2,998,900</b>	<b>100.00%</b>

Note: If a position is split, an asterisk (\*) will appear in the Split/Count column. If the split position is also counted in the component, two asterisks (\*\*) will appear in this column.  
[No valid job title] appearing in the Job Class Title indicates that the PCN has an invalid class code or invalid range for the class code effective date of this scenario.

**Line Item Detail (1676)**  
**Department of Fish and Game**  
**Travel**

**Component:** Commercial Fisheries Entry Commission (471)

Line Number	Line Name		FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
2000	Travel		13.3	35.0	20.0
Object Class	Servicing Agency	Explanation	FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
<b>2000 Travel Detail Totals</b>			<b>13.3</b>	<b>35.0</b>	<b>20.0</b>
2000	In-State Employee Travel	In-State Employee Travel	6.3	25.0	15.0
2002	Out of State Employee Travel	Out of State Employee Travel	7.0	10.0	5.0



**Line Item Detail (1676)**  
**Department of Fish and Game**  
**Services**

**Component:** Commercial Fisheries Entry Commission (471)

<b>Line Number</b>	<b>Line Name</b>		<b>FY2016 Actuals</b>	<b>FY2017 Management Plan</b>	<b>FY2018 Governor</b>
3000	Services		548.9	609.0	538.3
<b>Object Class</b>	<b>Servicing Agency</b>	<b>Explanation</b>	<b>FY2016 Actuals</b>	<b>FY2017 Management Plan</b>	<b>FY2018 Governor</b>
<b>3000 Services Detail Totals</b>			<b>548.9</b>	<b>609.0</b>	<b>538.3</b>
3001	Financial Services	Financial Services	104.6	110.0	106.0
3003	Information Technology	Information Technology	52.7	81.2	45.0
3004	Telecommunications	Telecommunications	17.3	20.0	17.5
3006	Delivery Services	Delivery Services	26.5	26.5	26.5
3007	Advertising and Promotions	Advertising and Promotions	3.7	4.0	3.0
3008	Utilities	Utilities	0.9	1.0	1.0
3009	Structure/Infrastructure/Land	Structure/Infrastructure/Land	22.8	22.0	22.0
3010	Equipment/Machinery	Equipment/Machinery	17.9	19.0	18.0
3011	Other Services	Other Services	19.8	25.6	24.6
3017	Inter-Agency Information Technology Non-Telecommunications	Admin - Department-wide Inter-Agency Information Technology Non-Telecommunications	18.2	28.5	28.5
3018	Inter-Agency Information Technology Telecommunications	Admin - Department-wide Inter-Agency Information Technology Telecommunications	24.4	25.0	25.0
3021	Inter-Agency Mail	Admin - Department-wide Inter-Agency Mail	21.6	24.0	24.0
3023	Inter-Agency Building Leases	Admin - Department-wide Inter-Agency Building Leases	212.5	215.0	190.0
3024	Inter-Agency Legal	Law - Department-wide Inter-Agency Legal	1.7	1.8	1.8
3026	Inter-Agency Insurance	Admin - Department-wide Inter-Agency Insurance	1.0	1.0	1.0
3027	Inter-Agency Financial	Admin - Department-wide Inter-Agency Financial	2.1	2.1	2.1
3028	Inter-Agency Americans with Disabilities Act Compliance	Admin - Department-wide Inter-Agency Americans with Disabilities Act Compliance	0.1	0.1	0.1
3037	State Equipment Fleet	Trans - Department-wide State Equipment Fleet	1.1	2.2	2.2

**Line Item Detail (1676)**  
**Department of Fish and Game**  
**Commodities**

**Component:** Commercial Fisheries Entry Commission (471)

Line Number	Line Name		FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
4000	Commodities		11.7	94.1	75.4
Object Class	Servicing Agency	Explanation	FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
<b>4000 Commodities Detail Totals</b>			<b>11.7</b>	<b>94.1</b>	<b>75.4</b>
4000	Business	Business	11.5	93.6	74.9
4002	Household/Institutional	Household/Institutional	0.1	0.5	0.5
4011	Electrical	Electrical	0.1	0.0	0.0

**Line Item Detail (1676)**  
**Department of Fish and Game**  
**Capital Outlay**

**Component:** Commercial Fisheries Entry Commission (471)

Line Number	Line Name		FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
5000	Capital Outlay		0.0	10.0	0.0
Object Class	Servicing Agency	Explanation	FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
<b>5000 Capital Outlay Detail Totals</b>			<b>0.0</b>	<b>10.0</b>	<b>0.0</b>
5004	Equipment	Equipment	0.0	10.0	0.0

**Revenue Detail (1681)**  
**Department of Fish and Game**

**Component:** Commercial Fisheries Entry Commission (471)

Revenue Type (OMB Fund Code) Revenue Source	Component	Comment	FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
<b>5002 Fed Rcpts (1002 Fed Rcpts)</b>			<b>0.0</b>	<b>114.4</b>	<b>0.0</b>
5002 Federal General Government - Miscellaneous Grants		Federal General Government - Miscellaneous Grants	0.0	114.4	0.0
<b>5201 CFEC Rcpts (1201 CFEC Rcpts)</b>			<b>3,522.1</b>	<b>3,579.6</b>	<b>3,632.6</b>
5406 Commercial Fisheries Entry Commission Receipts		Commercial Fisheries Entry Commission Receipts	3,522.1	3,579.6	3,632.6

**Inter-Agency Services (1682)**  
**Department of Fish and Game**

**Component:** Commercial Fisheries Entry Commission (471)

				FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
<b>Component Totals</b>				<b>282.7</b>	<b>299.7</b>	<b>274.7</b>
With Department of Administration				279.9	295.7	270.7
With Department of Law				1.7	1.8	1.8
With Department of Transportation/Public Facilities				1.1	2.2	2.2
<b>Object Class</b>	<b>Servicing Agency</b>	<b>Explanation</b>	<b>FY2016 Actuals</b>	<b>FY2017 Management Plan</b>	<b>FY2018 Governor</b>	
3017	Inter-Agency Information Technology Non-Telecommunications	Admin - Department-wide Inter-Agency Information Technology Non-Telecommunications	18.2	28.5	28.5	
3018	Inter-Agency Information Technology Telecommunications	Admin - Department-wide Inter-Agency Information Technology Telecommunications	24.4	25.0	25.0	
3021	Inter-Agency Mail	Admin - Department-wide Inter-Agency Mail	21.6	24.0	24.0	
3023	Inter-Agency Building Leases	Admin - Department-wide Inter-Agency Building Leases	212.5	215.0	190.0	
3024	Inter-Agency Legal	Law - Department-wide Inter-Agency Legal	1.7	1.8	1.8	
3026	Inter-Agency Insurance	Admin - Department-wide Inter-Agency Insurance	1.0	1.0	1.0	
3027	Inter-Agency Financial	Admin - Department-wide Inter-Agency Financial	2.1	2.1	2.1	
3028	Inter-Agency Americans with Disabilities Act Compliance	Admin - Department-wide Inter-Agency Americans with Disabilities Act Compliance	0.1	0.1	0.1	
3037	State Equipment Fleet	Trans - Department-wide State Equipment Fleet	1.1	2.2	2.2	