



UNITED FISHERMEN OF ALASKA

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December 22, 2015

Honorable Bill Walker, Governor
Lieutenant Governor Byron Mallott
State of Alaska
PO Box 110001
Juneau, AK 99811

RE: COMMERCIAL FISHERIES ENTRY COMMISSION & LEGISLATIVE AUDIT

Dear Governor Walker and Lieutenant Governor Mallott,

United Fishermen of Alaska (UFA) is the statewide commercial fishing trade association, representing 35 commercial fishing organizations participating in fisheries throughout the state and its offshore federal waters. We have followed legislative and administrative discussions regarding the Alaska Commercial Fishery Entry Commission (CFEC) with great concern.

UFA hosted lengthy discussion during our recent Board of Directors meeting in Petersburg regarding the future of Commercial Fisheries Entry Commission (CFEC). UFA reviewed the legislative audit, the previous ADF&G report, and held lengthy discussions with CFEC Commissioners Twomley and Brown, ADF&G leadership, and the Lt. Governor's assistant Barbara Blake.

Based on our comprehensive review, UFA overwhelmingly supported the following positions regarding CFEC operations:

- **UFA supports the recommendation of the legislative audit that CFEC remain as an independent agency, separate and distinct from the Alaska Department of Fish and Game.**
- **UFA supports expedited hiring of a CFEC Executive Director, as recommended in the audit in order to streamline operations and create efficiencies as soon as possible.**
- **UFA understands that there may be a need for flexibility regarding part time status of CFEC Commissioners in relation to the legislative view on salary.**

Both CFEC and UFA have advocated for the ability of CFEC to hire an executive director, and this approach was also a strong point of the legislative audit. It is our understanding that the request to hire an executive director has not yet been approved by the Office of the Governor. We support CFEC obtaining the ability to hire an executive director as soon as possible.

The legislative audit and CFEC have also suggested that the Commissioners should eventually move to part time status. UFA supports this approach and we suggest that while implementing this recommendation that you allow flexibility to the Commissioners and executive director to find the combination and balance within a given range that would be most effective for the agency rather than a prescribed formula for the part time status.

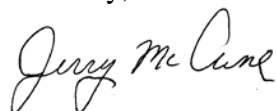
Alaska's commercial fisheries rely on the limited entry permitting system as the foundation of an orderly, sustainable and highly regulated industry. For many fishermen the permit(s) held are the most costly and valuable investment in their fishery business. The CFEC reports the estimated value of Alaska limited entry permits is nearly \$1 billion, and that 77% of these are held by Alaska residents. There are more salmon permits than any other permit type, and these are typically small family operated businesses. Many permit holders are based in rural coastal communities that do not have other viable job opportunities outside of the seafood industry, Alaska's largest private sector employer.

The legal defensibility of the CFEC's process and rulings are essential to the stability of Alaska's seafood industry. Any rulings from appeals that would undermine the permitting system not only puts these investments at risk, but could bring significant instability to fisheries that results in unnecessary and costly closures or restrictions to a sustainably managed resource. Disruption to CFEC or the limited entry program could be detrimental to Alaskan permit holders and the 189 communities they reside in.

As an industry we have benefitted from a long history of CFEC permitting decisions that have held up well to legal challenges, and we look for your help and understanding to ensure that this exemplary record continues. For additional background on this issue, we have enclosed our recent correspondence with the legislature regarding HB 112 opposing ADF&G absorbing CFEC.

Thank you for your attention to this matter and please contact us if you have any questions or need additional information on UFA's position.

Sincerely,



Jerry McCune
President

CC: Jim Whitaker, Chief of Staff

MEMBER ORGANIZATIONS

Alaska Bering Sea Crabbers • Alaska Independent Fishermen's Marketing Association
Alaska Independent Tendermen's Association • Alaska Longline Fishermen's Association • Alaska Scallop Association • Alaska Trollers Association
Alaska Whitefish Trawlers Association • Armstrong Keta • At-sea Processors Association • Bristol Bay Reserve • Cape Barnabas Inc.
Concerned Area "M" Fishermen • Cook Inlet Aquaculture Association • Cordova District Fishermen United • Douglas Island Pink and Chum
Freezer Longline Coalition • Golden King Crab Coalition • Groundfish Forum • Kenai Peninsula Fishermen's Association
Kodiak Regional Aquaculture Association • North Pacific Fisheries Association • Northern Southeast Regional Aquaculture Association
Petersburg Vessel Owners Association • Prince William Sound Aquaculture Corporation • Purse Seine Vessel Owner Association
Seafood Producers Cooperative • Southeast Alaska Herring Conservation Alliance • Southeast Alaska Fisherman's Alliance
Southeast Alaska Regional Dive Fisheries Association • Southeast Alaska Seiners • Southern Southeast Regional Aquaculture Association
United Catcher Boats • United Cook Inlet Drift Association • United Southeast Alaska Gillnetters • Valdez Fisheries Development Association