



**August 12, 2022**

**DRAFT Spend Plan for funds appropriated to address the 2019 Norton Sound red king crab disaster determination.** NOAA Fisheries allocated \$1,433,137 for the 2019 Norton Sound red king crab fishery disaster.

**Written comments are requested on all elements of the proposed spend plan and should be as specific as possible.** Comments will be posted as received online and therefore, ADF&G requests that no business proprietary information, copyrighted information, or personally identifiable information be included in written comments. Comments can be submitted by email to:

[dfg.com.fisheriesdisasters@alaska.gov](mailto:dfg.com.fisheriesdisasters@alaska.gov) or by mail to: ADF&G, Attn: Ana Enge  
PO Box 115526  
Juneau, AK 99811-5526

**Comments must be submitted by August 26, 2022**, for consideration in the next iteration of the spend plan. A second draft of the spend plan will be available for public comment before the spend plan is finalized.

**Guiding principles for disaster fund distribution:** Disbursement of funds is intended to:

1) assist fishery participants harmed by the 2019 Norton Sound red king crab fishery disaster and 2) improve fishery information used to assess and forecast future fishery performance and to develop management approaches that avoid and/or mitigate the impacts of future fishery disasters that cannot be prevented.

Proposed categories for disaster relief funds:

- **Harvesters:** Direct payments to 2019 licensed Commercial Fisheries Entry Commission (CFEC) Norton Sound red king crab permit holders and their vessel crew who meet all eligibility criteria. Fish ticket data from commercial Norton Sound red king crab landings will be used to determine eligibility for permit holders.
- **Processors:** Direct payments to processing facilities. Fisheries production and value data from the Commercial Operators Annual Report (COAR) will be used to determine eligibility and payment for processors.
- **Research:** The 2019 Norton Sound red king crab fishery disaster resulted from natural and undetermined causes which resulted in extremely challenging and unexpected conditions on the fishing grounds during both the winter and summer fishing seasons.
- **Program Support:** The Alaska Department of Fish and Game (ADF&G) is proposing to designate funds for staff working on fishery disaster plan development and implementation in coordination with Pacific States Marine Fisheries Commission (PSMFC).

Proposed allocations to project categories and eligibility criteria: The proposed categories and allocations reflect comments received from initial stakeholder input. Recent Alaska disaster spend

plans have included payments to communities to address the impacts of fishery disasters on shared fisheries taxes and fisheries-related economic activity in affected communities. Although ADF&G supports the allocation of disaster funds to communities to address these losses, initial input to ADF&G suggested a community allocation may not be applicable for the 2019 Norton Sound king crab fishery disaster. ADF&G requests public comment on the proposed categories for disaster relief funds and whether a community allocation should be considered for the 2019 Norton Sound red king crab fishery disaster.

Proposed allocations and eligibility for disaster relief funds:

**Harvesters – 70% of total funds (~\$ 1.0 million):** The 2014-2018 average value for the Norton Sound red king crab fishery is \$2.65 million dollars and the value of the 2019 fishery was \$534 thousand dollars, for a total estimated loss due to the disaster of \$2.1 million dollars. The funds proposed for allocation to the harvesting sector are intended to mitigate this loss by providing funds to bring the harvesting sector up to approximately half of their recent historical value, which is similar to funding amounts provided for harvesters in other recent disaster spend plans. In addition, the proposed allocation reflects initial stakeholder input suggesting that harvesters should receive the bulk of disaster funds.

Based on public comments, ADF&G is proposing to divide the harvester funds into two pools, 8% for winter fishery participants and 92% for summer fishery participants based on the guideline harvest level proportion allocated to each season. The summer fishery allocation is proposed to be further subdivided into two pools: 85% for permit holders and 15% for vessel crew. Most fishery permit holders operate with one to three additional crew members who earn an average crew share of 10% each. We are proposing to use the most recent seasons of 2017 through 2019 to establish eligibility criteria. This period covers years when the most recent management measures were in place including the guideline harvest level (GHL) split between the winter and summer fishery that was established in 2016 and the winter season pot limit implemented in 2017.

**Winter fishery participants - 8% of harvester funds (~\$80,000)**

Permit holders who meet both criteria below are eligible for a payment amount based on their average landings in 2017 and 2018. Participation during the 2019 winter season is not proposed as an eligibility requirement because most permit holders who registered did not make landings due to poor ice conditions.

1. K09Z or K09ZE permit holder must have made a Norton Sound red king crab commercial landing during the winter fishing season in any two of three years from 2017 to 2019.
2. ADF&G proposes to allocate available funds among four tiers. The tiers are based on the average annual pounds of Norton Sound red king crab harvested during the winter season by all eligible permit holders in 2017 and 2018. The proposed allocation to each tier approximates the proportion of the total average landings by harvesters in that tier. Each permit holder's payment will be determined by the tier level corresponding to their average landings in 2017 and 2018. All permit holders in the same tier level will receive the same payment amount.

<b>Tier level</b>	<b>Average landings 2017-2018</b>	<b>Allocation</b>	<b>Est. number of eligible permit holders</b>
1	< 800 pounds	10%	7
2	800 - 1,299 pounds	20%	6
3	1,300 - 1,999 pounds	30%	7
4	> 2,000 pounds	40%	5

Summer fishery participants - 92% of harvester funds (~\$923,000)

**Permit holders** - 85% of summer fishery funds or ~\$785,000.

Permit holders who meet both criteria below are eligible for a tiered payment based on their average landings from 2017 through 2019, not including the lowest year. Participation in the 2019 summer season is proposed as an eligibility requirement because weather conditions did not limit participation and nearly all permit holders who registered for the fishery made landings.

1. K09Z or K09ZE permit holder must have made a Norton Sound red king crab landing during the 2019 summer fishing season.
2. ADF&G proposes to allocate available funds among four tiers. The tiers are based on the average annual pounds of Norton Sound red king crab harvested during the summer season by all eligible permit holders from 2017 to 2019, not including the lowest year. For most permit holders, the lowest year was the 2019 disaster year. The proposed allocation to each tier approximates the proportion of the total average landings by harvesters in that tier. Each permit holder's payment will be determined by the tier level corresponding to their average landings from 2017 through 2019, not including the lowest year. All permit holders in the same tier level will receive the same payment amount.

<b>Tier level</b>	<b>Average landings 2017-2019, drop one</b>	<b>Allocation</b>	<b>Est. number of eligible permit holders</b>
1	> 6,000 pounds	10%	8
2	6,000 - 9,999 pounds	20%	7
3	10,000 - 17,999 pounds	30%	6
4	> 18,000 pounds	40%	5

**Vessel crew** - 15% of summer fishery funds or ~\$138,000.

Vessel crew members who meet both criteria below are eligible for an equal share payment. All eligible crew members will receive the same payment.

1. Vessel crew member must have held a 2019 commercial crew license or 2019 CFEC permit for any fishery. This information will be verified using the ADF&G Licensing database or the CFEC permit database.

2. Vessel crew member must have worked for a permit holder that made a landing during the 2019 summer season. This information will be verified based on crew contract, crew settlement, 1099-MISC tax form, or a signed affidavit from the permit holder.

**Processors – 15% of total funds (~\$215,000):** The 2014-2018 average wholesale value of the Norton Sound red king crab fishery for shorebased processors was \$3.04 million dollars and the wholesale value of the 2019 fishery was \$625 thousand dollars, for a total estimated loss due to the disaster of \$2.42 million dollars. The proposed allocation of funds to the processing sector is intended to mitigate this loss by providing funds to bring the processing sector up to approximately 10% of their recent wholesale value. In addition, the proposed allocation reflects initial stakeholder input suggesting that harvesters should receive the bulk of disaster funds.

Processors who meet both criteria below are eligible for disaster funds. If more than one processing facility is eligible, payment will be pro-rata to the facility's loss in 2019.

1. Processing facility must have processed Norton Sound red king crab in 2019.
2. The COAR data must show that the processing facility had a demonstrated first wholesale loss for Norton Sound red king crab in 2019 compared to the average annual first wholesale value for Norton Sound red king crab processed at the facility from 2014 to 2018.

**Research – 15% of total funds (~\$215,000):** Research funds will be allocated to improve available fishery information and help prevent and/or mitigate future fishery disasters. Research themes include:  
1) Projects to better understand the spatial distribution and movement of Norton Sound red king crab and particularly how environmental factors affect the distribution and movement of mature male crabs.  
2) Evaluate the potential for electronic monitoring on small vessels to help estimate total catch.

ADF&G is requesting input on these or other suggested research themes. In addition, recent Alaska disaster spend plans have used competitive and non-competitive bid processes to award research funds. ADF&G is requesting input on the appropriate award process for the 2019 Norton Sound red king crab fishery disaster spend plan.

**Program Support - <1% of total funds (\$1,500):** ADF&G is proposing to allocate funds to partially cover salary and benefits for a Program Coordinator who helps manage the fishery disaster program on behalf of the State of Alaska.

**From:** [REDACTED]  
**To:** [DFG, ComFisheriesDisasters \(DFG sponsored\)](#)  
**Subject:** NOAA 2019 Norton Sound Red King Crab Fisheries Disaster Relief  
**Date:** Wednesday, May 11, 2022 5:04:33 PM

---

[You don't often get email from [REDACTED]. Learn why this is important at <https://aka.ms/LearnAboutSenderIdentification>.]

CAUTION: This email originated from outside the State of Alaska mail system. Do not click links or open attachments unless you recognize the sender and know the content is safe.

5/11/22

Hello,

My name is Randall Takak a longtime Crab and Salmon fisherman from Shaktoolik, Alaska located in the Norton Sound. First of all I'd like to thank you for reaching out and gathering info on how the disaster relief money should be distributed. I strongly know and seen firsthand that the active commercial summer crab fleet were deeply affected and impacted the hardest and it should be allocated to each fisherman that participated in the 2019 RKC summer fishery and five years prior based on each individuals catch history. Here is a few reasons why.

1. In 2019 there was a crab opener but only a fraction of the quota was harvested because of low crab numbers and it wasn't worth the crabbers time, risk, and money in which most or all of the fleet have gone further in debt with higher operating expenses.
2. In 2020 and 2021 there wasn't a crab season because of the concern of the crab population to rebound and recover. So we sat idle and slowly watching our livelihoods go into uncertainty with huge economic losses.
3. The winter commercial crab fishery should be excluded because it is unstable due to a high number of high pot loss, dead loss, and unstable sea ice conditions. And I believe it hinders with the crab breeding stock that move nearshore annually each winter to reproduce then move back out offshore in the spring.
4. The summer crab fishery was considered somewhat a feasible fishery of Norton Sound until the disaster started occurring.
5. I know the for a fact that some of the returning summer crabbers are hardest working people with high safety risks, debt, increasingly higher operating costs, and shorter seasons due to the growing number of vessels actively participating.

Thank You

Randall Takak  
[REDACTED]  
Shaktoolik, Ak  
99771  
[REDACTED]

Sent from my iPhone

**From:** [Merle Towarak](#)  
**To:** [DFG, ComFisheriesDisasters \(DFG sponsored\)](#)  
**Subject:** Distasteful relief  
**Date:** Wednesday, May 11, 2022 10:35:47 AM

---

CAUTION: This email originated from outside the State of Alaska mail system. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Hi,

My name is Merle Towarak. I fish commercially for the 2019 Norton sound red king crab fishery and the 2020 Norton sound salmon fishery. If you have any questions please email me at [REDACTED]. Thank you and have a good day.

Sent from my iPhone

**From:** [Tyler Rhodes](#)  
**To:** [DFG, ComFisheriesDisasters \(DFG sponsored\)](#)  
**Cc:** [Simon Kinneen](#); [Janis Ivanoff](#)  
**Subject:** May 11 meeting  
**Date:** Tuesday, May 10, 2022 10:48:32 AM  
**Attachments:** [image001.png](#)  
[image002.png](#)  
[image003.png](#)  
[image004.png](#)

---

**CAUTION:** This email originated from outside the State of Alaska mail system. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Hello Karla,

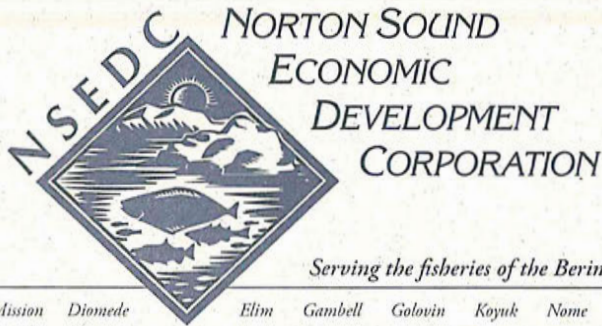
NSEDC plans to offer comments during tomorrow's 10 am session regarding spend plans for Norton Sound 2019 red king crab and 2020 salmon. Is there a sign-up sheet to provide comments or will it somehow be addressed during the meeting? We will plan on submitting written comments as well. Is there a deadline to get those to the department?

Thanks!

Tyler

**Tyler Rhodes** | [Norton Sound Economic Development Corporation](#)  
Chief Operating Officer

[REDACTED]  
Nome, Alaska 99762  
[REDACTED]



*Brevig Mission Diomedes Erim Gambell Golovin Koyuk Nome Saint Michael Savoonga Shaktolik Stebbins Teller Unalakleet Wales White Mountain*

October 7, 2019

The Honorable Neal Foster  
Alaska House of Representatives  
State Capitol Room 505  
Juneau, Alaska 99801

Dear Representative Foster,

I am writing on behalf of the Norton Sound Economic Development Corporation (NSEDCC), the regional Community Development Quota (CDQ) organization, to request your assistance in the pursuit of a determination on whether the 2019 Norton Sound red king crab (NSRKC) fishery qualifies for a fisheries disaster declaration.

As you are aware, the 2019 winter and summer commercial NSRKC fisheries were both extremely challenging. The winter fishery was next to impossible to prosecute due to the lack of sea ice required to legally set gear. Although there were limited deliveries, the overall harvest was drastically reduced and far less than the catch limits specified by the Alaska Department of Fish and Game. There was hope, however, that the forgone harvest in the winter fishery would be made up in the summer commercial season (any crab allocated to the winter fishery but not harvested during the winter season 'rolls into' the summer fishery).

While the summer fishery was more successful in that fishermen at least had the opportunity to try to prosecute the fishery, the results were arguably much worse. The fishery catch rates were nothing short of abysmal, with Norton Sound fishermen falling well short of the quota. This wasn't for lack of effort, however. Fishermen and their crews spent weeks and months searching for viably harvestable concentrations of crab to no avail. In addition to the lack of income for their time and efforts, vessel owners spent substantial amounts of money to pay for the fruitless operations. The cost of equipment and fuel to utilize it is substantial during a productive fishing season, and crippling in a season like 2019.

The NSRKC fishery is historically a high-value fishery and extremely important to the fishermen who rely on it for the bulk of their annual income. Fishermen from across our regional communities participate in this fishery, so the results are widespread in Norton Sound.



In light of the 2019 NSRKC fishery results, I'd appreciate your coordination with the State of Alaska to investigate if a potential commercial fishery failure has occurred and to determine if it is appropriate to petition the Secretary of Commerce for a fishery disaster determination for this fishery.

Please do not hesitate to contact me with any questions or if there is any information we can provide to assist in this process.

Sincerely,



Janis Ivanoff  
President & CEO

cc: Dan Harrelson, NSEDC Chairman

# MAY 11, 2022 - FISHERY DISASTERS' PUBLIC COMMENT SESSION

96 - NORTON SOUND RED KING CRAB – 1:06

MAY 11, 2022 - 1:06

On May 11<sup>th</sup>, 2022, The Alaska Department of Fish and Game (DF&G) held a public comment listening session for all six approved fishery disasters. The comments in this document pertain to the Norton Sound Region: Federal Disaster #96: Alaska Norton Sound Red King Crab

## **Eric Osborne, Nome, RKC & Salmon:**

- Fund allocation: Money needs to go to the people. Commercial fishermen have taken huge hits.

## **Don Stiles, Nome, RKC:**

- Fund allocation: Winter season – 8% of total relief funds. Summer season - 92%
- Eligibility criteria: Recommend participation (held permit card and delivered) in 2019 fishery.

## **Ken Anderson, Unalakleet, RKC & Salmon:**

- Eligibility criteria: We fished two years (2021 and 2020) hoping that new entrants will also be included (less than five years). Hope relief extends to non-resident permit holders.
- Fund allocation: Support a tiered approach, think it's a fair way to distributed.

## **Phil Pryzmont, Nome, RKC:**

- Fund allocation: Not satisfied with equal share payouts for the 2018 P-cod disaster (jig fishery). There's a discrepancy between those who fish summer and those who do a little in the winter. Would like to see a sliding scale for individual history. Sliding scale based on individual history.

## **Tyler Rhodes, Chief Operating Officer, Norton Sound Economic Development Corporation (NSEDC), RKC & Salmon:**

- Fund allocation: Processors have incurred losses; however, resident fishers (commercial and subsistence) losses were comparatively greater and should receive the bulk of fund allocation. For salmon, the fishery has grown over the last decade and become a more important income for the community. Our commercial fleet is also a subsistence fleet and that needs to be taken into consideration. Processor employees should be considered – many were hired to work and didn't receive hours. Hoping the NS 2021 season (salmon and RKC) will be included down the line.
- Research recommendations:
  - ❖ Salmon: Looking at ocean conditions that are leading to widespread failure.
  - ❖ RKC: Would support research evaluating NSRKC management strategy and objectives, improvements of the population modeling, and ensuring an annual trawl survey is conducted to improve data collection.

## **Jacob Ivanoff, Unalakleet, RKC & Salmon:**

- Fund allocation: More for the salmon fishery - should consider commercial fishing effort/time spent fishing. Some permit holders make only one or two deliveries - support a tiered approach to harvester allocations based on the number of deliveries made.

## **Randy Takak, Shaktoolik, RKC & Salmon:**

- Eligibility criteria: Funds should be distributed to crab permit holders who participated in 2019 and be based on their catch history. Don't support subsistence for crabs.