



January 16, 2023

Second DRAFT Spend Plan for funds appropriated to address the 2021 Norton Sound and Kuskokwim River salmon fisheries disaster determination. NOAA Fisheries has allocated \$1,268,317 for these salmon fishery disasters. The spend plan informs the federal grant application submitted by Pacific States Marine Fisheries Commission (PSMFC) to NOAA Fisheries and is subject to change based on approval of the final grant.

Written comments are requested on all elements of the proposed spend plan and should be as specific as possible. Comments will be posted online as received and therefore, the Alaska Department of Fish and Game (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 or by mail to: ADF&G, Attn: Darion Jones
PO Box 115526
Juneau, AK 99811-5526

Comments must be sent by January 21, 2023, for consideration in the final spend plan.

Process to develop the spend plan: ADF&G posted an initial draft spend plan for public comment in December 2023 and received 2 written comments (Appendix 1). ADF&G did not make any changes to the eligibility criteria because expanding the landing eligibility criteria for Kuskokwim commercial permit holders to previous years, as suggested, did not change the number of eligible Kuskokwim River permit holders. The time period included in the evaluation, and subsequent funding, for this fishery disaster was 2016 through 2021 and there has been one commercial participant on the Kuskokwim River since 2016.

ADF&G revised the research section to propose direct funding for a research project suggested by ADF&G staff. This project would further support the Kuskokwim River projects that were funded in the 2020 Norton Sound, Yukon River, Kuskokwim River, Chignik, and Southeast Alaska salmon fishery disaster spend plan.

Guiding principles for disaster fund distribution: Disbursement of funds is intended to 1) assist fishery participants harmed by the 2021 salmon fishery disasters 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.

The proposed categories and allocations reflect comments received from past stakeholder input. Proposed allocations to project categories:

Category	Allocation	Estimated funds ^a
Research	12%	\$150,000
Communities	3%	\$38,000

Commercial and subsistence participants	85%	\$1,065,000
Program support	0.2%	\$3,000
Total		\$1,256,000

^a Additional funds will be allocated to Pacific States Marine Fisheries Commission to administer the federal grant

The impact of the fishery disaster created significant loss of income to those involved in the harvesting and processing sectors and to the communities in which the cultural and basic economic structure is the marine economy. Some of these funds will be allocated to research activities that restore the fishery or prevent a similar failure in the future, but they will also be used to help assist the fishing communities that were affected by this fishery resource disaster by recognizing the loss of incomes. These direct payments will compensate participants consistent with fishery investments and/or historical fishery performance. Historically one of the purposes of disaster funding was to get funds to communities and fishermen as fast as possible. Direct payments provide that method.

Research – 12% (~\$150,000): Research funds are intended to support projects that improve available fishery information and help prevent and/or mitigate future fishery disasters. The scope of this fishery disaster is Norton Sound and Kuskokwim River and includes all species of salmon.

The following research project is responsive to the research themes that were developed by ADF&G staff. The project is proposed to be funded directly in the federal fishery disaster grant. Directing fishery disaster research funds to this project in the spend plan expedites the administrative process and maximizes the amount of time for investigators to conduct research.

Project: Tatlawiksuk River Weir

The Tatlawiksuk River weir would run concurrently with a drainage wide telemetry project, funded (and described) by the 2020 Norton Sound, Yukon River, Kuskokwim River, Chignik, and Southeast Alaska salmon Fishery Disaster spend plan. The broader telemetry study will use radiotelemetry mark–recapture techniques to estimate the total abundance of Kuskokwim River chum salmon for the years 2025–2027. The success of the radiotelemetry mark–recapture study is dependent on a well distributed network of weirs for evaluating large numbers of chum salmon during the tag recapture event. The Tatlawiksuk River supports a large run of chum salmon and will provide a critical tag recovery location in the middle portion of the Kuskokwim River drainage. Escapement and tag data collected from the Tatlawiksuk River weir will improve the accuracy and precision of drainage wide abundance estimates and provide statistical options to adjust for estimation bias, should any occur. Beyond its utility for the radiotelemetry study, the Tatlawiksuk River weir is part of a geographic array of projects used to monitor distribution, abundance, and quality of salmon escapements throughout the Kuskokwim River drainage. Value added products will include escapement estimates for Chinook salmon, age-sex-length data for Chinook and chum salmon, and local environmental data. Funds would support personnel costs associated with Tatlawiksuk River weir operations in project years 2026 and 2027.

ADF&G is requesting input on this project and the proposed award process for these research funds.

Communities – 3% (~\$38,000): Municipalities and boroughs rely on revenue generated from salmon landings and other economic activities related to the salmon fisheries. The state’s Fishery Business tax rate is 3% for shore-based crab landings and is shared 50/50 with the state and municipalities/ boroughs where the landings occur. If landings occur in the bounds of a municipality and borough, landing tax revenues are shared 50/50 between each entity. Some municipalities and boroughs levy an additional

local raw fish tax at a rate of 2% to 3.5% depending on the location and species. ADF&G proposes a 3% allocation to affected communities to help mitigate losses in fish tax and other economic losses due to the fishery disaster.

ADF&G is proposing direct payments to municipalities and boroughs based on the port of landing where salmon deliveries occurred.

Proposed eligibility criterion for communities:

- Kuskokwim River or Norton Sound salmon must have been landed in the community in 2021 based on the port of landing from ADF&G fish ticket data.

ADF&G proposes to distribute disaster funds pro rata to each community’s demonstrated loss relative to the total loss of all eligible communities. Based on these criteria, the following communities may be eligible for community-designated funds: Bethel, Nome, and Unalakleet, all of which had a demonstrated loss of salmon landings due to the fishery disaster. None of these communities are located within an organized borough.

Commercial and subsistence participants – 85% (~\$1,065,000): This category includes commercial harvesters, crew, and processors in the Norton Sound and Kuskokwim River areas. It also includes subsistence households that rely on subsistence fisheries in the Kuskokwim River area. Allocations, eligibility criteria, and payment distribution methods were informed by public comment and therefore are not the same across the fishery management regions.

ADF&G is proposing to allocate commercial and subsistence harvester funds proportional to the estimated losses. The estimated commercial fishery loss due to the fishery disaster was calculated by subtracting the gross revenue value of all salmon in the disaster year, 2021, from the previous five-year average annual gross revenue value for all salmon from 2015 through 2019, which excludes the 2020 disaster year.

ADF&G estimated subsistence fishery losses by subtracting the total estimated pounds of each salmon species harvested in the disaster year from the 2015 through 2019 annual average. Revenue losses for subsistence salmon were based on an average of urban and rural replacement costs for each species of salmon. In the Norton Sound management area, subsistence catches of sockeye, coho, and pink salmon were below the previous five-year average. These reductions in subsistence harvest were offset by increased harvest of Chinook and chum salmon and resulted in an estimated value for the 2021 subsistence salmon fishery that was above the previous five-year average. Previous Alaska fishery disaster spend plans have required fishery participants to demonstrate a loss to be eligible for fishery disaster funds. Therefore, the Norton Sound subsistence salmon fishery is not proposed to be included in this spend plan because the overall fishery did not incur a loss in 2021 relative to the previous five-year average.

Fishery	Estimated loss due to fishery disaster	Proportion of total loss	Proposed allocation
2021 Norton Sound & Kuskokwim River commercial salmon	-\$2,043,731	47%	\$496,678
2021 Kuskokwim River subsistence	-\$2,338,528	53%	\$568,322
Total	-\$4,382,259	100%	\$1,065,000

ADF&G proposes combining the 2021 Norton Sound and Kuskokwim River commercial fisheries for allocation purposes because there has been one commercial fishery participant on the Kuskokwim River in recent years and therefore, harvest and revenue information are confidential. To include the Kuskokwim River participant in the spend plan the area must be combined with the Norton Sound area.

Subsistence Fisheries

ADF&G proposes that subsistence households in the Kuskokwim River area would be eligible for direct payments based on the number of shares they qualify for, and the total amount of proposed funds allocated, \$568,322.

ADF&G proposes using eligibility criteria for subsistence households based on criteria that were developed for Section 12005 CARES Act Fisheries Assistance. To receive fishery disaster assistance, one household member would apply for the household. Eligible applicants would be placed into tiers based on household size in 2021. Smaller households with 1-3 members would be eligible for one share and larger households with four or more members would be eligible for two shares. Once all applications have been received, the total number of shares would be determined and payments for applicants calculated accordingly.

Household size	Number of Shares
1-3	1
4 or more	2

Proposed subsistence household eligibility requirements:

1. All eligible household members **MUST** be Alaskan residents, this will be verified by meeting at least one of the following criteria:
 - a) Eligible to receive an Alaska Permanent Fund Dividend in 2022 for calendar year 2021.
 - b) Possessed or eligible to receive a 2021 Alaska resident sport fishing license from the Department of Fish and Game.
 - c) Registered as a resident during 2021 with the Commercial Fisheries Entry Commission.
 - d) Held a subsistence or personal use permit issued by the Alaska Department of Fish and Game in 2021 in the Kuskokwim Area as defined at 5 AAC 01.250. Personal use fishery permits are **NOT** eligible for relief under this spend plan. They may **ONLY** be used to prove residency.
2. Applicant for household **MUST** be at least 18 years old to apply per federal requirements.
3. **MUST** self-certify that they are not de-barred from receiving federal funds and are not on the federal government “do not pay list”.
4. Eligibility will be determined by Alaskan household.
 - A household is defined as a person or persons having the same permanent residence.
 - Alaskan households that participate in subsistence salmon fisheries on the Kuskokwim River may apply regardless of physical household address.
 - Only one application may be submitted per household.
5. **MUST** self-certify that one or more members of the household participated in a salmon subsistence fishery in at least two of the previous four years (2017-2020) in the Kuskokwim Area.
 - Participation includes harvesting, sharing, and/or using salmon subsistence fishery resources. Subsistence harvest does **NOT** require the use of a sport fishing license.

- Subsistence fisheries are defined as fisheries on salmon stocks for which the Alaska Board of Fisheries has found there are positive customary and traditional uses, in addition to federal subsistence fisheries that have no state equivalent.
6. Eligible applicants MUST self-certify that their household has incurred a negative impact on their ability to access subsistence salmon fishery resources in 2021 that was directly or indirectly related to the fishery disaster.

Commercial Fisheries

2021 Norton Sound and Kuskokwim River commercial (\$): \$496,678

2021 Norton Sound commercial		Estimated funds
Harvesters (85%)	S04Z and S04W permit holders (90%)	\$379,959
	Crew (10%)	\$42,218
Processors (15%)		\$74,502

Total 2021 gross revenue losses for harvesters in the Norton Sound and Kuskokwim River salmon fisheries are estimated at \$2 million dollars. The proposed funds allocated to the harvesting sector are intended to mitigate this loss by providing funds to bring the harvesting sector up to 22% of its recent average value. Total losses for the processing sector are confidential because there are fewer than three processing companies.

Norton Sound & Kuskokwim Harvesters – 85%.

ADF&G proposes to divide the harvester allocation into two pools, one for S04Z & S04W permit holders (90%) and one for vessel crew members (10%). The split between permit holders and crew members is based on a typical crew size of one person earning a 10% crew share.

Permit holders – 90% of harvester pool (\$379,959)

Proposed eligibility criteria for permit holders:

1. S04Z or S04W permit holder must have made a salmon landing in 2021.
2. Landings on an S04W permit must have been from the Kuskokwim River, ADF&G statistical area 033511, 033512, 033513, 033514, or 033520.

Funds are proposed to be paid to the person listed as the 2021 ‘Permit holder’ and temporary emergency transfer permit holders (transferees) in the CFEC database. Permit holders who did not make any landings and certified they were unable to participate in 2021 in order to qualify for an emergency transfer or permit holders who permanently transferred a permit away and did not make any landings in 2021 will not receive payments.

ADF&G proposes to distribute permit holder funds based on the following four tiers. The four tiers are established based on the 2017 to 2019 average estimated CFEC gross revenue value for salmon landed by each individual based on their unique CFEC identification number. ADF&G proposes to use the fleet average for permit holders who do not have 2017, 2018, or 2019 landings. Each eligible permit holder in the same tier would receive an equal payment. ADF&G estimates that 128 permit holders may be eligible for payments.

Tier level	2017-2019 average CFEC gross revenue value of salmon landings	Tier allocation	Est. number of eligible permit holders
1	≥ \$38,000	27%	16
2	\$21,000 - \$37,999	29%	29
3	\$16,000 – \$20,999	27%	38
4	≤ \$15,999	17%	45

Fishing Crew – 10% of harvester pool (\$42,218). Crew members who meet all criteria are proposed to receive an **equal payment** from the crew member pool. Direct payments to minors are not authorized by the terms of the Federal grant but may be authorized to guardians in the same household on behalf of an eligible minor.

Proposed eligibility criteria for Norton Sound fishing crew:

1. Crew member must have held a 2021 commercial crew license or a 2021 CFEC permit for any fishery. This information will be verified using the ADF&G Licensing database and the CFEC permit database.
2. Crew member must provide information to show they participated as fishing crew in the 2021 commercial Norton Sound or Kuskokwim River salmon fishery for a qualified permit holder, based on an affidavit from the permit holder.
3. Crew member must not be eligible for fishery disaster funds as a Norton Sound or Kuskokwim River permit holder.

Norton Sound Processors – 15% (\$74,502). Total losses for the processing sector are confidential because there are fewer than three processing companies. ADF&G is proposing direct payments to Norton Sound salmon processing companies that meet all criteria. COAR buying data would be used to determine eligibility and payment for processors because those data are linked to the location where salmon were harvested. Final exvessel price from the COAR buying data are used to determine processor losses. Processing companies are identified based on the company’s nine-digit federal tax identification number.

The Kuskokwim River is not included in the processor category because there were no commercial processors on the Kuskokwim River in 2021.

Proposed processor eligibility criteria:

1. Processing company must have processed Norton Sound salmon in 2021.
2. Processing company must have a demonstrated loss in final exvessel value for Norton Sound salmon in 2021 as compared to its 2017 to 2019 average.

ADF&G proposes to distribute disaster funds **pro rata** to each company’s demonstrated loss relative to the total loss of all eligible companies.

Program Support – 0.2% (\$3,000): ADF&G is proposing to designate funds for staff working on fishery disaster plan development and implementation in coordination with PSMFC.

Appendix 1. Public comments on the initial draft spend plan.

From: Paul Paul
Sent: Thursday, December 14, 2023 4:41 PM
To: DFG, ComFisheriesDisasters (DFG sponsored)
Subject: Initial Draft Spend Plan for 2021 Kuskokwim and Norton Sound salmon

Commercial and subsistence participation in the Kuskokwim area is a large part of livelihood for the residents. Subsistence use of all salmon species has been limited by Fish and Game officials and the residents have been hit hard. They harvest very little because of closures and their supply of fish does not meet their needs to the next fish harvest season. Most household sizes go above 4. With the commercial consumer food prices very high, especially in the off-grid areas, which all of Kuskokwim villages are, monthly food bills are very high. Commercial Fishery participants, S04W permit holders have been inactivate for too many years now, and knowing commercial fishing openings coming to a standstill, most or all of S04W permit holders are hesitant to renew their licenses as the State has not announced possible S04W AREA openings. The State should recognize all previous holders prior to 2021 as eligible recipients.



**CHIGNIK INTERTRIBAL COALITION
427 AIRPORT ROAD
CHIGNIK LAGOON, ALASKA 99565**

December 22, 2023

ADF&G, Attn: Darion Jones
PO Box 115526
Juneau, AK 99811-5526

RE: Comments on the Draft 2021 Chignik Salmon Fishery Disaster Spend Plan

Dear Darion Jones

This letter is written on behalf of the five Federally recognized Tribes represented by the Chignik Intertribal Coalition (CIC). Our tribes are members of the communities of Chignik Bay, Chignik Lagoon, Chignik Lake, Ivanof Bay and Perryville. The Coalition has represented these tribes since 2018. Please find below the following suggestions on how the funds appropriated by Congress to address the 2021 Chignik Area salmon fishery disaster should be allocated.

2021 Chignik commercial:

Chignik Harvesters – 85% The harvester allocation will be divided into two pools, one for vessel permit holders (80%) and one for vessel crew members (20%). The split between permit holders and crew members is based on average crew size and crew shares and considers the higher initial costs borne by the vessel operators that are typically reimbursed through standard deductions to crew pay when the fishery is open.

Chignik Permit holders (80% of harvester pool) Proposed eligibility criteria for Chignik permit holders:

1. Permit holder must have had a valid S01L permit card in 2021.
2. The S01L permit holder must have made a Chignik salmon landing in 2021.

3. Permit holder did not make landings in another 2021 salmon seine fishery.

Funds should be paid to the person listed as the 2021 'Permit holder' and temporary emergency transfer permit holders (transferees) in the CFEC database. Permit holders who certified they were unable to participate in 2021 in order to qualify for an emergency transfer or permit holders who permanently transferred a permit away in 2021 should not receive payments.

Each permit holder who meets the eligibility criteria above will receive a minimum payment of \$30,000, except those eligible permit holders who made landings on the same vessel in 2021. If more than one eligible permit holder made landings on the same vessel in 2021, the total payment will be calculated at the vessel level and divided between eligible permit holders pro rata to the value of their 2021 salmon landings.

Additional tier payments for permit holders who made Chignik salmon landings in 2021 will be distributed using estimated gross revenue value for all salmon species to establish tiers because all salmon species were included in the fishery disaster for the Chignik area. Just like in the 2018 Disaster Distribution Plan, four tiers can be used and based on the estimated gross revenue for salmon landed in 2021 on each permit, or vessel if more than one permit holder landed salmon on the same vessel. Again, just like in the 2018 Plan, 25% of the remaining funds after accounting for the minimum payments of \$30,000 per eligible permit holder should be allocated to each tier and each eligible permit holder in the same tier would receive an equal payment.

Chignik Vessel Crew (20% of harvester pool) Vessel crew meeting all criteria are proposed to receive an **equal payment** from the crew member pool. Direct payments to minors are not authorized by the terms of the Federal grant but may be authorized to guardians in the same household on behalf of an eligible minor.:

1. Crew members must have held a 2021 commercial crew license or 2021 CFEC permit for any fishery. This information will be verified using the ADF&G Licensing database and the CFEC permit database.
2. Crew members must provide information to show they served as fishing crew in 2021 for a qualified permit holder, based on an affidavit from the permit or vessel holder.
3. Crew members must not be eligible for fishery disaster funds under the Chignik permit holder category of this distribution plan.

Communities – 5% CIC proposes to allocate a portion of the disaster funds to municipalities and boroughs in the Chignik region that rely on revenue generated from salmon landings and other economic activities related to the salmon fishery. These local government entities were negatively impacted by the fishery disaster because fishery revenues comprise a significant portion of local operating budgets and are used to support education, public works, ports and harbors, and other services. An even split of community funds between the City of Chignik and Lake and Peninsula Borough is recommended.

Chignik Processors – 5% There has not been a shore-based processing plant in Chignik since 2008. Trident and Ocean Beauty simply tender the salmon they purchase in Chignik to Sand Point, False Pass or Kodiak Island. The bottom line is that neither processor has the large fixed

costs normally associated with operating a shore-based plant in Chignik. When Chignik has a poor, or non-existent season, both buyers just simply send their tenders elsewhere.

Research – 5%

The Chignik Intertribal Coalition would like to express our support for Management Strategy Evaluation (MSE) of fisheries at Chignik. To date, Research has focused on sockeye, habitat and the socio-economic impacts resulting from the chronic disaster declarations in Chignik. We would like to expand research to include the human or management interactions within the Chignik fishery. MSE can be used to identify and objectively quantify the trade-offs associated with a set of alternative candidate strategies. To date, no objective management strategy evaluation has been performed on Chignik fisheries so the trade-offs among different strategies remain largely speculative. An MSE would do the following:

1. Provide a formal mechanism to bring groups together to identify alternative ways to manage these fisheries and decide which metrics will be used to define success and failure of different strategies. An MSE can be used as a broad tool to bring parties together to agree on the process and co-develop the analysis of the findings.
2. Effectiveness for achieving management objectives of different combinations of research, methods of analysis and subsequent processes leading to management actions.
3. Specific management and understanding impacts of various management actions would be more thoroughly understood through this process. Trade-offs that could be considered might involve exploring ways to maximize commercial values, protecting at-risk stocks (such as Chinook), providing adequate subsistence opportunities, etc.

The Coalition supports this theme as a priority for research funding because we recognize that the cause of these fish disasters spans more than one fishery area and/or salmon species.

In closing, we offer these recommendations on the proposed draft spend plan for the 2021 Chignik salmon disaster funds. We appreciate the opportunity to comment in this process and our Coalition membership appreciates your work.

Sincerely,

George Anderson
President, Chignik Intertribal Coalition
(907) 830-2623