



April 29, 2024

Second Draft Spend Plan for funds appropriated to address the 2022 Yukon River salmon disaster determination. NOAA Fisheries has allocated \$1,594,841 million for this salmon fishery disaster. 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 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 or by mail to: ADF&G, Attn: Darion Jones
PO Box 115526
Juneau, AK 99811-5526

Comments must be sent by May 5, 2024, 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 March 2024 and received 1 written comment (Appendix 1). In response to public comment, ADF&G revised this draft spend plan to make sport fishing businesses eligible for direct payments and is seeking additional public comment on the proposed allocation and eligibility requirements.

Guiding principles for disaster fund distribution: Disbursement of funds is intended to 1) assist fishery participants harmed by the 2022 Yukon River salmon 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.

The proposed categories and allocations for this draft spend plan were informed by the 2020 and 2021 Yukon River salmon elements of the “Statewide” salmon spend plan and public comments.

Category	Allocation	Estimated funds ^a
Research	10%	\$151,500
Communities	3%	\$45,500
Commercial and subsistence participants	75%	\$1,136,399
Sport fishing businesses	12%	\$180,200
Program support	0.1%	\$1,500
Total		\$1,515,099

^aAdditional funds will be allocated to Pacific States Marine Fisheries Commission (PSMFC) 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. A portion of these funds will be allocated to research activities that promote

restoration of the fishery or prevent a similar failure in the future, but they will also be used to help assist fishing communities that were affected by this fishery resource disaster by recognizing the loss of cultural, social and economic benefits due to the fishery disaster. 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 fishery participants as fast as possible. Direct payments provide that method.

Research – 10% (\$151,500): Funds will be allocated to support projects that improve available fishery information and help prevent and/or mitigate future fishery disasters. The scope of this fishery disaster includes Yukon River Chinook, chum, and coho salmon. The following research themes were suggested in public comment:

1. Feasibility studies for hatchery or other rehabilitation efforts.
2. Develop stock-specific distribution models to aid in Western Alaska chum avoidance and run reconstruction derived abundance estimates for chum salmon.
3. Exploring spatial and temporal changes in documented Yukon River salmon spawning tributaries.
4. Advance the understanding of environmental impacts from anthropogenic activities on the Yukon River.
5. Creating and hosting Culture Camps attended by youth and elders to incorporate salmon distributions, fish processing, sharing traditional knowledge and traditional practices, etc.
6. Focused research efforts on Yukon River juvenile salmon life histories, out-migrations, and survival.
7. Enforcement, public outreach, or signage to protect salmon spawning grounds from anthropogenic activities.

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 this fishery disaster spend plan.

Communities – 3% (\$45,500): ADF&G proposes to allocate a portion of the disaster funds to municipalities and boroughs that 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 landings and is shared 50/50 with the state and municipalities where the landings occur. 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, and other services.

ADF&G proposes direct payments to affected municipalities and boroughs with a demonstrated loss of salmon landings due to the fishery disaster. 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.

Proposed eligibility criterion for communities:

- Yukon River salmon must have been landed in the community in 2020 based on the port of landing from ADF&G fish ticket data.

Based on this criterion the only eligible community is Emmonak, which had a demonstrated loss of salmon landings due to the fishery disaster.

Commercial and subsistence participants - 70%: ADF&G is proposing to allocate commercial and subsistence harvester funds proportional to the estimated loss in each of the following fisheries:

Fishery	Estimated loss due to fishery disaster	Proportion of total loss	Proposed allocation
2022 Yukon River commercial	-\$3,948,798	13.3%	\$150,594
2022 Yukon River subsistence	-\$25,849,239	86.7%	\$985,805
Total	-\$29,798,037		\$1,136,399

Subsistence Fisheries

2022 Yukon River subsistence: \$985,805

Subsistence households in the Yukon River area are eligible for direct payments based on the number of shares they qualify for and the total amount of proposed funds.

Eligibility criteria for subsistence households are based on criteria that were developed for Section 12005 CARES Act Fisheries Assistance. One household member will submit an application for the household. Eligible applicants will be placed into tiers based on household size in 2022. Smaller households with 1-3 members will be eligible for one share and households with 4-6 members will be eligible for two shares. Households with 7-9 members will be eligible for three shares and households with ten or more members will be eligible for four shares.

Household size	Number of Shares
1-3	1
4-6	2
7-9	3
10+	4

Once all applications have been received, the total number of shares will be determined and payments for applicants will be calculated accordingly.

Subsistence household eligibility requirements:

1. All eligible household members **MUST** be Alaskan residents meeting at least one of the following criteria:
 - a) Eligible to receive an Alaska Permanent Fund Dividend for calendar year 2022.
 - b) Possessed or eligible to receive a 2022 Alaska resident sport fishing license from the Department of Fish and Game.
 - c) Registered as a resident during 2022 with the Commercial Fisheries Entry Commission (CFEC).
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.
 - o A household is defined as a person or persons having the same permanent residence.

- All Alaskan households participating in subsistence fisheries 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 the Yukon River salmon subsistence fishery in at least two of the previous four years when the fishery was open (2017-2020).
- 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 2022 that was directly or indirectly related to the fishery disaster.

Commercial Fisheries

2022 Yukon River commercial: \$150,594

2022 Yukon River Commercial	Allocation	Estimated funds
Harvesters	90%	\$135,535
Processors	10%	\$15,059
Total		\$150,594

Yukon River Permit holders – 90%

Proposed eligibility criteria for Yukon River permit holders:

- Permit holder must have had a valid S04Y or S04P permit in 2022. A permit is considered valid if fees were paid to renew the permit in 2022.

Funds are proposed to be paid to the person listed as the 2022 ‘Permit holder’ and temporary emergency transfer permit holders (transferees) in the CFEC database. Permit holders who certified they were unable to participate in 2022 in order to qualify for an emergency transfer and permit holders who permanently transferred a permit away before the 2022 salmon season will not receive payments. ADF&G proposes that each permit holder receive equal payment. An estimated 332 permit holders would be eligible for equal payment.

Yukon River Processors – 10%: Yukon River salmon processing companies that meet the eligibility criterion are eligible for payment based on the average wholesale value of Yukon River salmon processed by the company from 2017-2019 using Commercial Operator’s Annual Report (COAR) data.

Proposed processor eligibility criterion:

- Processing company must have processed Yukon River salmon in 2019 or 2020.

ADF&G proposes disaster payments to processing companies be **pro rata** to the company's demonstrated loss. The loss is proposed to be calculated as the company's 2017-2019 average wholesale value for Yukon River salmon.

Sport Fishing Businesses – 12% (\$180,200): Sport fishing businesses operating in the Yukon River area are eligible for direct payments based on the loss of bookings/revenue as compared to the company's 2015-2019 average. ADF&G proposes using the years 2015–2019 for evaluation due to disaster determinations made in 2020 and 2021. However, the logbook reporting criterion does not include 2019 because the freshwater logbook reporting requirement ended after 2018.

Proposed sport fishing eligibility criteria:

1. The sport fishing business must have been registered with ADF&G for a minimum of three years from 2015 through 2019.
2. The sport fishing business must have reported Yukon River salmon trips in the ADF&G logbook for a minimum of three years from 2015 through 2018.
3. The sport fishing business must have experienced a minimum loss of 10% in bookings or revenue for 2022 as compared to its 2015-2019 average.

Based on this eligibility criteria, ADF&G estimates one business is eligible for direct payment. If more than one business is eligible, ADF&G proposes funds be distributed pro rata to each company's demonstrated loss relative to the total loss of all eligible companies.

Program Support – 0.1% (\$1,500): ADF&G is proposing to designate funds for staff working on fishery disaster plan implementation in coordination with Pacific States Marine Fisheries Commission.

Appendix 1. Public comments on initial draft spend plan.

Good Afternoon,

Thank you for the opportunity to provide some input on the allocation process for the inclusion of the sport fishing sector in the 2022 Yukon FSDF.

1. The sport fish sector should be allocated no less than 35% and should be a separate category much like it was in the CARES act funding.
2. Only sportfish businesses who's main sportfishing has been centered on Chinook, Chum & Coho salmon should be eligible.
3. Eligibility should be based on historic average number of guest/customer bookings for years 2015, 2016, 2017, 2018 & 2019 compared to guest/customer bookings for the year 2022. Using this formula fishing businesses can figure the amount of revenue loss based on 2022 per guest booking rate. For example: - if the average guest count for a season from the years 2015 - 2019 is 200 guests and the number of guests in 2022 is 150 the loss would be based on 50 bookings at the 2022 rates (for example \$1000 per customer). The loss in this example would be \$50K.
4. I suggest not including 2020 or 2021 for the following two reasons - 2020 was closed completely due to Covid and in 2021 international travel was still restricted due to Covid so it may or may not be a fair count of average guest numbers since a good number of international guests normally travel to the region.
5. A minimum 10% loss in the number of guest/customer bookings for 2022 will count as one share. Additional shares will be awarded for each additional 5% loss in the number of guest/customer bookings.
6. Businesses must certify (either self-certify, or some other means) that the number of historical bookings is true and correct.

This is obviously an on-going issue for the sport fishing industry in the Yukon River areas as the salmon life cycles for these species are 4 to 6 years generally. So we are continually seeing a drastic decrease in bookings and it is directly related to the lack of salmon sportfishing opportunities per our guest's input. We would like to ask that Governor Dunleavy request disaster funding for the 2023 season as well.

Thank you for your time, Cheryl Hickson

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