



October 20, 2023

Alaska Department of Fish and Game  
Attn: Darion Jones  
P.O. Box 115526  
Juneau, Alaska 99811-5526

Re: Comments on the Draft Spend Plan for the 2021/22 and 2022/23 Bristol Bay Red King Crab and Bering Sea Snow Crab Fishery Disasters

Dear Ms. Jones,

Thank you for the opportunity to comment on the first draft of the spend plan for the 2021/22 and 2022/23 Bristol Bay Red King Crab (BBR) and Bering Sea Snow Crab (BSS) Fishery Disasters. Alaska Bering Sea Crabbers (ABSC) is a non-profit industry trade association representing the majority of independent crab harvesters who commercially fish for king, snow (opilio), and Tanner (bairdi) crab with pot gear in the Bering Sea and Aleutian Islands Crab Rationalization Program. Our harvesters were directly harmed by the subject fishery disaster. ABSC appreciates that the State highlighted specific areas that would be particularly helpful to provide input. We've worked to respond to those requests in addition to offering general comments on the draft spend plan below. Several comments and context from our July 14, 2023, letter giving input on the development of the spend plan are relevant and that letter is herein incorporated by reference (see p.42 of the [draft spend plan](#)).

## RESEARCH

The Alaska Department of Fish and Game (ADFG) specifically requested comments on the *“suggested research themes and the proposed distribution and allocation of research funds.”*

ABSC signed a joint comment letter with several communities, processors, and CDQ groups recommending a maximum 10% allocation for research. ABSC views this as a compromise given it is the maximum among public comment received to inform the original development of the spend plan which ranged from 2-10% for research. ABSC thinks the ADFG spend plan draft amount of 18% (~\$34M) is far too high and is not fair given substantial research dollars are coming from other sources (like Congress, North Pacific Research Board, and other disasters). While we recognize and support the need for research to avoid future disasters, at least 90% of the fishery disaster money should go to those stakeholders most affected by the disaster.

Further, ABSC supports at least 75% of research funds going directly through the Bering Sea Fisheries Research Foundation (BSFRF), similar to what was done for the 2019/20 Bairdi spend

plan where all research funds are directed through BSFRF. Directing research funds through BSFRF further helps affected processors and fishermen who traditionally fund that research organization. ABSC recommends that the remainder of the research allocation go through a request for proposal (RFP) open-bid process for grants through the North Pacific Research Board (NPRB) as a third-party scientific review process. Finally, ABSC understands that some funds will need to go toward building capacity to work on these crab research projects over the next few years. We encourage, where possible, to lean on existing expertise and capacity already available within the government, academia, private sector, and stakeholders/communities to make efficient use of these temporary funds. If there are leftover research dollars towards the end of the disaster fund cycle, those funds should go to BSFRF to be spent. ABSC encourages a publicly available tracker of research fund spending on projects and capacity/staff.

Regarding suggested research themes or priorities, ABSC supports pot surveys using crab vessels run through BSFRF, including a lottery-style vessel bid process, in collaboration with state, federal, and academic research partners. This creates a win-win situation where crab vessels and crews are paid to be research platforms at a time when their main income is severely limited. Plus, it provides a platform well suited to conduct crab research. In reviewing the research priorities on pages 72-73 of the [draft spend plan](#), we note the following important research themes appear to be missing (not listed in priority order):

- estimates of unobserved fishing mortality on BBR and BSS by all gear types,
- risks of fishing impacts on molting/mating crab populations
- understanding temperature and pH drivers on crab
- essential fish habitat by crab life stage
- effect of predation and prey availability by life stage
- for BSS, improved estimates of maturity
- for BBR, testing crab enhancement
- research on the human dimensions for crab fishermen and fishing communities to better adapt and to avoid future fishery disasters (For example, how to diversify to better weather disasters? What changes to the rationalization program are needed to build resilience? How to protect independent harvesters and others disproportionately affected through fishery disasters? What are the barriers to adaptation?)
- further development and use of management strategy evaluations (MSEs) for crab stocks, especially methods that expedite the evaluation of new methods for crab management.

## HARVESTERS

ADFG specifically requested comments on *“whether a minimum number of QS units should be considered for eligibility to provide for more efficient distribution of funds.”*

ABSC maintains our original position from our letter dated July 14, 2023. No, there should not be a minimum number of quota share (QS) units to be eligible. Creating a minimum threshold causes fairness issues especially with crew who tend to have smaller amounts. If someone needs the funds enough to apply with a small amount of QS units and they would be eligible, then they should be able to apply and receive funds.

ADFG specifically requested comments on “*whether direct payments for initially issued QS should be different than payments for purchased QS, or ‘recently’ purchased QS, as the impacts of the fishery disaster were likely more severe for QS holders who may still owe lenders for quota investments.*”

ABSC appreciates that the state is trying to get disaster funds to those most in need. However, ABSC opposes this because it creates two classes of QS holders and is difficult to discern whether recently purchased QS is truly more severely impacted. For example, some may purchase new quota with cash and have no debt, indicating they are a recent purchaser but less harmed. Others may have taken out a second mortgage to buy QS and the loan is not tied clearly to the QS, indicating they are a recent purchaser that is more harmed but where it is harder to directly track that harm.

ADFG specifically requested comments on “*the methodology used to determine payments to captains and crew.*”

ABSC maintains our original position from our letter dated July 14, 2023 – the methodology should be in proportion to vessels landings and crew time/pay onboard through a spreadsheet submitted by the vessel owner. This more accurately pays captains and crew based on their losses from the disaster than the point system.

ABSC notes there is an error for vessel owner qualifying years for both BBR and BSS. Corrections are offered below to more accurately reflect the vessel owners affected by the fishery disaster years of 2021/22 and 2022/23. However, the formula for vessel-based payments should remain as proposed in the draft spend plan.

BBR (p.6)

*ADF&G proposes direct payments to vessel owners listed in the CFEC vessel database as the 2021 ~~2019~~ vessel owner for the 2021/22 ~~2019/20~~ season and to the 2022 ~~2020~~ vessel owner for the 2022/23 ~~2020/21~~ season.*

BSS (p.10)

*ADF&G proposes direct payments to vessel owners listed in the CFEC vessel database as the 2022 ~~2020~~ vessel owner for the 2021/22 ~~2019/20~~ season and to the 2023 ~~2021~~ vessel owner for the 2022/23 ~~2020/21~~ season.*

ADFG specifically requested comments on “*whether BSS relief payments for those vessel owners, captain and crew should be reduced by deducting harvest in the GOA Tanner crab fishery from the vessel-based calculation for the BSS crab fishery.*”

No, those vessel owners, captains, and crew that found other work, whether it was tendering, working in oil, GOA Tanner, or elsewhere should not be penalized. It is too difficult to determine which vessels owners, captains, and crew found other work and how much to reduce their disaster payments by. In addition, it is not fair to penalize those that found other

work, especially with fishery disasters not paid for by the government in a timely manner and payouts so far removed from the actual disaster.

## HARVESTER/PROCESSOR SPLIT

ABSC stands by a data-driven approach as outlined in our July 14, 2023, letter for sharing between harvesters and processors and does not support the compromise position in the draft spend plan. Using the processor's own data from their COAR report to determine the split yields similar results to the original ABSC harvester position (BBR 86%/14%, BSS 78%/22%) with COAR data resulting in:

- BBR at 88% harvester and 12% processors; and
- BSS at 80%/20%.

See Attachment C in ABSC's July 14, 2023, comment letter for more data.

The processors cited extra costs as the rationale for their recommendation of a 75%/25% split without providing data to back their position. In reality, both harvesters and processors have faced increasing costs so that rationale doesn't hold up without providing data to back it from both processors and harvesters. However, for processors that handle multiple species, it is difficult to attribute added costs to any one species. That is why the rationalization program adopted a revenue-sharing arbitration formula instead of a profit-sharing formula.

ABSC hears the state lean on data-driven approaches in Council and crab TAC-setting work and we encourage the state to use a data-driven approach here, too, in selecting the harvester-processor split.

## COMMUNITIES

ABSC accepts the 5% for communities as listed in the draft spend plan as the maximum that should go to communities. Even though the data from our original July 14, 2023, letter shows 4.75% is more accurate and already generous compared to landing taxes/fees, ABSC recognizes that 5% could be considered within the margin of error of what we found data for. We suggest basing disaster payouts on need by looking at revenue lost from each community.

Thank you for considering our comments.

Sincerely,



Jamie Goen  
Executive Director  
*Alaska Bering Sea Crabbers*