

# **State of Alaska FY2002 Governor's Operating Budget**

Department of Fish and Game  
Commercial Fisheries Entry Commission  
BRU/Component

## **Component: Commercial Fisheries Entry Commission**

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### **Component Mission**

The mission of the Commercial Fisheries Entry Commission is to limit entry into commercial fisheries for purposes of resource conservation and to prevent economic distress among fishermen and those dependent on them for a livelihood.

### **Component Services Provided**

The Commission performs the following services required by law (AS 16.43.010-990):

- Establish moratoria on new entrants to fisheries as necessary;
- Establish the maximum number of permits in fisheries to be limited (as governed by statute);
- Establish and implement systems to rank eligible applicants according to the relative hardship they would suffer by not initially receiving an entry permit for a limited fishery;
- Process and classify entry permit applications and adjudicate claims not resolved by initial classification;
- Issue entry permits in limited fisheries, interim-use permits in unlimited fisheries, licenses for all vessels employed in Alaska's commercial fisheries and vessel permits under vessel moratoria established by law;
- Process requests for emergency and permanent transfers of entry and interim-use permits and to compile and report data on the demographic characteristics of permit holders and prices paid for permits;
- Enforce the Limited Entry Act by regulating permit transfer activities, conducting investigations, and initiating administrative enforcement proceedings;
- Monitor unlimited fisheries to assess their rate of development and their potential need for limitation;
- Monitor the long-term effects of limited entry;
- Monitor the limited fisheries to obtain information needed for considering optimum numbers in those fisheries, and to determine the need for adjustment to the size of a given fleet;
- Participate in the development of comprehensive fisheries economic data and research, and to make this information available to policy makers and members of the public;
- Work closely with other management agencies to develop and coordinate fisheries policy; and
- Administer the demerit point system for suspending commercial fishing privileges based on convictions of fishing law violations in salmon fisheries.

The commission is the only agency charged with the responsibility for limiting the number of participants in commercial fisheries. To carry out its responsibility, the commission works closely and cooperatively with the Department of Law, Department of Fish and Game, the Alaska Board of Fisheries, and other fisheries agencies when making regulatory decisions.

### **Component Goals and Strategies**

The goal of the Commercial Fisheries Entry Commission is to promote the conservation and sustained yield management of Alaska's fisheries resources and the economic health and stability of commercial fishing in Alaska by regulating and controlling entry into the commercial fisheries in the public interest and without unjust discrimination.

### **Key Component Issues for FY2001 – 2002**

- Continue to streamline licensing processes using available technology to make the licensing system easier and more efficient for both the public and the agency.
- Implement the use of credit cards for permit and vessel license renewals.

- Provide on-line licensing service for permit and vessel license renewals.
- Monitor the legislative moratoria on new vessels in the Bering Sea Korean hair crab fishery and the scallop fishery which will expire on July 1, 2003 and July 2, 2004 respectively. These fisheries will return to open access upon those dates unless the legislature passes a new law to control access or CFEC takes action to limit the fishery. The ability of CFEC to limit these fisheries effectively depends on passage of legislation within the next two years authorizing CFEC to implement a vessel-based limited entry system in fisheries such as these.
- Consider action on proposed regulations establishing an optimum number for the Northern Southeast inside sablefish longline fishery.
- Adopt regulations establishing point systems for limitations in the Southeast Alaska dive fisheries.
- Monitor the federal government implementation of a new License Limitation Program in 2000 for groundfish and Bering Sea and Aleutian Islands crab in the Exclusive Economic Zone. This federal action may lead to increased pressures from displaced vessels on groundfish and crab in waters managed under state jurisdiction and to additional demands on CFEC to limit fisheries under increased pressure.
- Monitor the Carlson class action lawsuit that continues to be a major threat to Alaska's nonresident/resident permit fee differential. The 3:1 nonresident to resident permit fee differential is established by law (AS 16.43.160). If Alaska loses the lawsuit it might result in huge refunds (millions of dollars) to nonresident fishermen. It is imperative that Alaska has the resources to defend our law in court and the ability to respond to whatever judgment is ultimately rendered.
- Complete hearings and issue decisions on applications for entry permits in the Southeast Alaska dive fisheries and previously limited fisheries. This will be a key issue in the Adjudications Section in FY 02.

### **Major Component Accomplishments for FY2000**

- Participated in the Bristol Bay Native Association's Blue Ribbon Commission on Limited Entry Issues (among other issues, the BBNA Commission is examining options for fleet and gear reduction and ways to obtain and maintain more limited entry permits in local Bristol Bay communities).
- Continued to meet with the IRS to explore means to help permit holders achieve voluntary tax compliance and to eliminate attempted forced sales of limited entry permits.
- Conducted public hearings and adopted permanent limited entry programs in the Southeast Alaska sea urchin, geoduck, and sea cucumber dive fisheries.
- Began a significant upgrading of CFEC computer system to bring equipment and programs up to current state standards and to maximize effective use of technology in keeping up with the ever-increasing workload of the agency.
- Prepared to process entry permit applications for the Southeast Alaska dive fisheries.
- Continued processing of entry permit applications for the Goodnews Bay herring gill net fishery, and the Southeast Alaska shrimp trawl fisheries.
- Issued decisions on permit applications for these and for previously limited fisheries.
- Conducted hearings and issued decisions on the emergency transfers of entry permits.
- Issued 127 decisions and the hearing officers and paralegals issued 108 decisions in calendar year 1999.

- Ensured licensing and adjudications software applications were compliant with Y2K requirements in advance of the end of the calendar year.
- Continued work to get all old case files imaged and available electronically to Commission staff.
- Issued 23,824 interim use and entry permits to commercial fishermen.
- Issued 16,092 vessel licenses and sport charter vessel licenses.
- Completed action on 881 Requests for Emergency Transfer of limited entry permits within a 4-day turnaround time.
- Completed action on 883 Requests for Permanent Transfer of limited entry permits within a 4-day turnaround time.
- Completed a report on time series changes in the distribution of Alaska's limited entry permits.
- Prepared reports on how Gulf of Alaska communities have fared under limited entry and IFQ programs.
- Prepared a report on the issue of permit transferability.
- Monitored fisheries operating under temporary moratoria established by Alaska's legislature and other fisheries for which the commission has been petitioned for limited entry.
- Proposed establishing an optimum number in the Northern Southeast inside sablefish longline fishery.

### **Statutory and Regulatory Authority**

AS 16.43.010-990  
20 AAC 05.010 - 20 AAC 05.1990

## Key Performance Measures for FY2002

**Measure: Process all vessel licenses, permit renewals, and requests for duplicates within three days of receipt in order to minimize lost fishing time**  
*(Developed jointly with Legislature in FY2001.)*

**Measure: Process all emergency transfer requests within four days of receipt in order to minimize lost fishing time**  
*(Developed jointly with Legislature in FY2001.)*

**Measure: Process all permanent transfer requests within five days of receipt in order to minimize lost fishing time**  
*(Developed jointly with Legislature in FY2001.)*

**Measure: By the end of the fiscal year, provide fishers with the option to renew licenses online**  
*(Revised from Legislature's FY2001 version.)*

**Measure: Maintain the number of hearing officer and paralegal decisions issued during the year at 100 or more**  
*(Developed jointly with Legislature in FY2001.)*

**Measure: Maintain the number of final decisions issued by the commission during the year at 100 or more**  
*(Developed jointly with Legislature in FY2001.)*

**Measure: By the end of the fiscal year, maintain or decrease the net number of cases pending before hearing officers and commissioners from the number pending at beginning of the fiscal year**  
*(Developed jointly with Legislature in FY2001.)*

**Measure: Maintain at 20 percent or less the number of appeals from final decisions of the commission that are filed with the superior court during the year**  
*(Developed jointly with Legislature in FY2001.)*

## Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
• Process all vessel licenses, permit renewals, and requests for duplicates within three days of receipt in order to minimize lost fishing time		X			
• Process all emergency transfer requests within four days of receipt in order to minimize lost fishing time		X			
• Process all permanent transfer requests within five days of receipt in order to minimize lost fishing time		X			
• By June 30, 2001, provide fishers with the option to pay fees and licenses by credit card		X			
• Maintain the number of hearing officer and paralegal decisions issued during the year at 100 or more			X		
• Maintain the number of final decisions issued by the commission during the year at 100 or more			X		



## Commercial Fisheries Entry Commission

### Component Financial Summary

*All dollars in thousands*

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
<b>Non-Formula Program:</b>			
<b>Component Expenditures:</b>			
71000 Personal Services	2,176.3	2,275.6	2,384.2
72000 Travel	29.4	38.5	38.5
73000 Contractual	256.5	384.3	384.3
74000 Supplies	39.2	26.7	41.7
75000 Equipment	109.3	3.0	48.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
<b>Expenditure Totals</b>	<b>2,610.7</b>	<b>2,728.1</b>	<b>2,896.7</b>
<b>Funding Sources:</b>			
1002 Federal Receipts	82.5	109.2	110.2
1005 General Fund/Program Receipts	2,517.8	0.0	0.0
1007 Inter-Agency Receipts	10.4	0.0	0.0
1053 Investment Loss Trust Fund	0.0	55.1	0.0
1156 Receipt Supported Services	0.0	2,563.8	2,786.5
<b>Funding Totals</b>	<b>2,610.7</b>	<b>2,728.1</b>	<b>2,896.7</b>

### Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
<b>Unrestricted Revenues</b>						
Unrestricted Fund	68515	2,131.6	2,327.0	2,227.0	2,003.3	2,003.3
<b>Unrestricted Total</b>		<b>2,131.6</b>	<b>2,327.0</b>	<b>2,227.0</b>	<b>2,003.3</b>	<b>2,003.3</b>
<b>Restricted Revenues</b>						
Federal Receipts	51010	82.5	109.2	109.2	110.2	110.2
Interagency Receipts	51015	10.4	0.0	0.0	0.0	0.0
General Fund Program Receipts	51060	2,517.8	0.0	0.0	0.0	0.0
Receipt Supported Services	51073	0.0	2,563.8	2,563.8	2,786.5	2,786.5
Investment Loss Trust Fund	51393	0.0	55.1	55.1	0.0	0.0
<b>Restricted Total</b>		<b>2,610.7</b>	<b>2,728.1</b>	<b>2,728.1</b>	<b>2,896.7</b>	<b>2,896.7</b>
<b>Total Estimated Revenues</b>		<b>4,742.3</b>	<b>5,055.1</b>	<b>4,955.1</b>	<b>4,900.0</b>	<b>4,900.0</b>

**Commercial Fisheries Entry Commission**  
**Proposed Changes in Levels of Service for FY2002**

No service changes.

**Summary of Component Budget Changes**  
**From FY2001 Authorized to FY2002 Governor**

*All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
<b>FY2001 Authorized</b>	55.1	109.2	2,563.8	2,728.1
<b>Adjustments which will continue current level of service:</b>				
-Convert Special FY2001 Labor Cost Fund Sources to GF	-55.1	0.0	55.1	0.0
-Year 2 Labor Costs - Net Change from FY2001	0.0	1.0	12.4	13.4
<b>Proposed budget increases:</b>				
-Cost of business	0.0	0.0	155.2	155.2
<b>FY2002 Governor</b>	<b>0.0</b>	<b>110.2</b>	<b>2,786.5</b>	<b>2,896.7</b>

**Commercial Fisheries Entry Commission****Personal Services Information**

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	31	31	Annual Salaries	1,780,509
Part-time	5	5	COLA	43,323
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	634,213
			<i>Less 3.00% Vacancy Factor</i>	<i>(73,845)</i>
			Lump Sum Premium Pay	0
<b>Totals</b>	<b>36</b>	<b>36</b>	<b>Total Personal Services</b>	<b>2,384,200</b>

**Position Classification Summary**

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Adjudications Project Leader	0	0	1	0	1
Administrative Officer	0	0	1	0	1
Analyst Programmer I	0	0	2	0	2
Analyst Programmer III	0	0	1	0	1
Analyst Programmer IV	0	0	1	0	1
Analyst Programmer V	0	0	3	0	3
Comm Fish Permit Clerk I	0	0	1	0	1
Comm Fish Permit Clerk II	0	0	1	0	1
Comm Fish Permit Clerk III	0	0	2	0	2
Comm Fish Permit Clerk IV	0	0	1	0	1
Comm Fish Permit Clerk V	0	0	1	0	1
Commission Secretary	0	0	1	0	1
Commissioner, CFEC	0	0	3	0	3
Data Processing Project Le	0	0	1	0	1
Economist III	0	0	1	0	1
Hearing Officer I	0	0	1	0	1
Hearing Officer II	0	0	2	0	2
Hearing Officer III	0	0	1	0	1
Law Specialist II	0	0	1	0	1
Licensing Project Leader	0	0	1	0	1
Managing Paralegal	0	0	1	0	1
Paralegal II	0	0	1	0	1
Publication Specialist I	0	0	1	0	1
Research Analyst III	0	0	4	0	4
Research&Planning Proj. Le	0	0	1	0	1
Transfer Officer	0	0	1	0	1
<b>Totals</b>	<b>0</b>	<b>0</b>	<b>36</b>	<b>0</b>	<b>36</b>