

Limited Entry in Alaska's Commercial Fisheries

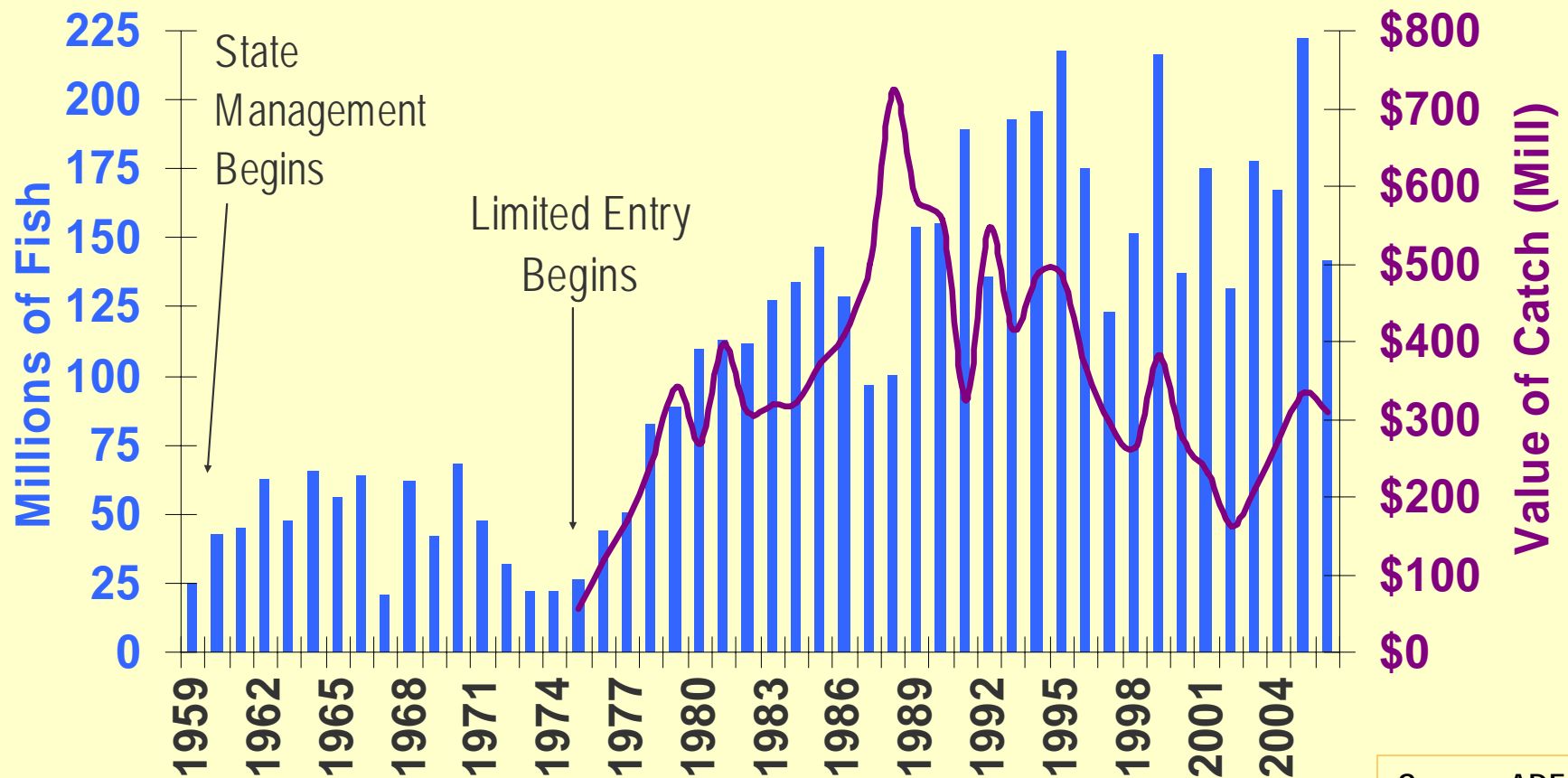
Frank Homan, Chairman
State of Alaska
Commercial Fisheries Entry
Commission

The Setting

- Declining salmon resource
- Declining income
- Increasing level of participation
- State control of fisheries following 1959 statehood
- Several attempts by the State to limit salmon fisheries failed in the 1960s
- Constitutional amendment in 1972 allowing for Limited Entry
- Limited Entry Act passed in 1973

Alaska Commercial Salmon Catches & Ex-vessel Value 1959-2006*

All Species Combined (*2006 preliminary data)



Source: ADF&G

Alaska Constitution
Article VIII, Section 15
No Exclusive Right of Fishery

No exclusive right or special privilege of fishery shall be created or authorized in the natural waters of the State.

The Mission

1972 Constitutional Amendment Allowing for Limited Entry

This section does not restrict the power of the State to limit entry into any fishery for purposes of resource conservation, to prevent economic distress among fishermen and those dependent upon them for a livelihood, and to promote the efficient development of aquaculture in the State.

1973 Limited Entry Act

- Purpose:
 - Promote conservation and sustained yield management and
 - economic health & stability of commercial fishing
 - through regulating & controlling entry in the public interest, without unjust discrimination
- Established the Commercial Fisheries Entry Commission

Legal Constraints, Alaska Supreme Court Decisions

Ostrosky (1983) & Johns (1988)

[T]o be constitutional, a limited entry system should impinge as little as possible on the open fishery clauses consistent with the constitutional purposes of limited entry, namely, prevention of economic distress to fishermen and resource conservation.

The Organization

Commercial Fisheries Entry Commission

Commission

3 commissioners,
4 staff

Adjudications

1 lead,
2 paralegals,
2 hearing officers

Licensing

1 lead,
1 transfer officer,
3 full-time staff

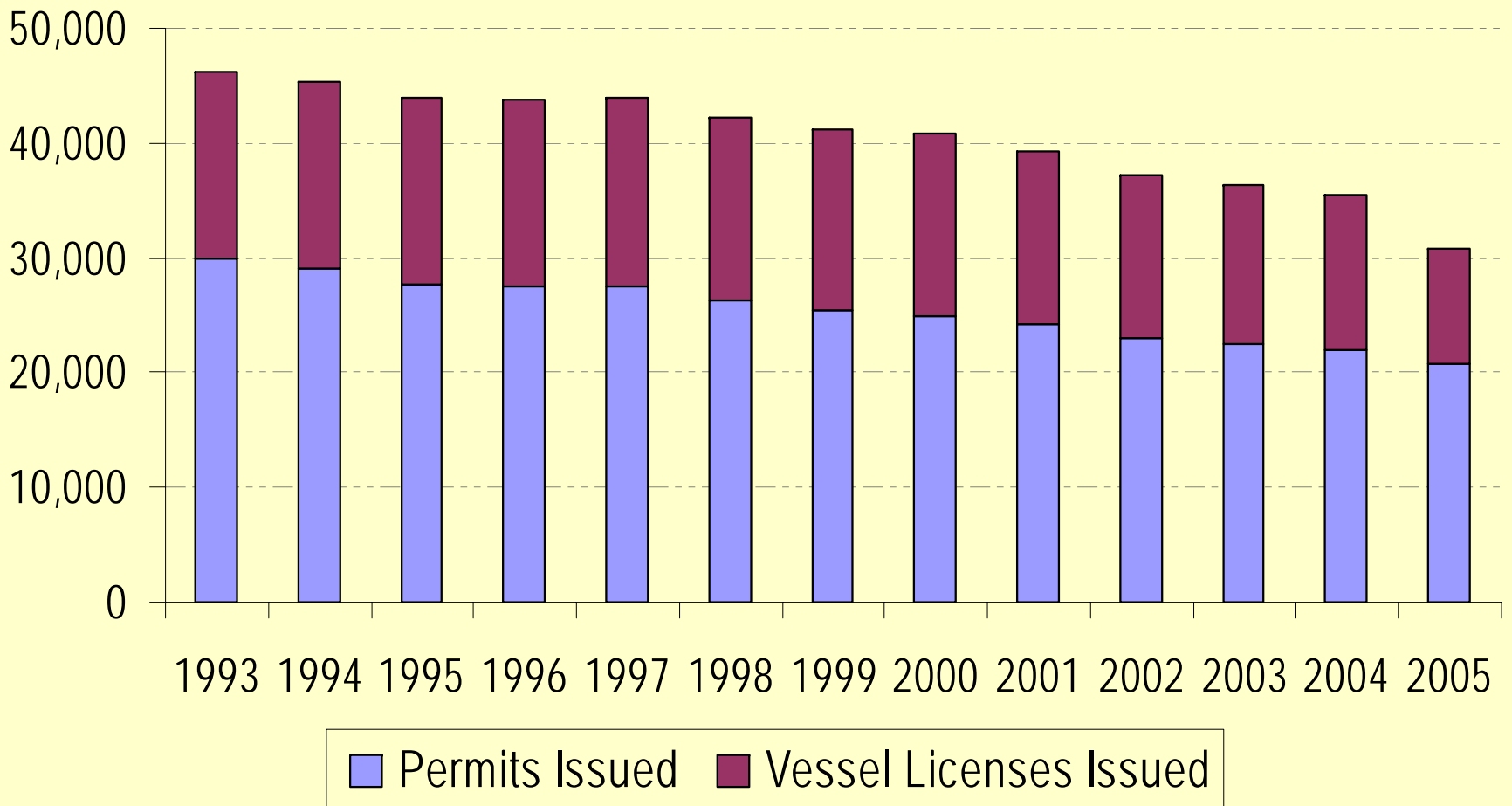
Research

1 lead,
5 analysts

Information
Technology

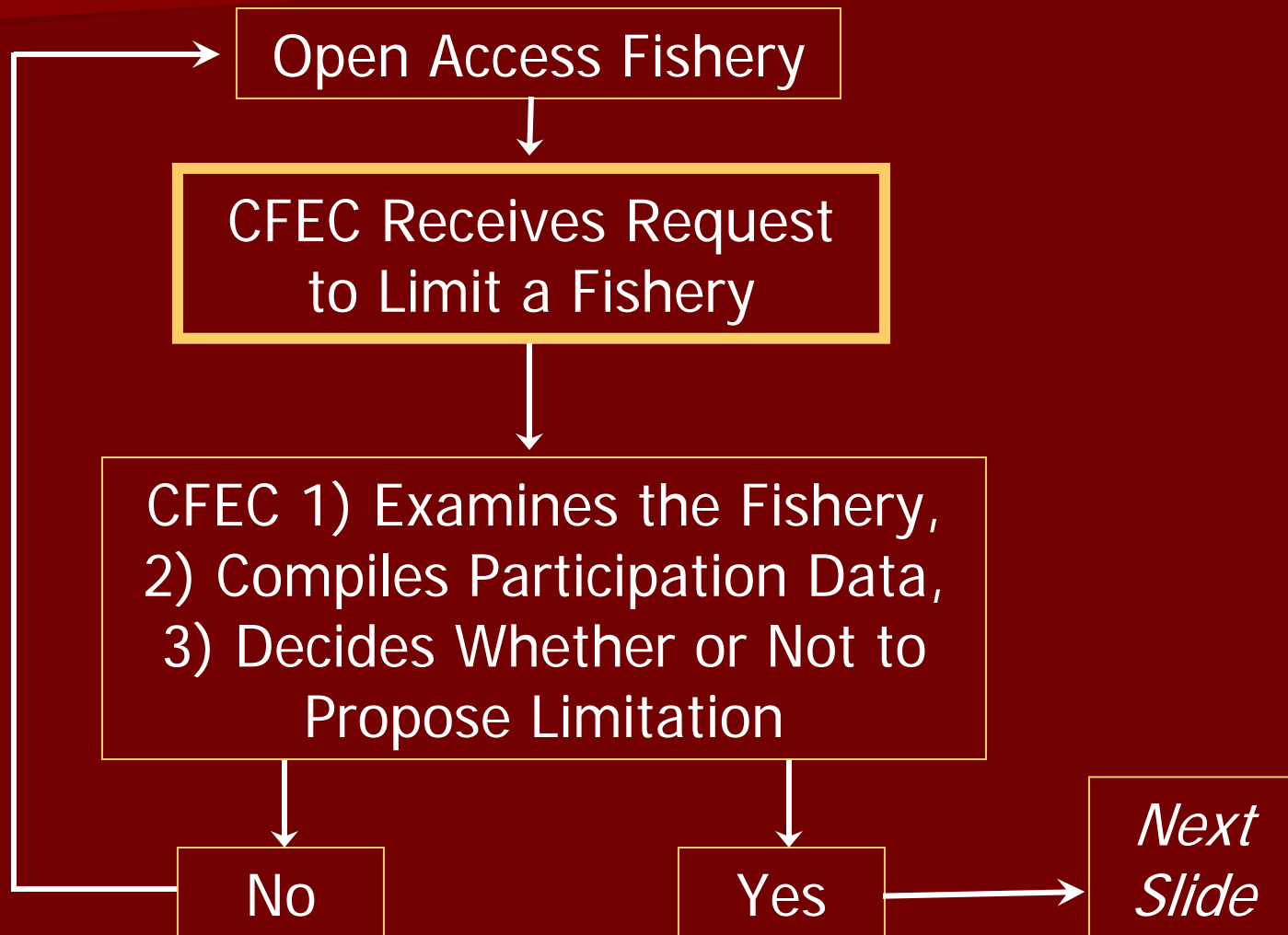
1 lead,
5 programmers

No. of Permits Issued by License Year

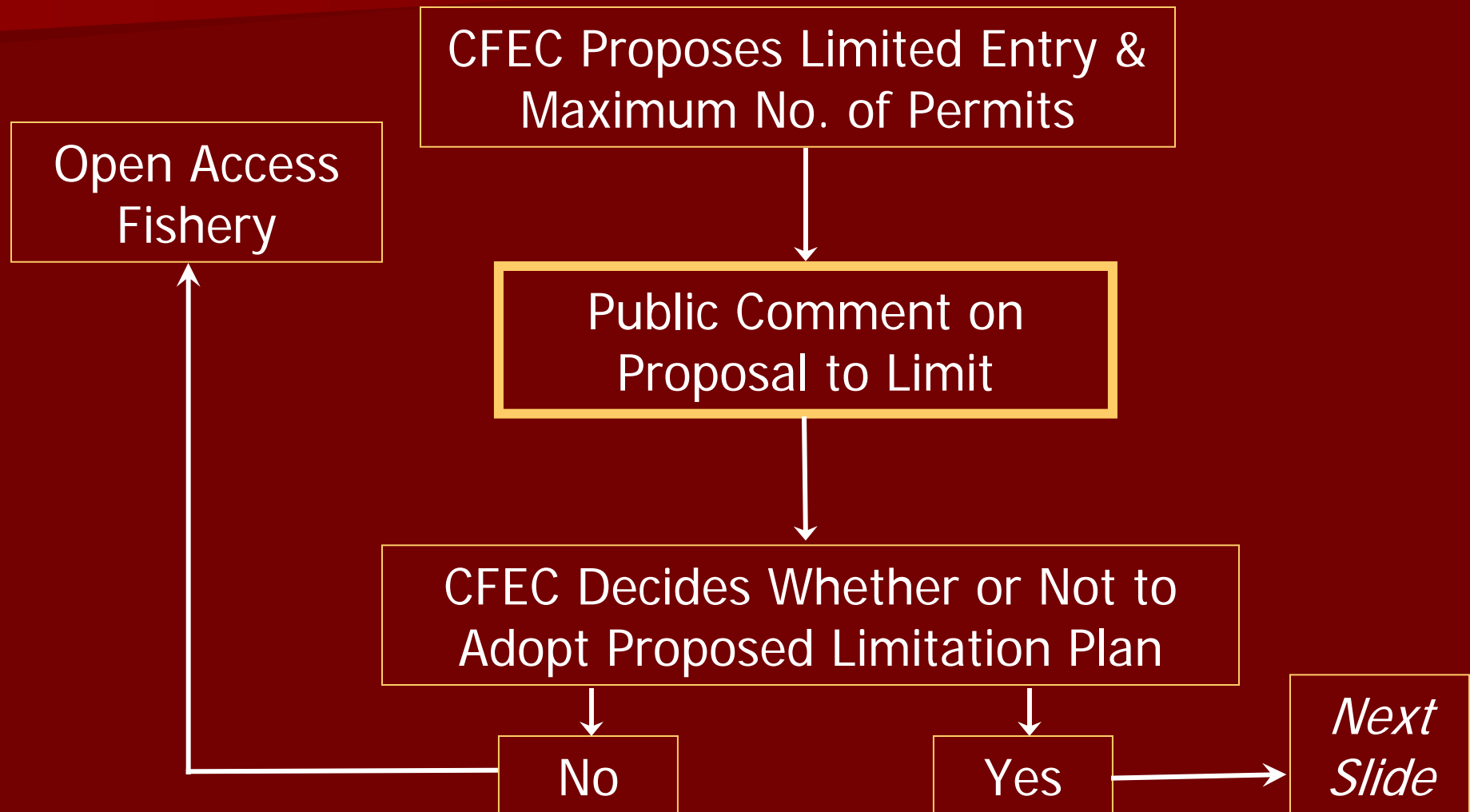


The Process

Limited Entry Process



Limited Entry Process, Cont.



Limited Entry Process, Cont.

CFEC Develops and Proposes
Regulations for a Point System



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graph TD; A[CFEC Develops and Proposes Regulations for a Point System] --> B[Public Comment on Point System Proposal]; B --> C[CFEC Adopts a Point System]; C --> D[Application Period]; D --> E[Adjudication Period, Limited Entry Permits Issued];
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Public Comment on Point
System Proposal

CFEC Adopts a Point System

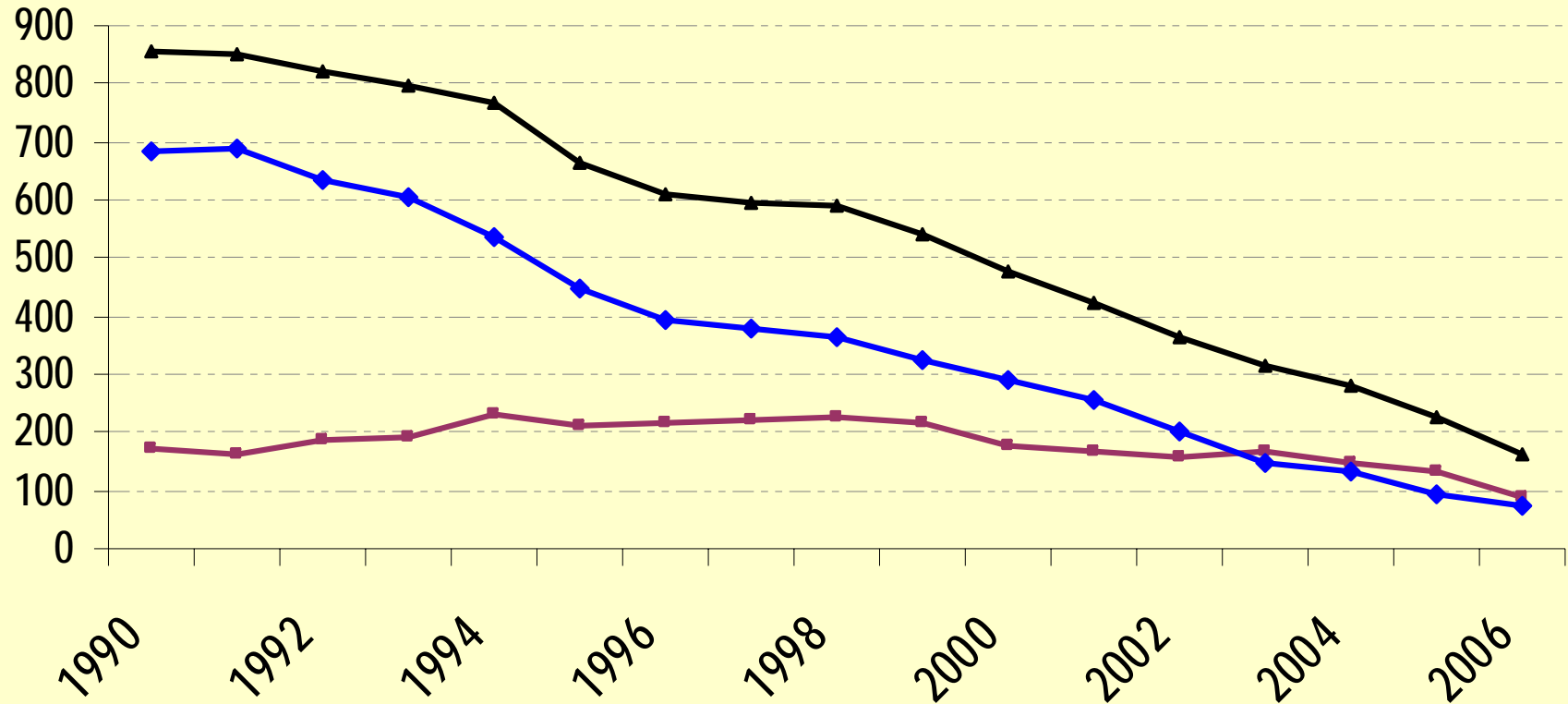
Application Period

Adjudication Period,
Limited Entry Permits Issued

Adjudication Process

- Applications are evaluated against point system criteria, and
 - a limited entry permit is issued,
 - application is classified, or
 - a limited entry permit is denied
- Applicant may request oral hearing before a CFEC hearing officer if they disagree with determination
- If applicant disagrees with hearing officer decision, they may appeal to the Commission and to the Courts

Commission's Adjudication Caseload



- Commission Decisions Pending
- ◆— Hearing Officer Decisions Pending
- ▲— Total Decisions Pending at Year End

Important Feature of Limited Entry: Transferability

- Transfers may occur by gift, inheritance, or sale (price set in the marketplace)
- Free to transfer to a family member or other individual able to participate in fishery
- Allows permits to remain in families across generations rather than revert back to the state
- Has resulted in maintaining high percentages of residents in Alaska's fisheries *while meeting constitutional requirement of equal access*
- Avoided burden of state reissue program

The Results

Limited Fisheries

- Limited entry was implemented in most salmon fisheries in 1974
- Today, limited entry permits have been issued in 65 fisheries:
 - 26 salmon fisheries
 - 19 herring fisheries
 - 9 crab fisheries
 - 5 sablefish fisheries
 - 3 shrimp fisheries
 - 3 dive fisheries

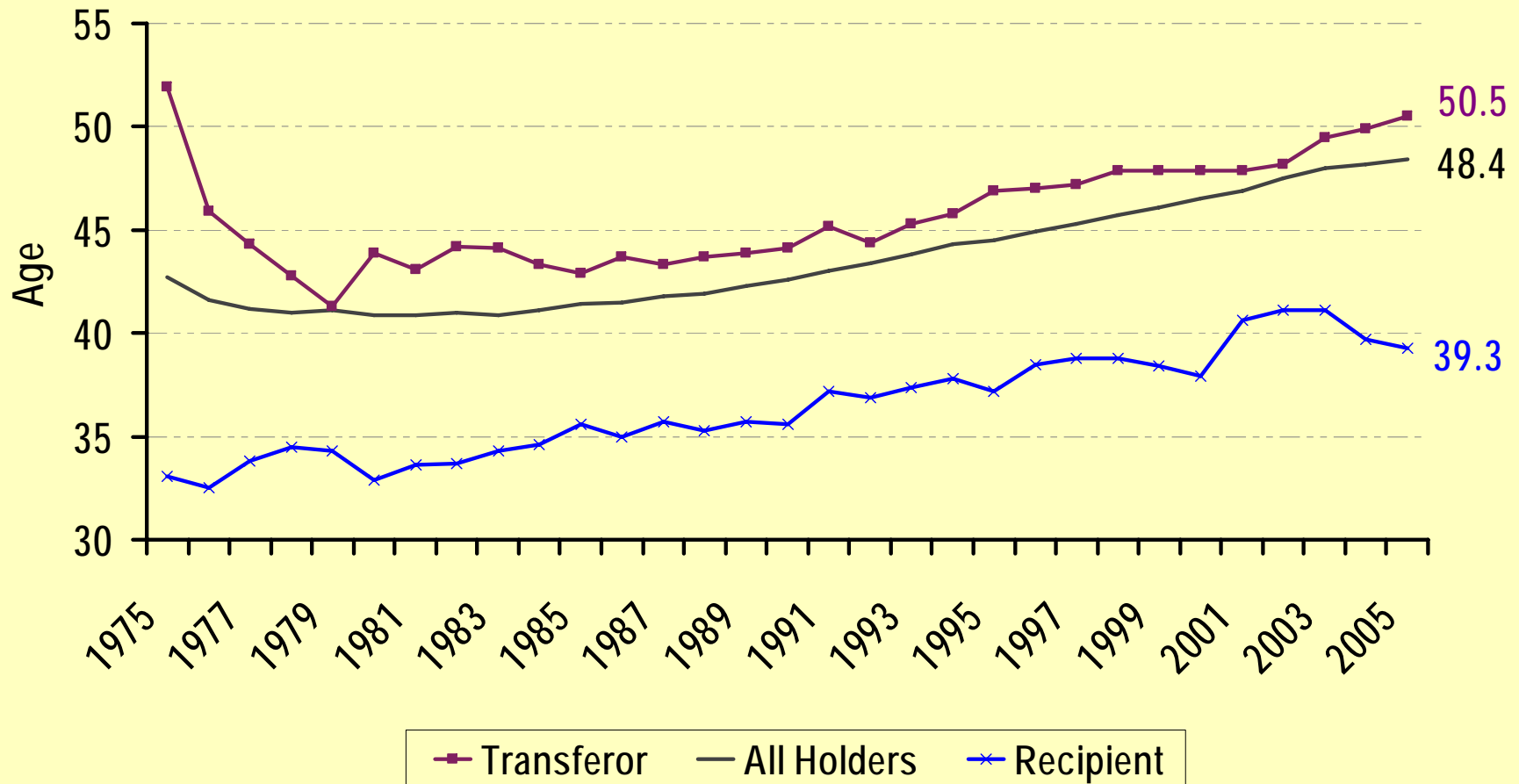
Limited Entry Permits Held by Alaskans & Non-Alaskans

	Alaska Held	Nonresident Held	Total
Permits Issued	13,294 (82%)	2,970 (18%)	16,264 (100%)
Year-end 2005	11,171 (77%)	3,365 (23%)	14,536 (100%)

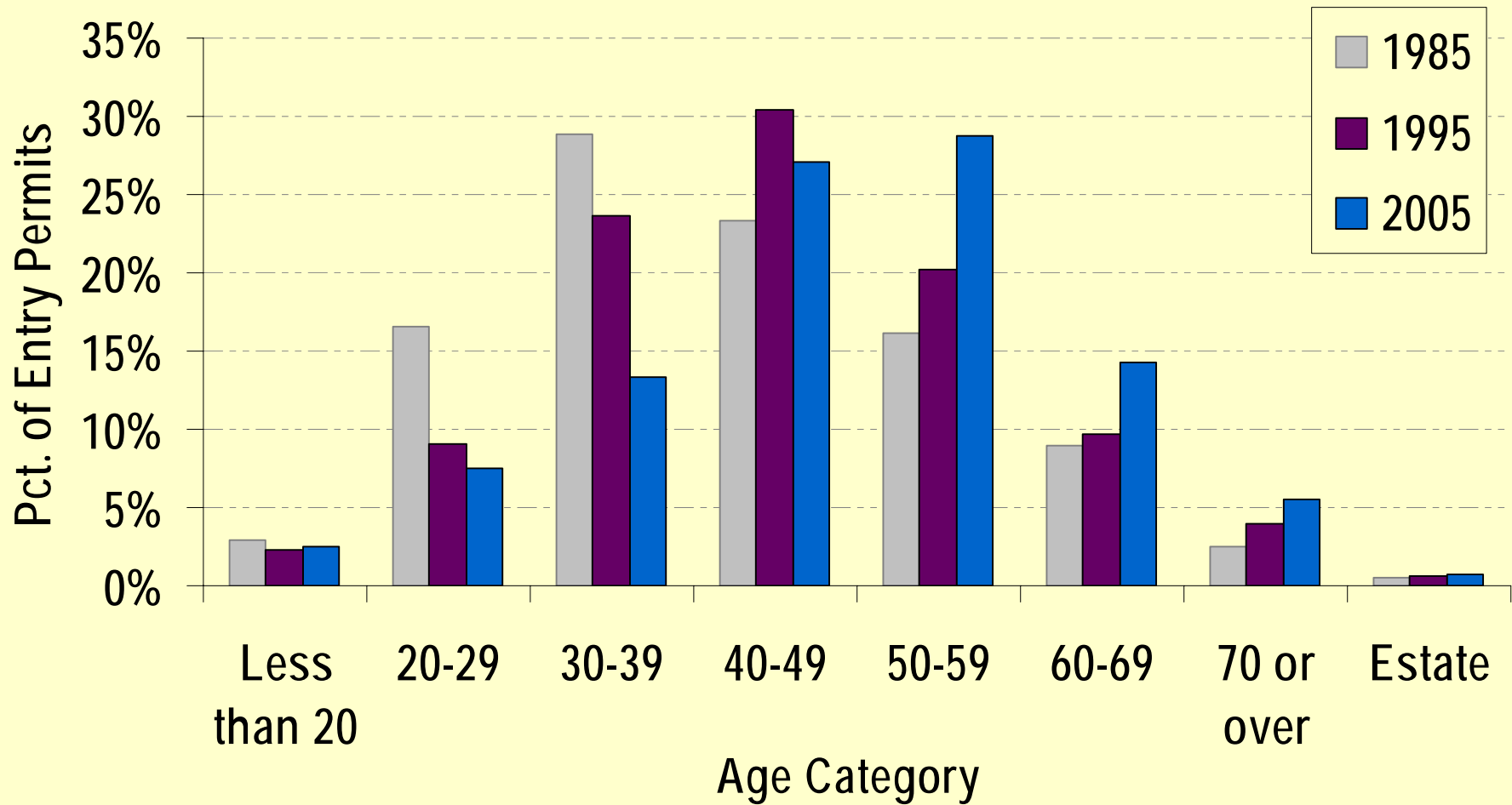
Transfer Rates

Year	#Transferable permits	# Transfers from initial issues / #Transferable permits	#Transfers / #Transferable permits
1975	6,762	0.08	0.09
1980	10,040	0.05	0.11
1985	11,173	0.03	0.10
1990	11,911	0.02	0.08
1995	12,461	0.02	0.08
2000	13,400	0.01	0.07
2005	13,653	0.01	0.08

Mean Ages for Permit Transferors, Transfer Recipients, and All Holders



Age Group of Entry Permit Holders Over Time



Permit Holdings at Initial Issuance & Year-end 2005

	Permits Issued		Year-end 2005	
Nonresident	2,970	(18%)	3,365	(23%)
AK Rural Local	7,528	(46%)	5,539	(38%)
AK Rural Nonlocal	678	(4%)	807	(6%)
AK Urban Local	4,227	(26%)	3,475	(24%)
AK Urban Nonlocal	861	(5%)	1,284	(9%)
State Auth. Lenders	0	(0%)	66	(<1%)
Total	16,264	(100%)	14,536	(100%)

Summary of Net Change in Permit Ownership, 1975-2005

	Permits Issued	Transfer	Migrate	Cancel	Year-end 2005
Nonresident	2,970	-99	783	-289	3,365
AK Rural Local	7,528	-605	-784	-600	5,539
AK Rural Nonlocal	678	192	-4	-59	807
AK Urban Local	4,227	224	-305	-671	3,475
AK Urban Nonlocal	861	222	310	-109	1,284
State Authorized Lenders (foreclosures)					66

Alaska Communities with the Greatest Net *Increase* in Permit Holdings

	2000 Population	Pmts. Issued	Change	Pmts. 2005
Homer	3,946	254	260	514
Kasilof	471	43	112	155
Petersburg	3,224	628	103	731
Wasilla	5,469	28	100	128
Anchorage	260,283	663	81	744
Sitka	8,835	532	59	591
Nikiski	4,327	2	51	53
Palmer	4,533	33	34	67
Girdwood	260,283	4	33	37
Soldotna	3,759	111	24	135

Alaska Communities with Highest Number of Year-end 2005 Permits

	2000 Population	Pmts. Issued	Pmts. 2005
Anchorage	260,283	663	744
Petersburg	3,224	628	731
Sitka	8,835	532	591
Kodiak	6,334	591	574
Homer	3,946	254	514
Cordova	2,454	633	489
Juneau	30,711	663	445
Ketchikan	7,922	752	439
Wrangell	2,308	367	319
Togiak	809	360	291

Transfer Acquisition Method by Resident Type of Recipient

	Gift	Sale	Trade	Other	Total
Nonresident	2,042 29%	4,796 67%	92 1%	232 3%	7,162
AK Rural Local	3,958 49%	3,616 45%	122 2%	322 4%	8,019
AK Rural Nonlocal	477 29%	1,073 65%	27 2%	77 5%	1,654
AK Urban Local	1,635 28%	3,921 67%	118 2%	191 3%	5,866
AK Urban Nonlocal	765 27%	1,866 67%	38 1%	129 5%	2,798

Sources of Permit Financing by Resident Type of Recipient

	Self/ Other	Bank	AK Auth. Lenders	Trans- feror	Proc- essor	Comb- ination
Non- resident	3,612 75%	421 9%	26 1%	502 11%	86 2%	149 3%
AK Rural Local	2,068 57%	220 6%	933 26%	220 6%	46 1%	129 4%
AK Rural Nonlocal	532 50%	45 4%	405 38%	59 6%	8 1%	24 2%
AK Urban Local	2,423 62%	235 6%	909 23%	228 6%	40 1%	86 2%
AK Urban Nonlocal	1,025 55%	81 4%	589 32%	120 6%	5 <1%	46 3%

Efforts Toward Restructuring Salmon Fisheries

- Experimental Board regulations for a Chignik cooperative
- Board allowed 2 permit holders to fish a single operation with additional gear in Bristol Bay
- Board now may consider allowing one person who holds 2 permits to fish additional gear
- Southeast seine private buyback enabling legislation

More Information



www.cfec.state.ak.us



Commercial Fisheries Entry Commission

WELCOME

The Alaska Commercial Fisheries Entry Commission (CFEC) helps to conserve and maintain the economic health of Alaska's commercial fisheries by limiting the number of participating fishers. We issue permits and vessel licenses to qualified individuals in both limited and unlimited fisheries, and we provide due process hearings and appeals.

If you wish to contact in-season managers of Alaska commercial fisheries or find rules controlling fishers and their harvest during Alaska's commercial fishing seasons, see the Commercial Fisheries Division of the Alaska Dept. of Fish & Game under Related Sites on this page.

Highlights

- [2007 Permit Fees](#)
- [Permit Holder Database](#)
- [Bristol Bay](#)
- [Public Notices & News Releases](#)
- [30 Years of Limited Entry](#)

Fishery Statistics

- [Fishery Participation & Earnings](#)
- [Permits & Permit Holders](#)
- [Commercial Vessels](#)
- [Fishery Codes](#)

Vessels

- [Forms](#)
- [Commercial Vessel Database](#)
- [Sport Vessel Database](#)

Publications

Permits

- [Forms](#)
- [Search Permit Database](#)
- [Permit Value](#)
- [Demerit Points](#)

Transfers

- [Forms](#)
- [Permanent Transfer](#)
- [Emergency Transfer](#)
- [Estate Information](#)
- [Intent to Transfer List](#)
- [Intent to Transfer Database](#)

Adjudications

- [Limited Entry Fishery Status Reports](#)
- [Carlson Address Change Form](#)
- [Commission Decisions & Judicial Appeals](#)

Related Sites