

Explanation of Proposed CFEC Regulation Changes dated July 15, 2016

20 AAC 05.245(a)(1) – This change is to make clear that “estimated value” used by CFEC to set permit fees for a limited fishery is the same as “appraised value” transmitted to the Division of Economic Development and CFAB for loan purposes (20 AAC 05.1990).

20 AAC 05.245(a)(3) – The commission will sometimes adjust permit renewal fees when a strict application of the 4/10 of 1% calculation provided for in the regulation doesn’t accurately reflect the economic return of a fishery. This can occur when calculating a fee for either a limited fishery (20 AAC 05.245(1)) or an unlimited fishery (20 AAC 05.245(2)). The regulation that allows the adjustment (20 AAC 05.245(3)) references only unlimited fisheries in its first paragraph, but both types of fisheries in the subsection that directly addresses the economic return problem (20 AAC 05.245(3)(B)). This change will make the regulation internally consistent.

20 AAC 245(c)-(e), 250(b), and 1910(h) – The commission allows a reduction in fees when an applicant can demonstrate that their annual income is within the poverty guidelines and food stamp asset limits, both of which are set each January by federal regulation. The commission annually amends its regulations to match the most recent federal law changes in time to be reflected on the renewal forms sent out every year in early November.

20 AAC 05.1725(c) – This conforms the section to mirror a change made last year to 20 AAC 05.1946(3)(B) that allows for the emergency transfer of a second permit in the same salmon fishery when it’s in aid of an otherwise legitimate permanent transfer that can’t be done in time to get the permit fishing for the current season (typically because the 60-day notice period required by Alaska Statute 16.43.170(b) has not run). The purpose is to avoid the hardship that lost fishing time can cause the transferee when the notice period runs during the fishing season. This change makes the two regulations consistent with each other.

20 AAC 05.1740(b) – This puts in regulation for the first time a longstanding commission practice to grant a temporary emergency transfer of an entry permit to alleviate the hardship that can occur when an otherwise legitimate permanent transfer can’t be completed (typically because of the 60-day notice problem) and fishing time will be lost. The commission allows this type of temporary emergency

transfer on a case-by-case basis, and it accounts for approximately 10% of the total emergency transfers allowed each year.