


MEMORANDUM

TO: Council, SSC and AP Members

FROM: Clarence G. Pautzke
Executive Director 

DATE: April 8, 1997

SUBJECT: Halibut Charterboat Management

ESTIMATED TIME 6 HOURS

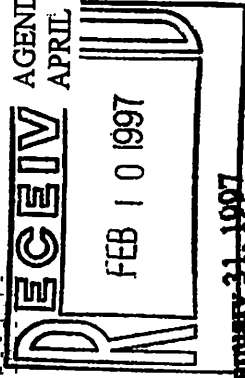
ACTION REQUIRED

Review draft analysis for release to public review

BACKGROUND

In February the Council reviewed a preliminary analysis prepared by Council staff and the Institute for Social and Economic Research (ISER). Considerable revisions and additions were requested by the SSC, AP, and Council. We mailed to you last week a partial draft of the revised analysis, specifically the ISER portion of the study. The remaining chapters, and summary of conclusions, have been provided to you at this meeting. The Council's current schedule calls for a public review period after this meeting with final action at the June meeting in Kodiak. We would have a couple of weeks following this meeting to make any final revisions to the document prior to public review. Council staff and Dr. Scott Goldsmith of ISER will present the draft analysis at this time. Written comments received since February are under Item C-1(a).

We hope to have draft analyses available in June on several related issues initiated by the Council in February: analysis of the Sitka Sound Task Force local area management plan, and the analysis of possession limits for halibut sport fisheries.



To: North Pacific Fishery Management Council

From: Dan Lalop, IFQ #409134114

Juneau, Alaska

Re: Management of Halibut in Alaska waters and the North Pacific

January 31, 1997
Comments:
For April 97
meeting.

Dear Council and fellow Fishermen:

My father, John L. White fished sport and commercially for halibut and salmon prior to Alaska's statehood and up until limited entry. He quit fishing due to the squabbling and the politics involved, not to mention the enormous paperwork involved that still exists today. As a commercial fisherman and sportsman, I may follow in his path. Please consider some of the principles that I learned from my dad, may he rest in peace.

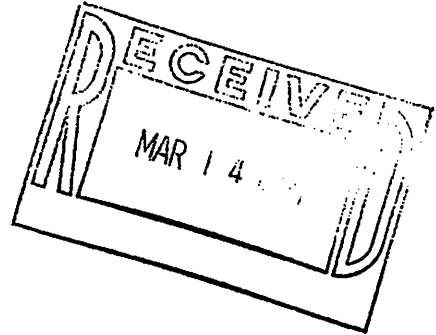
As far as the management of sport caught halibut is concerned, I was taught to self regulate myself in a manner that would be good for the fish. Do not take more than you can eat. From example this was specifically 1 fish, usually about a 30 pound fish. However in today's Alaska that simple notion seems lost and has turned into some sick idea that the individual must take as many fish as possible because he has the right to and to restrict access to do so violates those rights, therefore we must complicate the matter with finger pointing and crazy statistics and percentages, allocations as a diversion to not looking at the real issue, not doing what is good for the fish and using sound sportsman like good judgment i.e. exercising personal control. To further complicate sport fishing for halibut, we have mined in money. My dad said " when you mix money into anything you are going to have problems and can throw out the rule book, because greed is going to take over."

This seems to be true should you happen to notice the large volume of charter caught fish being flown out of state, caught not only by registered charter fleet clients, but by the growing number of unregistered bootleg charter operators around the State. This past September I witnessed what I had suspected for sometime, as a well tanned, visitor, pushed past me in the Gold Streak air freight line asking by name a certain ticket agent who also operates a bare boat charter business to: "send his 100 lbs. of fresh halibut to San Diego tonight by 6 p.m." I know first hand that sport caught King Crab is flown out of Juneau to a fresh black market and I will bet that halibut is too. As a matter of fact should any of the council members wish to call me I can put you in touch with a long time Alaska resident who is a SE bush pilot, he can also confirm the reason some of the so called sportsmen need more halibut. The reason being is to sell the large quantities to pay for their trip to Alaska. Last winter while staying in a sport fishing lodge in Yakutat, I over heard the lodge owner say to a non-resident prospective client over the phone, he could "get this client a 1000 lbs. of halibut". Just book with his lodge.

Finally, from following the NPHC discussions regarding sport caught halibut over the past 6 years that seems to be all that its been, just talk. Please return the sport in back into sport fishing for halibut. Tackle the sacred cow, the non-Alaskan resident bag-limit. Adopt a seasonal non-Alaskan resident bag- limit of 1 halibut and no more than 25 lbs. of processed sport caught halibut export limit. If tourist want more fish have them buy it at the local stores, and get a receipt. This way everyone benefits, especially the fish resource. Think of this as a IFQ program for the so called sportsmen. In conclusion, I would hope you make good decisions, my or other commercial fishermen sons are counting on having access to a viable and sustainable fishery in their future.

Luck of the Irish Charters

*P. O. Box 55194
North Pole, Alaska 99705
summer 835-4338
winter 488-9890*



North Pacific Fisheries Management Council
Attention: Jane DiCoimo
P.O. Box 103136
Anchorage, Alaska
99501-2252

February 23, 1997

Dear Ms. DiCoimo:

For several years my wife and I have watched, listened, and waited for recommendations from the Alaska charter boat associations to be presented to your council. We feel this group has failed to represent the vast majority of its members. The only thing they ever seem to say is "let's wait and see what happens".

We understand at the last council meeting a working group representing the various charter associations was given the task of presenting a plan to the council. We have reviewed their plan and find more of the same "let's wait and see what happens".

You can evaluate until the cows come home but that plan does not address the problem. My wife and I are not concerned with those who someday wish to be in the halibut charter business. We are concerned with our established business. Several of the alternatives your group has presented have merit, however, we recommend **Alternative 4** (Agenda C-2 February 1997). To establish the license limitations program you should use whatever criteria is necessary to control the size of the fleet to eliminate a poundage cap. Limiting the poundage of the established charter fleet yet allowing new businesses to start, is wrong.

Possibly license verification requirements might be:


1. Schedule C from federal income taxes,
2. business licenses
3. IPHC records confirming who was licensed prior to the moratorium date selected.
4. Fuel receipts establishing who was and is a full time operator. Get rid of the tax dodger writing off their vessel.

Whatever is necessary, do it. But do not place a poundage limit upon the pre-moratorium date fleet. A poundage cap would reward the new charter operators and make my business and all pre-moratorium halibut charter operations face bankruptcy.

Sincerely

A handwritten signature in cursive script that reads "Patrick & Peggy Bookey". The signature is written in dark ink and is positioned above the typed name.

Patrick & Peggy Bookey



Fantasy North
A Unique Fishing Experience



North Pacific Fishery Management Council
605 West 4th Ave., Suite 306
Anchorage, Alaska 99501-2252

March, 20, 1997

Dear Sirs:

I am an avid halibut fisherman who has fished out of Homer and the surrounding areas since the late 1960s. I also own and operate Fantasy North Charters, of Seldovia, Alaska. I am writing this letter in response to the 2-18-97 newsletter, and more specifically, to the proposed Halibut Charter Boat Management rules. I would like this letter to be considered as part of the information gathered in preparation to the rule enactment.

During the January meeting in Anchorage, testimony showed that the entire range of information on the Charter industry was fragmented and incomplete at best. What was shown clearly is that there are, at best, hundreds of people operating that do not have all of the required licenses under the current rules. If there are any needs to regulate this industry, here is the place to start. Find a way to stop all of the people who are not operating legally, now, before enacting sweeping new retroactive rules that could put hard working people out of business. There are hundreds, if not thousands, of individuals that have invested millions of dollars in their operations since 1993. That there exists the possibility of someone currently making rules that could destroy the value of that work and investment, is to me, unthinkable. A moratorium on new entry I can understand and accept, but retroactive moves are unpalatable to me. This industry does not need more bureaucratic rules and paperwork, nor does the fishery. What is needed is stringent enforcement of the existing rules. I have personally witnessed weekend sport boats come into Seldovia harbor with one or two people on board and unload dozens of small halibut at the cleaning tables. Other Charter operators and the Seldovia Harbormaster have also seen these acts. When there was a concerted effort made last summer to get ADFG to act on these violations, we were told that they didn't have the manpower to enforce the rules. The current rules can't be enforced so the answer must be, more rules and regulations.


With the incomplete information available on the Charter Industry I find it almost unbelievable that the council has decided to make a final action on regulation by June. There is no way any in depth factual information can be gathered and assessed in any believable manner by that date.

I also feel that to increase the commercial fishery allotment, freeze the sport catch limit, and propose huge new, retroactive, rule on the

Charter industry, could be construed as discrimination against individuals and a minority segment of the fishing industry. A cap on the charter boats is also unfavorable because of the extremely short season we have to operate in. Most of the Charter operators must have an off season source of income now, to survive, a cap that could shut down a lucrative tourist industry in the middle of the summer would be a disaster. Many of my clients book their trips and transportation arrangements a year in advance. Imagine having to call people and tell them too many fish had been caught and the fishery was closed. Alaska could suffer a world wide black eye to its fishing reputation for something like this.

An immediate moratorium on new licenses, a gradual switch to some type of limited entry, limited to those who are actually running a verifiable business, while weeding out those are running without or with partial licenses, seems to me as the only sane, fair way to approach this situation. There are many who are viewing this proposed rule making as their potential ticket to wealth as they visualize a monopoly type permit that they can sell to the commercial fishing interests, for large amounts of money. Whatever is done to regulate this industry, the focus must be on whatever is best for both the industry and the long term health of the Charter industry and the tourist business. Possibly a Charter specific permit only salable to other Charters. This would certainly take some of the speculation fever out of this controversy.

Sincerely,



Kenneth Cope
OWNER, FANTASY NORTH CHARTERS.

P.S. Attached is a copy of a letter I sent earlier this year to the IPHC outlining my personal business concerns on this matter. I received no response even though the letter was sent certified.

cc. IPHC
Homer Charter Assn.
Kodiak Charter Assn. c/o THE BOAT



Fantasy North

A Unique Fishing Experience

I.P.H.C.
250 Oceanography Teaching Building
University of Washington
P.O. Box 95009
Seattle, Washington 98145-2009

JANUARY 16, 1997

Dear Sirs:

I am writing this letter to attempt to prevent a problem with I.P.H.C. licensing in the future.

I am currently licensed for sport charter out of Seldovia, Alaska. My potential problem stems from the possibility of restrictions or cancellation of licensing, that would be retroactive.

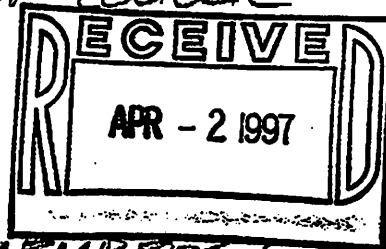
From 1986 thru 1991 I was fully licensed with all of the required numerous licenses required. At the end of the 1991 season my business had grown to a point that I could not continue to operate in the way I was running it (flying clients out of Anchorage to Seldovia each day). At this point we decided to completely reorganize the business and base it out of Seldovia, Ak. We then bought a much larger boat and began looking for a suitable property to operate as a B&B/Lodge for accommodating our clients. After finding and purchasing a suitable property we had to completely remodel it to fit our specialized needs. We then re-activated the business in 1994 and went fully operational in 1995. The business name did not change nor did the ownership. I can document all business operations during this time frame with fishing records, client lists, tax returns etc.. The current I.P.H.C. license is under Fantasy North (FANTASIA II) AK-2722M. The 1986-1991 license was under Fantasy North (FANTASIA) AK-744LJ. During the entire period, boat operations have been based out of Seldovia, Alaska. I have over \$300,000.00 invested in my operation and have great fears about the possibility of retroactive rules that could destroy this investment.

My question that needs to be addressed is this. With any of the current proposed rules, will my business history and license history be accepted even though there is a gap in licensing due to the restructuring of the business? I realize this is probably a very unusual situation, but this is of utmost importance to me. Any help or direction the I.P.H.C. can give me will be appreciated.

Sincerely,

Kenneth A. Cope

NORTH PACIFIC FISHERY MANAGEMENT COUNCIL
605 W. 4TH AVE
ANCHORAGE AK 99501



DEAR CHAIRMAN AND COUNCIL MEMBERS:

I AM WRITING IN REGARD TO THE CHARTER BOAT HALIBUT ISSUE. THE SITKA AREA, AS YOU KNOW, HAS EXPERIENCED A LARGE INCREASE IN CHARTER BOAT ACTIVITY IN THE LAST 10 YEARS, SO MUCH SO THAT THE AVAILABILITY OF SPORT CAUGHT HALIBUT TO THE LOCAL ANGLER HAS BEEN DRAMATICALLY AFFECTED.

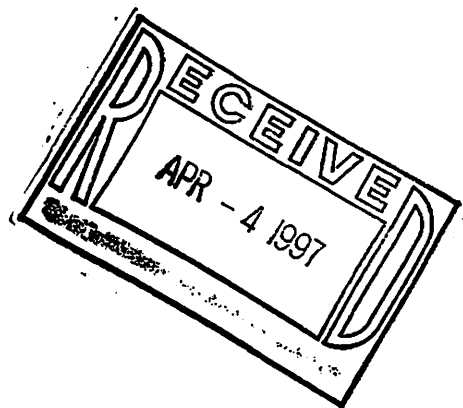
I UNDERSTAND THAT THIS IS ALSO THE SITUATION IN SEVERAL OTHER POPULAR CHARTER FISHING AREAS - HOMER AND SEWARD TO NAME A COUPLE.

MY SUGGESTION IS THIS - MAKE IFQ'S FOR HALIBUT AVAILABLE TO CHARTER OPERATORS TO USE FOR THEIR CLIENTS FISH. THERE ARE A CONSIDERABLE AMOUNT OF SMALL BLOCKS OF HALIBUT IFQ AVAILABLE ON THE MARKET AND UNDER THE IFQ REPORTING REQUIREMENTS CHARTER CATCH COULD BE MONITORED MORE CLOSELY THAT CAN

BE DONE CURRENTLY. ALSO THE
CHARTER CATCH WOULD BE TAKEN
OUT OF THE COMMERCIAL CATCH
INSTEAD OF IN ADDITION TO THE
SPORT CATCH. AT THIS TIME CLIENTS
OR CHARTER SPORT OPERATORS ARE
HARVESTING THEIR PERSONAL BAG
LIMIT BUT THERE MAY COME A TIME
WHEN THIS BAG LIMIT WILL BE
REDUCED HOWEVER CHARTER OPERATORS
WITH IFQ'S COULD CONTINUE TO
TAKE RISK AND SELL THEM TO
CLIENTS.

SINCERELY

NOEL JOHNSON
P.O. BOX 6384
SITKA, ALASKA



MARCH 31, 199

NORTH PACIFIC FISHERY MANAGEMENT COUNCIL
605 WEST 4TH AVENUE SUITE 306
ANCHORAGE, AK 99501-2252

DEAR SIR:

I WAS ABLE TO ATTEND PART OF THE PROCEEDINGS DURING THE FEBRUARY MEETING COVERING THE GUIDED HALIBUT SPORT (CHARTER) ALTERNATIVES.

THE ONLY VIABLE ALTERNATIVE STILL SEEMS TO BE LICENSE LIMITATIONS. THIS WOULD BE A TWO STEP PROCEDURE AND WOULD MEET MOST OF THE REQUIREMENTS OF BOTH PARTIES.

THE FIRST STEP WOULD BE TO IMPLEMENT LICENSE LIMITATIONS AS THE CONTROLLING BODY. THE NEXT STEP WOULD BE TO SET THE REQUIREMENTS TO QUALIFY FOR A LICENSE. ONCE THE NUMBER OF LICENSES IS DETERMINED, THE NEEDS OF COMMERCIAL FISHING AND GUIDED HALIBUT SPORT (CHARTER) ARE MET.

THE MAIN REQUEST OF COMMERCIAL FISHING IS TO "CAP" THE HALIBUT TAKE OF GUIDED HALIBUT SPORT. WITH LICENSE LIMITATIONS, AND THE NUMBER OF LICENSES DETERMINED, YOU HAVE A CAP. WHEN YOU HAVE THE NUMBER OF LICENSES, YOU HAVE THE NUMBER OF FISHING PERSONS ABLE TO FISH ON ANY GIVEN DAY. WITH THE NUMBER OF "POLES", AN AVERAGE DAILY CATCH IN POUNDS TIMES THE NUMBER OF DAYS, WOULD YIELD A MAXIMUM NUMBER OF POUNDS. THIS WOULD BE AN UPPER LIMIT AND WOULD BE MULTIPLIED TIMES A LOAD FACTOR TO GIVE A "PRACTICAL" CATCH.

FOR EXAMPLE:

1000 LICENSES (ASSUME 6 PEOPLE AVE./ LICENSE)
1.35 FISH/POLE/DAY
25 LB. ROUND WT/FISH
80 DAYS FISHING/YR.
60% LOAD FACTOR

"PRACTICAL" CATCH IN LBS/YR
 $1000 \times 6 \times 1.35 \times 25 \times 80 \times .60 = 9.72 \text{ MIL. LBS}$

100% CAPACITY (UPPER CAP)
 $1000 \times 6 \times 1.35 \times 25 \times 80 = 16.2 \text{ MIL. LBS}$

THE ABOVE DATA IS ONLY GIVEN AS AN EXAMPLE.

LET'S REVIEW THE MAIN POINTS OF THE PROPOSED PROGRAMS.



1. ONCE THE NUMBER OF LICENSES IS DETERMINED, AN UPPER CAP IS SET. THIS MEETS THE MAIN OBJECTION OF THE COMMERCIAL FISHING COMMUNITY THAT THE GUIDE HALIBUT SPORT BE CAPPED.
2. IT IS ENFORCEABLE WITH THE PRESENT PERSONNEL IN PLACE. ONLY LICENSES HAVE TO BE CHECKED.
3. THE NUMBER OF FISH OR POUNDS OF FISH DO NOT HAVE TO BE COUNTED ON A DAILY BASIS.
4. IT MEETS THE CRITERIA OF GUIDED SPORT THAT A CUSTOMER WHO BOOKS IN JANUARY WILL BE ABLE TO FISH IN AUGUST OR SEPTEMBER AND NOT BE "LOCKED OUT" BY A POUNDAGE CAP.

THE EASY PART WILL BE THE IMPLEMENTATION OF LICENSE LIMITATION. THE HARD PART WILL BE TO DETERMINE WHO QUALIFIES FOR A LICENSE.

IN THIS CASE, THE NORTH COUNCIL HAS AN OPPORTUNITY TO ACT ON THIS ISSUE RATHER THAN WAITING FOR A CRISIS AND THEN REACT.

THANK YOU FOR ENTERING THESE COMMENTS INTO YOUR RECORDS. THESE VIEWS ARE MINE ONLY, AND MAY OR MAY NOT REPRESENT THE HOMER CHARTER ASSOCIATION OR THE CHARTER INDUSTRY IN GENERAL.

SINCERELY,

Peter D. Udelhoven

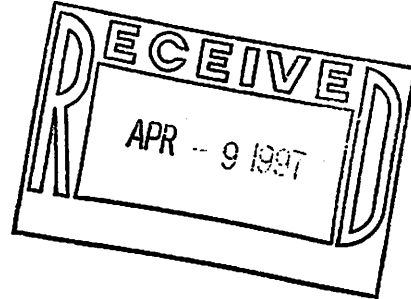
PETER D. UDELHOVEN
PRESIDENT
SILVER FOX CHARTERS



UNITED FISHERMEN OF ALASKA

211 Fourth Street, Suite 112
Juneau, Alaska 99801
907/586-2820
Fax: 907/463-2545

April 9, 1997



FAX: 907/271-2817

Mr. Rick Lauber, Chairman
and Council Members
North Pacific Fishery Management Council
605 West 4th Avenue, Suite 306
Anchorage, Alaska 99501-2252

RE: Halibut Charterboat Management

Dear Chairman Lauber and Council Members:

United Fishermen of Alaska (UFA) is a statewide fishing association representing diverse harvesting sectors of the Alaska commercial fishing industry. It is comprised of 22 member associations that harvest salmon, halibut, herring, sablefish, crab, and groundfish off the coast of Alaska.

As the Council considers management alternatives for the halibut charterboat industry, we believe it is essential to distinguish between true recreational fisheries and commercial charter operators. The majority of Alaskans agree there is a difference between sport fishing and charter services; in fact, in a 1,000 person statewide poll conducted by Salmon for Alaska's Future last October, 75% of respondents considered sport fishing guides and charter operators to be "commercial entities." By separating out guides and unguided fishermen, it will be possible to create a management regime for the commercial charter industry without affecting the majority of resident Alaskan sport fishermen. The only means of distinguishing between the two is by giving the charter component its own allocation and, if necessary, allow them to develop their own management regime.

MEMBER ORGANIZATIONS

Alaska Longline Fishermen's Association • Alaska Trollers Association • Bristol Bay Driftnetters Association • Concerned Area "M" Fishermen • Cook Inlet Aquaculture Association
Cordova District Fishermen United • Kenai Peninsula Fishermen's Association • Kodiak Regional Aquaculture Association • Kodiak Seiners Association • North Pacific Fisheries Association
Northern Southeast Regional Aquaculture Association • Northwest Setnetters Association • Peninsula Marketing Association • Petersburg Vessel Owners Association
Prince William Sound Aquaculture Corporation • Purse Seine Vessel Owners Association • Seafood Producers Cooperative • Southeast Alaska Seiners Association
Southern Southeast Regional Aquaculture Association • United Cook Inlet Drift Association • United Southeast Alaska Gillnetters

Rich Lauber, Chairman and Council Members
North Pacific Fisheries Management Council
April 9, 1997
Page Two

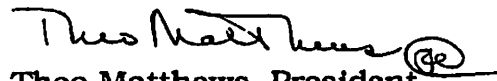
Reading through the EA/RIR, we were not surprised to see large gaps in information about the charter industry. Despite the assertions of the Alaska Department of Fish and Game, the State of Alaska does not have credible information on the size of this industry or the number of removals. This is evident by the fact that the EA/RIR does not even include an accurate number of charter boat businesses operating in the State of Alaska. UFA encourages the Council to establish a reporting system, which will both characterize the nature of the fishery to assist in developing appropriate management systems and, more importantly, provide an accurate accounting of removals by the charter component.

UFA recognizes that the charter industry is developing at different rates throughout the state and we realize some areas of the state should be given the opportunity to develop a charter industry, particularly in western Alaska. Any Council action should allow for region-specific, regulations, and limitations.

Additionally, we encourage the Council to move expeditiously in considering a possession regulation which would close the loophole in the regulations of the IPHC and the State of Alaska. Currently, the IPHC sport fishing regulations state that "In all waters off Alaska, ...the daily bag limit is two halibut of any size per day per person ... and the possession limit for halibut in the waters off the coast of Alaska is two daily bag limits." A "daily bag limit" is defined as the "maximum number of halibut that may be taken in any calendar day from Convention waters," but there is no definition of "possession." The State of Alaska defines possession to mean the "maximum number of unpreserved fish a person may have in possession," and further defines "preserved fish" to mean "a fish prepared in such a manner, and in an existing state of preservation, as to be fit for human consumption after a 15-day period..." In the absence of an IPHC or federal definition for possession, sport fishermen are using the state's definition. Once an individual "preserves" the fish, it is no longer considered to be in possession. We suggest the Council approve a definition of possession as the maximum number of halibut a person may have in possession until he or she reaches their place of residence.

Thank you for the opportunity to comment.

Sincerely,


Theo Matthews, President
United Fishermen of Alaska

cc: UFA Board of Directors

United Halibut Charter Associations of Alaska

Proposed Amendment to Analysis Alternatives on Halibut Charter Issue

Representatives from all of the Halibut Charter Associations present at the April NPFMC meeting met as an industry caucus on April 15, 1997 and determined the following consensus points to be considered by the Council as a substitution for the 5 alternatives outlined in the April 6th, 1997 Draft Management Alternatives For The Guided Sport Fishery For Halibut Off Alaska. This group represents approximately 370 of the active charter businesses in Alaska. These amendments should be the basis of a revised analysis.

Alternative 1: Status Quo By consensus we agree that the Status Quo is not acceptable and that the following regulatory alternatives should be advanced for public review.

Alternative 2: Implement Reporting Requirements Halibut charter operators support a data collection and reporting program. We believe the following provisions should be adopted by the council when implementing reporting requirements.

1. Data required by the halibut charter reporting program should be new information which supplements and does not duplicate existing data reporting requirements.
2. The Halibut charter reporting program should not require proprietary business information.
3. The halibut charter reporting program may require daily or trip records but should not require reporting this information to regulatory agencies more frequently than once per month.
4. Halibut charter operators request participation in the development of halibut charter reporting forms and regulations.

Alternative 3. Annually allocate the TAC between guided sport and commercial fisheries. The halibut charter operators unanimously concur that the allocation of a percentage of the halibut TAC or the allowance of a specific halibut poundage to halibut charter operators should not be considered by the council.

Alternative 4. A moratorium on new entries into the charter boat fleet.

1. The Halibut Charter caucus supports the implementation by the Council of a moratorium.

2. Halibut charter moratoriums should be applied on a regional basis. ADF&G salmon management areas would be appropriate to define specific moratorium areas. Any halibut charter moratoriums should be limited to those areas that are determined by the industry to be saturated by currently active halibut charter operators.

3. A moratorium control date of April 15, 1997 is recommended.¹

4. A halibut charter moratorium would include a 3 year sunset provision with a renewal provision.

5. The ultimate goal of any halibut charter moratorium is the implementation of a license limitation program for halibut charter operators.

6. Charter operators suggest that moratoriums include, but may not be limited to, the following list of qualifying criteria for participation in the fishery.²

1. IPHC halibut sport charter license
2. CFEC vessel license indicating the ADF&G vessel number
3. ADF&G saltwater vessel registration
4. ADF&G fishing guide registration
5. Alaska business license

¹Other dates may be appropriate for sub-areas that are not currently saturated but which may experience substantial growth in charter operators due to the imposition of the moratorium.

²Undeveloped rural communities within a sub-area may require special provisions and/or consideration.

5. Alaska business license
6. U.S. Coast Guard master or operator license
7. Enrollment in a random drug testing program as required by U.S. Coast Guard regulations
8. Sales tax registration and payment records.
9. Proof of expenditures on advertising or marketing
10. Proof of insurance -- protection and indemnity (P&I) for carrying passengers for hire.

In addition, the Council should provide a safety net for operators to use additional information to indicate substantial investment committed to participate in the fishery prior to the control date.

Alternative 5: Combine Alternatives 2, 3 and 4.

Alternative 5 should be limited to the combination of alternatives 2 and 4.

In addition, halibut charter operators submit the following policies for consideration by the Council.

1. Further review by the Council of the halibut charter issue be scheduled for the February 1998 meeting.
2. Reporting requirements and moratorium limitations be implemented for the 1999 recreational halibut season.
3. That the Council set a time frame to develop a Comprehensive Management Plan for recreational halibut fisheries --- guided sport, unguided sport and personal use.

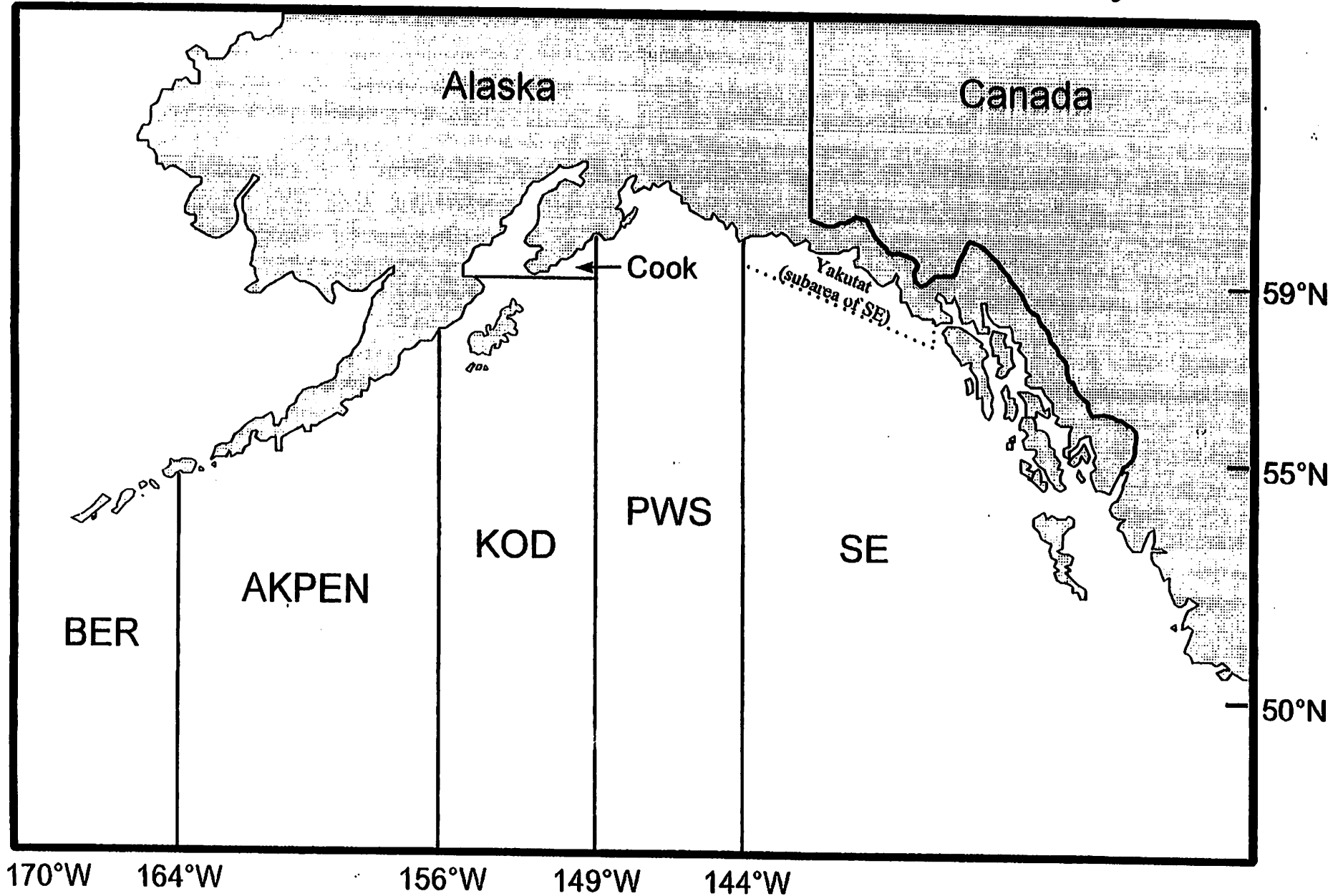
Figure 1.1

ADF&G Zones for Halibut Charter Analysis

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1-5

January 28, 1997



Alto's

NAME

Community

Two

Dick Hemmen VALDER

Proposition

JCRB

VCBO

37

Proposition

50

Address

PO Box 21000
Alicia
1233 Rangview Dr.
No. Pole, AK 99705

John Goodham Valdez

John Jovanick Jovan

Kent Hall S. HA

SCBCH

40

500 Kincaid St. #641 S.

Larry McQuarrie Kearsley I
KME Power

100

Box 918, Ketchikan AK

Robert Ward Homer

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Box 631 Anchor Point, AK 9955

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PO Box 361 Soldotna 99669

Soldotna

Self

(907) 262-2342

PO Box 55122 North Pole AK 9970

MIKE WING VALDER

SELF

Robert Gungler

Jim & Judy Depp Creek DCCA

" " " "

52 P.O. Box 39423 N. Pole AK 99705
P.O. Box 595 N. Pole AK 99705

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Proposed Alternative for a Charterboat Management Program

(Submitted for Council consideration by Mr. Clem Tillion - April 11, 1997)

Management Areas

The following ADF&G Management Zones would be used:

- Zone 1 - Southeast Alaska (including Yakutat)
- Zone 2 - Prince William Sound
- Zone 3 - Cook Inlet/Kenai
- Zone 4 - Kodiak
- Zone 5 - Alaska Peninsula
- Zone 6 - Bering Sea

TAC allocations (caps)

For Zones 1, 2, 3, and 4 the available halibut quota will be divided 15% to the charter fleet and 85% to the commercial setline fleet.

For Zones 5 and 6 the available halibut quota will be divided 10% to the charter fleet and 90% to the commercial setline fleet.

(Example: 15% of IPHC Area 3A would be allocated to the charter boat fleet. This would be further subdivided among the ADF&G Zones within Area 3A based on recent historic catch proportions. The commercial setline quota would still be managed as an overall 3A quota. Uncaught quota by either sector is banked to the biomass.)

Limited entry elements

1. Limited entry implemented for Zones 1, 2, and 3 based on participation levels in the years 1993, 1994, 1995, and 1996. Qualification is based on an operator's participation history - permit(s) will be applied to vessel(s) currently owned by that operator.
 - (a) 'A' permits (transferable) would be issued to persons who participated in at least 3 of the 4 years.
 - (b) 'B' permits (non-transferable) would be issued to persons who participated in 1 or 2 of the 4 years.

(c) Participation is defined as having made at least 12 proven charter trips in a single year, in addition to required State and IPHC documents.

2. Limited entry implemented in Zones 4, 5, and 6 when 2/3 of the charter boat cap is reached. (*Explanation: Years for participation qualification will be the year in which the cap is reached and the preceding 3 years - all other elements same as listed above*).
3. Regarding transfers and upgrades - limited entry permits would be on a 'per pole' basis, with Coast Guard requirements as base; i.e., two six-packs could be combined for one 12 pack.

Other Provisions

1. License issued to vessel owner unless written lease exists.
2. Holders of IFQ allowed to harvest with rod and reel if and when a cap is reached.
3. A system of recordkeeping and reporting would be implemented to track harvest and participation in all ADF&G Zones.



PO Box 254
Homer, AK 99603
(907) 235-2270

April 10, 1997

Rick Lauber
North Pacific Fishery Management Council
605 West 4th Ave., Suite 306
Anchorage, AK 99501-2252

Dear Mr. Lauber:

I am writing in regard your proposal to issue charter boat permits. I have began chartering out of Homer, Alaska in 1990 on the 36' vessel "Buccancer." I sold the vessel on March 26, 1997. Since that time, I have been told that the council is considering a proposal to issue charter permits to boats rather than vessel owners or captains. If this proposal is enacted, I would be ineligible for a permit.

I would like to express my strong opposition to this proposal. Thank you for your consideration.

Sincerely,

A handwritten signature in cursive script that reads "Arthur B. Myers".

Arthur B. Myers

United Halibut Charter Associations of Alaska

Proposed Amendment to Analysis Alternatives on Halibut Charter Issue

Representatives from all of the Halibut Charter Associations present at the April NPFMC meeting met as an industry caucus on April 15, 1997 and determined the following consensus points to be considered by the Council as a substitution for the 5 alternatives outlined in the April 6th, 1997 Draft Management Alternatives For The Guided Sport Fishery For Halibut Off Alaska. This group represents approximately 370 of the active charter businesses in Alaska. These amendments should be the basis of a revised analysis.

Alternative 1: Status Quo By consensus we agree that the Status Quo is not acceptable and that the following regulatory alternatives should be advanced for public review.

Alternative 2: Implement Reporting Requirements Halibut charter operators support a data collection and reporting program. We believe the following provisions should be adopted by the council when implementing reporting requirements.

1. Data required by the halibut charter reporting program should be new information which supplements and does not duplicate existing data reporting requirements.
2. The Halibut charter reporting program should not require proprietary business information.
3. The halibut charter reporting program may require daily or trip records but should not require reporting this information to regulatory agencies more frequently than once per month.
4. Halibut charter operators request participation in the development of halibut charter reporting forms and regulations.

Alternative 3. Annually allocate the TAC between guided sport and commercial fisheries. The halibut charter operators unanimously concur that the allocation of a percentage of the halibut TAC or the allowance of a specific halibut poundage to halibut charter operators should not be considered by the council.

Alternative 4. A moratorium on new entries into the charter boat fleet.

1. The Halibut Charter caucus supports the implementation by the Council of a moratorium.

2. Halibut charter moratoriums should be applied on a regional basis. ADF&G salmon management areas would be appropriate to define specific moratorium areas. Any halibut charter moratoriums should be limited to those areas that are determined by the industry to be saturated by currently active halibut charter operators.

3. A moratorium control date of April 15, 1997 is recommended.¹

4. A halibut charter moratorium would include a 3 year sunset provision with a renewal provision.

5. The ultimate goal of any halibut charter moratorium is the implementation of a license limitation program for halibut charter operators.

6. Charter operators suggest that moratoriums include, but may not be limited to, the following list of qualifying criteria for participation in the fishery.²

1. IPHC halibut sport charter license
2. CFEC vessel license indicating the ADF&G vessel number
3. ADF&G saltwater vessel registration
4. ADF&G fishing guide registration
5. Alaska business license

¹Other dates may be appropriate for sub-areas that are not currently saturated but which may experience substantial growth in charter operators due to the imposition of the moratorium.

²Undeveloped rural communities within a sub-area may require special provisions and/or consideration.

5. Alaska business license
6. U.S. Coast Guard master or operator license
7. Enrollment in a random drug testing program as required by U.S. Coast Guard regulations
8. Sales tax registration and payment records.
9. Proof of expenditures on advertising or marketing
10. Proof of insurance -- protection and indemnity (P&I) for carrying passengers for hire.

In addition, the Council should provide a safety net for operators to use additional information to indicate substantial investment committed to participate in the fishery prior to the control date.

Alternative 5: Combine Alternatives 2, 3 and 4.

Alternative 5 should be limited to the combination of alternatives 2 and 4.

In addition, halibut charter operators submit the following policies for consideration by the Council.

1. Further review by the Council of the halibut charter issue be scheduled for the February 1998 meeting.
2. Reporting requirements and moratorium limitations be implemented for the 1999 recreational halibut season.
3. That the Council set a time frame to develop a Comprehensive Management Plan for recreational halibut fisheries --- guided sport, unguided sport and personal use.

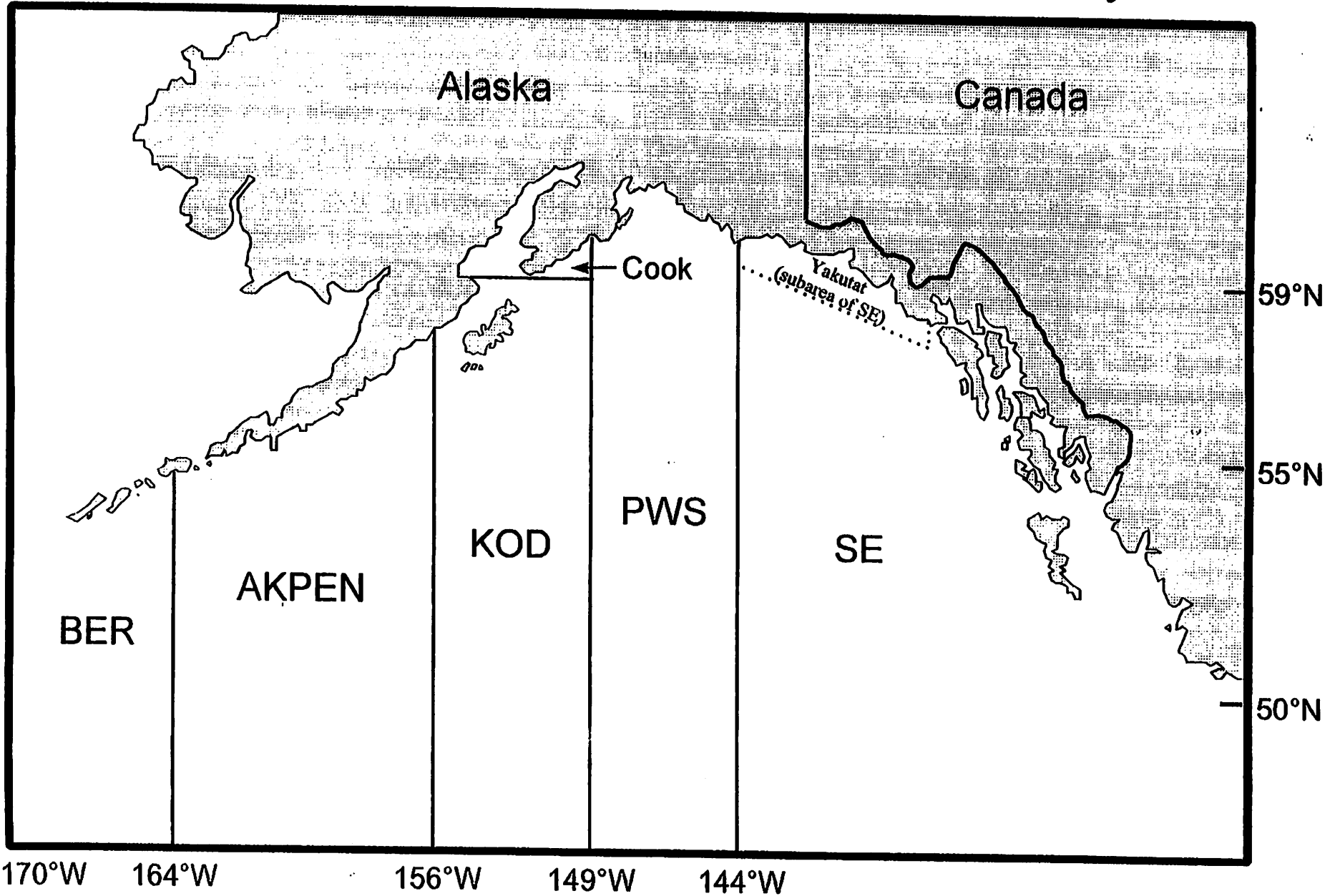
Figure 1.1

ADF&G Zones for Halibut Charter Analysis

H:\CHARTER\DOC\HCB_A_CHI.WPD

1-5

January 28, 1997



Attendees

<u>NAME</u>	<u>Community</u>	<u>Representing</u>	<u>Representing Members</u>	<u>Address</u>
M Brothers	TNO	JCBOA	50	PO Box 210005 ^{Anchor Point AK 99502}
Dick Hemmen	VALDEZ	VCBO	31	1283 Rangeview Dr. No. Pole, AK. 99705
John Goodham	Valdez	Valdez ^{Assoc.} Charter	37	P.O. Box 976 Valdez 99669
Bron Somerville	Juneau	Self		4506 Robbley Bl. Juneau 99801
Kent Hall	Sitka	SCBOA	40	500 Lincoln St. #641 S.
LARRY MCQUARRIE	Pt. Barrow	I ^{KME POWER}	100	Box 9618, Kotzebue AK
Barry Bracken	Petersburg	PCBA	22	Box 1201 Petersburg
Robert WARD	Homer	Homer/AP.	20/	Box 631 Anchor Point, AK 99555
Mark Brandle	Homer	Self		2600 W 67th
George W. Will, Jr.	Homer	Self		POB 2842 Homer AK 996
Merlin Guth	Soldotna	SELF		PO Box 387 Soldotna 99669 (907) 260-2695
MARTIN GUTH	SOLDOTNA	SELF		PO Box 361 SOLDOTNA 99669 (907) 262-2372
MIKE WING	VALDEZ	SELF		PO Box 55122 NORTH POLE AK 9970
Jim & Judy Govers	Deep Creek	D.C.C.A.	52	P.O. Box 39423 Nainichik 99639
Robert Gungler	" "	" "	"	P.O. Box 595 Nainichik 99639

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Table 1.2: Quota Percentages Implied by Council Alternatives

Quota % Based on 1994 Statewide Guided Catch		
Alternative	Commercial	Guided
94.SW.105	92.60%	7.40%
94.SW.110	92.25%	7.75%
94.SW.115	91.89%	8.11%
94.SW.120	91.54%	8.46%
94.SW.125	91.19%	8.81%
94.SW.130	90.84%	9.16%
94.SW.135	90.48%	9.52%
94.SW.140	90.13%	9.87%

Alternative	Quota % Based on 1994 Guided Catch by IPHC Region								All IPHC Areas With IPHC Area allocations The statewide commercial & guided allocation percentages will vary each year depending on the biomass, exploitation rates, bycatch, subsistence, and unguided sport harvests in each IPHC Area.
	2C		3A		3B		4A-E		
	Commercial	Guided	Commercial	Guided	Commercial	Guided	Commercial	Guided	
94.IPHC.105	91.16%	8.84%	90.81%	9.19%	99.71%	0.29%	99.92%	0.08%	
94.IPHC.110	90.74%	9.26%	90.37%	9.63%	99.70%	0.30%	99.91%	0.09%	
94.IPHC.115	90.32%	9.68%	89.93%	10.07%	99.69%	0.31%	99.91%	0.09%	
94.IPHC.120	89.90%	10.10%	89.50%	10.50%	99.68%	0.32%	99.90%	0.10%	
94.IPHC.125	89.48%	10.52%	89.06%	10.94%	99.68%	0.32%	99.89%	0.11%	
94.IPHC.130	89.06%	10.94%	88.62%	11.38%	99.67%	0.33%	99.88%	0.12%	
94.IPHC.135	88.64%	11.36%	88.18%	11.82%	99.66%	0.34%	99.88%	0.12%	
94.IPHC.140	88.22%	11.78%	87.75%	12.25%	99.65%	0.35%	99.87%	0.13%	

Quota % Based on 1995 Statewide Guided Catch		
Alternative	Commercial	Guided
95.SW.105	90.36%	9.64%
95.SW.110	89.90%	10.10%
95.SW.115	89.44%	10.56%
95.SW.120	88.98%	11.02%
95.SW.125	88.52%	11.48%
95.SW.130	88.06%	11.94%
95.SW.135	87.60%	12.40%
95.SW.140	87.14%	12.86%

Alternative	Quota % Based on 1995 Guided Catch by IPHC Region								All IPHC Areas With IPHC Area allocations The statewide commercial & guided allocation percentages will vary each year depending on the biomass, exploitation rates, bycatch, subsistence, and unguided sport harvests in each IPHC Area.
	2C		3A		3B		4A-E		
	Commercial	Guided	Commercial	Guided	Commercial	Guided	Commercial	Guided	
95.IPHC.105	89.28%	10.72%	86.89%	13.11%	99.56%	0.44%	99.77%	0.23%	
95.IPHC.110	88.77%	11.23%	86.26%	13.74%	99.54%	0.46%	99.76%	0.24%	
95.IPHC.115	88.26%	11.74%	85.64%	14.36%	99.53%	0.47%	99.74%	0.26%	
95.IPHC.120	87.75%	12.25%	85.01%	14.99%	99.51%	0.49%	99.73%	0.27%	
95.IPHC.125	87.24%	12.76%	84.39%	15.61%	99.50%	0.50%	99.71%	0.29%	
95.IPHC.130	86.73%	13.27%	83.77%	16.23%	99.49%	0.51%	99.70%	0.30%	
95.IPHC.135	86.22%	13.78%	83.14%	16.86%	99.47%	0.53%	99.68%	0.32%	
95.IPHC.140	85.71%	14.29%	82.52%	17.48%	99.46%	0.54%	99.67%	0.33%	

Revised

1.4.3 Description of the Status Quo

The Council's problem statement identifies the growth of the guided charter sport fishery as a primary concern to commercial fishing interests. Growth implies change over time, and therefore an assessment of the alternatives specified by the Council must necessarily examine the halibut stock and fisheries over time. Unlike assessments of many other allocation issues, this document specifies the status quo as the halibut stock and fisheries as they are projected to exist from 1998 through 2008, without changes in the regulatory environment specific to guided sport and commercial fisheries. Projections of the future are by nature more uncertain than assessments of the past. The analytical team felt that this uncertainty notwithstanding, an assessment which does not incorporate the dynamic nature of the halibut stock and fisheries would be yield less reliable findings.

The following set of assumptions have been used to create the status quo. These assumptions and the "status quo" in general will be described in greater detail in later chapters, but a brief discussion is included here in order to increase the awareness of their importance.

1.4.3.1 Halibut Biomass

In September 1996, the IPHC announced that, through use of a new stock assessment model and a re-evaluation of existing data, the exploitable biomass of halibut in the Pacific is currently much higher than they previously thought. The analysis will use biomass estimates based on the 1997 recommendations presented by the IPHC staff. The assumption of 1997 biomass will result in projections of future catches which are significantly higher than those in the recent past. However, the IPHC staff have indicated that the biomass levels estimated for 1997 are not likely to be sustainable in the long run, and therefore an assessment using 1997 biomass level would likely understate the affects on the commercial fishery of increasing sport catches. In an effort to present a more realistic assessment Council staff requested that IPHC provide long range projections of biomass using their current model. Ana Parma, the IPHC Staff Population Dynamicist, provided projections of halibut biomass for the Northeast Pacific based on a "Monte Carlo" simulation model. These projections, which show a decline in biomass over the next 10 years to a level approximately 65% of 1997 levels, formed the basis of the assessment.

Long range projections by their very nature contain a great deal of uncertainty. The IPHC has also provided projections of confidence intervals within which the "expected outcomes" fall. The size of the confidence intervals are of the same order of magnitude as the expected value. In other words the upper bounds are roughly 50% higher than the expected value, while the lower bounds are roughly 50% lower. Given this kind of uncertainty, the assessment of impacts which follows will only be able to provide directional impacts resulting from the alternatives, and should not be used outside the context for which it was intended. Further, the IPHC does not imply that the information provided for use in this document will form the basis of future TACs, nor should readers base future business decisions on the biomass projections contained herein. Currently, the IPHC is planning an intensive summer survey of the halibut stock. This survey should provide new information upon which future biomass projection will be based.

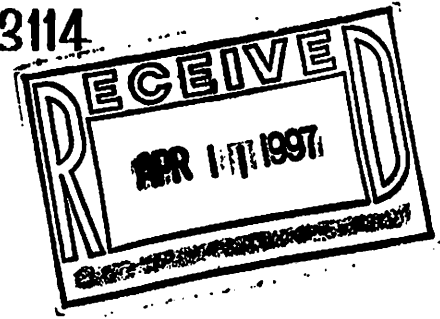
1.4.3.2 Exploitation Rates

Under the new stock assessment model, IPHC staff has recommended the employment of a more conservative exploitation rate. Through 1996, TACs have been set based on an overall exploitation rate of 30%. With the new assessment model, IPHC staff is recommending stepping up to a target exploitation rate of 20%. In its 1997 TAC recommendations, exploitation rates varied by regulatory area, but were all considerably less than 20%. Based on IPHC staff recommendations that the exploitation rate "step up" to 20% over time, the analysis will assume that in 1998 the exploitation rate for each IPHC area will split the difference between the 1997 IPHC staff recommendations and 20%. In 1999 through 2008 we assume a full 20% exploitation rate.

Kodiak Island Sport Fishing Working Group
PO Box 3114
Kodiak, Alaska 99615-3114

AGENDA C-1
APRIL 1997
SUPPLEMENTAL

April 9, 1997



Richard Lauber, Chairman
NORTH PACIFIC FISHERY MANAGEMENT COUNCIL
605 West 4th Avenue, Suite 306
Anchorage, AK 99501-2252

Dear Chairman Lauber:

Since the February Council meeting, Kodiak Island sport fishing operators have worked to organize, evaluate the Council's proposed management alternatives and develop a reasoned and reasonable response. The Kodiak Island Sport Fishing Working Group was formed to help with this process and encourage participation by all sport fishing operators, including charter boats operators, lodge owners and guides. More than fifty operators were invited to participate in this process.

At the February Council meeting you heard that Kodiak sport fishing operators support management alternative #2, but had concerns about limiting economic development opportunities. Over the past nine weeks, as a result of eight meetings, and a review of the draft ISER report and "The Sitka Plan," this position as been modified as follows:

The Kodiak Island Sport Fishing Working Group (KISFWG) urges the North Pacific Fishery Management Council to incorporate the points outlined below into a Kodiak area halibut charterboat management plan. With the Council's concurrence on these points, KISFWG will continue its efforts to bring all Kodiak area stakeholders together to finalize a local area plan.

1. Collect halibut harvesting information from all sport anglers in order to get accurate, complete information on resource use. We strongly support development of an accurate data collection and reporting system.
2. Develop local charter halibut management areas commensurate with the salmon management areas established by the Alaska Department of Fish & Game.
3. Pursuant to the Council's endorsement or modification of the local area plan model (i.e. "the Sitka Plan"), local users work to develop a Kodiak area plan to include developing and establishing a moratorium on further issuance of sport charter licenses by the International Pacific Halibut Commission for the Kodiak management area.
4. Support the International Pacific Halibut Commission's halibut tagging program for catch and release effort.
5. Support better enforcement of bag and possession limits by increased presence of law enforcement.

- continued -

Chairman Rick Lauber
North Pacific Fishery Management Council

April 9, 1997
page 2/2

Thank you for considering this statement as you continue to develop and evaluate management alternatives. Please call on the Kodiak Island Sport Fishing Working Group if we can provide further input or assistance with this process.

Sincerely,

A handwritten signature in cursive script that reads "Michael A. Ensley".

Michael Ensley
President