


MEMORANDUM

TO: Council, SSC and AP Members

FROM: Chris Oliver 
Acting Executive Director

ESTIMATED TIME 2 HOURS

DATE: September 26, 2000

SUBJECT: Halibut Charter IFQs

ACTION REQUIRED

- (a) Update on halibut GHL analysis.
- (b) Preliminary review of analysis of halibut charter IFQ alternatives.
- (c) Discuss Gulf of Alaska Coastal Communities Coalition charter IFQ proposal .

BACKGROUND

(a) Halibut GHL analysis

In February, the Council took final action to approve a revised Guideline Harvest Level (GHL) and implementing management measures to manage the halibut charter fishery in Areas 2C and 3A. The analysis was submitted for NMFS regional review in July 2000.

ADF&G Sportfish Division staff will report on its efforts to correct Statewide Harvest Survey (SWHS) data, which was the basis for the Council's preferred alternative. As a consequence of correcting errors and adjusting estimation procedures, the estimated statewide sport harvest changed for 1996-98 by a maximum of 9% for chinook salmon and Pacific halibut, and 17% for coho salmon. The 1996-98 estimates have been revised, but not yet republished. The corrected estimates for 1996-99 charter/non-charter halibut harvests will be released in mid-October. ADF&G staff are scheduled to brief the SSC on the methodology for correcting the estimates at the December meeting.

It is not possible to determine the impact of the data correction on the Council's GHL decision without the corrected data. However, the Council may wish to schedule a discussion of this issue for the December Council meeting and consider possible future action. Possible choices include:

1. Maintain the preferred alternative (average of 1995-99 harvest in pounds), and
 - a. withdraw the GHL analysis from NMFS review and correct the poundage associated with the average as recommended by ADF&G or
 - b. submit the final review analysis as prepared since it was the best available information at the time of final action and send a letter during the Secretarial public comment period notifying him that the poundage associated with its preferred alternative should be revised in final rulemaking as recommended by ADF&G.
2. Reconsider final action on the halibut charter GHL based on corrected data.

(b) Preliminary review of alternatives

In February, the Council also initiated an analysis for developing an Individual Fishing Quota (IFQ) program for the halibut charter fishery. In April, the Council adopted a problem statement and a suite of 80 management options recommended by its Halibut Charter IFQ Committee and Advisory Panel. The alternatives are listed under Item C-4(b)(1).

Draft Problem Statement
adopted by the Council in April 2000

The Pacific halibut resource is fully utilized. The NPFMC recently adopted a GHL to resolve allocation issues between the guided sport sector and other users of the halibut resource. Upon adoption by the Secretary of Commerce, the GHL will stop the open-ended reallocation between commercial and guided sport fishermen, address a number of conservation concerns, and provide a measure of stability to the halibut fishery. Guided sport IFQs will address problems related to overcapitalization in the guided sport sector. Extending the existing halibut quota share program to include the guided sport sector, with provisions to recognize the unique nature of the guided sport sector, will resolve future allocation conflicts between the commercial and guided sport sectors, and provide access opportunities for halibut fishermen, processors and consumers.

A preliminary review of the alternatives was distributed to you on September 25. The draft and appendices are also included with this agenda item. Staff has proposed a restructured set of alternatives and requested clarification on a number of decision points (Item C-4(b)(2)).

Staff has also requested that the Council consider rescheduling initial review and final action to February and April 2001. This would allow the staff to incorporate the corrected ADF&G SWHS data and a NMFS-contracted report with university economists which will analyze the likely economic consequences of the ten issues in the proposed charter IFQ program structure. The contracted report is due in early November 2000.

(c) GOACCC IFO proposal

The Council has also scheduled continued discussion of a proposal to set aside initial charter allocation to 35 Gulf coastal communities. The Executive Summary of that report and list of proposed communities is under Items C-4(c)(1) and (2). The Gulf Coastal Communities Coalition has proposed a draft problem statement, which was considered but not adopted by the Council in April.

GOACCC Proposal Problem Statement

National Standard 8 of the Magnuson-Stevens Fishery Conservation and Management Act directs that "Conservation and management measures shall, consistent with the conservation requirements of this Act (including the prevention of overfishing and rebuilding of overfished stocks), take into account the importance of fishery resources to fishing communities in order to (A) provide for the sustained participation of such communities, and (B) to the extent practicable, minimize adverse economic impacts in such communities." Many smaller Gulf of Alaska communities have yet to developed mature halibut charter businesses. The current Elements and Options for Analysis by Council Staff on the halibut charter IFQ issue do not include options allocating, or setting aside quota share for developing halibut charter fisheries in these fisheries-dependant coastal communities, nor do they address the sustained participation of many Gulf of Alaska communities in the halibut charter fishery. Moreover, the current Elements and Options for Analysis do not address the future importance of halibut charter fishing resources to these communities.

A set-aside would redistribute the benefits of a quota system to coastal communities, perhaps at some net loss in overall economic benefit if transfer restrictions created a class of quota share that could only be traded among communities. The distributional impacts would vary depending on the details of the program. As currently proposed, setting aside 10% of the initial charter allocation for communities would dilute the amount of quota share received by charter operators. Also, if the community set-aside is reserved strictly for charter use, then communities would compete directly with the charter industry and not with commercial harvesters. If communities are issued QS in addition to that awarded the charter sector (110%), then commercial harvesters would share some of the distributional burden because of the increase in the quota share pool.

The proposal includes approximately 80 additional options and suboptions for analysis (Item C-4(c)(3)). Staff recommends that if the Council chooses to add Gulf communities as initial issues to the analysis, it only add the allocation decision point to the current halibut charter IFQ analysis. If the Council's preferred alternative awards initial issuance of charter QS to communities during final action, it would then initiate a trailing amendment to analyze the details of the administration and management of those community-based QS. Due to the timing of implementation, the entire program would be implemented simultaneously perhaps as early as 2003.

APRIL 2000 COUNCIL HALIBUT CHARTER IFQ ALTERNATIVE 2

Issue 1. Initial QS may be based on:

- Option 1. 12.68% in Area 2C and 14.94% in Area 3A of combined commercial and charter halibut quota
- Option 2. 14.74% in Area 2C and 14.00% in Area 3A of combined commercial and charter halibut quota

Issue 2. Distribution of QS may be based on:

- Option 1. 70% of 125% of 1998 and 1999 logbook average with an additional 10% (of the 125%) added for each year of operation 1995-97 (longevity reward). The balance could then be re-issued to the whole group of participants (some individuals vessel's total could be over 125% of the 1998 and 1999 logbook average, new entrants may receive only 70% of their 1998 and 1999 logbook average), or this balance could be set aside for initial issue hardships.
- Option 2. Modified Kodiak proposal: 5-30% for A, 33% for B, 37-62% for C (see attachment)
 - Part A: each individual gets an equal percentage of the qualified pool as identified by the Council's final action.
 - Part B: each individual's average 98/99 logbook harvest as percentage of overall harvest is multiplied by 33% of the average 1995-99 GHL.
 - Part C: one point for each year of participation during 1995-99.
- Option 3. 50% of an individual's QS initial issuance would be fixed and the remaining 50% would float with abundance.

Issue 3. Qualification Criteria

Initial allocations will be based on an individual's participation and not the vessel's activity. Anyone not meeting the qualification criteria would have to purchase QS or transfer (lease) IFQs to participate in the halibut charter fishery.

- Option 1. Halibut charter operators who carried clients in 1998 and 1999 and who submitted ADF&G logbooks (as received by ADF&G by February 12, 2000)
- Option 2. Halibut charter operators who carried clients in 1998 or 1999 and who submitted ADF&G logbooks (as received by ADF&G by February 12, 2000)
- Option 3. Halibut charter operators who carried clients prior to June 24, 1998 and who submitted at least one ADF&G logbook (as received by ADF&G by February 12, 2000)
- Option 4. Four out of five years between 1995-1999 as evidenced by IPHC and CFEC licenses for 1995-99 and submitted logbooks for 1998 and 1999
- Option 5. Four out of five years between 1995-1999 as evidenced by IPHC and CFEC licenses for 1995-99 and submitted logbooks for either 1998 or 1999

Issue 4. Initial allocation of IFQs would be issued to U.S. citizens or to U.S. companies on the following basis:

U.S. ownership based on: a) 51% ownership; b) 75% ownership

- Option 1. Charter vessel owner/operator - individual who owns and operates (captains) the charterboat and charterboat business
- Option 2. Bare vessel lessee - person that leases a vessel and controls its use as a charterboat for this fishery. May operate the vessel or may hire a captain/skipper. Lessee determines when the vessel sails and by whom captained
- Option 3. Owners of charterboats that hired licensed captains/skippers - persons that owned the vessel that they controlled as a charterboat but hired a captain/skipper to operate the vessel
- Option 4. Hired skipper - individual without financial interest in the vessel, hired for the labor only of operating a charterboat and paid a wage or commission as compensation

Issue 5. To receive halibut IFQ by transfer:

- Option 1. Must be an individual initial charter issuee
 - Option 2. Must be a qualified individual charter operator:
 - a) as defined by State of Alaska requirement*
 - b) as defined by State of Alaska requirement* and hold a USCG license.
- *this would require a change in the commercial regulations to allow transfer of commercial QS/IFQ to charter operator
- Option 3. Must have transfer eligibility certificate

Issue 6. Transferability of QS (permanent) and IFQs (on annual basis [leasing])

- Option 1. Within the charter sector only
- Option 2. Two-way (between commercial and charter sectors).
 - a) 3-yr one way transfer from commercial to charter
 - b) 1-yr one way transfer from commercial to charter
- Option 3. Transferability of IFQs (leasing):
 - a) prohibit leasing within and/or between charter and commercial sectors
 - b) allow leasing within and/or between charter and commercial sectors
- Option 4. allow splitting of commercial blocks to transfer a smaller piece to the charter sector
- Option 5. allow splitting of commercial blocks once transferred to the charter sector
- Option 6. from A, B, C, and/or D commercial vessel category sizes to charter sector
- Option 7. from charter to commercial:
 - a) D category only

- b) C and D category only
- c) B, C, and D category

- Option 8. initial transfer from undesignated charter to a particular commercial vessel category locks in at that commercial category
- Option 9. Any charter QS transferred to commercial sector shall be:
 - a) blocked
 - b) blocked up to the limits of the commercial sweep-up and block limits
- Option 10. one transfer of QS/IFQ each year between sectors for each QS holder
- Option 11. minimum size of transfer is range of 20-72 fish
- Option 12. Designate QS pool into two classes for transfer from charter to commercial sector: transferable (25%) and non-transferable (75%) pools

Issue 7. Caps

- Option 1. no caps - free transferability
- Option 2. on percentage of annual IFQ transfers (de facto leasing) between sectors not to exceed 25% of total IFQ and 5% of annual IFQ transfers from charter to commercial; not to exceed the amount needed to meet the area GHL (1.4 M lb in Area 2C and 3.91 M lb in Area 3A) from commercial to charter
- Option 3. on percentage of annual QS transfers between sectors not to exceed 25% of total QS and 5% of annual QS transfers from charter to commercial; not to exceed the amount needed to meet the area GHL (1.4 M lb in Area 2C and 3.91 M lb in Area 3A) from commercial to charter
- Option 4. ownership cap of ¼, ½, and 1% of combined QS units in Area 2C and ¼, ½, and 1% of combined QS units in Area 3A and grandfather initial issues at their initial allocation

Issue 8. Miscellaneous provisions

- Option 2. maximum line limit of 12 in Area 3A (remains at 6 lines for Area 2C), grandfather initial issues
- Option 3. 10% rollover provision of total IFQs
- Option 4. 10% overage provision of total IFQs to be deducted from next year's IFQs

Issue 9. IFQs associated with the charter quota shares may be issued in:

- Option 1. Pounds

Option 2. Numbers of fish (based on average weight determined by ADF&G)

Issue 10. Reporting:

Option 1. Require operator to report landings at conclusion of trip

Option 2. ADF&G logbook

Summary of staff recommendations for restructuring the halibut charter IFQ Alternative 2:

ISSUE 1. Initial QS may be based on:

Option 1. 12.68% in Area 2C and 14.94% in Area 3A of combined commercial and charter halibut quota

Option 2. 14.74% in Area 2C and 14.00% in Area 3A of combined commercial and charter halibut quota

Suboption: 50% of an individual's QS initial issuance would be fixed and the remaining 50% would float with abundance.

Issue 2. Initial allocation of QS would be issued to U.S. citizens or to U.S. companies on the following basis:

U.S. ownership based on: a) 51% ownership; b) 75% ownership

Option 1. Charter vessel owner/operator - person who owns and operates (captains) the charterboat and charterboat business

Option 2. Bare vessel lessee - person that leases a vessel and controls its use as a charterboat for this fishery. May operate the vessel or may hire a captain/skipper. Lessee determines when the vessel sails and by whom captained

Option 3. Charter vessel owner that hired licensed captains/skippers - person that owned the vessel that they controlled as a charterboat but hired a captain/skipper to operate the vessel

Option 4. Hired skipper - person without financial interest in the vessel, hired for the labor only of operating a charterboat and paid a wage or commission as compensation

Option 5. Charter vessel/business owner - person who owns the charterboat and charterboat business

ISSUE 3. Qualification Criteria

Initial allocations will be based on an individual's participation and not the vessel's activity. Anyone not meeting the qualification criteria would have to purchase QS or transfer (lease) IFQs to participate in the halibut charter fishery.

Option 1. Initial issues who carried clients in 1998 and 1999 and who submitted ADF&G logbooks (as received by ADF&G by February 12, 2000)

Option 2. Initial issues who carried clients in 1998 or 1999 and who submitted ADF&G logbooks (as received by ADF&G by February 12, 2000)

Option 3. Initial issues who carried clients prior to June 24, 1998 and who submitted at least one ADF&G logbook (as received by ADF&G by February 12, 2000)

Option 4. Initial issues who carried clients four out of five years between 1995-1999 as evidenced by IPHC and CFEC licenses for 1995-99 and submitted logbooks for 1998 and 1999

Option 5. Initial issues who carried clients four out of five years between 1995-1999 as evidenced by IPHC and CFEC licenses for 1995-99 and submitted logbooks for either 1998 or 1999

ISSUE 4. Distribution of QS may be based on:

- Option 1. 70% of 125% of 1998 and 1999 logbook average with an additional 10% (of the 125%) added for each year of operation 1995-97 (longevity reward). The balance could then be re-issued to the whole group of participants (some individuals vessel's total could be over 125% of the 1998 and 1999 logbook average, new entrants may receive only 70% of their 1998 and 1999 logbook average), or this balance could be set aside for initial issue hardships.
- Option 2. Modified Kodiak proposal: 5-30% for A, 33% for B, 37-62% for C (see attachment)
- Part A: each individual gets an equal percentage of the qualified pool as identified by the Council's final action.
- Part B: each individual's average 98/99 logbook harvest as percentage of overall harvest is multiplied by 33% of the qualified pool.
- Part C: one point for each year of participation during 1995-99.

ISSUE 5. Transferability of QS (permanent) and IFQs (on annual basis [leasing])

- Option 1. Transfer of QS (permanent) and/or IFQs (leasing):
- a) prohibit transfers between charter and commercial sectors
 - b) allow transfers between charter and commercial sectors
 1. 1-yr one way transfer from commercial to charter
 2. 3-yr one way transfer from commercial to charter
 3. two-way (between commercial and charter sectors).Suboptions under Options b (1-3):
 - i. Designate QS pool into two classes for transfer from charter to commercial sector: transferable (25%) and non-transferable (75%) pools.
 - ii. Cap the percentage of annual IFQ transfers (de facto leasing) between sectors not to exceed 25% of total IFQs and 5% of IFQs per year from charter to commercial; not to exceed the amount needed to meet the area GHIL (12.68% in Area 2C and 14.94% in Area 3A) from commercial to charter.
 - iii. on percentage of annual QS transfers between sectors not to exceed 25% of total QS and 5% of QS per year from charter to commercial; not to exceed the amount needed to meet the area GHIL (12.68% in Area 2C and 14.94% in Area 3A) from commercial to charter
- Option 2. Block restrictions
- a) any initially issued (i.e., unblocked) charter QS once transferred to commercial sector shall be:
 1. blocked
 2. blocked up to the limits of the commercial sweep-up and block limits
 - b) allow splitting of commercial blocks to transfer a smaller piece to the charter sector
 - c) allow splitting of commercial blocks once transferred to the charter sector
- Option 3. Vessel class restrictions
- a) from A, B, C, and/or D commercial vessel category sizes to charter sector
 - b) from charter to commercial:
 1. D category only
 2. C and D category only
 3. B, C, and D category
 - c) initial transfer from undesignated charter to a particular commercial vessel category locks in at that commercial category

Option 4. One transfer of QS/IFQ each year between sectors for each QS holder

Option 5. Minimum size of transfer is range of 20-72 fish

ISSUE 6. To receive halibut QS and IFQ by transfer:

Option 1. For the charter sector, must be either

a) a initial charter issuee or

b) qualified as defined by State of Alaska requirements for registered guides or businesses*

Suboption: and hold a USCG license.

*this would require a change in the commercial regulations to allow transfer of commercial QS/IFQ to charter operator

Option 2. For the commercial sector, must have a commercial transfer eligibility certificate.

Issue 7. Caps

Option 1. No caps - free transferability

Option 2. ownership cap of ¼, ½, and 1% of combined QS units in Area 2C and ¼, ½, and 1% of combined QS units in Area 3A and grandfather initial issues at their initial allocation

Issue 8. Miscellaneous provisions

Option 2. maximum line limit of 12 in Area 3A (remains at 6 lines for Area 2C), grandfather initial issues

Option 3. 10% rollover provision of total IFQs

Option 4. 10% overage provision of total IFQs to be deducted from next year's IFQs

Issue 9. IFQs associated with the charter quota shares may be issued in:

Option 1. Pounds

Option 2. Numbers of fish (based on average weight determined by ADF&G)

Issue 10. Reporting:

Option 1. Require operator to report landings at conclusion of trip

Option 2. ADF&G logbook

PRELIMINARY REVIEW OF HALIBUT CHARTER IFQ ANALYSIS

REVIEW OF MANAGEMENT ALTERNATIVES

AND ANALYTICAL DESIGN

prepared by

North Pacific Fishery Management Council Staff

September 22, 2000

INTRODUCTION

The North Pacific Fishery Management Council began considering a management plan for the halibut charter fishery in 1993. The Council identified an expanding charter fleet with unlimited growth of halibut harvests as a management problem. The Council has taken a step-wise approach to addressing this problem.

In 1998, the State of Alaska through the Board of Fisheries (BOF) and its management arm, the Department of Fish and Game (ADF&G), implemented three changes to how it manages sport fisheries. It began a program to register both sportfishing guides and service businesses to collect information on participation and harvest by saltwater charter vessel clients. It stopped registering charter vessels because the Alaska Commercial Fisheries Entry Commission (CFEC) implemented a licensing program for all sportfishing vessels. ADF&G also implemented a mandatory statewide logbook program for saltwater charter vessels.

The description of the halibut charter and commercial fisheries (Section 3) from the 1999 Council halibut GHL analysis (NPFMC 1999) will be brought forward into the analysis. It was anticipated that the entire Section 3 of the GHL analysis would be brought forward into the IFQ analysis; however, ADF&G Sportfish Division informed the Joint Council/Board Committee in September 2000 that its Research and Technical Services (RTS) branch is correcting its estimates of effort, catch and harvest of all sportfish estimates for 1996-99 from the Statewide Harvest Survey (mail-out survey).

Addition of new ADF&G staff to the Statewide Harvest Survey project precipitated a thorough review of computer programs and processes that had been developed over the 20+ years of the project (Rob Bentz, pers. commun.). As a result of that review, ADF&G determined that computer programs used to produce estimates for 1995 through 1998 contained errors. These errors incorrectly altered some angler's reported catch and harvest. The errors did not affect all species or fishing locations in the same way; thus some estimates were too high, while others were too low. In addition, the computer programs did not properly account for anglers who did not respond to the survey when generating estimates for angler-days fished and household trips. This error resulted in estimated days-fished and household trips that were too high for 1995 through 1997. ADF&G technical staff also determined that the approach used to account for anglers who did not respond should be adjusted to reflect the approach published in current scientific literature. This revised approach was applied to 1996 through 1998 estimates of effort, catch, and harvest. Some estimates did not change, while others increased or decreased. As a consequence of correcting errors and adjusting estimation procedures, the estimated statewide sport harvest changed over the affected years by a maximum of 9% for chinook salmon and Pacific halibut, and 17% for coho salmon. The 1996 through 1998 estimates have been revised, but not yet republished. The 1995 estimates can not be revised because the original data file can not be restored from tape. RTS reports that the corrected estimates for 1996-99 charter/non-charter halibut harvests will be released in mid-October. RTS staff are scheduled to brief the SSC on the methodology for correcting the estimates at the December meeting.

The uncorrected ADF&G harvest estimates are the basis for the Council's preferred alternative on the halibut charter GHL adopted in February 2000: Area 2C and 3A GHLs are based on the average of 1995-99 harvest in pounds, with a cap of 1.4 M lb in Area 2C and 3.91 M lb in Area 3A. In June 2000, the Council clarified that the IFQ allocation options would be based on the ratio between the charter and commercial sectors (charter percentage of the combined charter and commercial quota) as reflected in the halibut GHL preferred alternative (12.68% in Area 2C and 14.94% in Area 3A) and a rejected alternative (14.74% in Area 2C and 14.00% in Area 3A).

The Council may choose to review its GHL decision in light of the corrected ADF&G harvest estimates as this data was the basis for its preferred alternative. It is not possible to determine the impact of the data correction on the Council's GHL decision without the corrected data. However, the Council may wish to schedule a discussion of this issue for the December Council meeting and consider possible future action. Possible choices include:

1. Maintain the preferred alternative (average of 1995-99 harvest in pounds), and
 - a. withdraw the GHL analysis from NMFS review and correct the poundage associated with the average as recommended by ADF&G or
 - b. submit the final review analysis as prepared since it was the best available information at the time of final action and send a letter during the Secretarial public comment period notifying him that the poundage associated with its preferred alternative should be revised in final rulemaking as recommended by ADF&G .
2. Reconsider final action on the halibut charter GHL based on corrected data.

Options 1a and 2 would both necessitate approximately 2-3 weeks of additional staff time to revise the Secretarial Review draft of the GHL analysis.

A second data issue will affect the current schedule for action. NMFS AFSC has contracted with university economists to develop a report that analyzes the likely economic consequences of the ten issues in the proposed charter IFQ program structure. The contracted report is due in early November 2000. Upon receipt of the report, Council staff will then incorporate the results into the RIR section of this analysis.

Initial review is currently scheduled for December 2000 and final action in February 2001. Because it will not be possible to prepare the initial review draft of the analysis without: 1) the corrected ADF&G data (or will cause the staff to repeat their efforts on known biased data and then on corrected data), and 2) the results of the outside economic contract, and 3) possible additional staff time to revise and resubmit the GHL analysis, staff is recommending that the Council consider rescheduling initial review to February 2001. Final action would be rescheduled to April 2001. This delay would not affect the year of implementation. If approved, the charter IFQ regulations could be published by 2002. Application period, submission and verification of charter records, the appeals process, modifications of NMFS-Restricted Access Management (RAM) computer programs, and any other required changes by NMFS likely would take one to two years to implement, or 2003 at the earliest (Phil Smith, pers. commun.).

Purpose and Need for the Action

The Council began considering management alternatives for the halibut sport fisheries in September 1993 in response to a proposal from the Alaska Longline Fishermen's Association (ALFA) in Sitka. The proposal cited the "rapid, uncontrolled growth of the guided halibut charter industry" off Alaska. Because the harvest limits for the commercial longline fishery are set after deducting the estimated harvests by sport fishing (and all other harvests), ALFA was concerned that further growth would result in a reallocation of halibut from the directed commercial longline fishery. It was particularly concerned because the resource is fully utilized and halibut abundance was projected to decline (ALFA proposal, May 1993).

Based on Council discussion, public testimony, and evidence citing projected continued growth of the charterboat industry, the Council determined that some type of management program for the halibut charter fishery, including potential limited entry, warranted further consideration. The Council also approved a control

date of September 23, 1993 as a potential cutoff date in the event of a moratorium on further entry into the fishery (this control date was never published in the *Federal Register*).

The Council established a Halibut Charter Working Group (Work Group) in 1993 comprised of staff, three commercial fishery representatives, one non-charter fish representative, and six charter vessel representatives to identify and examine potential management alternatives for the sport fisheries. The Work Group was specifically requested to further develop suitable elements and options for a regional or statewide moratorium on new entry of halibut charter vessels. Although the Work Group could not reach agreement on appropriate management alternatives, it did collect extensive information on the fishery for Council consideration relative to various alternative management measures.

The Council deferred further action until 1995 because of other management priorities. In January 1995, the Council again reviewed the Work Group findings, took public testimony, and discussed further development of management alternatives. The Council formulated a problem statement and specific management alternatives. Formal analysis, however, was delayed by: (1) other tasking priorities for staff, and (2) the availability of funding for outside research contracts to acquire the necessary analytical expertise on the sport fisheries. Toward the end of 1995 and the beginning of 1996, Council funding uncertainties were caught up in the FY 1996 budget delays at the Congressional level. In mid-1996, funding became available for outside research contracts.

In June 1996, the Council again discussed the halibut charter issue, and narrowed the alternatives for study. Specifically, the Council decided to focus management alternatives only on the charterboat fishery (the fastest growing segment based on IPHC and ADF&G reports), thus deleting the non-guided halibut sport fishery from further management consideration. The Council also deleted the alternative for a separate IFQ system for the charter fishery (primarily due to the lack of individual harvest history), but retained an option to allow the charter industry to purchase or lease IFQ from the existing commercial program, in the event a cap closed the fishery early. Finally, the Council deleted an absolute poundage cap on the charter fleet, but retained an option for a floating cap expressed as a percentage of the overall available quota. After a research solicitation process, and after reviewing several proposals, a contract was awarded in September 1996 to the University of Alaska's Institute for Social and Economic Research (ISER).

During initial review in April 1997, the Council added contemporary control date options of April 15, 1997, and the date of final action in September 1997. In September 1997, based on analyses prepared by the Council and ISER staffs (NPFMC 1997), the Council took final action on two management actions affecting the halibut charter fishery, culminating more than four years of discussion, debate, public testimony, and analysis:

Recordkeeping and reporting requirements. The Council approved recording and reporting requirements for the halibut charter fishery. To comply with this requirement and its own management needs, the Alaska Department of Fish and Game (ADF&G) Sportfish Division, under the authority of the Alaska Board of Fisheries (BOF), implemented a Saltwater Sportfishing Charter Vessel Logbook (SCVL) in 1998. Information collected under this program includes: number of fish landed and/or released, date of landing, location of fishing, hours fished, number of clients, residence information, number of lines fished, ownership of the vessel, and the identity of the operator. It complements additional sportfish data collected by the State of Alaska through the Statewide Harvest Survey (SWHS), conducted annually since 1977, and the on-site (creel and catch sampling) surveys conducted separately by ADF&G in both Southeast and Southcentral Alaska.

Guideline Harvest Levels in IPHC Areas 2C and 3A. The Council adopted GHLs for the halibut charter fishery, but only for IPHC Regulatory Areas 2C and 3A. They were based on the charter sector receiving 125% of their 1995 harvest (12.76% of the combined commercial/charter halibut quota in Area 2C, and 15.61% in Area 3A). The Council stated its intent that the GHLs would not close the fishery, but instead would trigger other management measures in years following attainment of the GHL. The overall intent was to maintain a stable charter season of historic length, using statewide and zone specific measures. If end-of-season harvest data indicated that the charter sector likely would reach or exceed its area-specific GHL in the following season, NMFS would implement the pre-approved measures to slow down charter halibut harvest. Given the one-year lag between the end of the fishing season and availability of that year's catch data, it was anticipated that it would take up to two years for management measures to be implemented.

Also in September 1997, the Council adopted a framework for developing local area management plans (LAMPs) using the joint Council/Board protocol. LAMPs would be submitted through the BOF proposal cycle, but portions of the plans pertaining to halibut would ultimately require Council approval and NMFS implementation. To date, one LAMP for Sitka Sound has been implemented. Fourteen LAMP proposals are under development through the BOF LAMP committee process. This effort has been stalled due to lack of funding for area-wide community meetings.

In December 1997, the NMFS Alaska Regional Administrator informed the Council that the GHL would not be published as a regulation. Further, since the Council had not recommended specific management measures to be implemented by NMFS if the GHL were reached, no formal decision by the Secretary was required for the GHL. Therefore, the analysis never was forwarded for Secretarial review. The Council's intent, however, partially was met by publishing the GHL as a notice in the *Federal Register* on March 10, 1998. It did not constrain the charter fishery, but did formally announce the Council's intent to establish measures to maintain charter harvest at or below the GHL using 1995 as the baseline year. Following a recommendation in April 1998 to set a revised control date for possible limited entry into the halibut charterboat fishery, NMFS published a new control date of June 24, 1998, in the *Federal Register*.

After being notified that the 1997 Council analysis would not be submitted for Secretarial review, the Council initiated a public process in 1998 to identify GHL management measures. The Council formed a GHL Committee comprised of one Council member representing the charter industry, one BOF member representing the charter industry, two charter industry representatives from Area 2C, two charter industry representatives from Area 3A, one unguided sport representative from Area 3A, and two subsistence/personal use representatives from Area 2C. The Committee's task was to recommend management measures for analysis that would constrain charter harvests under the GHL. It convened in February and April 1998 and January 1999. The two subsistence/personal use committee members voluntarily stepped down from the Committee after the first meeting due to travel costs. In 1998 and again in early 1999, the Council discussed and approved the recommendations of the committee and Advisory Panel with modifications for analysis.

In April 1999, the Council identified for analysis: (1) a suite of GHL management measure alternatives; (2) alternatives that would change the GHL as approved in 1997; and (3) area-wide and LAMP moratorium options under all alternatives. Recognizing that (1) reliable inseason catch monitoring is not available for the halibut charter fishery; (2) inseason adjustments cannot be made to the commercial longline individual fishing quotas (IFQs); and (3) the Council's stated intent to not shorten the current charter fishing season resulted in the Council designing the implementing management measures to be triggered in subsequent fishing years, rather than in-season.

During initial review in December 1999, the Council added: (1) a change in possession limits to the management measures that it would consider to limit charter halibut harvests under the GHL; (2) an option to apply the GHL as a percentage of the CEY by area after non-guided sport and personal use deductions are made, but prior to deductions for commercial bycatch and wastage; (3) an option to manage the GHL as a 3-year rolling average. Lastly, the Council deleted an option that would close the charter fishery inseason if the GHL was reached or exceeded. The Council further adopted the restructured alternatives as proposed by staff.

During final action in February 2000, the Council adopted as its preferred alternative:

1. The halibut charter GHL would be set at 12.68% in Area 2C and 14.94% in Area 3A of combined commercial and charter halibut quota, which are based on the average of 1995-99 in pounds (with a cap of 1.4 M lb in Area 2C and 3.91 M lb in Area 3A).
2. Implement management measures using the following implementation regime for each IPHC regulatory area. These measures would be removed if harvests fall below the GHL and they are no longer necessary. If the GHL is exceeded, 0-20% reduction measures (e.g., trip limits, prohibiting harvest by skipper and crew) would be implemented in the season following the overage. In years of >20% overage, measures that are projected to achieve 0-20% reduction in charter harvest would be implemented in the following season and measures that are projected to achieve >20% reduction in charter harvest (e.g., annual limits, one fish bag limit in August) would be implemented one year later to allow for verification of charter harvest. The regulations will establish a framework process to review and adjust the management measures in the event of an overage and to evaluate their efficacy to determine if a subsequent regulatory package is necessary.

Area 2C Management Tools	
<u>Required Reduction</u>	<u>Management Tool</u>
<10%	Trip Limit
10% - 15%	Trip Limit
	No Harvest by Skipper + Crew
15% - 20%	Trip Limit
	No Harvest by Skipper + Crew
	Annual Limit of 7 Fish
20% - 30%	Trip Limit
	No Harvest by Skipper + Crew
	Annual Limit of 6 Fish
30% - 40%	Trip Limit
	No Harvest by Skipper + Crew
	Annual Limit of 5 Fish
40% - 50%	Trip Limit
	No Harvest by Skipper + Crew
	Annual Limit of 4 Fish
>50%	Trip Limit
	No Harvest by Skipper + Crew
	Annual Limit of 4 Fish
	One Fish Bag Limit in August

Area 3A Management Tools	
<u>Required Reduction</u>	<u>Management Tool</u>
<10%	Trip Limit
10% - 20%	Trip Limit
	No Harvest by Skipper + Crew
20% - 30%	Trip Limit
	No Harvest by Skipper + Crew
	Annual Limit of 7 Fish
30% - 40%	Trip Limit
	No Harvest by Skipper + Crew
	Annual Limit of 6 Fish
40% - 50%	Trip Limit
	No Harvest by Skipper + Crew
	Annual Limit of 5 Fish
>50%	Trip Limit
	No Harvest by Skipper + Crew
	Annual Limit of 4 Fish
	One Fish Bag Limit in August

Draft Problem Statement

The Council adopted the following draft problem statement in April 2000 for this analysis.

The Pacific halibut resource is fully utilized. The NPFMC recently adopted a GHL to resolve allocation issues between the guided sport sector and other users of the halibut resource. Upon adoption by the Secretary of Commerce, the GHL will stop the open-ended reallocation between commercial and guided sport fishermen, address a number of conservation concerns, and provide a measure of stability to the halibut fishery. Guided sport IFQs will address problems related to overcapitalization in the guided sport sector. Extending the existing halibut quota share program to include the guided sport sector, with provisions to recognize the unique nature of the guided sport sector, will resolve future allocation conflicts between the commercial and guided sport sectors, and provide access opportunities for halibut fishermen, processors and consumers.

As noted (below) in its June 2000 minutes, the SSC provided the following comments on the Council's problem statement.

...The problem statement expresses some potentially overly optimistic results for the charter IFQ program, including: "Extending the existing halibut quota share program to include the guided sport sector, with provisions to recognize the unique nature of the guided sport sector, will resolve future allocation conflicts between the commercial and guided sport sectors, and provide access opportunities for halibut fishermen, processors and consumers." While halibut IFQ's provide promise for reduction of some allocation conflict, it may not fully extinguish regional conflict over halibut allocation.

The following is taken from the Supplemental Environmental Impact Statement for the Individual Fishing Quota Management Alternative for Fixed Gear Sablefish and Halibut Fisheries (NPFMC 1992). The discussion, while prepared for the commercial halibut fishery, also applies to the charter halibut fishery and has been adapted for this discussion.

Allocation

One of the benefits of an individual transferable quota system is that it removes governments and state institutions from resource allocations. It is commonly believed that if the marketplace is left to operate freely, much of the acrimony can be removed from allocation issues. This contention would seem to be borne out by the Canadian and New Zealand experiences. This benefit, however, only flows following the introduction of a quota system. In the development stage, debate on who will be included for initial allocation, and who will not, is likely to be emotive. People excluded at this part of the process may harbor long resentment. In New Zealand, part-time fishermen were eliminated from the fishery by administrative means as many as four years prior to the introduction of the quota management system. Some ten years later, these people still bemoan having been disenfranchised, and continue to try and re-enter the fishery without acquiring quotas. There was no intention under the Council's commercial IFQ programs to use these means to remove people from the fishery actively. Nonetheless, there were those who were not eligible to receive an initial allocation of quota shares, and many continue to be disgruntled with the programs. Crew members are most notable among these groups.

Underlying a quota system is the notion that quota shares will pass from less efficient to more efficient operators. More efficient operators are generally deemed to be those who will pay a higher price to purchase the quota. It is through having fishery resources exploited by the most efficient users that the greatest economic value from the resource will accrue to the United States. The Council has provided for quota shares and individual fishing quotas to be partially transferable, and in so doing has opened the way for quotas to move to those who will utilize them most efficiently. For a number of largely social reasons, however, the Council has imposed a number of restrictions on the operation of the market for commercial quota shares and has proposed similar restrictions for the charter IFQ program. These can be expected to impede the passage of quotas in the way described. By imposing restrictions on who can own quota, and how much they can own, the Council has precluded persons from participating in quota ownership who may be more efficient. For example, it may be that someone with no fishing experience may be more efficient than someone with a bare five months. Similarly, people holding 0.5 percent of halibut for an area may be more efficient than someone holding less than the ownership cap. Through the Council's restrictions these people would be precluded from acquiring further quotas.

In a wider philosophical context, one of the fundamental criticisms of the IFQ program is that although the nation's fishery resources are owned by every citizen, it gives ongoing access rights to a small group. This means that the initial QS recipients will receive much of the benefits of the program. Although some of the future participants in these fisheries and the public at large will receive some of the benefits, the public at large may be required to pay the additional management and enforcement costs and some current participants or potential future participants will be affected adversely by the program. That is, the distribution of the benefits and costs of the proposed program are considered by some to be inequitable. The ability to more equitably distribute the benefits and costs of an IFQ program appear to be limited by the MSFCMA. For example, IFQs cannot be auctioned by the government. The Council has responded to this problem in two ways. First, it has recommended QS allocation rules that will distribute QS to a large number of persons. Second, it has stated its intent to collect program costs from QS owners as soon as and to the extent it can. As a result of a change to the MSFCMA, fees to cover the cost of implementing, administering, and enforcing the program will be collected from those who will own QS beginning this year.

Excess Harvesting Capacity

It has been argued that there are too many vessels, and one of the objects of introducing a quota system is to rationalize the fishery in part by reducing their numbers. It is hoped that following initial issuance, transfers of quotas will lead to less efficient vessels leaving the industry. It is in this respect that the restrictions placed on transferability have their greatest impact. The fact that there are too many vessels has been identified as a problem. The Council has considered the introduction of a quota system as a means to enable vessels to leave the industry, and to receive some recompense through the sale of quota shares for so doing. In the course of developing the alternatives for analysis, the Council has adopted a number of social motives. These were not specified, however, as mitigating circumstances in the problem statement. One is forced to conclude, therefore, that any impediments to this rationalization detract from the efficacy of the Council's ultimate choice for a preferred alternative. Clearly the restrictions on ownership caps and vessel category transfers between sectors will work to impede or frustrate rationalization or consolidation of the fleet.

At this date, the Council has not yet decided to set aside some portion of the charter allocation to small coastal communities (and it is unclear whether such an allocation would come from the initial allocation to the charter sector or from the combined commercial/charter quota). The allocation of quotas to communities can be expected to aggravate the situation of excess harvesting capacity further. Community shares can be expected

to add additional vessels to the fishery. At best, the communities may purchase and use existing vessels from fishermen choosing to leave the industry. There is, however, no proposed requirement for them to do so. They may choose to build new vessels or acquire vessels from other fisheries, thus adding to the excess harvesting capacity problem. This may be aggravated further if participating communities choose to use small vessels, which may diversify to participate in other sport fisheries further exacerbating fishing pressure on other coastal fishery stocks. This may lead to overcapitalization and/or increased fishing effort in other sport fisheries, a concern expressed by ADF&G.

Economic Stability in the Fishery and Communities

The allocation of charter QS is expected to result in charter operators making investment decisions that will more closely match harvesting capacity with sustainable fish yields. This, in turn, is expected to produce a more stable environment for the charter fishing industry. It is assumed that an individual with a pre-defined quantity of fish to catch will make investment decisions based on that amount of fish.

This state of affairs may come about after a period, but is unlikely in the short term. The introduction of people into the fisheries due to the allocation criteria along with the proposed community set-aside combine to give each participant a smaller quota share than his or her current involvement in the fishery. In some cases, this reduced allocation may be substantial. For these individuals an uncomfortable period can be expected to follow implementation during which they must determine their future in the fishing industry. The questions they face concern selling their quota shares and leaving the industry, acquiring further quota shares and participating fully in the industry, participating to the level of their quota shares, and supplementing the livelihood by other means, or sitting on their quota shares, but not participating in the industry. The level of overcapitalization suggests that this discomfort may afflict a large number of people. Until these people have resolved the level of their participation in the fishery, the Council's ultimate choice for a preferred alternative may not lead to economic stability. And impediments to ready transferability of QS and IFQs can be expected to prolong the transition to a more economically stable fleet.

Coastal Communities

The Council wished to enhance the opportunities for rural coastal communities to participate in the sablefish and halibut fisheries. It was in pursuit of this objective that the western Alaska community development program was included in the preferred alternative for the halibut and sablefish commercial IFQ programs. Economic opportunities for small communities were enhanced by having portions of the halibut and sablefish quotas set aside. The CDQ program later was expanded to include all groundfish and crab species.

The Council is currently considering allowing Gulf of Alaska coastal communities to purchase and hold commercial halibut and sablefish QS. In June 2000, the Council prepared a draft problem statement to solicit public comment on this proposal. This proposal, along with all other 1999 proposals, will be considered by the Council at the October Council meeting under its staff tasking agenda item.

Draft Council Problem Statement
Community Purchase of Halibut and Sablefish IFQs

National Standard 8 of the Magnuson-Stevens Fishery Conservation and Management Act directs that "Conservation and management measures shall, consistent with the conservation requirements of this Act (including the prevention of overfishing and rebuilding of overfished stocks), take into account the importance of fishery resources to fishing communities in order to (a) provide for the sustained participation of such communities, and (b) to the extent practicable, minimize adverse economic impacts in such communities." Although the halibut IFQ program was developed under the Halibut Act which may not require consistency with all of the Magnuson-Stevens' national standards, the Council believes Congress clearly intended that Council consider the impacts of all of its management measures, including halibut management regulations, on fisheries dependant communities. The current halibut and sablefish IFQ management structure, despite its many benefits, was not designed to minimize adverse economic impacts on fisheries-dependant coastal communities in the Gulf of Alaska, and by all current indications, will not provide for the sustained participation of many of Alaska's smaller Gulf communities in the halibut and sablefish IFQ fisheries.

The Council has also scheduled continued discussion of a proposal to set aside initial charter allocation to the same Gulf coastal communities. The Gulf Coastal Communities Coalition has proposed a draft problem statement, which was considered but not adopted by the Council.

Proposal Problem Statement

National Standard 8 of the Magnuson-Stevens Fishery Conservation and Management Act directs that "Conservation and management measures shall, consistent with the conservation requirements of this Act (including the prevention of overfishing and rebuilding of overfished stocks), take into account the importance of fishery resources to fishing communities in order to (A) provide for the sustained participation of such communities, and (B) to the extent practicable, minimize adverse economic impacts in such communities."¹ Many smaller Gulf of Alaska communities have yet to developed mature halibut charter businesses. The current Elements and Options for Analysis by Council Staff on the halibut charter IFQ issue do not include options allocating, or setting aside quota share for developing halibut charter fisheries in these fisheries-dependant coastal communities, nor do they address the sustained participation of many Gulf of Alaska communities in the halibut charter fishery. Moreover, the current Elements and Options for Analysis do not address the future importance of halibut charter fishing resources to these communities.

In addition to the economic benefits of being awarded QS (as presented in the proposal), one of the effects of a community set-aside will be to add further harvest capacity to a fishery which it has been agreed is already overcapitalized, at least in certain ports. The participation of additional people in the fishery can be expected to aggravate the situation of overcapitalization. It will also dilute the quota shares issued to charter operators, and perhaps commercial fishermen depending on whether the set-aside comes from the charter or both sectors. The set-aside (proposed to be around 10% of the initial charter allocation) may result in large numbers of charter operators receiving quota shares which do not meet their current client demand.

¹16 U.S.C. 1851, Sec 201.

Charter IFQ Alternatives

The Council also made some **general statements** about its intentions for the design of the proposed charter IFQ program.

- The previously approved GHL program should be submitted for Secretarial review and implemented as soon as possible. The halibut charter IFQ program, when and if adopted by the Council and approved by the Secretary, would replace the GHL.
- The charter IFQ program would be limited to Areas 2C and 3A only and are not transferable across areas.
- The duration of charter IFQ would have no specific ending date.
- An appeals process would be based on
 - a) fact; and
 - b) hardship, similar to groundfish and crab license limitation program.
- The charter IFQ program would be subject to cost recovery.
- Staff should analyze impacts of the proposed charter IFQ program on all commercial sectors, including processors.
- ADF&G staff will provide a discussion of the potential migration of QS between ports within an IFQ regulatory area and the best tool for managing such migrations (i.e., LAMPs) for the analysis.

The following alternatives were developed by the Halibut IFQ Committee, Advisory Panel, and Council. The committee convened twice prior to the April 2000 Council meeting and is scheduled to meet on October 2 to review this preliminary analysis. It is comprised of ten charter operators and one guided angler, with five commercial fisherman and one community representative acting as non-voting technical advisors. The Council adopted the committee recommendations in April 2000 with modifications as proposed by the Advisory Panel and the public.

As can be seen, the Council's choices for the charter IFQ system would incorporate the charter sector into the existing commercial IFQ program. The current prohibition on the creation of new IFQ programs (set to expire on October 1, 2000) would therefore not apply to the proposed changes. The following 40 options under ten management issues result in a complex decision making matrix. The options are not exclusive choices in all cases, that is, multiple options may be chosen under some issues. The Council is also considering whether to include Gulf of Alaska coastal communities in Areas 2C and 3A as initial charter QS issuees, perhaps up to a limit of 10% of the initial charter QS. The proposal includes approximately 80 additional options and suboptions for analysis. The staff recommends that if the Council chooses to add Gulf communities as initial issuees to the analysis, that it only add the allocation decision point to the current analysis. If the Council's preferred alternative awards initial issuance of charter QS to communities, it then also would initiate a trailing amendment to analyze the details of the administration and management of those community-based QS. Due to the timing of implementation, the entire program would be implemented simultaneously in perhaps as early as 2003.

Part I of this paper reviews the current list of alternatives. Part II details the analytical design of the economic analysis of the alternatives. Part III summarizes the staff conclusions of this preliminary review of the alternatives. Part IV contains a draft Table of Contents for the initial review analysis.

PART I. REVIEW OF ALTERNATIVES

Under the proposed program, the Council has set forth a design that would incorporate the halibut charter IFQ program into the existing commercial IFQ program. There would be no ‘charter QS/IFQ’ or ‘commercial QS/ IFQ.’ There would be QS used in the commercial and charter sectors. The QS would be essentially indistinguishable between the two sectors, except that regulations designed for the commercial fishery, such as vessel class categories and block restrictions would be waived when IFQs are used in the charter fishery pending the preferred alternative. It is the “use” of the IFQs in either the commercial or charter fisheries that determine the regulations governing them. “Use” and not “fishing sector” is the operative management tool for determining appropriate restrictions.

Issue 1. Initial QS may be based on:

Option 1. 12.68% in Area 2C and 14.94% in Area 3A of combined commercial and charter halibut quota

Option 2. 14.74% in Area 2C and 14.00% in Area 3A of combined commercial and charter halibut quota

Issue 1 includes two options for setting the base amount for issuing initial QS associated with the charter sector. After initial issuance, QS will be interchangeable between and within fishing sectors as approved by the Council during final action and will be managed under a combined commercial/charter quota that will fluctuate with halibut abundance. QS will be allowed to move, with some restrictions, as market conditions warrant. IFQs would fluctuate as controlled by the IPHC catch limits.

In June 2000, the Council clarified the Issue 1 suboptions to indicate that the options should reflect the ratio between the charter and commercial sectors as developed under the halibut GHL final action recommendation taken in February 2000. Option 1 would set the initial issuance of QS for the charter sector at 12.68% in Area 2C and 14.94% in Area 3A of the combined commercial and charter halibut quota, which is based on 125 % of 1995-99 landings. Option 2 would set the initial issuance at 14.74% in Area 2C and 14.00% in Area 3A. This option reflects the percentages associated with a rejected option from that GHL analysis, which was based on the average of 1998 and 1999 halibut charter harvests.

As in the commercial halibut IFQ program, QS will be issued in units. These units are based on pounds harvested, according to the option selected in the GHL preferred alternative. The initial charter QS units will be scaled so that these QS may be combined with the commercial QS units into a combined QS pool that will result in no net loss of IFQs (pounds) in the commercial sector. This is done to facilitate transfers between sectors (so that the pounds of IFQ resulting from a QS unit in an area are the same for both the commercial and charter sectors).

For each area, the amount of QS individually held would be divided by the amount of all the QS that will be issued for that area, both commercial and charter (this is the Quota Share Pool, or QSP). The resulting fraction would then be multiplied by the combined TAC for that area. The equation yields the number of pounds of IFQ that a QS holder may harvest. The above explanation can be expressed as follows:

$$QS \div QSP \times TAC = IFQ.$$

While the Council has included two options based on the data analyzed in the GHL analysis, the ADF&G Research and Technical Services Division staff are currently re-estimating sportfish harvests for 1996 - 1999. Total harvest estimates, along with the charter/noncharter estimates for Areas 2C and 3A are planned to be released to the public by mid-October (R. Bentz, pers. commun.). It is not known to what extent the harvest re-estimates will affect the percentages in the current list of options; however it is clear that the Council analysis should be based on the corrected estimates (when available).

Issues 2 (Distribution of QS), 3 (Qualification Criteria), and 4 (Initial Allocation Issues).

Issues 2, 3, and 4 are being presented in the opposite order than originally listed because the complex data discussion that pertains to all three issues can be more logically presented in this order. Issue 4 (Initial Allocation) deals with the question of 'who' (what type of participant) gets issued initially issued charter quota shares. Having established 'who' is eligible, the discussion then proceeds to what combinations of past participation qualify for receiving quota shares (Issue 3). The distribution schemes for allocation can then be discussed once the rules governing the qualified pool of initial issues is identified (Issue 2).

Issue 4. Initial allocation of IFQs would be issued to U.S. citizens or to U.S. companies on the following basis:

U.S. ownership based on: a) 51% ownership; b) 75% ownership

- Option 1. Charter vessel owner/operator - individual who owns and operates (captains) the charterboat and charterboat business
- Option 2. Bare vessel lessee - person that leases a vessel and controls its use as a charterboat for this fishery. May operate the vessel or may hire a captain/skipper. Lessee determines when the vessel sails and by whom captained
- Option 3. Owners of charterboats that hired licensed captains/skippers - persons that owned the vessel that they controlled as a charterboat but hired a captain/skipper to operate the vessel
- Option 4. Hired skipper - individual without financial interest in the vessel, hired for the labor only of operating a charterboat and paid a wage or commission as compensation

Staff recommends that the existing language referring to IFQs be replaced by QS, since it refers to initial allocation. IFQ permits and poundage corresponding to an amount of QS held are in turn issued to QS holders.

Also, information verifying U.S. based ownership is not available to NMFS, and would have to be retrieved from applicants and reviewed at time of implementation. U.S. Ownership Standards. Increasing the percentage of US ownership in vessels operating in the territorial waters of the U.S. was a primary goal of the American Fisheries Act of 1998. Implementation of the U.S. ownership standards prescribed in the AFA is the responsibility of the Maritime Administration (MARAD) within the U.S. Department of Transportation. MARAD was directed to amend section 12102(c) of Title 46 to require 75 percent U.S. ownership of vessels participating in fishery operations in U.S. waters. It also establishes maximum size and horsepower limits for replacement vessels eligible under this Act. Final regulations implementing this portion of the AFA were

published in the Federal Register on July 19, 2000, for vessels greater than 100' in registered length. The new ownership standards outlined in the AFA are scheduled to go into effect on October 1, 2001. Vessels that do not meet this ownership standard have, or are currently, reorganizing their ownership to comply with the new requirements. No quantitative data analysis on these suboptions will be included in the analysis.

To be eligible for issuance of initial QS, persons (i.e. legal entities, many of whom will be individuals, but not all) will have had to have been involved in the halibut charter fishery in at least one of four distinct participant categories the Council identified for analysis under this issue. These are charter vessel owner/operators, bare vessel lessees (that operated vessels or hired skippers), owners of charterboats that hired licensed captains, and hired skippers (Options 1 through 4, respectively). Whichever of these groups is selected to be eligible as recipients of initial quota issuance will substitute for the term "charter operators" in Issue 3. Staff is interpreting Option 1 to include those owner/operators who own multiple vessels or businesses and would not be required to be the operator of each vessel. Option 1 would require that the owner/operator of multiple businesses was an active participant in the operation of a vessel or business.

Some of the options under Issue 4 can be chosen in combination, while others are mutually exclusive because they would constitute a double counting of harvest histories. Even though the language under Issue 3 states that "initial allocations will be based on an individual's participation and not the vessel's activity," the QS distribution schemes under Issue 2 are based in part on 1998 and 1999 logbook harvests, and it is assumed that a vessel history can only go to one individual associated with the vessel. For example, owner/operators (Option 1), bare vessel lessees (Option 2), and owners of charterboats that hired skippers (Option 3) could all be chosen without double counting a vessel's harvest. On the other hand, selecting hired skippers for the qualifying pool would mean that owners of charter boats who hired skippers and bare vessel lessees who hired skippers would have to be excluded, since a particular boat's harvest can only be assigned to either the hired skipper or the individual who hired the skipper, but not both. The formulas under Issue 2 are not amenable to circumstances where several individuals can share a single harvest history, and the options for analysis selected under this issue need to reflect this. Table 1 outlines the 15 possible combinations of options that could be selected without double counting harvest history and participation. Despite the possible combinations listed in Table 1, staff assumes that it was not the Council's intent for staff to analyze some of these options in isolation. For example, it is unlikely that the first five combinations would be considered by themselves (i.e. initial allocation only to hired skippers). Instead, staff assumes that the combinations numbered 6 through 13 (bolded range) are more likely to be within the Council's range of consideration. Staff seeks clarification on which combinations do not reflect Council intent and should be deleted from the analysis.

The analysis will not be able to fully identify the participants in each of the categories delineated under Options 1 through 4, as will be shown in the following discussion of the various data sources available for analyzing the combinations outlined in Table 1, and the numerous problems associated with either the identification and/or tracking of the participation of these entities. This discussion is particularly relevant to analyzing the qualification criteria under Issue 3.

Table 1 Possible combinations of options for Issue 4 that would not double count harvest histories

Combinations	Option 1: Vessel owner/ operator	Option 2a: Bare-vessel lessee (operator)	Option 2b: Bare-vessel lessee (hires skipper)	Option 3: Vessel owner (hires skipper)	Option 4: Hired skipper
1	X				
2		X			
3			X		
4				X	
5					X
6	X	X			
7	X	X	X		
8	X	X	X	X	
9	X	X			X
10	X		X		
11	X		X	X	
12	X			X	
13	X				X
14		X	X		
15		X	X	X	

Description and Application of Available Data Sources to Issues 4 and 3

Alaska Department of Fish and Game Saltwater Sportfishing Charter Vessel Logbook (adapted from ADF&G Special Publication 99-1).

In February 1998, the Board of Fish adopted regulations requiring logbooks for saltwater charter vessels statewide. The ADF&G logbook program compiles individual vessel-based sport charter information including effort and harvest data as required to be reported by the operator onboard the vessel. By 1999, ADF&G began adding a "checkout" sheet to each logbook for easier tracking of business, owner, and vessel information.

Among the variables included in the logbook database are fields for the primary area fished, number of boat hours fished and rods utilized for either bottomfish or salmon. Also included are numbers of fish caught by client residency and crew (both kept and released) for halibut, rockfish, lingcod, and various salmon species.

Problems: For 1998, logbook records do not identify the individuals (owner/operators, owners who hire skippers, bare vessel lessees, and hired skippers) associated with the vessel whose participation is documented. To the extent possible such information relating to participants needs to be cross-referenced with additional data sets such as CFEC vessel registration files, IPHC license data, and ADF&G guide and business registration files.

Application: Logbook data identifies vessels and reports respective catch and harvests. Individuals associated with these vessels in whichever capacity the Council chooses (owner/operators, owners who hire skippers, bare vessel lessees, and hired skippers) then become the qualified 'operators' under Issue 3, to the extent that they meet the requirements under Issue 3's set of options. The logbook data on its own cannot identify these individuals, and instead must be cross-referenced by vessel ADF&G number to the data sources that follow.

Commercial Fisheries Entry Commission Vessel Registration

The CFEC vessel registration files for all years are available to the public through the CFEC website on the Internet, as column delimited ASCII files. These include information about the vessel characteristics, the fisheries in which the vessel is engaged, and flags for charter, fishing, freezing/canning, or tendering/packing activities.

Problems: Although vessels used for guided sport fishing are required to have CFEC vessel licenses, there is no requirement to mark the "charter" category of activity. Therefore, when cross-checking data from other sources with the CFEC vessel registration file, all vessels (and not just those marked for the "charter" activity) must be included for consideration. Also, owner names may appear as business names, and in either case, these may be reported differently from year to year. For example, a person by the name of Joe Charter Guy could appear as J. C. Guy or Joe C. Guy in subsequent years, making it difficult to track individuals.

Application: CFEC registration files for 1995 through 1997 are required under the qualification criteria in Issue 3. CFEC registration files also provide the link to owner names for the vessels in the logbook data. Though CFEC data will allow us to identify the unique vessel owners who have registered their boats, they do not convey information as to whether the owners acted as operators. It should be noted that the names of persons other than the owner that register a boat with CFEC are not recorded in the file - in other words, hired skippers or bare vessel lessees who register vessels on behalf of the boat owners do not appear in the data set if they filled in the owners name on the entry form. At the same time there is no mechanism at CFEC to verify whether a name that is entered as the owner name does in fact correspond to the vessel owner, so to the extent that non-owner applicants mistakenly enter their own names on the application form, the CFEC registration file may sometimes erroneously identify bare vessel lessees or hired skippers as owners. NMFS RAM has reported that a significant number of instances of mistaken identity were discovered during implementation of the halibut and sablefish IFQ program (Jessica Gharret, pers. comm.).

International Pacific Halibut Commission Halibut License File

The IPHC license, issued from 1994 through 1997, was required annually for all sport charter and commercial harvesters, and was issued at no charge to the vessel (rather than to a person) in the name of the vessel owner or operator. The IPHC license number assigned to a vessel fishing in Alaska waters is the same as the USCG documentation number or registration number. The applicant is required to indicate one of the following activity codes - "commercial," "sport charter," or "both."

The data collected on the license application is available electronically each year. In addition to the activity code, it includes the following information: vessel name, vessel number, length, tonnage, year built, crew size, and homeport. Additional information includes the name and address of the captain, the name and address of the owner (if different from the captain), state vessel registration number (generally the CFEC number), and type of gear used. The IPHC discontinued its licensing of Alaska sport charter vessels in 1998 and currently relies on data collected through ADF&G's Logbook Program to monitor this fishery.

Problems: Some vessels registered in Alaska are homeported outside the state, and some vessels homeported within Alaska are captained or owned by persons with a residence outside Alaska. The address of the owner might be Alaskan when in fact that is only the seasonal address for a non-resident. The homeport is not always the location fished. For example, a number of vessels are homeported in Anchorage and Fairbanks. Tracking vessel owners and captains over time is complicated by the fact that individuals' names change or the way they are reported changes from year to year. The same problems that apply to

Other problems noted in the Council's 1997 GHF analysis pertains to the potential for strategic response bias. Potential guided charter operators may have applied for a license to attempt to ensure that they receive an allocation under a quota system or be included in a moratorium. Some commercial fishermen may have speculatively checked the sport category box to be included under any future moratorium or legitimately checked the box because of an intent to operate in the halibut charter boat fishery. These problems are not necessarily limited to IPHC licensing, and may be pervasive in each of the data sets presented.

Application: IPHC license files for 1995 through 1997 are required under the qualification criteria in Issue 3. This data set will be of some value in allowing us to determine whether owners operated the licensed vessels because of the separate fields in the application form for "Owner" and "Captain if different from owner." In other words, staff may be able to distinguish which of the vessel owners are owner non-operators and to the extent that the forms were correctly filled out, who some of the hired skippers are as well. However, this will only be true through 1997 since the program was discontinued thereafter..

Alaska Department of Fish and Game Guide and Business Registration File (Excerpted from ADF&G Special Publication 99-1)

Beginning in May 1995 and continuing in 1996, the owner(s) of a business that engaged in guiding anglers anywhere in Alaska was required to register annually with ADF&G. Additionally, any employee acting as a sportfishing guide for a business was required to register before conducting guiding activities. In 1997 sportfishing guides were required to register and provide information about the employing business and to register their vessels. If a guide changed employers during the 1997 season, the registration information had to be updated. However, from 1998 onward ADF&G no longer collected information on sportfish guides' employers and likewise stopped registering charter vessels, because CFEC implemented a licensing program for all vessels to be used for sportfishing. This file may be helpful for identifying the participation of some hired skippers, as well as identifying persons who may have owned charterboats operated by hired individuals.

Application: Though not a mandatory source of documentation for purposes of the charter IFQ qualification criteria under Issue 3, guide and business registrations will be useful for identifying the names of owners whose business names are listed for vessels in the CFEC vessel registration file. Guides who appear independently of a business would presumably be hired skippers; however, only in 1997 did the application form include fields for linking an independent guide to the business he or she worked for or the vessel operated. This precludes us from being able to assign harvests from the 1998 and 1999 logbooks to individuals other than

owners. Depending on the type of 'operator' selected under Issue 4 (i.e. owner-operators, skippers, bare-vessel lessees, etc.), this data set will help to track the documented histories of potential qualifiers. Again, because links that relate a particular guide or business to the vessel he or she fished are non-existent for several years under the time period considered, this database will only be partly useful, and will not allow us to track the participation of all operators.

In summary, the available data will only allow us to fully identify the owners of vessels which 'participated' between 1995 and 1999, but will not necessarily allow us to make the distinction of their participation as owner /operators versus owners who hired skippers or leased their vessels. In some cases up until 1997, staff can identify owner operators (versus owners who hired skippers or leased their boats) and some hired skippers, but will have trouble linking their participation to harvest histories in 1998 and 1999. In no case will staff be able to make a determination as to how many individuals participated as bare vessel lessees, either as operators or non-operators. Table 2 depicts the data sources described above, the years of applicability, and the types of participants identified. It should be noted that the data sets listed in Table 2 do not necessarily identify the relevant individuals in terms of the categories listed in Issue 4.

Table 2 Available data sources for enumerating quota share recipients and their caveats

Data Source	Mandatory Qualification Criteria?	Years of Data Availability					Types of Participants Included in Data Set ¹			
		95	96	97	98	99	Vessels	Vessel Owner	Captain	Lessee
ADF&G Logbook	Yes				X	X	X			
CFEC Vessel Registration File	Yes	X	X	X	X	X	X	X		
IPHC License File	Yes	X	X	X			X	X	X	
ADF&G Sportfishing Guide and Business Registration	No	X	X	X ²	X	X		X ³	X ⁴	X ⁵

¹ While these types of participants may be included in the data, they are not necessarily identifiable by participant category.

² Only the 1997 Guide and Business registration data set include vessel information and employer fields for guides who are hired as skippers, making it much more difficult to link non-owner guides to vessels and businesses for other years.

³ The 'Business Owner' is required to register, and this may be the vessel owner or a lessee who controls the vessel's activity or operates the vessel herself.

⁴ Though persons registering as only guides and not business owners could presumably be identified as hired skippers, staff only know the businesses (employers) and vessels they were affiliated with for 1997.

⁵ Bare vessel lessees are required to register their businesses and to register themselves as guides if they are skippering a vessel. Again, staff can only trace back affiliation to a particular vessel for 1997.

During the staff presentation of the analytical design of the Charter IFQ analysis at the June, 2000 Council meeting, the SSC addressed the aforementioned data problems and how they bear on the analysis. The text below is excerpted from the SSC's June minutes.

We note that datasets on personal identifiers and data on potentially qualified IFQ recipients are incomplete. These data problems could create a significant obstacle to identifying the population of participants and associated history in the fishery. It was noted in the Analytical Design document that:

"While a definitive count of vessels and owners can be produced from available data, it will not be possible to match these data to the options under Issue 4. Further, it will not be possible to match those missing records to harvest history qualification criteria for the options under Issue 3."

These data shortcomings will handicap the analysis in terms of identifying appropriate strata for the population, impacts on quota price and rents, and in determining the probable outcomes of the distributional effects on various groups in the recreational sector, other fishing sectors, and localities.

While these data constraints will complicate the analysis, and most probably result in a great uncertainty over the pool of participants under any given alternative, the SSC believes that these problems can result in a limited but acceptable analysis and EA/RIR, if staff is given sufficient resources and time to construct the analysis.

Noting that staff will not be able to provide analysis detailing the pool of participants, staff can provide some analysis based on vessel owners, irrespective of whether they participated in a vessel's operation or hired a skipper and suggests that this be considered as an option under Issue 4.

Staff recommends changing the language to:

New Issue 2. Initial allocation of QS would be issued to U.S. citizens or to U.S. companies on the following basis:

U.S. ownership based on: a) 51% ownership; b) 75% ownership

Option 1. Charter vessel owner/operator - person who owns and operates (captains) the charterboat and charterboat business

Option 2. Bare vessel lessee - person that leases a vessel and controls its use as a charterboat for this fishery. May operate the vessel or may hire a captain/skipper. Lessee determines when the vessel sails and by whom captained

Option 3. Charter vessel owner that hired licensed captains/skippers - person that owned the vessel that they controlled as a charterboat but hired a captain/skipper to operate the vessel

Option 4. Hired skipper - person without financial interest in the vessel, hired for the labor only of operating a charterboat and paid a wage or commission as compensation

New Option 5. Charter vessel/business owner - person who owns the charterboat and charterboat business

Issue 3. Qualification Criteria

Initial allocations will be based on an individual's participation and not the vessel's activity. Anyone not meeting the qualification criteria would have to purchase QS or transfer (lease) IFQs to participate in the halibut charter fishery.

- Option 1. Halibut charter operators who carried clients in 1998 and 1999 and who submitted ADF&G logbooks (as received by ADF&G by February 12, 2000)
- Option 2. Halibut charter operators who carried clients in 1998 or 1999 and who submitted ADF&G logbooks (as received by ADF&G by February 12, 2000)
- Option 3. Halibut charter operators who carried clients prior to June 24, 1998 and who submitted at least one ADF&G logbook (as received by ADF&G by February 12, 2000)
- Option 4. Four out of five years between 1995-1999 as evidenced by IPHC and CFEC licenses for 1995-99 and submitted logbooks for 1998 and 1999
- Option 5. Four out of five years between 1995-1999 as evidenced by IPHC and CFEC licenses for 1995-99 and submitted logbooks for either 1998 or 1999

Once the type of charter participant is selected under Issue 4, persons in these categories will be referred to as 'initial issues' for purposes of Issue 3. For purposes of consistency and clarity, **staff recommends that "Initial issue" replace "Halibut charter operator" in Options 1-3 and be added to Options 4 and 5.** This issue includes five options that would serve as proxies for participation based on some of the data sources reviewed under Issue 4. It should be noted that all of the data sources are self-reported. Only the ADF&G logbooks require reporting of actual charter activity (effort and harvest). All other data sources only fulfill the licensing requirements for conducting such activity.

As reported earlier, identifying the number of individuals in each of the participant categories under Issue 4 will be very difficult. Once identified, tracing fishery participation to particular businesses and vessels will not be possible given missing links in the data for certain operators as well gaps for some years.

Options 1 through 5 are predicated on some combination of ADF&G logbook documentation. Therefore, the logbook database represents the starting point for establishing the potential number of participants in the halibut charter fishery. Though the language in each option states that at least one logbook be submitted, the Council has expressed some concern over the type of participation that should be considered, that is, whether a submitted logbook form pertain to halibut versus salmon fishing. Assuming the Council chooses to consider only halibut charter fishing, then the first step in identifying halibut charter participants is to identify the vessels that participated in the halibut fishery according to the logbook data, and **this participation could be based on either effort, catch, landed catch (harvest), or some combination of these.** Logbook data is flagged for types of effort and catch and harvest related to salmon and bottomfish. Though catch and harvest data for halibut is included, the effort variables do not break out halibut from the broader 'bottomfish' category. Therefore, the bottomfish effort can be used as a proxy for halibut effort only with the understanding that this measure will overestimate halibut effort by the effort expended solely on other bottom dwelling species such as rockfish and lingcod. Because the overall bottomfish category makes it impossible to determine whether a halibut was caught incidentally while ling cod or rock fish was targeted, it may not be practical to further

distinguish directed halibut fishing at the 'bottomfish' level. Even when halibut appear to be caught incidentally while salmon fishing, the possibility exists that a combination trip may have taken. Though logbook records should in theory reflect combination trips by reported effort for both salmon and bottom fishing, there are numerous instances where logbook records are not complete. For example, some trips with a large number of halibut harvested show no boat hours fished for bottomfish. If on the other hand, participation is based on catch or harvest, guidance is sought on the levels of qualifying catch if there are to be any.

Another point which merits discussion is catch of halibut while salmon are distinctly targeted. If charter operators and clients have an expectation that halibut will be caught incidentally while trolling for salmon, and if halibut caught in this way are retained under the sport fish regulations, then the clear distinction between salmon and halibut fishing is somewhat blurred. Even if it is not a typical combination trip and no typical bottom fishing takes place (i.e., with halibut rods), a case can be made for including the data relating to such trips at initial issuance, since the quality of the experience provided could be affected absent the opportunity to catch halibut incidentally.

Halibut effort in the logbook data is reported in fields for total boat hours spent fishing for bottomfish and number of rods fished for bottomfish. Though it would seem that selection of either of these bottomfish criteria would be over-inclusive and establish an upper bound on halibut effort, there are over 4,000 observations out of a combined 205,000 records for 1998 and 1999 with positive entries for halibut catch/harvest despite 0 recorded hours for bottomfish effort. This may be due to several reasons including a primary trip purpose of salmon during which halibut were either incidentally caught or targeted for just a portion of the trip, or incomplete or mistaken reporting by charter operators. The latter, made evident by incomplete reports is a pervasive problem throughout the data set. There are numerous instances where positive boat hours were reported for bottomfish with null entries for the number of rods used, as well as several observations of rods reported for bottomfishing despite no reporting of boat hours spent on this activity. Another indication of the extent to which halibut may have been targeted are the actual catch and/or harvest figures. It should be noted, however, that there are also several records for trips which report substantial halibut catch and harvest without any reporting for bottomfish boat hours and rods fields.

A number of combinations of catch and effort criteria could be used as a starting point. Table 3 shows how these various combinations would limit the number of unique vessels used to build the qualification database by using the 1998 logbook data as an example. The table begins with the total number of active vessels for IPHC areas 2C and 3A (604 and 513, respectively), and then applies qualifiers based on halibut catch/harvest, bottomfish effort, or some combination of both.

Table 3 Combinations of halibut catch/harvest and bottomfish effort qualifiers for identifying logbook participants in 1998

		2C	3A
Total active vessels		604	513
Catch qualifiers	Any catch (kept or released)	545	498
	Harvest	499	411
Effort qualifiers	Boat hours for bottomfish	554	493
	Rods fished for bottomfish	560	495
	Any effort (boat hours or rods fished for bottomfish)	563	497
Combination catch and effort qualifiers	Any catch and any effort	529	494
	Harvest and any effort	478	402

Included as Appendix 1 to this document is a series of charts displaying how the overall charter fleet's participation in IPHC areas 2C and 3A are distributed over the combinations listed above. These graphs provide a useful representation of the frequency of vessels associated with catch and harvest for directed salmon fishing, bottomfish fishing, combination trips, and trips for which an effort category was not specified. **Staff requests guidance on which criteria to use for determining logbook participation.**

Once a working list of 1998 and 1999 eligible logbook participants is compiled, verification of compliance with 1) CFEC registration for the years 1995 through 1999; and 2) IPHC licensing requirements for 1995 through 1997 must be ascertained for every qualifying logbook participant. Because these data sets were developed independently and not for purposes of tracking participation of the various types of charter operators specified under Issue 4, cross-referencing operators according to their respective vessel's histories is a complex task.

The 1998 and 1999 logbook data were collected and maintained on a per vessel basis, identified by ADF&G number. For each vessel in the logbook with halibut charter participation, a corresponding business/owner name was matched from the CFEC vessel registration file in order to identify the individuals with logbook participation. These names form the basis for the qualifier dataset, since all options under Issue 3 are predicated on some variant of logbook submission. These individuals and/or businesses must then be cross referenced with the other mandatory sources of documentation (CFEC registration for 1995 - 1997 and IPHC licensing for 1995-1997). The reader is reminded that while the following documentation is required of charter operators, it does not prove their participation.

In addition to the problems encountered in determining the number of individuals that would qualify for each of the options of Issue 4, requiring the same qualifying documentation in Issue 3 across each of the operator categories is also problematic. The qualification criteria listed under Issue 3 requires that all potential qualifiers have logbook, CFEC, and IPHC documentation. However, some of these may not be relevant for certain participants to legally operate. For example, hired skippers and bare vessel lessees have never been required to register with CFEC. Nor would bare vessel lessees be required to apply for an IPHC license if they control their boat's business operations but hire a skipper to run the boat. If hired skippers are chosen among the participants to be initial recipients, then a better source of required documentation would be the ADF&G Guide and Business registration file. Similarly, bare vessel lessees could be required to show that they had registered their guiding business with ADF&G.

Staff recommends revising the language in the options as follows:

Issue 3. Qualification Criteria

- Option 1. Initial issues who carried clients in 1998 and 1999 and who submitted ADF&G logbooks (as received by ADF&G by February 12, 2000)
- Option 2. Initial issues who carried clients in 1998 or 1999 and who submitted ADF&G logbooks (as received by ADF&G by February 12, 2000)
- Option 3. Initial issues who carried clients prior to June 24, 1998 and who submitted at least one ADF&G logbook (as received by ADF&G by February 12, 2000)
- Option 4. Initial issues who carried clients four out of five years between 1995-1999 as evidenced by IPHC and CFEC licenses for 1995-99 and submitted logbooks for 1998 and 1999

Option 5. Initial issues who carried clients four out of five years between 1995-1999 as evidenced by IPHC and CFEC licenses for 1995-99 and submitted logbooks for either 1998 or 1999

Issue 2. Distribution of QS may be based on:

Option 1. 70% of 125% of 1998 and 1999 logbook average with an additional 10% (of the 125%) added for each year of operation 1995-97 (longevity reward). The balance could then be re-issued to the whole group of participants (some individuals vessel's total could be over 125% of the 1998 and 1999 logbook average, new entrants may receive only 70% of their 1998 and 1999 logbook average), or this balance could be set aside for initial issue hardships.

Option 2. Modified Kodiak proposal: 5-30% for A, 33% for B, 37-62% for C (see attachment)

Part A: each individual gets an equal percentage of the qualified pool as identified by the Council's final action.

Part B: each individual's average 98/99 logbook harvest as percentage of overall harvest is multiplied by 33% of the qualified pool.

Part C: one point for each year of participation during 1995-99.

Option 3. 50% of an individual's QS initial issuance would be fixed and the remaining 50% would float with abundance.

Staff's interpretation of the distribution scheme under Issue 2, Option 1 is outlined below and reproduced graphically in Figure 1.

1. The average of each initial issuee's 1998 and 1999 harvest in pounds will be estimated according to logbook records, and converted from numbers of fish to pounds according to the respective yearly averages from ADF&G creel surveys for IPHC areas 2C and 3A.
2. Each issuee's 1998 and 1999 average harvest will be inflated by 125%, and of this amount the individual will be awarded:
 - a. 70% of the (inflated) harvest amount.
 - b. An additional 10% of the individual's (inflated) harvest amount will be awarded for each year of proven participation in the fishery for 1995, 1996, and 1997.
 - c. The resulting harvest award for each issuee will be summed by IPHC area and each individual's harvest award will then be converted to a percentage relative to the sum of all individuals' 1998 and 1999 (inflated) logbook averages.
 - d. Each issuee's share will then be multiplied by the poundage associated with the Council's preferred option under Issue 1. The resulting poundage (IFQs) will then reflect the amount of allocated quota, and will be issued as pounds or converted to numbers of fish depending on the Council's preferred option under Issue 9.

If this interpretation is correct, then inflating each issuee's 1998 and 1999 average harvest by 125% (step 2) has no effect on the amount of QS awarded to each issuee. This is because each individual's QS is derived as a percentage of the individual's awarded harvest to the sum of all issuees' 1998 and 1999 average harvest. Inflating each person's 1998 and 1999 average harvest by the same factor will result in a proportional increase in both the numerator and denominator of the QS ratio, and leave the individual's shares unaffected. Staff

believes that the language pertaining to the 125 percent increase was carried over from an option under the GHL, to ensure that the charter fleet is credited with 125 percent of their historic catch. Staff recommends deleting the 125% inflation of the 1998 and 1999 logbook average, as doing so does not affect the results. Staff also assumes that the 125 percent inflation factor was included to ensure that the charter fleet is credited with 125 percent of their historic catch when determining the GHL. Therefore, increasing the value of the GHL was the goal of this provision and not inflating the overall charter QS pool.

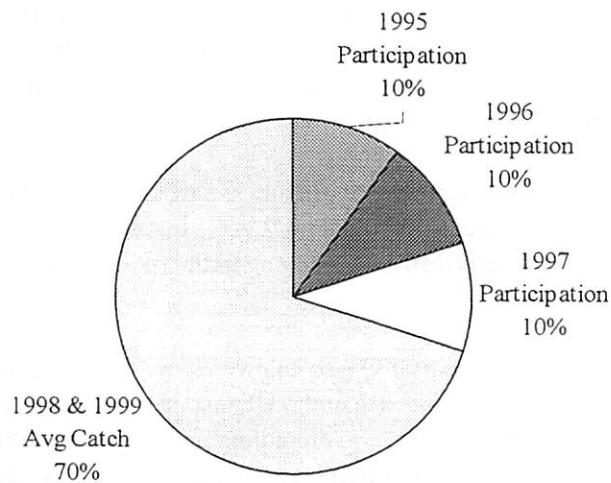
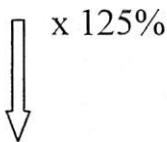
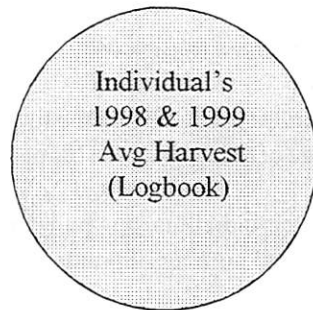
Table 4 provides an example of QS determination for four hypothetical issueses under the current assumptions. Given the hypothetical landings and participation used in the example, this distribution scheme would allocate a total of 79% of the initial pool (Issue1) to initial issueses. The remaining balance of 21% would be available for redistribution to the whole group or to initial issue hardships in some way that has yet to be determined. Staff seeks clarification as to how and to whom this remaining balance would be distributed.

Table 4 Example of QS allocation among hypothetical issueses

Issueses	1998 & 1999		125% of Avg	70% of 125%	10% of 125% for each of:			Awarded Catch	Individual % of initial pool (Quota Share)
	1998	1999			1995	1996	1997		
Dave	4,000	4,500	4,250	5,313	3,719			3,719	32.16%
Darrell	2,000	3,000	2,500	3,125	2,188		313	2,500	21.62%
Cathy	3,000	1,000	2,000	2,500	1,750	250	250	2,250	19.46%
Chris	1,000		500	625	438	63	63	625	5.41%
Total			11,563					9,094	78.65%
								2,469	21.35%

Issueses	1998 & 1999		100% of Avg	70%	10% for each of:			Awarded Catch	Individual % of initial pool (Quota Share)
	1998	1999			1995	1996	1997		
Dave	4,000	4,500	4,250	2,975				2,975	32.16%
Darrell	2,000	3,000	2,500	1,750			250	2,000	21.62%
Cathy	3,000	1,000	2,000	1,400		200	200	1,800	19.46%
Chris	1,000		500	350	50	50	50	500	5.41%
Total			9,250					7,275	78.65%
								1,975	21.35%

Figure 1 Example of QS distribution in Area 3A under Issue 2, Option 1.



=

individual's awarded catch, as % of sum of all issues' 98 & 99 average

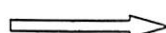
X



3.91 Mlb
(Issue 1, Option 1)



or



3.20 Mlb
(Issue 1, Option 2)

Lastly, 'hardship' in Option 1 would be defined as an unavoidable circumstance (e.g., vessel sinking, medical emergency).

The same example is extended to Issue 2, Option 2 (modified Kodiak proposal) and outlined in Table 5. The steps for calculating the amounts are as follows:

1. For Part A, an equal share of 5% of the initial pool is awarded to each issuee (30% in the second example to demonstrate the upper bound of the specified range).
2. For Part B, the individual's 1998 and 1999 average harvest is divided by the total 1998 and 1999 average harvest to calculate each individual's relative percentage of total harvest. This percentage is then multiplied by 33% of the initial pool.
3. Part C is calculated by awarding a point a year to each individual for participation between 1995 and 1999. The ratio of each issuee's points divided by the total number of points is then multiplied by 62% of the initial pool (37% in the second example).

Under Issue 2, Option 2, the sum of individual shares add to 100% of the entire charter QS pool, so there is no balance that would be set aside for redistribution as there is for Option 1. Another notable difference between the options regards the variation of the resulting QS values. The range of values among issuees under Option 2 is more tightly clustered around the mean than the range of values under Option 1. This is because the resulting QS awarded for each individual under Option 1 depends on landings in 1998 and 1999, whereas under Option 2, the combination of longevity in the fishery (Part C) and an equal distribution from the initial pool (Part A) play a substantial role at initial issuance. A comparison of final QS values relative to landings and participation is provided in Table 6.

Table 7 shows the poundage that accrues to each individual from the resulting QS. For this example, staff assumes that the sum of 1998 and 1999 average logbook landings is the initial pool, reflecting Issue 1, Option 2. This table demonstrates how awarded quota is distributed among initial issuees relative to the landings made in 1998 and 1999.

Lastly, Option 3 would fix 50% of the issued charter QS so that it would remain unaffected by changes in abundance. As a point of clarification, QS itself is fixed, and staff assumes that the intent behind this option was to freeze resulting IFQs at some fixed level. The corresponding poundage of halibut would be based on the option selected under Issue 1, and be awarded in perpetuity each season. This option was proposed to provide a measure of stability to the charter sector in times of low abundance. In times of increasing biomass, however, holders of this type of fixed quota would forfeit the resulting increases in IFQ that would accrue from increases in the TAC.

Administering this change in the IFQ program would be very problematic because the amount of fishable quota one receives follows from the percentage of the TAC awarded as QS; that is, IFQ follows from QS and not the other way around. Rather than IFQ, the fixed 50% portion is more akin to a set-aside that would have to be taken from the CEY before setting the combined IFQ TAC. **Because this option is more germane to the allocation between sectors than it is to the distributional scheme among initial charter issuees, staff recommends that it be considered as a sub-option under Issue 1.**

Table 5 Example of distribution under the modified Kodiak Proposal

A= 5% B= 33% C= 62%

Issues	1998 1999		1998 & 1999 Avg	Part A	Part B	1 point for each of:					Sum of indiv points divided by total points	Part C	Individual % of initial pool (Quota Share)
	1998	1999		Equal Shares (lower bound) x 5% of pool	Indiv 98/99 avg as % of overall 98/99 avg x 33% of pool	1995	1996	1997	1998	1999		Share of points x 62% of pool	
Dave	4,000	4,500	4,250	1.25%	15.16%				1	1	0.15	9.54%	25.95%
Darrell	2,000	3,000	2,500	1.25%	8.92%			1	1	1	0.23	14.31%	24.48%
Cathy	3,000	1,000	2,000	1.25%	7.14%		1	1	1	1	0.31	19.08%	27.46%
Chris	1,000		500	1.25%	1.78%	1	1	1	1		0.31	19.08%	22.11%

Sum of Averages 9,250

Total 100%

A= 30% B= 33% C= 37%

Issues	1998 1999		1998 & 1999 Avg	Part A	Part B	1 point for each of:					Sum of indiv points divided by total points	Part C	Individual % of initial pool (Quota Share)
	1998	1999		Equal Shares (upper bound) x 30% of pool	Indiv 98/99 avg as % of overall 98/99 avg x 33% of pool	1995	1996	1997	1998	1999		Share of points x 37% of pool	
Dave	4,000	4,500	4,250	7.50%	15.16%				1	1	0.15	5.69%	28.35%
Darrell	2,000	3,000	2,500	7.50%	8.92%			1	1	1	0.23	8.54%	24.96%
Cathy	3,000	1,000	2,000	7.50%	7.14%		1	1	1	1	0.31	11.38%	26.02%
Chris	1,000		500	7.50%	1.78%	1	1	1	1		0.31	11.38%	20.67%

Sum of Averages 9,250

Total 100%

Table 7 Comparison of awarded poundage assuming that sum of individual 98 & 99 logbook landings is the initial pool

Issues	1998 & 1999 landings		Yearly Participation					Quota Share		
	1998	1999	1998	1997	1996	1995	1999 Avg	Issue 2	Option 2 (A=30%)	
Dave	4,000	4,500	4,250	1	1	1	1	2,975	2,400	
Darrell	2,000	3,000	2,500	1	1	1	1	2,000	2,264	
Cathy	3,000	1,000	2,000	1	1	1	1	1,800	2,540	
Chris	1,000	1,000	500	1	1	1	1	500	2,045	
Total (assumed initial pool):		9,250		Totals:					7,275	9,250
Set-aside for reissue:									1,975	9,250

Table 6 Comparison of quota share values under Issue 2, Options 1 and 2

Issues	1998 & 1999 landings		Yearly Participation					Quota Share	
	1998	1999	1998	1997	1996	1995	1999 Avg	Issue 2	Option 2 (A=30%)
Dave	4,000	4,500	4,250	1	1	1	1	32%	28%
Darrell	2,000	3,000	2,500	1	1	1	1	22%	25%
Cathy	3,000	1,000	2,000	1	1	1	1	19%	26%
Chris	1,000	1,000	500	1	1	1	1	9%	21%

Issue 5. To receive halibut IFQ by transfer:

Option 1. Must be an individual initial charter issuee

Option 2. Must be a qualified individual charter operator:

a) as defined by State of Alaska requirement*

b) as defined by State of Alaska requirement* and hold a USCG license.

*this would require a change in the commercial regulations to allow transfer of commercial QS/IFQ to charter operator

Option 3. Must have transfer eligibility certificate .

Issues 5 and 6 address the fundamental tenets of the proposed program:

- 1) to what degree will the commercial and charter IFQ programs be combined?
- 2) to whom may transfers be made (i.e., sell)?
- 3) from whom may transfers be made (i.e., buy)?
- 4) what restrictions may be placed on such transfers?

Depending on the preferred alternative, the Council may intend to combine the charter IFQ program into the existing commercial IFQ program in a simple and seamless manner (e.g., combined QS pool, combined quota, combined IFQ accounts) or it may identify sufficient differences in the sectors that barriers between the two sectors should be well-marked (combined QS pool, but separate IFQ accounts). Allowing the transfer of QS and IFQs between the two sectors creates a mechanism for addressing the Council's allocation issue between the sectors, but it also may provide opportunities for QS holders to circumvent commercial QS/IFQ restrictions. Opportunities for arbitrage may arise providing incentives for persons to transfer commercial QS/IFQ through the charter sector not only to take advantage of QS price discrepancies, but also to circumvent, for example, block and vessel class size restrictions. If the Council identifies that those restrictions continue to be critical to the commercial program, the fluidity of the QS/IFQs initially issued to the charter sector and subsequently transferred would have to be constrained (as listed in Issue 6) because, for example, Class C and unclassified IFQs may not be combined where one also holds Class D IFQs.

QS could be held jointly for both sectors and would not need to be transferred in a situation where a QS holder wants to use the associated IFQs in both sectors. But separate IFQ permits may be necessary since IFQs for an undesignated vessel class (i.e, charter) could not be combined with those fished in the commercial sector (Class A -D, which also require separate IFQ permits) because of the vessel category designations, depending on the Council's preferred alternative under the next issue and is discussed in more detail there. These distinctions are not by sector per se (charter vs. commercial) but by vessel category.

Issue 5 specifically addresses to whom "IFQ" may transfer; transferring IFQs specifically refers to leasing. **Staff interprets this option to also address QS and recommends that change.** Issue 5 includes two separate decision points related to whom IFQ initially issued in the charter sector may be transferred. Options 1 and 2 address QS that will be used in the charter sector (initially issued in either the commercial or charter sector). Option 3 addresses QS initially issued to the charter sector that will be transferred for use in the commercial sector (no changes are proposed for QS initially issued for use in the commercial sector that will continue to be used in that sector).

Options 1 and 2 may limit QS and IFQ transfers to those initial issuees or otherwise qualified charter operators whose businesses are not incorporated, depending on the definition of 'individual.' Option 1 would limit the transfer of QS to charter initial issuees who are 'individuals,' that is, a charter company may hold initially issued QS, but may not transfer (buy or sell) QS (from either sector). Operationally, the RAM Division would check its list of initial charter QS issues and limit transfers to those on the list that it identifies as individuals (Appendix 2). This would need to be further defined in the regulations for describing the application process, which would require self-identification as an individual or corporation.

By "individual," the Council may mean a natural "person" as defined in the commercial QS regulations or it may intend to include business or other legal entities (see below). Also, if a charter QS issuee is not an individual, is there a "change of corporation/partnership" provision as exists for the commercial sector?

However, it may be the intent of the Council to not allow a corporation (e.g., Princess Tours) to dominate the charter sector and has therefore proposed to limit additional acquisitions of QS/IFQ to sole operators. However, such a restriction may negatively impact current charter operations who have incorporated for business reasons. To accomplish the same objective, the Council also is considering U.S. ownership requirements under Issue 4 and ownership and use caps under Issue 7 to prevent consolidation of QS by a few operators.

A second terminology question arises in Option 2. The term ('operator') would restrict transfers to only one of the four proposed initial issuee options; that is, it would not allow transfers to Option 2 (certain bare vessel lessees), Option 3 (owners of charterboats that hired licensed captains/skippers), or Option 4 (hired skipper) under Issue 4. The Council may wish to revise the language under Issue 5, Option 2 to better match its Issue 4 options.

The definitions listed below are from the commercial IFQ regulations (§ 679.2).

An "individual" means a natural person who is not a corporation, partnership, association, or other such entity.

"Individual fishing quota" (IFQ) means the annual catch limit of sablefish or halibut that may be harvested by a person who is lawfully allocated a harvest privilege for a specific portion of the TAC of sablefish or halibut.

"IFQ crew member" means any individual who has at least 150 days experience working as part of the harvesting crew in any U.S. commercial fishery, or any individual who receives an initial allocation of QS. For purposes of this definition, "harvesting" means work that is directly related to the catching and retaining of fish. Work in support of harvesting, but not directly involved with harvesting, is not considered harvesting crew work. For example, searching for fish, work on a fishing vessel only as an engineer or cook, or work preparing a vessel for a fishing trip would not be considered work of a harvesting crew.

"IFQ equivalent pound(s)" means the weight amount, recorded in pounds, for an IFQ landing and calculated as round weight for sablefish and headed and gutted weight for halibut.

"IFQ fee liability" means that amount of money for IFQ cost recovery, in U.S. dollars, owed to NMFS by an IFQ permit holder as determined by multiplying the appropriate standard ex-vessel value or actual ex-vessel value of his or her IFQ halibut or IFQ sablefish landing(s) by the appropriate IFQ fee percentage.

“Person” means any individual who is a citizen of the United States or any corporation, partnership, association, or other entity (or its successor-in-interest), regardless of whether organized or existing under the laws of any state, who is a U.S. citizen.

A “qualified person” is defined as:

(i) As used in this section, a "qualified person" means a "person," as defined in § 679.2:

(A) That owned a vessel that made legal landings of halibut or sablefish, harvested with fixed gear, from any IFQ regulatory area in any QS qualifying year; or

(B) That leased a vessel that made legal landings of halibut or sablefish, harvested with fixed gear, from any IFQ regulatory area in any QS qualifying year. A person who owns a vessel cannot be a qualified person based on the legal fixed gear landings of halibut or sablefish made by a person who leased the vessel for the duration of the lease.

(ii) Qualified persons, or their successors-in-interest, must exist at the time of their application for QS.

(iii) A former partner of a dissolved partnership or a former shareholder of a dissolved corporation who would otherwise qualify as a person may apply for QS in proportion to his or her interest in the dissolved partnership or corporation.

(iv) Ownership interest. Evidence of ownership interest in a dissolved partnership or corporation shall be limited to corporate documents (e.g., articles of incorporation) or notarized statements signed by each former partner, shareholder or director, and specifying their proportions of interest.

“Quota share (QS)” means a permit, the face amount of which is used as a basis for the annual calculation of a person's IFQ. A person's “quota shares” (QS) for each area equal the person's fixed gear landings (qualifying pounds) for each area fished.

Lastly, Option 2 would limit the transfer of QS to charter initial issuees as deemed qualified as an individual charter operator by the State of Alaska, or by the State and the USCG. The State only requires that guide and vessel registration forms be filed (see Box 2 and Appendix 3). The USCG requires that charter operators obtain a 6-pack charter operator’s license (see Appendix 4).

A registration/notification system also will be required so that NMFS RAM, NMFS Enforcement, US Coast Guard, ADF&G Sportfish Division, and Department of Public Safety/Division of Fish and Wildlife Protection staff can monitor the legal use of QS and IFQ (either through electronic reporting, card swipe system, or other system to be identified in the final regulations). In addition to checking IFQ balances, administration and enforcement must be able to monitor whether QS and IFQs are being fished by the appropriate sector. Again, since this program is being designed as a combined IFQ program, it is the USE of these IFQs that denote under which set of regulations apply. Additional at-sea and dockside enforcement is envisioned to ‘police’ the use of these IFQs.

Option 3 relates only to transfers to be used in the commercial sector. This option mirrors the current requirement for acquiring QS/IFQ for use in the commercial under the existing IFQ program. Any person that received QS/IFQ as a commercial initial issuee or holds a Transfer Eligibility Certificate (TEC) is eligible to receive QS/IFQ by transfer. Those who wish to receive QS/IFQ by transfer but did not have QS initially awarded to them must have 150 or more days of experience working as part of a harvesting crew in any U.S.

commercial fishery to be eligible to receive a TEC. Work in support of harvesting but not directly related to it is not considered harvesting crew work. For example, experience as an engineer, cook, or preparing a vessel for a fishing trip does not satisfy the requirement.

BOX 5 AAC 75.075 FISHING SERVICES AND SPORT FISHING GUIDES; REGISTRATION REQUIREMENTS; REGULATION OF ACTIVITIES.

(a) An owner of a business intending to conduct fishing services shall register annually with the department before the business conducts fishing services. To meet the registration requirement of this subsection, the owner shall complete a fishing services registration form provided by the department.

The following information must be provided on the fishing services registration form at the time of registration:

- (1) the name, permanent address, local address, mailing address, and phone number of the business conducting the fishing service;
 - (2) the name, permanent residence address, local residence address, mailing address, and phone number of each owner of the business conducting the fishing service;
 - (3) the areas in which the fishing service intends to operate; and
 - (4) other information required by the department on the registration form.
- (b) The owner of a business that conducts fishing services
- (1) may not directly provide fishing guide services to anglers unless the owner is also registered as a fishing guide under (c) of this section;
 - (2) may employ or contract with a person who is a fishing guide registered under (c) of this section to provide fishing guide services.
- (c) A person who intends to provide fishing guide services shall register annually with the department before the person provides fishing guide services. To meet the registration requirement of this subsection, the person intending to provide fishing guide services shall complete a fishing guide services registration form provided by the department. The following information must be provided on the fishing guide service registration form at the time of registration:
- (1) the name, permanent residence address, mailing address, and phone number of the person who will provide fishing guide services;
 - (2) the areas in which the fishing guide will operate; and
 - (3) other information required by the department on the registration form.
- (d) A person who provides fishing guide services may only provide fishing guide services
- (1) as an employee of or as a contractor under an agreement with a business that conducts fishing services that has registered under (a) of this section; or
 - (2) as the owner of a business that conducts fishing services that has registered under (a) of this section.
- (e) While engaged in providing fishing guide services, a person who provides fishing guide services shall have in possession:
- (1) a copy of the person's completed fishing guide registration form; and
 - (2) a copy of the completed registration form of the business conducting the fishing services by which the person providing the fishing guide services is employed or with which the person is affiliated.

(f) A person who provides fishing guide services or a business that conducts fishing services may not aid in the commission of a violation of AS 16.05 - AS 16.40 or a regulation adopted under AS 16.05 - AS 16.40 by an angler who is a client of the person or of the business.

5 AAC 75.076 FISHING SERVICES AND SPORT FISHING GUIDES REPORTING REQUIREMENTS.

(a) In conjunction with the activities regulated under 5 AAC 75.075 (a) - (f), each fishing guide, and the owner or agent of each fishing service, that operates a charter vessel used to provide fishing guide services in salt waters shall complete a State of Alaska, Department of Fish and Game, 1999 Saltwater Charter Vessel Logbook, herein adopted by reference. The logbook requires information necessary for the management and conservation of fishery resources or the regulation of the guided sport fishing industry, including:

- (1) the license numbers and names of the vessels licensed under AS 16.05.490 that are used during the provision of fishing guide services in marine waters;
- (2) repealed 5/15/99;
- (3) the locations of fishing; and
- (4) the effort, catch, and harvest of fish by persons who are clients of a business that conducts fishing services or of a person who provides fishing guide services.

(b) A person required to complete a logbook under (a) of this section shall do so and return it to the department, in the manner specified in the logbook.

(c) A person may not make a false entry in the logbook required in (a) of this section.

In summary, staff recommends:

- 1) **Reordering Issues 5 and 6.** The Council's preferred alternative under Issue 6 will drive its preferred alternatives under Issue 5. For instance, Option 1 (no QS or IFQ transfers between commercial and charter sectors) and Options 6 and 7 (limitations on transfers between sectors of certain vessel category QS).
- 2) **Adding "QS and" to Issue 5,** to read, "Issue 5. To receive halibut QS and IFQ by transfer.." The decisions for QS and IFQs are severable.
- 3) **Combining Options 1 and 2 for the charter sector and deleting the word "individual."** The regulations will reflect similar language as defining "person."
- 4) **Adding "for the commercial sector," to New Option 2.** Staff seeks clarification on its interpretation that this option applies only to transfers from the charter sector to the commercial sector. Although the committee discussed minimum standards or an apprentice program for charter entrants, there are no proposed restrictions on who may transfer QS and IFQ to be used in the charter sector.

NEW ISSUE 6. To receive halibut QS and IFQ by transfer:

Option 1. For the charter sector, must be either

- a) a initial charter issuee or
 - b) qualified as defined by State of Alaska requirements for registered guides or businesses*
- Suboption: and hold a USCG license.

*this would require a change in the commercial regulations to allow transfer of commercial QS/IFQ to charter operator

Option 2. For the commercial sector, must have a transfer eligibility certificate.

Issue 6. Transferability of QS (permanent) and IFQs (on annual basis [leasing])

Option 1. Within the charter sector only

- Option 2. Two-way (between commercial and charter sectors).
- a) 3-yr one way transfer from commercial to charter
 - b) 1-yr one way transfer from commercial to charter

- Option 3. Transferability of IFQs (leasing):
- b) prohibit leasing within and/or between charter and commercial sectors
 - c) allow leasing within and/or between charter and commercial sectors

Option 4. allow splitting of commercial blocks to transfer a smaller piece to the charter sector

Option 5. allow splitting of commercial blocks once transferred to the charter sector

Option 6. from A, B, C, and/or D commercial vessel category sizes to charter sector

- Option 7. from charter to commercial:
- 1. D category only
 - 2. C and D category only
 - 3. B, C, and D category

Option 8. initial transfer from undesignated charter to a particular commercial vessel category locks in at that commercial category

- Option 9. Any charter QS transferred to commercial sector shall be:
- a) blocked
 - b) blocked up to the limits of the commercial sweep-up and block limits

Option 10. one transfer of QS/IFQ each year between sectors for each QS holder

Option 11. minimum size of transfer is range of 20-72 fish

Option 12. Designate QS pool into two classes for transfer from charter to commercial sector: transferable (25%) and non-transferable (75%) pools

Separate decisions for transferring QS (permanently) versus transferring IFQs (leasing) will be made by the Council. Some of the issues address QS, some address IFQs, while the Council may intend some options to

address both QS and IFQs. **The Council may wish to clarify the options for QS, IFQ, and both**, as indicated in the text by staff. Note that many options under this issue would be prohibited by the Council's preferred alternatives under Issues 1-5.

Options 1-3 address QS/IFQ transfers between sectors, that is, to which sector may QS and/or IFQs initially issued to the charter sector be transferred. Subsequent transfers are also addressed by these options. Option 1 would limit transfers of QS being used in the charter sector to that sector only. If selected, all cross-sector transfer options would be prohibited.

Option 2 would allow a two-way exchange of QS between the commercial and charter sectors, and also includes suboption for 1-way transfers from the commercial to charter sectors, with sunset dates. Staff recommends combining Options 1 and 2 into one decision-point, as shown below. However, because Option 3 addresses whether leasing would be allowed at all, staff has reordered these options as indicated below. Options 1 and 2 are combined into New Option 2 and Option 3 is modified to include QS and renumbered as New Option 1.

New Option 1. Transfer of QS (permanent) and/or IFQs (leasing):

- a) **prohibit transfers between charter and commercial sectors**
- b) **allow transfers between charter and commercial sectors**
 - 1. **1-yr one way transfer from commercial to charter**
 - 2. **3-yr one way transfer from commercial to charter**
 - 3. **two-way (between commercial and charter sectors).**

The original language in Option 3 solely addressed leasing of IFQs. Leasing is defined as a transfer of IFQs (compared with permanent QS transfers). It is one way that the Council could allow for initial issues of charter QS (owners of multiple charter vessels) to hire a skipper. Depending on the Council's preferred alternative under Issue 4, hired skippers may be necessary to allow "owner" issues (Issue 4, Option3) to fish his/her QS on multiple vessels.

IFQ transfers could also result in more of the total halibut quota to be taken by allowing QS holders to transfer poundage to those fishermen in either sector who could use them. One example, would be a charter operator who has scheduled additional clients late in the season and might need additional IFQs to cover the harvest of those clients. Without such transfers, those clients might book with another charter operator who has sufficient IFQs to cover their projected harvest, assuming scheduling allows for such a booking. Alternatively, a commercial operator could purchase IFQs from a charter operator who owns more IFQs than is needed for that season. It is anticipated that many such transfers would occur in the first few years of the charter program as charter operators respond to client demand and possible changes in targeted halibut sizes (related to Issue 9, pounds or numbers of fish).

Transfers between sectors could similarly result in more of the quota being taken, particularly if IFQs in one fishery have been exhausted and the demand for that fishery exceeds that for the other sector. For example, an extended forecast of poor weather during a part of the charter season may result in cancellation of trips and subsequent leftover quota in excess of what was needed to satisfy client demand. If the market price for commercially caught halibut justifies a purchase of charter QS/IFQs, then both commercial harvesters and charter operators would benefit from such transfers. Staff assumes that the Council is not proposing any changes to allowing transfers within the commercial sector.

The Council may choose to:

3. Allow QS transfers and not IFQs transfers (leasing);
4. Allow IFQ transfers but not QS transfers;
5. Allow both transfers;
6. Allow neither transfer.

The Council's preferred alternative under New Issue 1, may eliminate some suboptions from New Issue 2. That is, New Issue 1, Option a would eliminate New Issue 2, Options b-d.

Options 4, 5, and 9 address the commercial block program and have been reorganized into a single option. Because of the lack of an option for analysis, all charter QS will be unblocked.

New Option 2. Block restrictions

- a) Any initially issued (i.e., unblocked) charter QS once transferred to commercial sector shall be:
 1. blocked
 2. blocked up to the limits of the commercial sweep-up and block limits
- b) allow splitting of commercial blocks to transfer a smaller piece to the charter sector
- c) allow splitting of commercial blocks once transferred to the charter sector

Options 6, 7, and 8 address vessel class restrictions and have been reorganized into a single option. Because of the lack of an option for analysis, all charter QS will have no vessel size restrictions.

New Option 3. Vessel class restrictions

- a) from A, B, C, and/or D commercial vessel category sizes to charter sector
- b) from charter to commercial:
 1. D category only
 2. C and D category only
 3. B, C, and D category

Suboption: initial transfer from undesignated charter to a particular commercial vessel category locks in at that commercial category

The Council has proposed options for analysis that maintain the integrity of the existing commercial vessel category restrictions on transferring QS to protect the social and economic diversity of the commercial fleet. It recognizes that the same issues that led to including those restrictions in the commercial fishery do not occur in the charter fleet. Therefore, there are no options to analyze vessel category restrictions for the charter sector.

Staff recommends that QS initially issued to the charter sector have an original charter sector designation (for example, "U" for unclassified) so that QS transfers may be tracked in the future. This also would require maintaining a separate IFQ permit. It is important to NMFS/RAM to track and monitor the flow of QS initially issued to the charter sector, and to monitor carefully how the use and allocation changes (as indicated by the permit) over time. As with the commercial IFQ program (and in some ways, more so) the proposed charter IFQ program is breaking new ground in managing allocation issues between commercial and sport sectors. The level of interest in tracking the outcomes of the program is expected to be very high.

If the initial charter QS is issued without such a “flag,” it will be impossible to determine five, ten, or twenty years from issuance, how those shares have moved between sectors. It is expected that QS will transfer between sectors with some frequency. It is possible that all of the original charter QS could be transferred to the commercial sector (and possibly back again given the previously documented high rate of charter turnover in this sector). A snapshot of where QS initially issued to either sector may provide some useful information regarding QS flow between sectors, at little initial cost or effort to collect the data. However, the opportunity is lost without such an initial designation.

It should be understood, however, that without tracking each and every transfer of QS unit (as it is unblocked, swept up, etc.), a herculean effort in itself, much information about the nature and direction of transfers is lost. Only the first and last QS holder would be identifiable. This is comparable to tracking a specific dollar bill first issued to a bank customer and found years later to be held by the customer’s daughter, without knowing the number of people among whom the bill had circulated in the interim period. Though there is no particular reason to track a dollar bill in this way, there may be reasons for identifying patterns in charter QS migration.

A second rationale for flagging initial charter QS is to provide a means to more carefully monitor transfers between sectors/uses. The Halibut IFQ Committee and Council expressed its concern that some of the transferability options under Issue 6 may create unintended opportunities for fishers to circumvent vessel class restrictions or to arbitrage on value differences by transferring QS back and forth between both sectors. This is further discussed under Issue 5. It should be further noted that another type of flag could be used

Under this option, the Council included vessel category restrictions to QS and IFQ transfers from the charter to the commercial sector to constrain circumvention of the commercial vessel category restrictions. New Option 4a allows the Council to permit the transfers of any or all commercial vessel category QS and/or IFQs to the charter sector. Option 4b would permit the transfers of QS and/or IFQs from the charter sector to the selected commercial vessel categories and would explicitly prohibit transfers to vessel category A (freezer boats).

The Option 4b suboption addresses whether QS and/or IFQs used in the charter sector should be locked into one vessel category upon its first transfer to the commercial sector or remain unrestrained. **Staff seeks clarification as to what category those QS and/or IFQs would be assigned, and whether the ability to use those shares on larger vessels is allowed (fish-up).**

Staff envisions this aspect of the program possibly working as follows. QS certificates initially issued to the commercial and charter sectors could have identifiers (e.g., vessel class U, unblocked U, with U- designating QS initially issued to the charter sector). Those identifiers would allow for a snapshot view of QS distribution across sectors at any point in time for tracking purposes. Staff envisions that such a QS ‘flag’ will function to identify such shares in the future.

As undesignated (charter) QS/IFQ are transferred for use in the commercial sector the vessel class could be reassigned to that of the transferee’s preference (since a QS holder may hold QS for vessels of different sizes) and would be fixed in perpetuity. The number of Class U IFQ permits likely will decrease as they are transferred for use in the commercial sector; however, their transfer back to the charter sector will not affect their use (i.e, there are no proposed vessel category restrictions in the charter sector).

If the suboption is not selected as the preferred option, then the QS may be transferred back and forth across sectors. Circumvention of the commercial vessel category restriction may be an unintended result of the ability

to “launder” QS/IFQ through the charter sector. Alternatively, they would be more valuable if they retained their unclassified designation so that they could be fished on either B, C, or D vessels.

New Option 4. One transfer of QS/IFQ each year between sectors for each QS holder

This option is unchanged from Option 10. Staff seeks clarification as to whether the Council intends one total transfer by a QS holder or one transfer for each area (2C and 3A) and/or for each vessel class for each QS holder. Different rationale and scenarios will be described for each of the two transfers: permanent (QS) or leasing (IFQ). See example described under New Option 1.

New Option 5. Minimum size of transfer is range of 20-72 fish

New Option 5 is unchanged from Option 11. The range and its equivalent poundage will be analyzed.

Old Option 12. Designate QS pool into two classes for transfer from charter to commercial sector: transferable (25%) and non-transferable (75%) pools

The Council stated its objective under Option 12 was to limit the amount of QS that could be transferred from the charter sector to the commercial sector. The result of this option would be to create two classes of QS pools, only 25% of which would be allowed to be transferred. This suboption would similarly limit the transfer of its associated IFQs. Additional flagging of QS is necessary under this suboption to denote which QS are transferable and which are not.

Staff seeks clarification on whether this option intends that 25% of each persons quota is transferable, or 25% of the aggregate charter sector’s quota is transferrable. If it is 25% of each person's quota, RAM will need to track which quota shares are transferrable and which are not. They will then only allow the transferrable QS to be moved from the charter to commercial sector. If the limit is based on a percentage of the overall sector quota, persons could sell their entire allocation until the limit is reached and then all sales would be prohibited until they were under the limit. Depending on market circumstances, such a restriction applied in aggregate could foster a race to transfer.

Option 12 appears to address a similar interest in constraining the potential transferability of IFQs as listed in Issue 7, Option 2 and of QS under Issue 7, Option 3. The objective of these three options all address limitations on transferability. Staff recommends that all three be moved under Issue 6, New Option 1 to read:

New Option 1. Transfer of QS (permanent) and/or IFQs (leasing):

- a) **prohibit transfers between charter and commercial sectors**
- b) **allow transfers between charter and commercial sectors**
 - 1. **1-yr one way transfer from commercial to charter**
 - 2. **3-yr one way transfer from commercial to charter**
 - 3. **two-way (between commercial and charter sectors).**

Suboptions under Options b (1-3):

- i. **Designate QS pool into two classes for transfer from charter to commercial sector: transferable (25%) and non-transferable (75%) pools.**
- ii. **Cap the percentage of annual IFQ transfers (de facto leasing) between sectors not to exceed 25% of total IFQs and 5% of IFQs per year from charter to commercial; not to exceed the amount needed to meet the area GHL (12.68% in Area 2C and 14.94% in Area 3A) from commercial to charter.**
- iii. **on percentage of annual QS transfers between sectors not to exceed 25% of total QS and 5% of QS per year from charter to commercial; not to exceed the amount needed to meet the area GHL (12.68% in Area 2C and 14.94% in Area 3A) from commercial to charter**

Staff requests clarification as to whether the Council intends that 25% of each QS holder's QS/IFQ is transferable, or 25% of the charter sector's total quota is transferrable. If it is the former, RAM will need to flag and track which QS are transferrable and which are not. RAM will then only allow the transferrable QS to be moved from the charter to commercial sector.

If the limit is based on a percentage of the overall sector quota, persons could sell their entire allocation until the limit is reached and then all sales would be prohibited until they were under the limit. The QS limits could be monitored this way because the QS units were made equal so they could be transferred. All NMFS would need to do is monitor the ratio of QS held by the commercial and charter sectors. If they are under that ratio transfers would be allowed, if they are over that ratio transfers would be disallowed to the commercial sector. A derby to transfer QS/IFQs may result from this application, leading to short-term economic instability to both sectors.

Staff also requests clarification on the second part of Suboptions 2 and 3 ("not to exceed the amount needed to meet the area GHL") because it appears to be contrary to the stated intent that the GHL be repealed upon implementation of the IFQ program and the objective of the IFQ program that the market respond to allocations between the sectors. It appears to create a derby for IFQ transfers at the start of each season. Staff suggests deleting this part or replacing it with the preferred alternative under Issue 1. Staff's first impression is that limiting caps to either the GHL or IFQ initial allocation means that no QS or IFQ transfers would be allowed into the charter sector.

This additional restriction is contrary to the nature of the goal of the IFQ program - to allow the market place to drive the allocation - see discussion under Option 1. Staff recognizes the Council's intent to slow the pace of transfers at the onset of the program by the addition of the three suboptions to the analysis. However, **staff requests additional direction as to the intended structure of the suboptions or requests that the Council consider deleting them from the analysis. If the Council retains suboptions 2 and 3, staff seeks clarification on whether to replace the referenced poundages with their associated percentages as clarified by the Council under Issue 1.**

In summary, staff recommends:

- 1) Combine Options 1 and 2 are combined into New Option 2.
- 2) Modify Option 3 to include QS and renumber it as New Option 1.
- 3) Combine Options 4, 5, and 9 to address the commercial block program into New Option 3, Block restrictions.
- 4) Combine Options 6, 7, and 8 to address vessel class restrictions into New Option 4. Vessel class restrictions.
- 5) Renumber Option 10 as New Option 5. Staff seeks clarification as to whether the Council intends one total transfer by a QS holder or one transfer for each area (2C and 3A) and/or for each vessel class for each QS holder.
- 6) Renumber Option 11 as New Option 5.
- 7) Move Option 12 to New Issue 2 as suboptions or delete them.

Issue 5. Transferability of QS (permanent) and IFQs (on annual basis [leasing])

New Option 1. Transfer of QS (permanent) and/or IFQs (leasing):

- a) prohibit transfers between charter and commercial sectors
- b) allow transfers between charter and commercial sectors
 1. 1-yr one way transfer from commercial to charter
 2. 3-yr one way transfer from commercial to charter
 3. two-way (between commercial and charter sectors).Suboptions under Options b (1-3):
 - i. Designate QS pool into two classes for transfer from charter to commercial sector: transferable (25%) and non-transferable (75%) pools.
 - ii. Cap the percentage of annual IFQ transfers (de facto leasing) between sectors not to exceed 25% of total IFQs and 5% of IFQs per year from charter to commercial; not to exceed the amount needed to meet the area GHIL (12.68% in Area 2C and 14.94% in Area 3A) from commercial to charter.
 - iii. on percentage of annual QS transfers between sectors not to exceed 25% of total QS and 5% of QS per year from charter to commercial; not to exceed the amount needed to meet the area GHIL (12.68% in Area 2C and 14.94% in Area 3A) from commercial to charter

New Option 2. Block restrictions

- a) Any initially issued (i.e., unblocked) charter QS once transferred to commercial sector shall be:
 1. blocked
 2. blocked up to the limits of the commercial sweep-up and block limits
- b) allow splitting of commercial blocks to transfer a smaller piece to the charter sector
- c) allow splitting of commercial blocks once transferred to the charter sector

New Option 3. Vessel class restrictions

- a) from A, B, C, and/or D commercial vessel category sizes to charter sector
- b) from charter to commercial:
 1. D category only
 2. C and D category only
 3. B, C, and D category
- c) initial transfer from undesignated charter to a particular commercial vessel category locks in at that commercial category

New Option 4. One transfer of QS/IFQ each year between sectors for each QS holder

New Option 5. Minimum size of transfer is range of 20-72 fish

Issue 7. Caps

Option 1. No caps - free transferability

If one of the objectives is to remove some of the excess harvesting capacity in the industry, then constraints on transferability are going to hinder this process. See the discussion in the introduction for more background.

Option 2. Cap the percentage of annual IFQ transfers (de facto leasing) between sectors not to exceed 25% of total IFQ and 5% of annual IFQ transfers from charter to commercial; not to exceed the amount needed to meet the area GHL (1.4 M lb in Area 2C and 3.91 M lb in Area 3A) from commercial to charter

Staff recommends that Option 2 be moved into New Option 5, as a suboption. See discussion under that option.

Option 3. on percentage of annual QS transfers between sectors not to exceed 25% of total QS and 5% of annual QS transfers from charter to commercial; not to exceed the amount needed to meet the area GHL (1.4 M lb in Area 2C and 3.91 M lb in Area 3A) from commercial to charter

Staff recommends that Option 2 be moved into New Option 5, as a suboption. See discussion under that option.

Option 4. ownership cap of ¼, ½, and 1% of combined QS units in Area 2C and ¼, ½, and 1% of combined QS units in Area 3A and grandfather initial issues at their initial allocation

Option 4 places ownership caps on all QS holders with a range ¼ to 1 percent for analysis. Given the proposed design of the program, Council has taken the appropriate approach in placing combined charter and commercial ownership caps since one of the fundamental tenets of the joint IFQ program is that there would not be 'commercial QS/IFQ' or 'charter QS/IFQ,' as previously described under Issue 1.

The Council established limits on the amount of commercial QS that may be owned or controlled by one person. A person is defined as all individuals, corporations, partnerships or other entities. The ownership level of an individual is calculated by adding QS owned personally as well as by any partnership or corporation of

which the person is a part. The ownership cap does not apply to initial allocations. A person was allowed to receive above the ownership cap level on the basis of his catch history. Anyone in this situation will be entitled to retain the excess amount. They will not, however, be able to purchase or lease any additional quota without first divesting themselves of any quota in excess of the ownership limit.

During the first two years of the commercial halibut IFQ program, the ownership caps were expressed as a percentage of the total (commercial) QS pool. At that time, the ownership caps were 1% for Area 2C and 0.5% for Areas 2C, 3A, and 3B combined. In 1996, the Council approved a regulatory amendment that raised the ownership caps in Area 4 (from 0.5 to 1.5%) and changed the percentages to fixed amounts of QS units for all areas (with 1996 as the base year for conversions). Currently, for halibut in Areas 2C and 3A and 3B, no person or individual may own, hold, or otherwise control, individually or collectively more than:

1,502,823 units of the total QS units from the combined IPHC areas 2C, 3A, and 3B,
599,799 units of the total QS or IFQs from IPHC Area 2C.

If selected, Option 4 would revise the current commercial ownership caps for QS holders in Areas 2C and 3A. The actual number of QS units will not be available until the application period is closed, but the analysis will approximate the combined QS units for each area from the units estimated under Issue 1 and the known number of commercial QS units (59,555,379 in Area 2C and 184,920,851 in Area 3A). Even if the analysis does not accurately project the exact number of QS units in the combined pool, staff should be able to provide an adequate analysis for selecting a preferred percentage cap that could be converted into QS units in the final regulations. Staff assumes that the current year (2001 by the time of final action) would be the base year for converting percentage to QS units.

Option 4 proposes to limit the number of combined QS holders to between 400 (at ¼%) and 100 (at 1%) for each area. For comparison, at the end of the 1999 commercial fishery, there were 1,623 QS holders in Area 2C and 2,156 QS holders in Area 3A. In the 1999 halibut charter fishery, 397 businesses and 581 vessels were active in Area 2C and 422 businesses and 504 vessels were active in Area 3A.

Given the numbers just referenced, it seems unlikely that these caps would be necessary to prevent consolidation. Consolidation of approximately 30% occurred in both areas after 5 years of the commercial halibut IFQ program; 2/3 of that consolidation (20%) occurred in the first year of the program.

Issue 8. Miscellaneous provisions

Option 1. maximum line limit of 12 in Area 3A (remains at 6 lines for Area 2C), grandfather initial issues

Option 2. 10% rollover provision of total IFQs

Option 3. 10% overage provision of total IFQs to be deducted from next year's IFQs

Option 1 proposes a 12-line limit for Area 3A. The Area 2C 6-line limit adopted by the Board of Fisheries in 1983 would remain unchanged. This regulation was proposed by Southeast residents to act as a deterrent to the movement of large capacity charter vessels from Pacific Northwest states to Southeast Alaska. The proposal was also supported by the existing charter fleet in Southeast, commercial user groups, and local residents who fished from their own vessels. Existing charter businesses supported the six line regulation

because they all had small vessels that carried less than six clients at a time and they did not want the added competition from the larger boats that could carry more clients and charge a lesser fee per client. Commercial groups supported the regulation because they did not want to see large increases in the sport charter industry.

In 1997, the BOF adopted a companion regulation that stated the maximum number of fishing lines that may be fished from a vessel that is engaged in charter activities is equal to the number of paying clients on board the vessel. This restriction was placed on charter vessels fishing for all saltwater species in Southeast Alaska.

The line limit analysis from the 2000 GHL EA/RIR/IRFA will be brought forward to this analysis. Because of the characteristics of the Area 3A halibut charter fleet, the Council may wish to recognize differences in the existing fleet and consider options under the proposed line limit action:

- A maximum number of lines per vessel could be community-based and designed within a LAMP to recognize past and present participation of headboat and military charter vessels at specific ports.
- A maximum number of lines could be set and current charter vessels could be grandfathered at the maximum number of rods fished, or an average number of rods fished, or some other formula, as verified in the ADF&G databases.

Potential changes to restrictions on line limits for Areas 2C and 3A were examined in the 2000 GHL analysis using 1998 logbook data for all bottomfishing. A known data issue is that many skippers did not understand that they were to record the maximum number of rods fished at any one time, so the estimates of the number of rods fished are in some cases very high (up to 60 rods per boat). Some charter vessels in Seward (particularly military charters), however, may take upwards of 20 clients per trip, and one trip reporting 27 rods fished on a trip was verified by ADF&G port samplers. It became obvious that this information was not adequate to estimate the effectiveness of line limits as a tool to reduce halibut harvests.

A second attempt at determining the effectiveness of line limits indicates there is not a direct relationship between line limits and harvest reductions. A number of assumptions would be required to relate line limitations to vessel operator behavior. Some vessels might take more trips during a day, there could be a shift to more small vessels, or it might not be economical for some vessels to fish at all. Thus, while line limits may address local competition issues it may not act as a control for removals.

A total of 14,501 trips fished 6 lines or fewer and 4,823 trips occurred fishing 6 lines in 1998 Area 3A. A total of 1,856 trips would have been affected if a 6-line limit had been in place. Other line limits show a declining number of trips affected as the line-limit increases. Since the data is limited, the Council may need to rely on public testimony to provide additional guidance to the Council on whether line limits, and at what level, may be an appropriate management tool to restrict halibut charter harvests.

Option 2 proposes to incorporate an underage (or rollover) provision for the charter sector similar to that in the commercial halibut IFQ program. The regulations stipulate that underages of up to 10 percent of a person's total annual (commercial) IFQ account for a current fishing year will be added to that person's annual IFQ account in the year following determination of the underage. This underage adjustment to the annual (commercial) IFQ allocation will be specific to IFQ species, IFQ regulatory area, and vessel category for which an IFQ is calculated, and will apply to any person to whom the affected IFQ is allocated in the year following determination of an underage.

Option 3 proposes to incorporate a ten-percent adjustment policy (overage) for the charter sector similar to that in the commercial halibut IFQ program. The regulations stipulate that a person's annual (commercial) IFQ account will be adjusted in the year following a determination that the person harvested or landed IFQ species in an amount greater than the amount available in the person's annual (commercial) IFQ account and if the amount greater than the amount available does not exceed 10 percent of the amount available in the person's annual (commercial) IFQ account at the time of landing. The adjustment would be a deduction of the amount of IFQ species harvested or landed that was determined to exceed the amount available in the person's annual (commercial) IFQ account and will apply to any person to whom the affected IFQ is allocated in the year following the determination.

A question that arises regard the enforcement consequences of exceeding the overage allowance. Under the commercial fishery, confiscation of landings are used as the enforcement vehicle, but this may not fit well in a charter venue. If confiscation were used, would it be levied against the operator or the client? If accounts are managed in pounds the trigger for confiscation versus administrative adjustment could be the same as for commercial use QS, in pounds depending on what remained after the last landing. If confiscations are not tenable, then different penalties need to be devised for charter operations - another alternative would be to defer enforcement to the Sate as sport fishing violations.

Issue 9. IFQs associated with the charter quota shares may be issued in:

Option 1. Pounds

Option 2. Numbers of fish (based on average weight determined by ADF&G)

Issue 9 addresses whether IFQs to be used in the charter sector should be issued in pounds or converted to numbers of fish. Option 1 reflects the current administration of the commercial halibut IFQ program. Because the unit of measurement of abundance in the IPHC stock assessment and quotas is also pounds, transferability of IFQs between the sectors would be simpler if both were managed in pounds. If the IFQs are managed under one NMFS RAM account, then also managing all IFQs in the same unit may be preferable.

Option 2 proposes to issue (and presumably manage) the IFQ accounts in the charter sector in numbers of fish. This methodology may be preferable for several reasons.

First, one of the main advantages of implementing an IFQ program for charter operators is to enable operators to "customize" the amount of IFQ they hold to match the harvest needs of their individual business. Charter businesses can probably predict fairly closely how many halibut they need to run their operations through the normal fishing season. They will not be able to predict the weight of the fish their clients may harvest. Basing their annual IFQ permits on pounds of fish will introduce a factor of uncertainty into every charter business that will make it more difficult for them to operate within the IFQ program.

Second, the average weight of halibut changes from year to year based upon year class strength and other biological characteristics of the stock. An IFQ amount based on weight may work just fine for a charter business one year. However, the same IFQ share may only carry the business through a portion of the fishing season in future years if the average size of halibut increases substantially (but the commercial sector is also affected by changes in halibut abundance and average weight).

Third, dockside enforcement may be more complex if IFQs are based on pounds of halibut. Charter businesses operate out of a large number of ports and numerous docks, boat launches, etc., within each port. It would be necessary to have certified scales at each landing location, or to require all charter vessels to offload halibut at one central weigh-in location in each port, to record accurate weights of the halibut harvested. Both of these options are problematic.

Fourth, many charter operators fillet halibut while the vessel is returning from the fishing grounds to shore to offload their clients and fish. Federal regulations prohibit filleting or mutilating halibut in such manner that would prevent determination of the number of fish on board. An enforcement officer could still determine the number of halibut harvested even if the fish were filleted, but determining the number of pounds harvested would not be possible.

The drawback to basing halibut charter IFQs on numbers of fish rather than pounds is that dockside monitoring would have to be done at major charter ports on a consistent basis to obtain an average weight of halibut harvested by charter clients. This would be an expensive program to cover all charter ports with Areas 2C and 3A.

Because not every port is covered by the creel survey, an area-wide conversion, calculated annually, and using the ADF&G creel survey estimates of average weight for IPHC Areas 2C and 3A, would likely be recommended. However, there may be significant differences between the area-wide average and port averages. Using the "nearest" port for communities not sampled by ADF&G will also be explored in the analysis.

The structure of the of the existing sampling programs is an important consideration for determining how a conversion might be applied. Using Area 2C and 3A average weights will likely have implications on individual operators. There are differences in average weights between individual operators, and documented differences between ports. The existing sampling programs in Areas 2C and 3A calculate sport harvest biomass using average weights for each port, but some ports are not sampled at all, and some operators make landings at more than one port. Using area-wide average weights, may allocate fish away from operators with higher average weights or away from ports with higher average weights. Using current preliminary estimates, the 1999 Area 3A average weight for charters was 18.9 lb, while the Lower Cook Inlet and Yakutat port averages were 16.5 and 43.2 lb. If the Area 3A average was used, allocations to Homer operators could see a 15% increase in allocation while allocations to Yakutat operators would be reduced by 56%. For these reasons, conversions to numbers may result in unacceptable re-allocations within the charter sector. Similar conversion inequities would likely result from IFQ transfers between the commercial and charter sectors.

However, using an area-wide average conversion from pounds to fish would be equitable if the amount of poundage initially issued to a person is based on the number of fish he/she originally landed. For example, the Area 3A average (e.g., 18.9 lb/fish) was used to convert a Yakutat operator's harvest average of 1,200 fish in 1998 and 1999 to 22,680 lb. Under the hybrid option (see below), the conversion works well.

Option 2 also may result in a less significant result due to conversions between pounds and numbers of fish. A lack of precision results in moving from fish to pounds as a result of rounding (that is fractions of fish would not be awarded). An IFQ of 1,000 lb and a conversion of 18.9 lb/halibut would result in an IFQ of 52.9 halibut. RAM could award 53 fish; if less than half a fish the IFQ is rounded down. RAM may be requested to transfer IFQs incrementally, resulting in fractional amounts of fish being rounded up or down, with potential for rounding issues.

Making the conversions from pounds to fish on a charter IFQ permit would not be administratively difficult. Conversions between pounds and numbers of fish and IFQ account maintenance is simply a mechanical process for RAM. The issues are not insurmountable, but they should be evaluated in the context of adding additional complexity to a proposed program that is already complex.

Keys to an effective data system include:

1. Keep it simple. use no more than one annual conversion rate for each (or both) IPHC area(s), which would obviate the need to create, update, and maintain a variety of annual conversion tables based on specific ports or sub-areas.
2. Insure that no systematic bias is introduced by the pounds-to-fish rounding process.
3. Charter operators must understand, and accept, that the conversion system may, in some specific instances, appear to cause "inequitable" results.

RAM staff have proposed three ways to administer charter IFQ accounts:

1. Charter accounts are maintained and managed in numbers of (whole) fish. At the beginning of each year, TAC distributions in pounds are converted to fish. RAM rounds up or down to whole fish, theoretical excess pounds disappear and additional pounds are added as needed to "make up" whole fish. Reporting is in numbers of fish. Conversion between pounds and numbers of fish is necessary for each transfer between charter and commercial sectors, for calculating the following year's permits, and (depending on how they are calculated) to determine when to confiscate as opposed to making an administrative adjustment for overages. If the rounding method is unbiased, on average the TAC is not exceeded, although a person might be advantaged or disadvantaged in any one conversion event. Conversion factors, once calculated and published, would not be subject to debate.
2. Charter accounts are maintained in weights, just like commercial accounts. This requires that charter operators report weights. Everyone gets to use the amount of (whole) pounds allocated to him/her. No conversions, no unallocated fractions of fish, no disputes. However, there were 2,807 commercial IFQ landings in Area 3A, while there were 16,643 bottomfish charter trips. The cost to monitor charter landings and weigh fish may be enormous. Many charter ports having no infrastructure for monitoring.
3. A hybrid. Allocations are made and accounts are maintained in pounds, and as a convenience, charter permits display numbers of whole fish. Reporting is in numbers of fish. RAM may also need to display allocated pounds on charter IFQ permits and on landing receipts (notwithstanding rounding; displaying the pounds might be advisable, depending to some extent on how overage/confiscations rules work out). Reporting is in numbers of fish. Anyone with an account of pounds not equal to converted whole fish would have excess account pounds at the time they harvest all allotted fish. Allocations, transfers, overage/underage, permit calculations are all straightforward, as are conversions to whole fish.

Accounts entirely in numbers of fish (#1) are much simpler to understand and report, but rounding issues are introduced. Accounts maintained in pounds (#2 & #3) are much simpler to maintain, less prone to error, and easier to edit. Method #3 provides the advantages of predictability for charter operators, a simple reporting method and insures account accuracy; but, it requires charter IFQ permit holders to consider their IFQ accounts in both fish and pounds to track transfers, inseason overages/underages/confiscations and next year's IFQ adjustments.

No matter which option is selected, an additional issue merits examination, to wit:

Determination of the rules for calculating and "carrying over" permit overages and underages; and, for overages, determination of limits (i.e., at which point does a permit "overage" result in confiscation?).

Issue 10. Reporting:

Option 1. Require operator to report landings at conclusion of trip

Option 2. ADF&G logbook

Issue 10 addresses reporting of halibut IFQs fished in the charter sector. Two reporting vehicles have been suggested for reporting charter halibut IFQs. For enforcement and monitoring of charter IFQ accounts, trip-based reporting is a likely staff recommendation. This would mirror the requirement for the commercial sector. It may entail the card swipe system currently used in the commercial sector. Electronic reporting may be required for both sectors as technology improves by the time of charter IFQ implementation.

The likely staff recommendation would be that ADF&G would continue its weekly logbook for the collection of all marine sportfish harvest and effort information. Information collected under this program includes: number of fish landed and/or released, date of landing, location of fishing, hours fished, number of clients, residence information, number of lines fished, ownership of the vessel, and the identity of the operator. The logbook program was approved to meet several needs identified by the Board of Fisheries: (1) inseason estimates of Southeast sport charter harvest of chinook salmon; (2) individual vessel-based sport charter information; (3) effort and harvest information beyond that obtained through the angler-based statewide sport fish survey and on-site creel surveys; (4) Council needs in managing halibut; and (5) BOF needs in its deliberations of regulatory and local management plan proposals (Dean and Howe 1999).

NMFS RAM would either access the halibut harvest data from those logbooks or, integrate the charter sector into its existing card swipe system for each trip or planned electronic reporting (also tripped-based) if weekly reporting did not meet monitoring and enforcement needs for IFQ accounting. However, a card-swipe or trip-based report (other than the ADF&G logbook) may be impractical. A substantial number of charter vessels conclude their trips at remote lodges, barges or ports with no infrastructure or enforcement. This may also hinder development of charter fisheries in remote areas (e.g. Kodiak, Southeast).

This discussion will be greatly expanded in the analysis and may not be resolved fully by RAM and Enforcement until implementation.

PART II. ECONOMIC OUTLINE

Incorporating the halibut charter sector into the existing commercial IFQ program could potentially resolve some of the allocative inefficiencies that are likely to be present under the GHL, depending particularly on the limitations placed on transferability. Sufficient data and resources were not available to determine the economically optimal allocation of halibut between the commercial harvester and guided recreational sectors for the drafting of the Council's GHL analysis (NPFMC 2000). However, theory suggests that the need for knowing the appropriate economic allocation is precluded going into an IFQ system since markets will determine the allocation at a point where the marginal value of the resource is equal across competing uses.

At the same time, the optimal economic allocation may have undesirable distributional implications for particular stakeholders or communities. Though distributional inequities are dismissed as 'transfers' within the net benefit context, regional socio-economic ramifications can be substantial and warrant mitigation at the expense of economic efficiency. In the case of the commercial IFQ program for halibut and sablefish, the Council addressed these issues by implementing controls such as restrictions of QS across vessel size categories and rigid terms for their lease and sale. Similar elements are included for treatment in Issues 6 and 7.

The recent GHL analysis (Council 2000) made evident that even partial attempts at quantitative analysis of both net benefits and impacts require substantial amounts of data, time, and a wide range of technical expertise on the part of analysts. Presently, insufficient data prevents the undertaking of a true cost-benefit analysis for any U.S. IFQ fishery (NRC 1999). Nor is it possible to conduct a proper analysis on the scale necessary to evaluate monetary impacts to the numerous stakeholders and communities that could be affected, either positively or adversely, by extending the commercial IFQ system for halibut to the charter sector.

Information contained in the Council's GHL analysis represents the best available data on several facets of the commercial fishery for Alaska halibut. Data and analysis pertaining to the charter sector is limited in geographic scope to the marine recreational fisheries off the Kenai Peninsula. Though the characteristics of the Kenai fishery are not representative of those in area 2C, and could differ considerably from other parts of 3A, it is the only relevant information describing in detail the economics of the marine sport fisheries. In summary, information and tools provided in the GHL analysis that may contribute to the IFQ analysis include:

- **Baseline economic data for the commercial fisheries for areas 2C and 3A for:**
 - ▶ harvest levels and patterns
 - ▶ current participation
 - ▶ halibut landings
 - ▶ ex-vessel prices and revenue
 - ▶ first wholesale prices and revenue
 - ▶ QS value
 - ▶ 1997 estimates of commercial fishery costs
 - ▶ (these data will be supplemented with CFEC (1999))
- **Baseline data for the halibut charter fishery in area 2C and 3A for:**
 - ▶ harvest levels and projected growth
 - ▶ active businesses and vessels
 - ▶ client participation
- **Baseline economic data for Cook Inlet halibut charter fisheries for:**
 - ▶ angler expenditures
 - ▶ angler effort
- **Economic models for Cook Inlet halibut sport fishery**
 - ▶ demand for commercially caught halibut
 - ▶ participation rate model for angling based on following attributes:
 - trip cost
 - average expected harvest of halibut (and other species)
 - average expected size of halibut (and other species)
 - ▶ Input-Output model for western Kenai Peninsula, linked to participation effects

To the extent possible, these data and models may provide a means for estimating some effects, in isolation, of incorporating the charter sector into the IFQ program. However, the complexity of the analysis will restrict most of the document to a qualitative treatment of the options. Among the user groups and other stakeholders identified for consideration are:

- Charter operators
- Guided anglers
- Commercial harvesters
- Consumers of commercially caught halibut
- Unguided anglers
- Custom processors and other businesses linked to recreational fishing
- Commercial processors and other businesses linked to commercial fishing

The analysis will focus mainly on those user groups in the primary markets, that is charter operators and guided anglers on the recreation side, and commercial harvesters and consumers for the commercial sector. Even though policy changes also affect members of secondary markets and activities (processors, wholesalers, unguided anglers, etc.), these effects are not treated separately in cost benefit analyses because they are captured under the demand analysis for the primary markets, provided there are no distortions (Boardman et al.). In other words, changes at the secondary level are offset by changes elsewhere in the economy if the markets in question are perfectly competitive. Regardless of the competitive nature of these markets, the

distributional effects of policy changes on secondary markets are still a matter of concern to policymakers. Staff will attempt to identify and to the extent practicable enumerate impacts to secondary entities.

In considering the effects of the various options, staff will first describe some of the general differences between an IFQ system and management under a GHL, and how these differences might affect behavior and subsequent benefit changes among stakeholders. The instrumental feature of IFQs that is credited for resolving the race for fish and overcapitalization is the simulation of property rights over the resource. In the case of a charter IFQ program, charter operators will gain control over the most important attribute of a fishing trip, the halibut, and this can alter the market structure for fishing trips. Among the related issues staff will attempt to address in the analysis are:

- *How the quota scheme affects overall efficiency across both the charter and commercial longline sectors*
Depending on the extent of transferability allowed, the flexibility under a quota program could allow the charter fishery to expand if demand for guided angling warrants and if the value of a halibut is greater at the margin for the charter fishery than it is for the commercial fishery. If, on the other hand, sport fishing declined in popularity, freely transferable quota would allow the charter sector to dispense with QS or IFQs. In both cases, the quota system could recoup some of the deadweight loss associated with the fixed allocation under the GHL. However, this is highly contingent on the restrictiveness of the transferability provisions. While quantifying the net benefit implications of the options under Issue 6 is not possible, staff will attempt to rank these options relative to their likely effects.
- *The distributional impacts on particular user groups*
Despite improvements in efficiency, a charter IFQ program will likely redistribute surplus among present users as market structures change. Changes in preference for commercially caught halibut and angling will affect the migration of quota from one sector to the other, and user groups will consequently be affected. For example, if charter quota were sufficiently absorbed into the commercial sector so as to substantially affect availability of trips and charter prices, guided anglers would experience a decrease in consumer surplus. Producer surplus for charter operators would also decrease, and this would be reflected in the revenue streams of businesses tied to halibut sport fishing. Similarly, migration of quota from the commercial to charter sectors would imply loss of surplus to both consumers of commercially caught halibut and longliners, and decreased economic activity in secondary markets such as the processing sector. It will not be possible to quantify the effects of the multiple scenarios that could emerge under a charter IFQ program and instead these will be discussed and treated qualitatively.
- *Market structure implications for the charter fishery and implications for the non-guided fisheries*
 - Under a quota system, incentives for individual charter operators will be altered and profit maximization will be subject to the constraint of available IFQ. Whereas total revenue in the commercial longline fishery is a function of fish landed and sold, revenue in the charter sector depends on the number of clients/number of trips guided, and halibut quota will enter the equation as a factor of production. Therefore, staff would not expect charter operators to behave in the same fashion as commercial operators. Instead of trying to harvest their quota in the least amount of trips, charter operators would benefit from distributing their quota across the greatest number of clients. There may be incentives to promote more catch and release fishing or to develop a differential pricing structure to discount catch and release fishing only. Such behavior will be a consequence of the the issues and options selected for management. For example, if IFQs are issued to charter operators in pounds and not fish, they will have an incentive to land smaller fish.

In addition to the biological implications, this shift in practice would reduce the quality of the angling experience.

- ▶ Control of the resource among charter operators as well as consolidation of QS will affect price formation if these conditions alter the balance of bargaining power among charter operators and guided anglers.
 - ▶ Any situation that causes charter fishing to be less attractive relative to other angling opportunities (other species, non-guided fisheries) will have some spillover effects into substitute activities.
- *The effect of the charter IFQ quota system on quota value*

The amount of initial quota issuance and degree of transferability among sectors will affect halibut quota prices in general. If QS is freely transferable, then initial issuance of charter QS will place downward pressure on existing quota values because of the outward shift in supply. However, this may be offset by the simultaneous effect of increased demand for QS. Whereas the population of individuals demanding quota under the existing IFQ program are individuals who intend to commercially longline, incorporation of the charter fishery creates an alternative use for quota and increases the pool of individuals by the amount of persons interested in chartering who meet the requirements to hold QS. Despite this offsetting effect, the price outcome is indeterminate without further examination of elasticities and some idea of the magnitude of the supply and demand shifts.
 - *Costs of implementation and recovery program*

Estimated Costs A detailed cost estimate includes both start-up and long term costs for RAM, Enforcement Division and Appeals Division (J. Gharrett, pers. commun.). These costs cannot be realistically estimated until the charter IFQ program features are better defined, and particularly, until any additional staff needs are known. For RAM, based on previous limited entry program implementations, the start-up computer design and development portion will cost approximately \$100,000. The factors that will most affect these costs are:

1. The source and content of the NMFS Official Record built for eligibility testing and award of Charter QS. This includes:
 - a. the state of data provided to RAM by ADF&G (i.e., completed list of eligible persons vs raw logbook data);
 - b. availability of information on identity of charter skippers (vs vessels owners);
 - c. availability of licensing info required (i.e., six-pack license information);
 - d. data manipulation: amount of data entry required and level of automated query capability required for eligibility testing phase
2. Changes to designation of existing commercial QS in the RAM database;
3. Complexity of differences between use and transfer rules for commercial and charter QS;
4. Whether charter IFQs require a Prior Notice of Landing or other hail- or check-in system;
5. Catch accounting for charter IFQs (venues, frequency, manual data entry burden for NMFS);
6. Fee collection responsibilities.

As the SSC noted in its December 1999 minutes, "it is fortuitous that Council staff was able to draw on preliminary reports of research projects funded by Alaska Sea Grant, the University of Alaska Fairbanks, and the Coastal Marine Institute (University of Alaska/Minerals Management Service)." While these projects provided a great deal of relevant technical information to economic sections of the GHL analysis, there are no contemporary studies that could likewise dovetail into the charter IFQ analysis. Until now, recreational fisheries have received very little attention in IFQ programs (NRC 1999), so that their treatment in the available

literature is sparse. Moreover, individuals who volunteered a great deal of technical guidance for the GHL analysis will not be available for this analysis.

Economic tools for evaluating how firms and individuals would behave under varying specifications of a charter IFQ program call on applications from industrial organization theory and non-market valuation. Enumerating present levels of net benefits and predicting the direction of changes in net benefits associated with the various elements outlined for analysis require well developed market models of supply and demand for the commercial and charter sectors. Estimating the regional economic impacts of the alternatives to gauge distributional changes of monetary flows necessitates a set of ground truthed impact models such as input-output for the areas or communities in question. Staff will not be able to develop anywhere near a full complement of desired models in the time allocated for analysis. Cost data on commercial harvesters and charter operators is required to build supply models and cannot be obtained without embarking on costly and time consuming collection processes. Data for specifying demand functions is also difficult to obtain as was shown in the development of the exvessel demand model and participation rate model in the GHL analysis (Council 2000). Therefore, informational gaps will have to be filled with reasonable assumptions, limiting the degree of analytical detail to qualitative evaluations of the economic points identified above. NMFS AFSC has contracted with university economists to develop a report that analyzes the likely economic consequences of the proposed charter IFQ program, though the source of the funding calls for a focus on effects to anglers. Nonetheless, information contained within the report should allow staff to report on other stakeholders as well.

PART III. CONCLUSIONS

The broad nature of IFQ regimes and the Council's experience with such regimes suggest that they are well suited to solving the types of problems experienced in the halibut fisheries. Clearly though, important social concerns have been introduced in developing the commercial program. A delicate balance is required between preserving social order and meeting the specified problems in a purposeful way.

The Council's choice for the preferred alternative regime is unlikely to remove it from continued management of these fisheries. It will require careful monitoring to ensure it is achieving its objectives. At the point where it is shown not to be meeting the goals set, modifications may need to be made. Note that after implementation of the commercial IFQ programs in 1995, nearly two dozen plan and regulatory changes to the regulations were approved in the first few years.

This preliminary analysis suggests that the major areas of concern is the determination of initial issues, the QS allocation formula, and the area which should be monitored most closely upon implementation, is the area of transferability.

Summary of staff recommendations for restructuring the halibut charter IFQ alternatives for analysis:

ISSUE 1. Initial QS may be based on:

Option 1. 12.68% in Area 2C and 14.94% in Area 3A of combined commercial and charter halibut quota

Option 2. 14.74% in Area 2C and 14.00% in Area 3A of combined commercial and charter halibut quota

Suboption: 50% of an individual's QS initial issuance would be fixed and the remaining 50% would float with abundance.

Issue 2. Initial allocation of QS would be issued to U.S. citizens or to U.S. companies on the following basis:

U.S. ownership based on: a) 51% ownership; b) 75% ownership

Option 1. Charter vessel owner/operator - person who owns and operates (captains) the charterboat and charterboat business

Option 2. Bare vessel lessee - person that leases a vessel and controls its use as a charterboat for this fishery. May operate the vessel or may hire a captain/skipper. Lessee determines when the vessel sails and by whom captained

Option 3. Charter vessel owner that hired licensed captains/skippers - person that owned the vessel that they controlled as a charterboat but hired a captain/skipper to operate the vessel

Option 4. Hired skipper - person without financial interest in the vessel, hired for the labor only of operating a charterboat and paid a wage or commission as compensation

Option 5. Charter vessel/business owner - person who owns the charterboat and charterboat business

ISSUE 3. Qualification Criteria

Initial allocations will be based on an individual's participation and not the vessel's activity. Anyone not meeting the qualification criteria would have to purchase QS or transfer (lease) IFQs to participate in the halibut charter fishery.

- Option 1. Initial issues who carried clients in 1998 and 1999 and who submitted ADF&G logbooks (as received by ADF&G by February 12, 2000)
- Option 2. Initial issues who carried clients in 1998 or 1999 and who submitted ADF&G logbooks (as received by ADF&G by February 12, 2000)
- Option 3. Initial issues who carried clients prior to June 24, 1998 and who submitted at least one ADF&G logbook (as received by ADF&G by February 12, 2000)
- Option 4. Initial issues who carried clients four out of five years between 1995-1999 as evidenced by IPHC and CFEC licenses for 1995-99 and submitted logbooks for 1998 and 1999
- Option 5. Initial issues who carried clients four out of five years between 1995-1999 as evidenced by IPHC and CFEC licenses for 1995-99 and submitted logbooks for either 1998 or 1999

ISSUE 4. Distribution of QS may be based on:

- Option 1. 70% of 125% of 1998 and 1999 logbook average with an additional 10% (of the 125%) added for each year of operation 1995-97 (longevity reward). The balance could then be re-issued to the whole group of participants (some individuals vessel's total could be over 125% of the 1998 and 1999 logbook average, new entrants may receive only 70% of their 1998 and 1999 logbook average), or this balance could be set aside for initial issue hardships.
- Option 2. Modified Kodiak proposal: 5-30% for A, 33% for B, 37-62% for C (see attachment)
 - Part A: each individual gets an equal percentage of the qualified pool as identified by the Council's final action.
 - Part B: each individual's average 98/99 logbook harvest as percentage of overall harvest is multiplied by 33% of the qualified pool.
 - Part C: one point for each year of participation during 1995-99.

ISSUE 5. Transferability of QS (permanent) and IFQs (on annual basis [leasing])

- Option 1. Transfer of QS (permanent) and/or IFQs (leasing):
 - a) prohibit transfers between charter and commercial sectors
 - b) allow transfers between charter and commercial sectors
 - 1. 1-yr one way transfer from commercial to charter
 - 2. 3-yr one way transfer from commercial to charter
 - 3. two-way (between commercial and charter sectors).
- Suboptions under Options b (1-3):

- i. Designate QS pool into two classes for transfer from charter to commercial sector: transferable (25%) and non-transferable (75%) pools.
- ii. Cap the percentage of annual IFQ transfers (de facto leasing) between sectors not to exceed 25% of total IFQs and 5% of IFQs per year from charter to commercial; not to exceed the amount needed to meet the area GHL (12.68% in Area 2C and 14.94% in Area 3A) from commercial to charter.
- iii. on percentage of annual QS transfers between sectors not to exceed 25% of total QS and 5% of QS per year from charter to commercial; not to exceed the amount needed to meet the area GHL (12.68% in Area 2C and 14.94% in Area 3A) from commercial to charter

Option 2. Block restrictions

- a) any initially issued (i.e., unblocked) charter QS once transferred to commercial sector shall be:
 - 1. blocked
 - 2. blocked up to the limits of the commercial sweep-up and block limits
- b) allow splitting of commercial blocks to transfer a smaller piece to the charter sector
- c) allow splitting of commercial blocks once transferred to the charter sector

Option 3. Vessel class restrictions

- a) from A, B, C, and/or D commercial vessel category sizes to charter sector
- b) from charter to commercial:
 - 1. D category only
 - 2. C and D category only
 - 3. B, C, and D category
- c) initial transfer from undesignated charter to a particular commercial vessel category locks in at that commercial category

Option 4. One transfer of QS/IFQ each year between sectors for each QS holder

Option 5. Minimum size of transfer is range of 20-72 fish

ISSUE 6. To receive halibut QS and IFQ by transfer:

Option 1. For the charter sector, must be either

- a) a initial charter issuee. or
- b) qualified as defined by State of Alaska requirements for registered guides or businesses*
Suboption: and hold a USCG license.

*this would require a change in the commercial regulations to allow transfer of commercial QS/IFQ to charter operator

Option 2. For the commercial sector, must have a commercial transfer eligibility certificate.

Issue 7. Caps

- Option 1. No caps - free transferability
- Option 2. ownership cap of ¼, ½, and 1% of combined QS units in Area 2C and ¼, ½, and 1% of combined QS units in Area 3A and grandfather initial issues at their initial allocation

Issue 8. Miscellaneous provisions

- Option 2. maximum line limit of 12 in Area 3A (remains at 6 lines for Area 2C), grandfather initial issues
- Option 3. 10% rollover provision of total IFQs
- Option 4. 10% overage provision of total IFQs to be deducted from next year's IFQs

Issue 9. IFQs associated with the charter quota shares may be issued in:

- Option 1. Pounds
- Option 2. Numbers of fish (based on average weight determined by ADF&G)

Issue 10. Reporting:

- Option 1. Require operator to report landings at conclusion of trip
- Option 2. ADF&G logbook

Additional Clarification needed:

1. Staff suggests that Table 1 be reviewed for the combinations of types of issues to be analyzed.
2. Staff seeks guidance on which criteria to use for determining logbook participation with respect to the combination of catch and harvest outlined in Table 5.
3. Staff recommends deleting the 125% inflation of the 1998 and 1999 logbook average, as doing so does not affect the results (see Figure 1).
4. Staff seeks clarification as to how and to whom the remaining balance under old Issue 2, Option 1 (new Issue 4) would be awarded.

PART IV. PROPOSED TABLE OF CONTENTS

EXECUTIVE SUMMARY

1.0 INTRODUCTION

- 1.1 Purpose and Need for the Action
- 1.2 Description of Alternatives

2.0 NEPA REQUIREMENTS: ENVIRONMENTAL IMPACTS OF THE ALTERNATIVES

- 2.1 Endangered Species Act
- 2.2 Impacts on Endangered or Threatened Species
- 2.3 Marine Mammal Protection Act
- 2.4 Coastal Zone Management Act
- 2.5 Conclusions or Finding of No Significant Impact

3.0 BASELINE DATA FOR CHARTER IFQ ANALYSIS

- 3.1 Biology and total removals of Pacific halibut in Areas 2C and 3A
 - 3.1.1 Method of quota calculation
 - 3.1.2 Current estimates of exploitable biomass and CEY
 - 3.1.3 Analytical estimates of abundance in 1999 (from Clark and Parma 1999)
- 3.2 Charter fishery
 - 3.2.1 Area 2C
 - 3.2.1.1 Current harvest levels and projected growth
 - 3.2.1.2 Current participation and projected growth
 - 3.2.1.2.1 Active businesses
 - 3.2.1.2.2 Active vessels
 - 3.2.1.2.3 Clients
 - 3.2.2 Area 3A
 - 3.2.2.1 Current catch and harvest levels and projected growth
 - 3.2.2.2 Current participation and projected growth
 - 3.2.2.2.1 Active businesses
 - 3.2.2.2.2 Active vessels
 - 3.2.2.2.3 Clients
 - 3.2.3 Baseline economic data for charter fishery
- 3.3 Commercial fisheries
 - 3.3.1 Area 2C
 - 3.3.1.1 Current harvest levels and patterns
 - 3.3.1.2 Current participation
 - 3.3.1.2.1 Persons
 - 3.3.1.2.2 Vessels
 - 3.3.1.2.3 Buyers
 - 3.3.2 Area 3A
 - 3.3.2.1 Current participation
 - 3.3.2.1.1 Persons
 - 3.3.2.1.2 Vessels
 - 3.3.2.1.3 Buyers

- 3.3.3 Background economic information on the commercial halibut fishery
 - 3.3.3.1 Halibut landings
 - 3.3.3.2 Ex-vessel prices
 - 3.3.3.3 Ex-vessel revenue
 - 3.3.3.4 First wholesale prices
 - 3.3.3.5 First wholesale revenue
 - 3.3.3.6 Quota Share Value
 - 3.3.3.7 Commercial Fishery Costs

4.0 ECONOMIC TOOLS AND ANALYTICAL FRAMEWORK

- 4.1 Identification of stakeholders
- 4.2 Relevant information from the GHIL analysis and other studies
- 4.3 Qualitative cost-benefit analysis
- 4.4 Qualitative impact analysis

5.0 REGULATORY IMPACT REVIEW: ECONOMIC AND SOCIOECONOMIC IMPACTS OF THE ALTERNATIVES

- 5.1 Description of Fleet, Fishery, & Industry 1
- 5.2 Expected Effects of each Alternative on each Sector
- 5.3 Administration, Monitoring, and Enforcement
- 5.4 Conclusions

6.0 CONSISTENCY WITH OTHER APPLICABLE LAWS

- 6.1 Halibut Act Requirements
- 6.2 National Standards
- 6.3 Section 303(a)(9) - Fisheries Impact Statement
- 6.4 Section 303(b)(6) - Limited Entry Requirements
- 6.5 Regulatory Flexibility Act
 - 6.5.1 Introduction
 - 6.5.2 Statement of Problem
 - 6.5.3 Objective Statement of Proposed Action and its Legal Basis
 - 6.5.4 Description of each action (non-mutually exclusive alternatives)
 - 6.5.5 Reasoning for, and focus of, an IRFA
 - 6.5.6 Requirement to Prepare an IRFA
 - 6.5.7 What is a Small Entity?
 - 6.5.8 Description of the Businesses Affected by the Proposed Action(s)
 - 6.5.8.1 Charter Fishery
 - 6.5.8.2 Commercial fishery
 - 6.5.9 Recordkeeping requirements
 - 6.5.10 Potential Impacts of the Alternatives on Small Entities
 - 6.5.11 Conclusion

7.0 REFERENCES

8.0 PREPARERS

References

- Boardman, A.E, D.H. Greenberg, A.R. Bining, and D.L. Weimer. 1996. Cost-Benefit Analysis: Concepts and Practice. Prentice Hall. Upper Saddle River, N.J.
- CFEC. 1999. Executive Summary. Changes under Alaska's halibut IFQ program, 1995 to 1998. November 1999. 22 p. Available from: ACFEC, 8800 Glacier Highway, Suite 109, Juneau, Alaska 99801.
http://www.cfec.state.ak.us/research/H98_TS/h_xsum98.pdf
- NPFMC, 1997. EA/RIR/IRFA for proposed regulatory amendments to implement management alternative for the guided sport fishery for halibut off Alaska. August 25, 1997. Available from: NPFMC, 605 Fourth Avenue, Suite 306, Anchorage Alaska, 99501. <http://www.fakr.noaa.gov/npfmc/zghlmg.pdf>
- NPFMC. 2000. EA/RIR/IRFA for a regulatory amendment to implement management measures under a guideline harvest level and/or moratorium for halibut in Areas 2C and 3A. January 10, 2000. xxx p. Available from: NPFMC, 605 Fourth Avenue, Suite 306, Anchorage Alaska, 99501.
<http://www.fakr.noaa.gov/npfmc/zghlmg.pdf>
- NRC Committee to Review Individual Fishing Quotas. 1999. Sharing the Fish: Towards a National Policy on Individual Fishing Quotas. National Research Council, National Academy Press. Washington, D.C.
- Dean, M. R. and A. L. Howe. 1999. Alaska Department of Fish and Game sportfishing guide and business registration and saltwater sportfishing charter vessel logbook program, 1998. Alaska Department of Fish and Game, Special Publication No. 99-1, Anchorage.

Definitions

The definitions contained in the Magnuson Fishery Conservation and Management Act are augmented by those listed below.

1. "Person" means any individual who is a citizen of the United States or any corporation, partnership, association, or other entity (whether or not organized or existing under the laws of any state) which meets the requirements set forth in 46 CFR Part 67.03, as applicable.
2. An "individual" means a U.S. citizen.
3. A person's "quota shares" (QS) for each area equal the person's fixed gear landings (qualifying pounds) for each area fished.
4. The "total quota shares" (TQS) for a management area is the sum of the QS of all persons for an area. The TQS may change over time due to appeals, enforcement actions, or other management actions.
5. "Individual fishing quota" (IFQ) means the quota that a person receives. For a specific year, species, and area, the amount of a person's IFQ is determined by the QS the person controls, the TQS, the fixed gear TAC, and the level of the fixed gear community development quota all for that year, species, and area. Each person's IFQ will be proportional to his QS. For example, a person who controls 0.1% of the TQS receives an IFQ equal to 0.1% of the fixed gear TAC minus any fixed gear community development quota. That is, $IFQ = (QS/TQS) \times (FGTAC - FGCDQ)$. The IFQs are also specific to a vessel class.
6. "Fixed gear" is defined to include all hook and line fishing gears (longlines, jigs, handlines, troll gear, etc.) in the GOA and BS/AI.
7. "Catcher boat" or "catcher vessel" means any vessel which, during a given trip, delivers none of its groundfish catch in a frozen or other processed state.
8. "Freezer boat" means any vessel which, during a given trip, delivers some or all of its groundfish catch in a frozen or other processed state.
9. "Bona fide fixed gear crew member," is defined as any person that has acquired commercial fish harvesting time at sea (i.e. fish harvesting crew), that is equal to 5 months of any commercial fish harvesting activity (*in a fishery in state or federally managed waters of the U.S.*)² Additionally any individual who receives an initial allocation of QS will be considered a bona fide crew member.

²Text shown in *italics* provides clarification by the staff to indicate Council intent.

Appendix 1

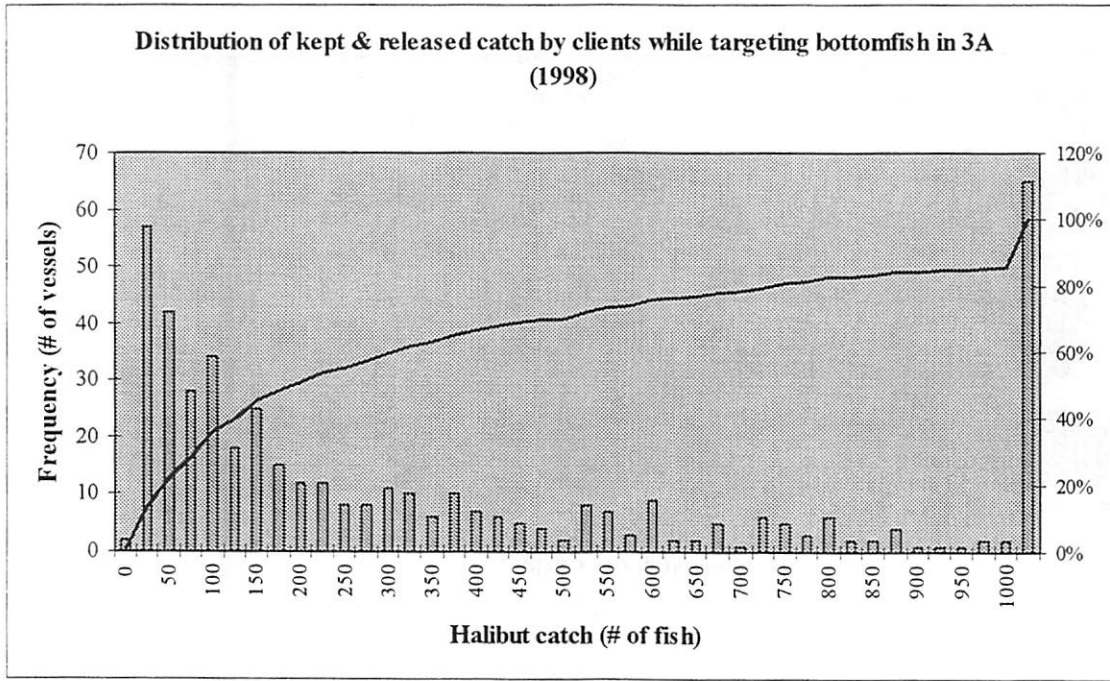


Figure A1-1

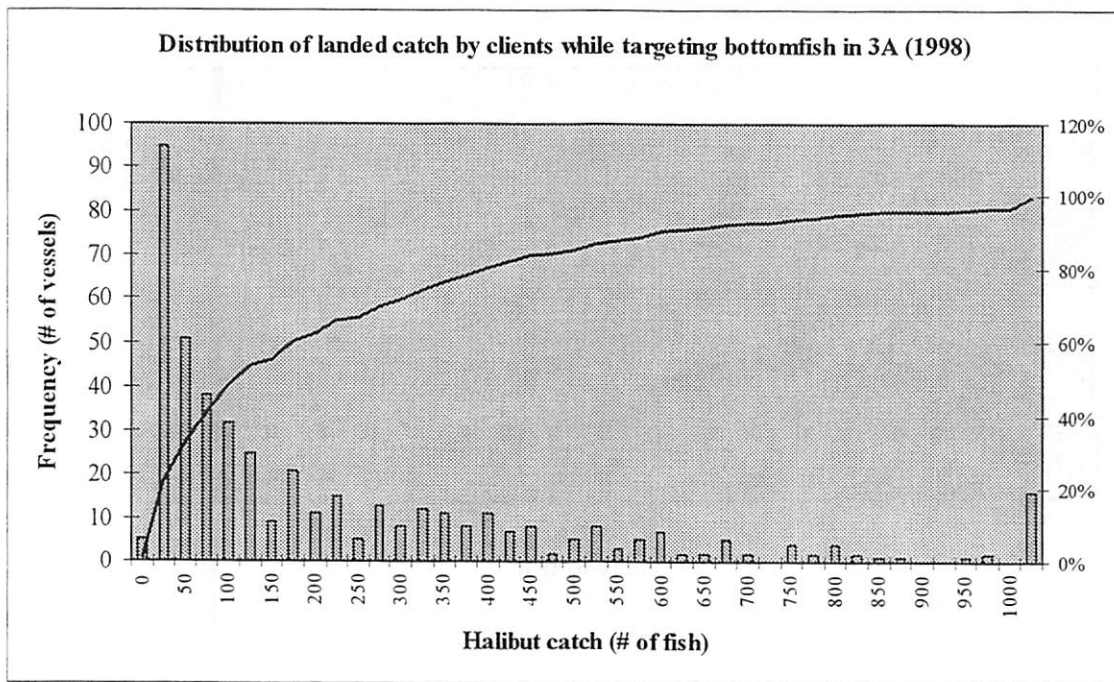


Figure A1-2

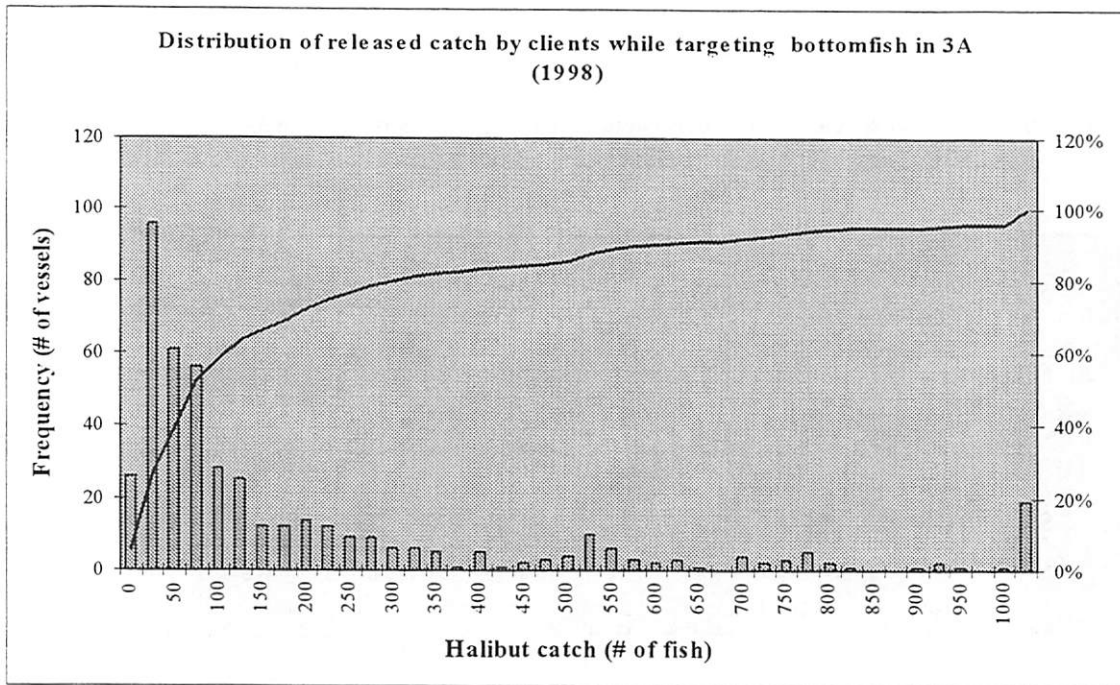


Figure A1-3

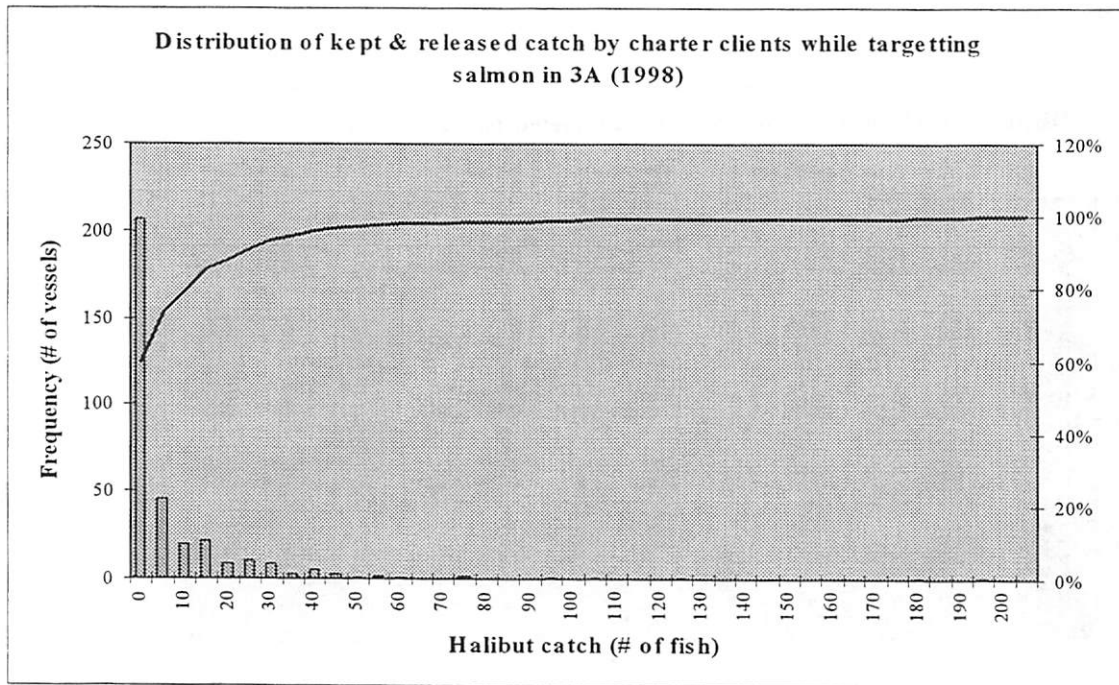


Figure A1-4

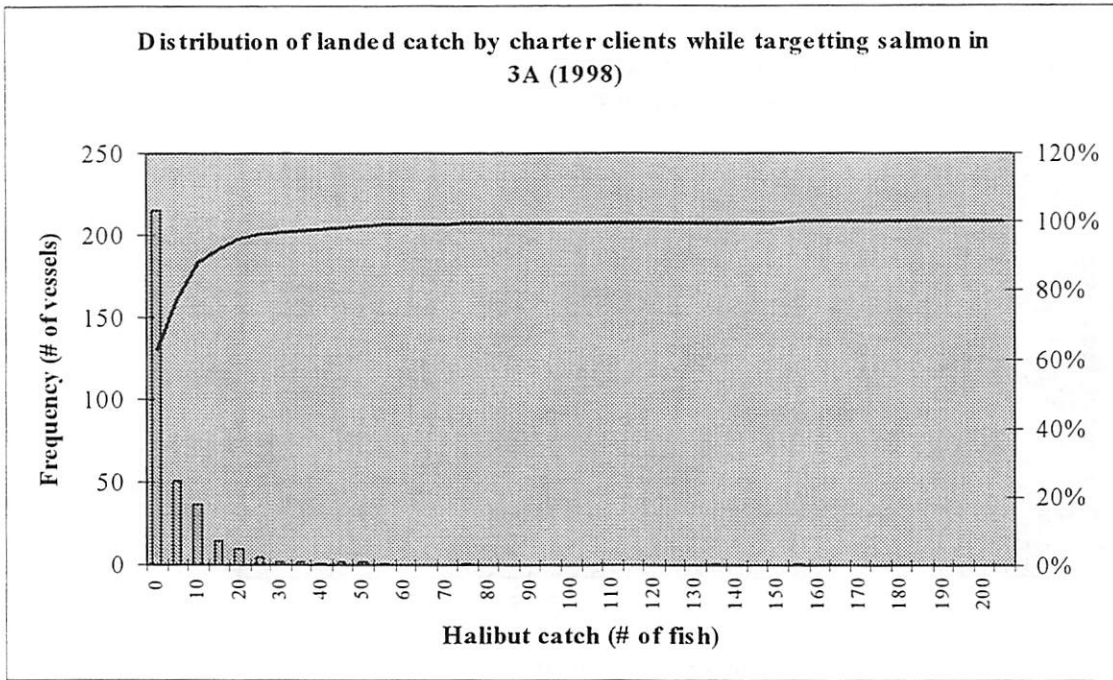


Figure A1-5

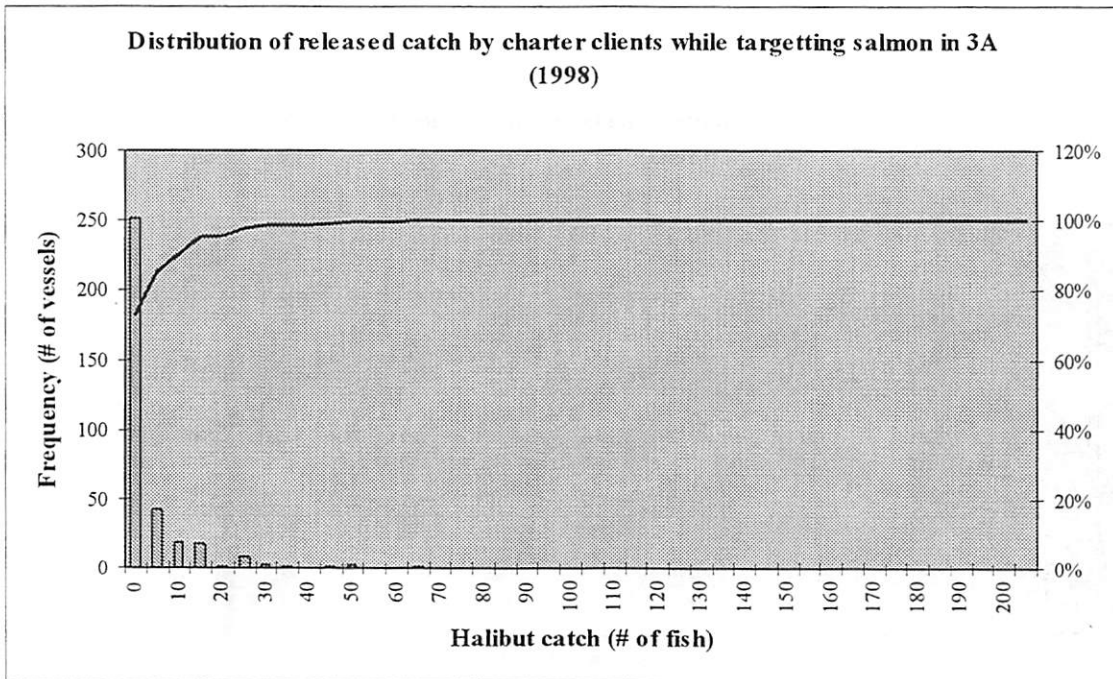


Figure A1-6

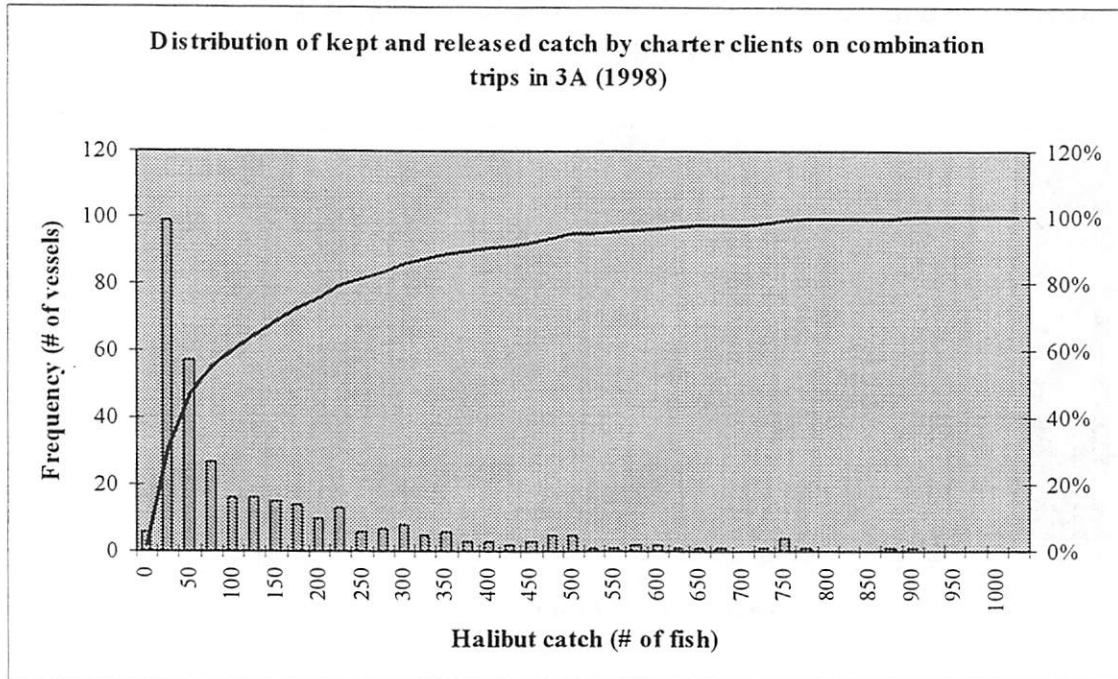


Figure A1-7

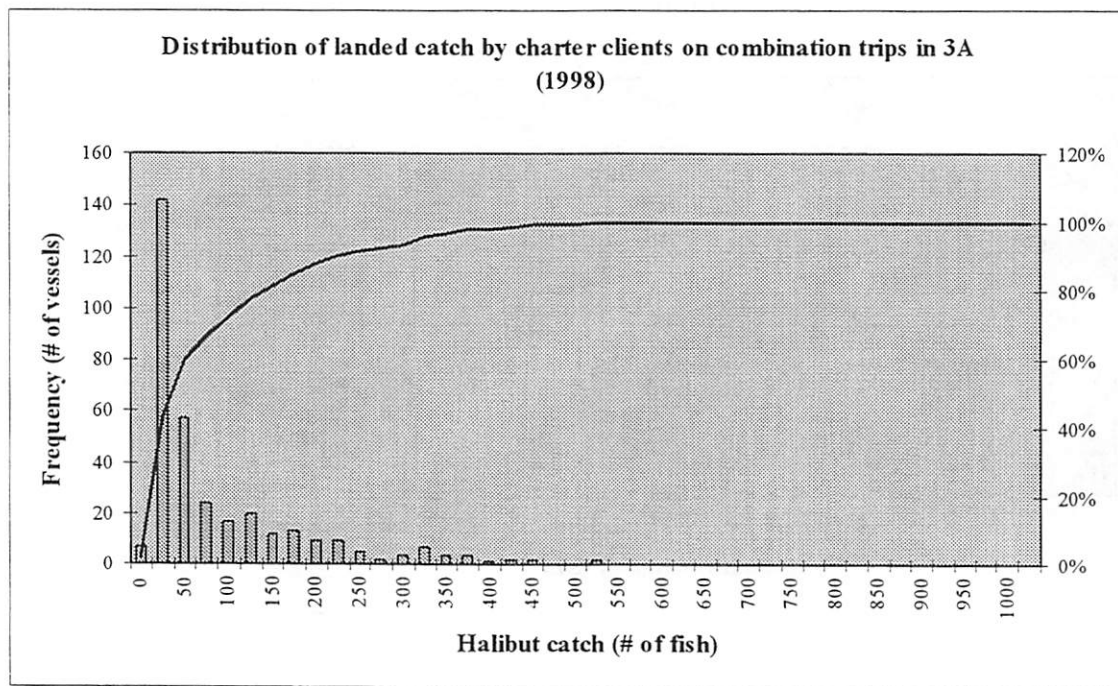


Figure A1-8

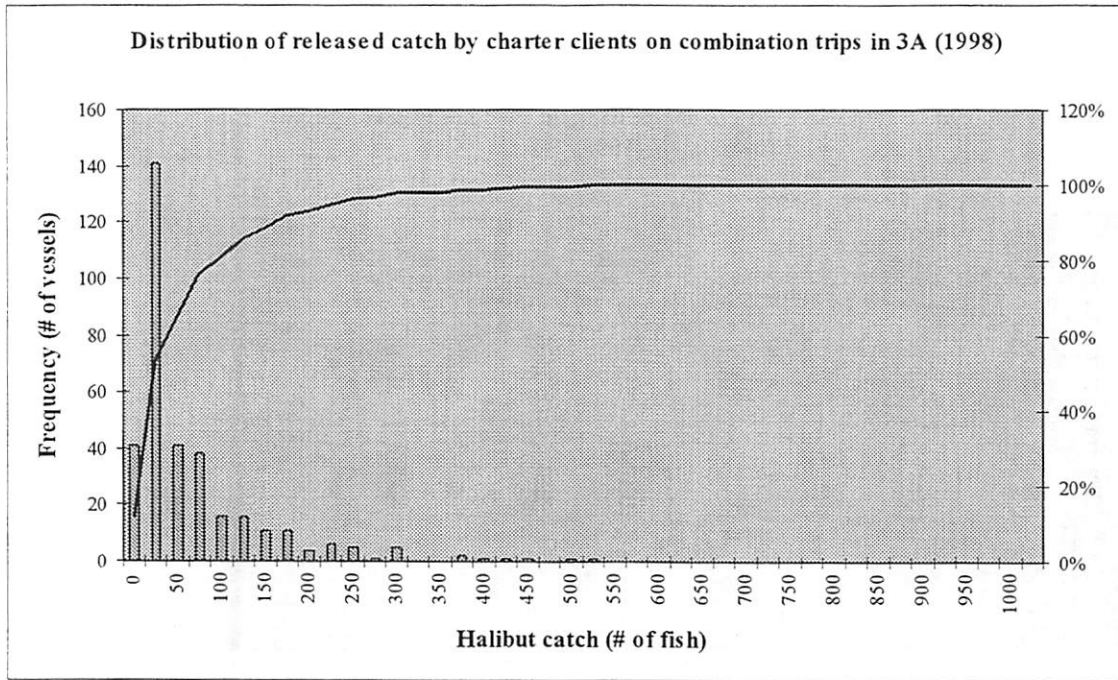


Figure A1-9

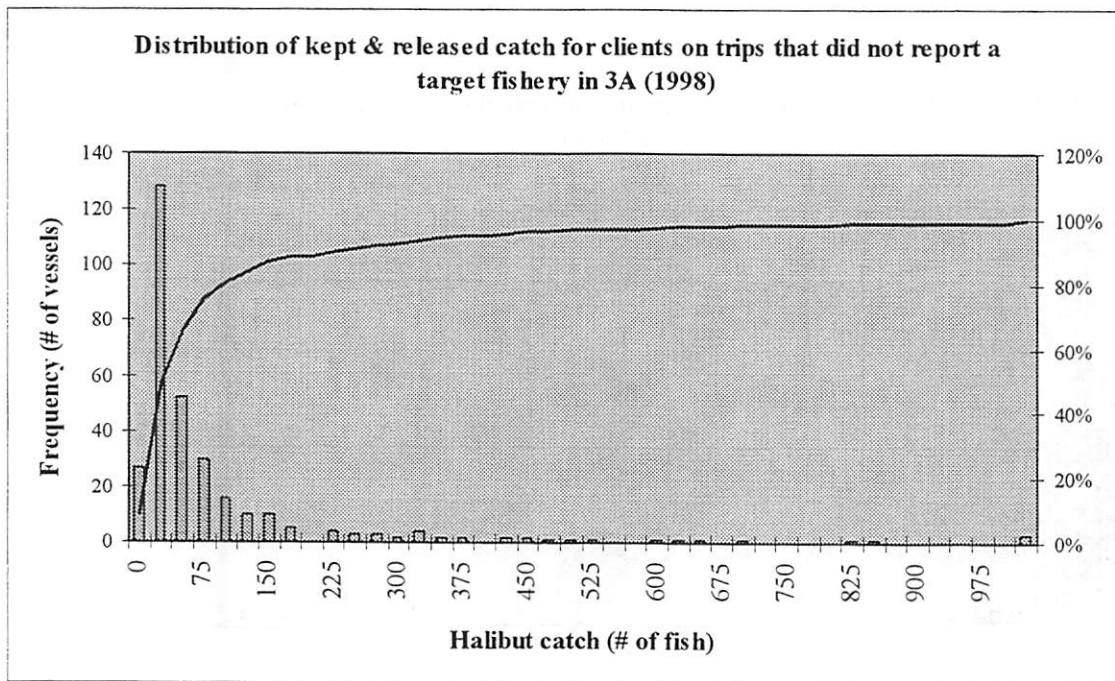


Figure A1-10

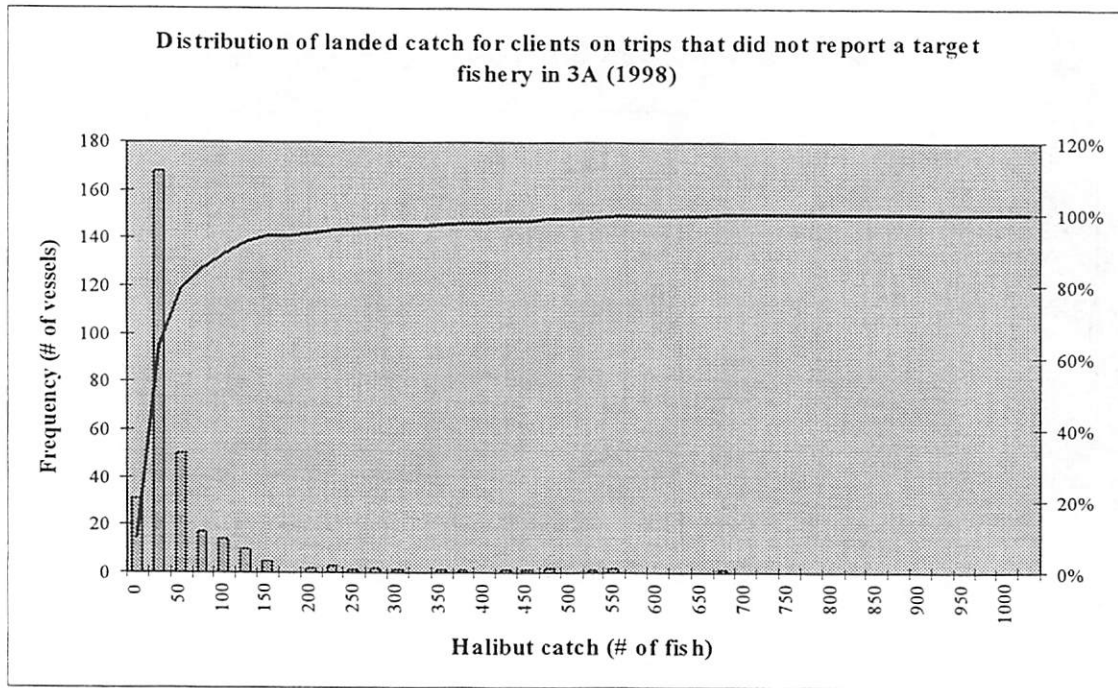


Figure A1-11

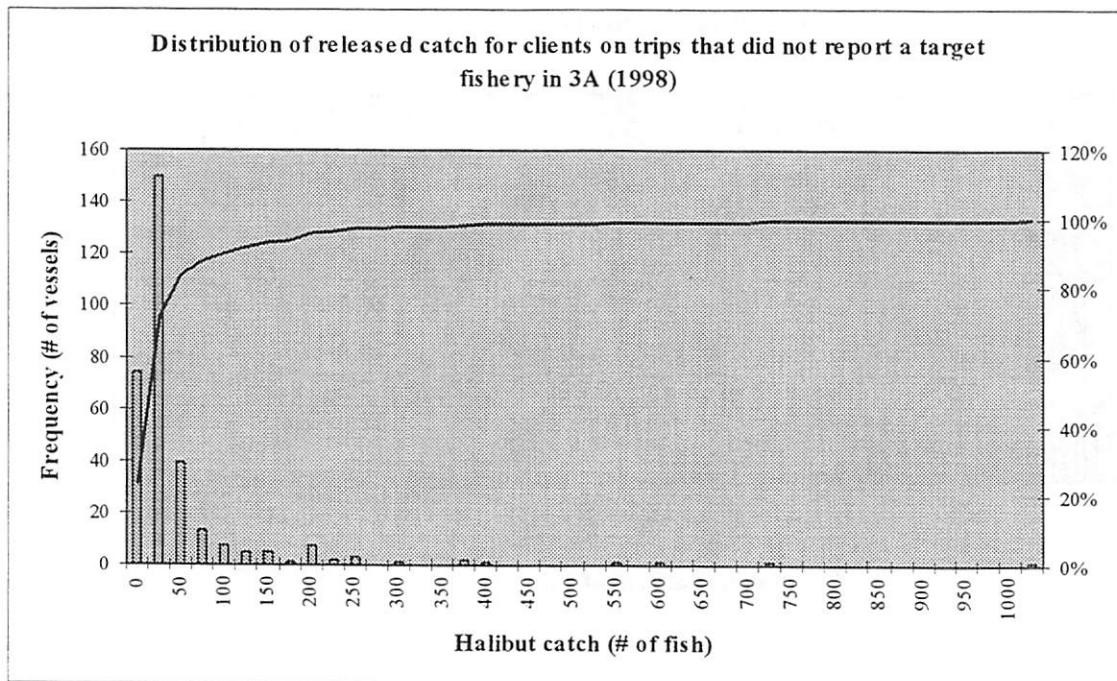


Figure A1-12

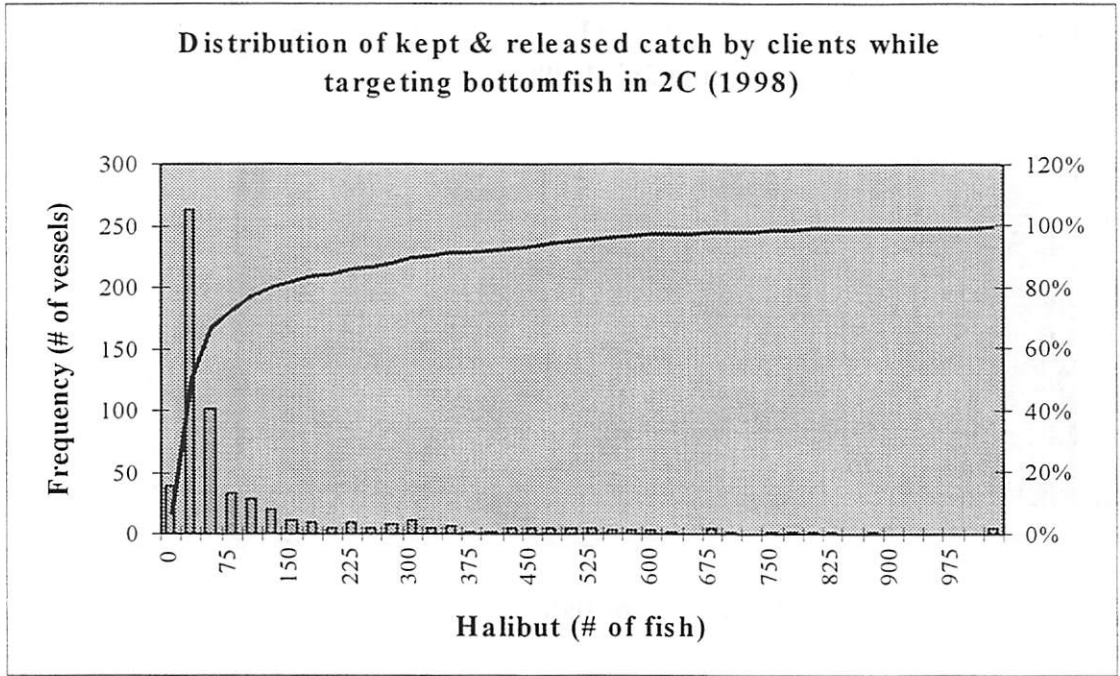


Figure A1-13

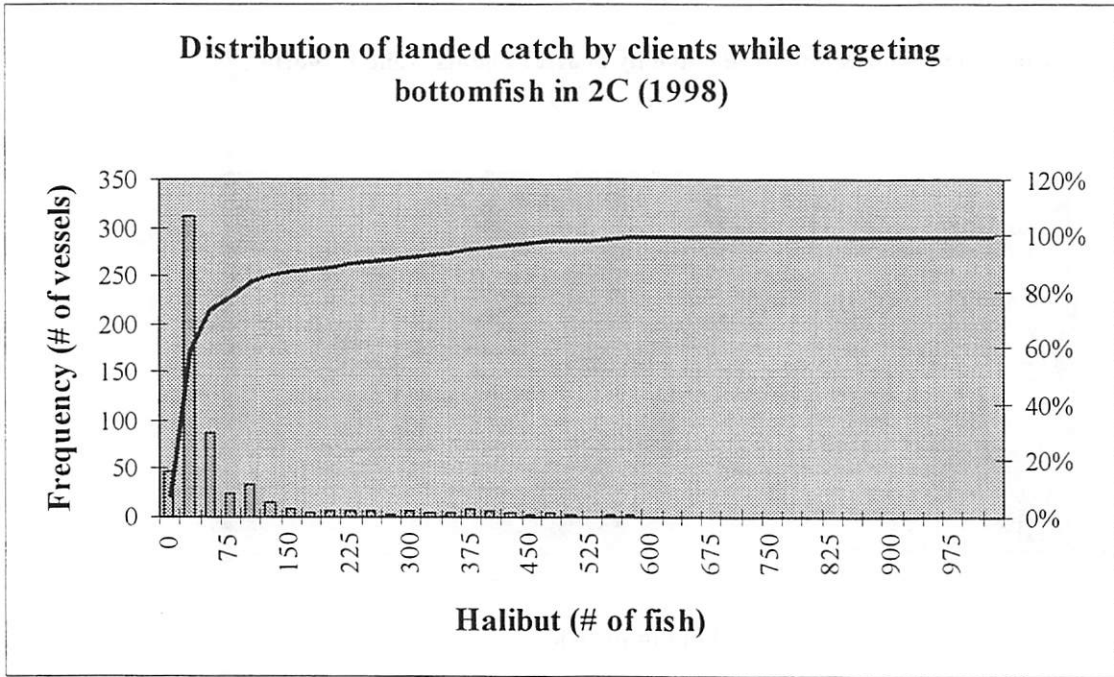


Figure A1-14

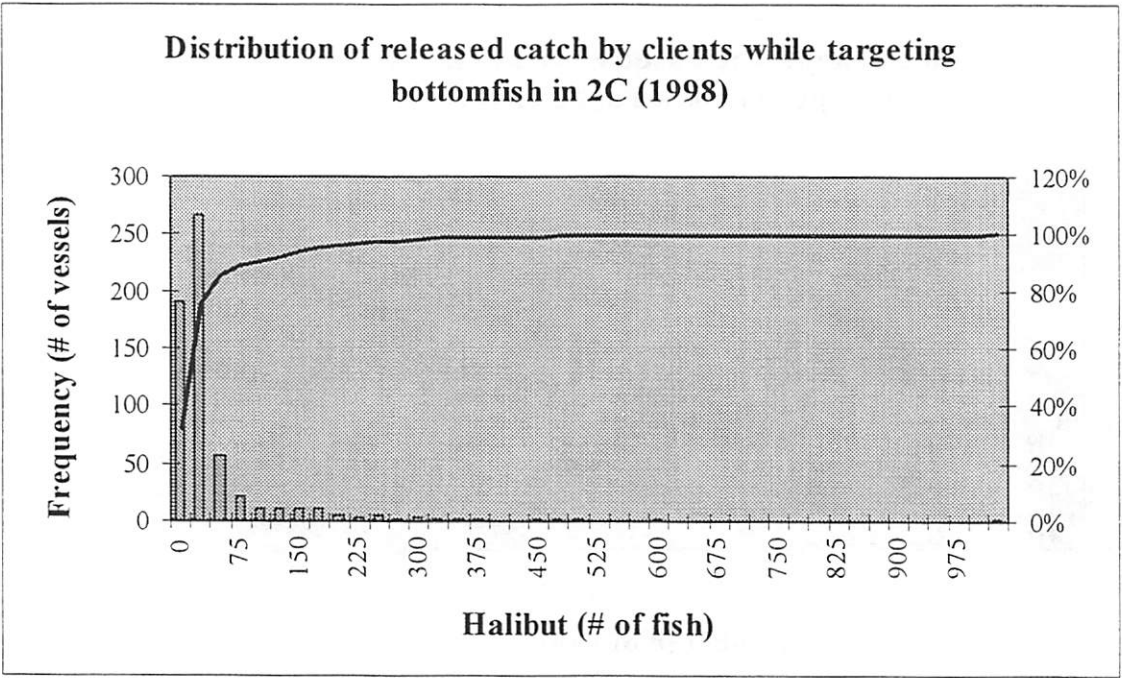


Figure A1-15

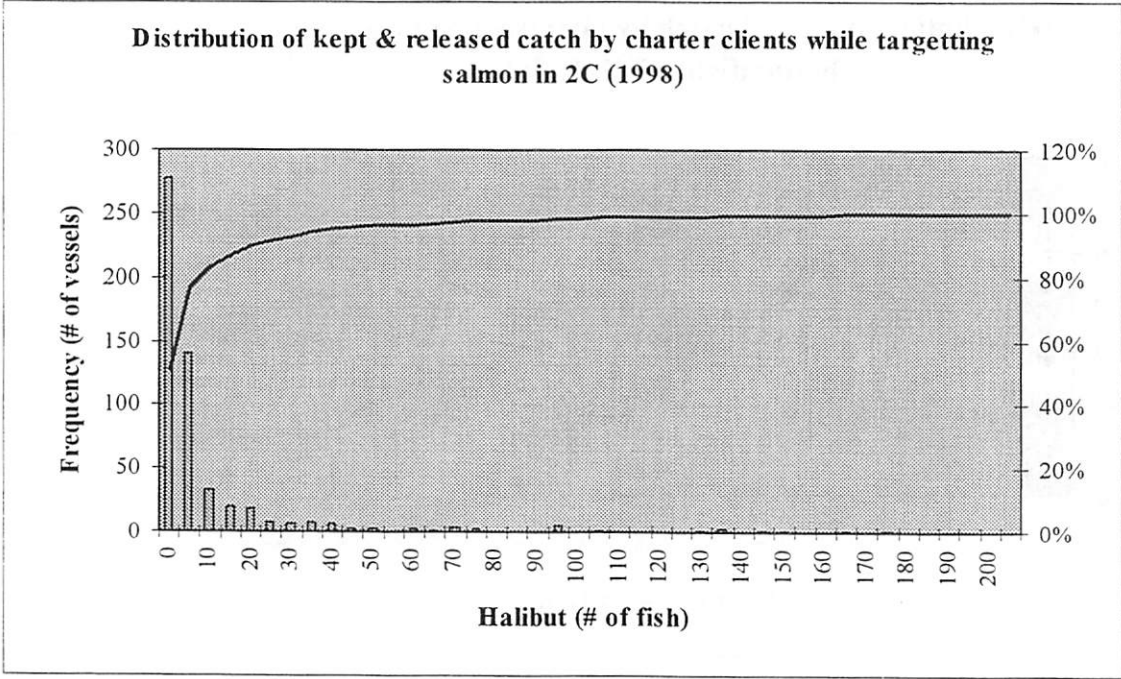


Figure A1-16

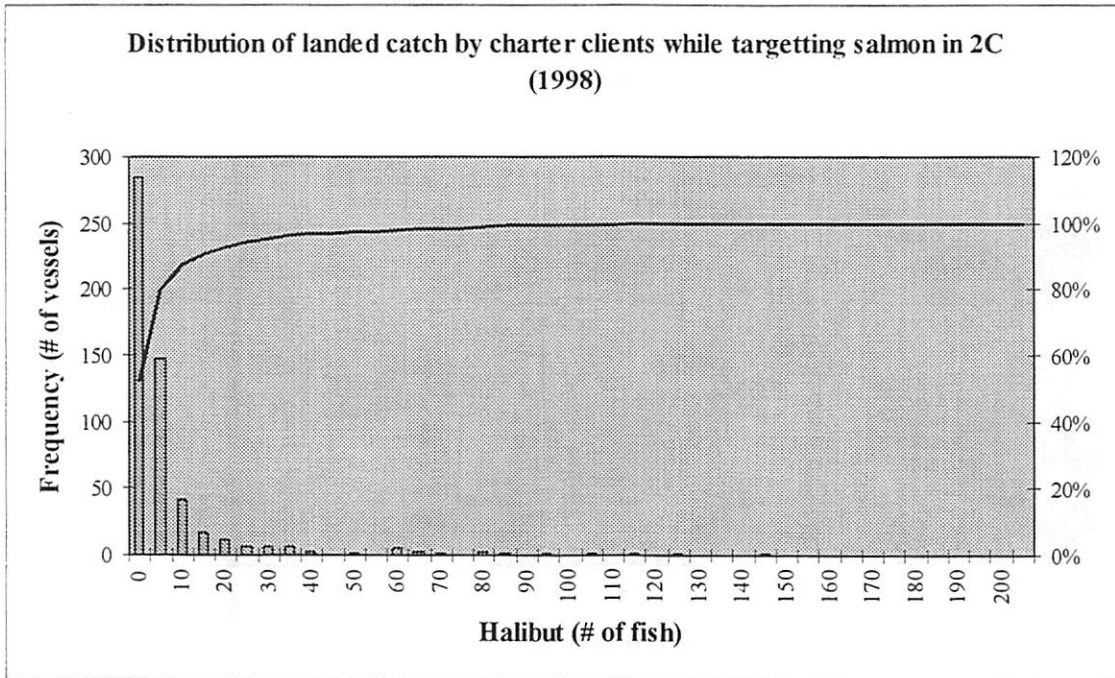


Figure A1-17

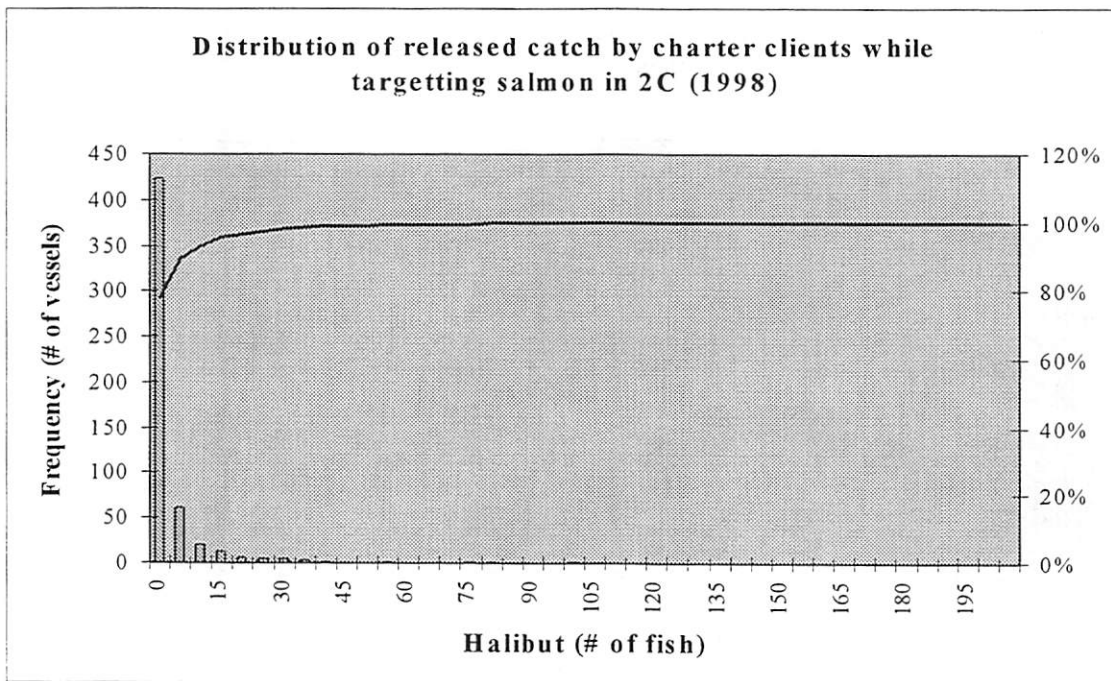


Figure A1-18

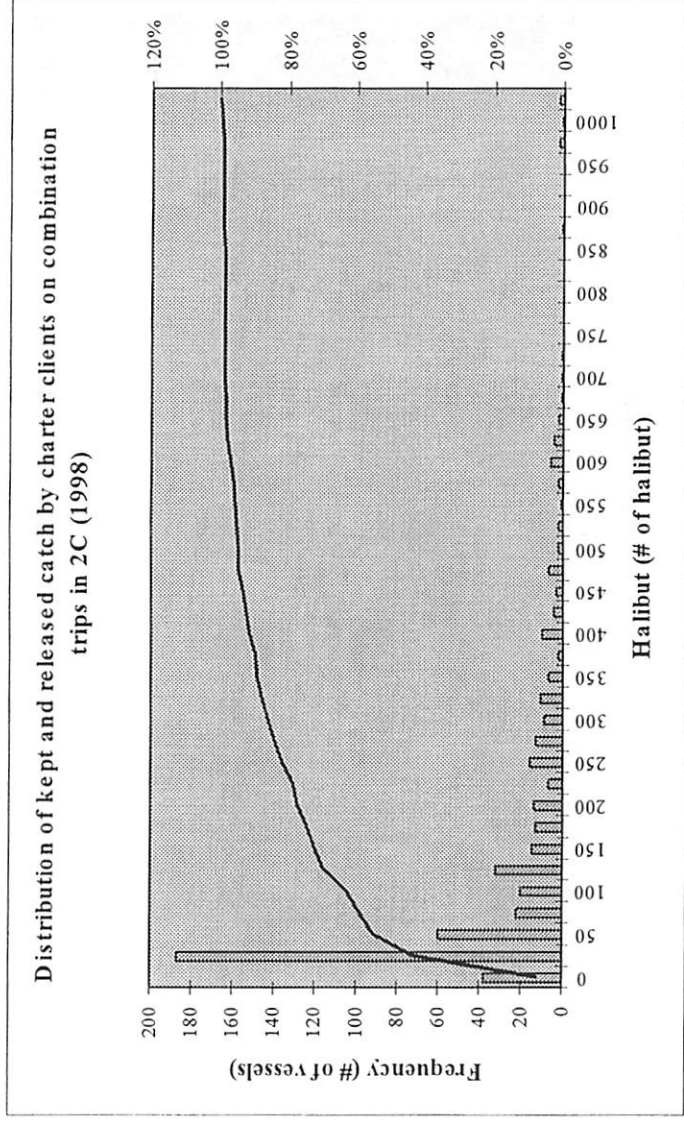


Figure AI-19

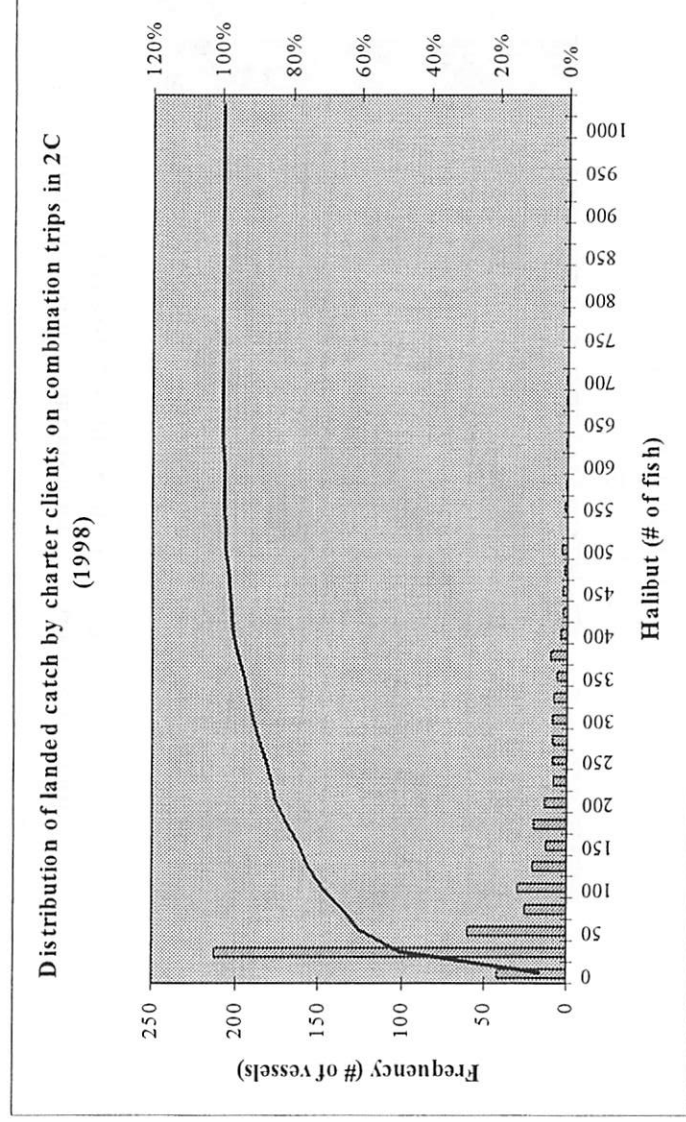


Figure AI-20

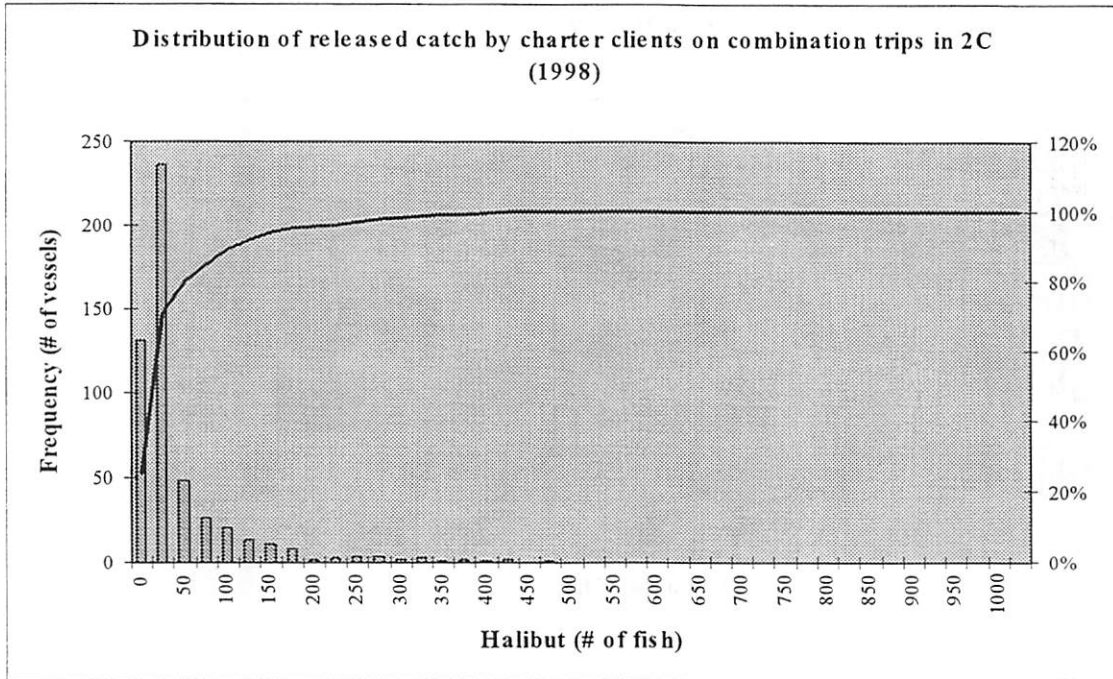


Figure A1-21

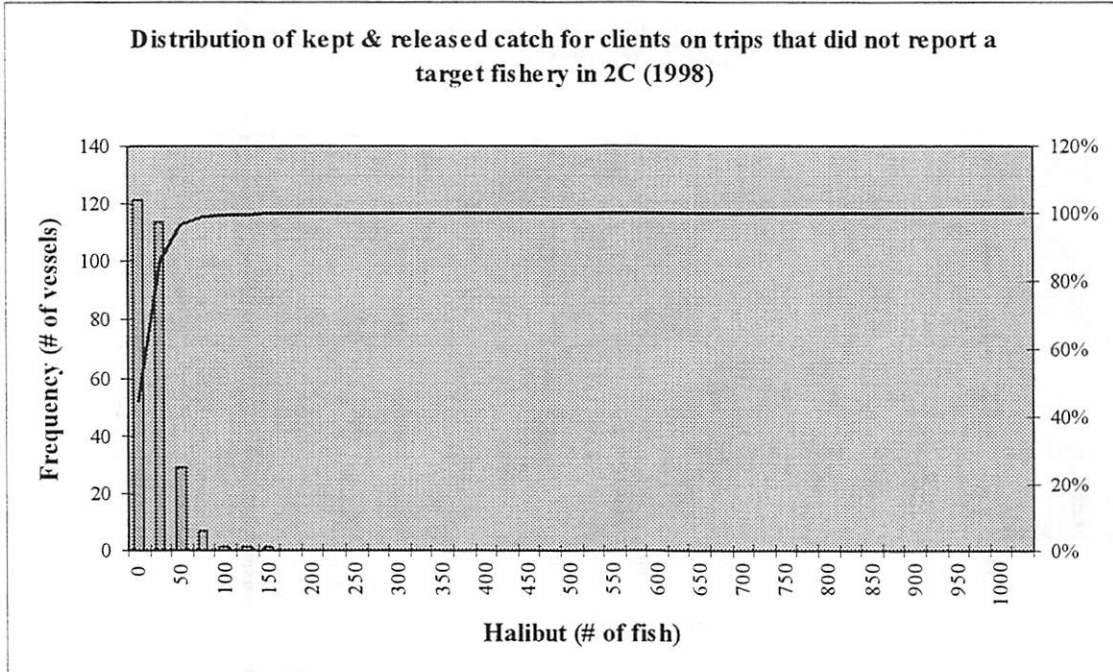


Figure A1-22

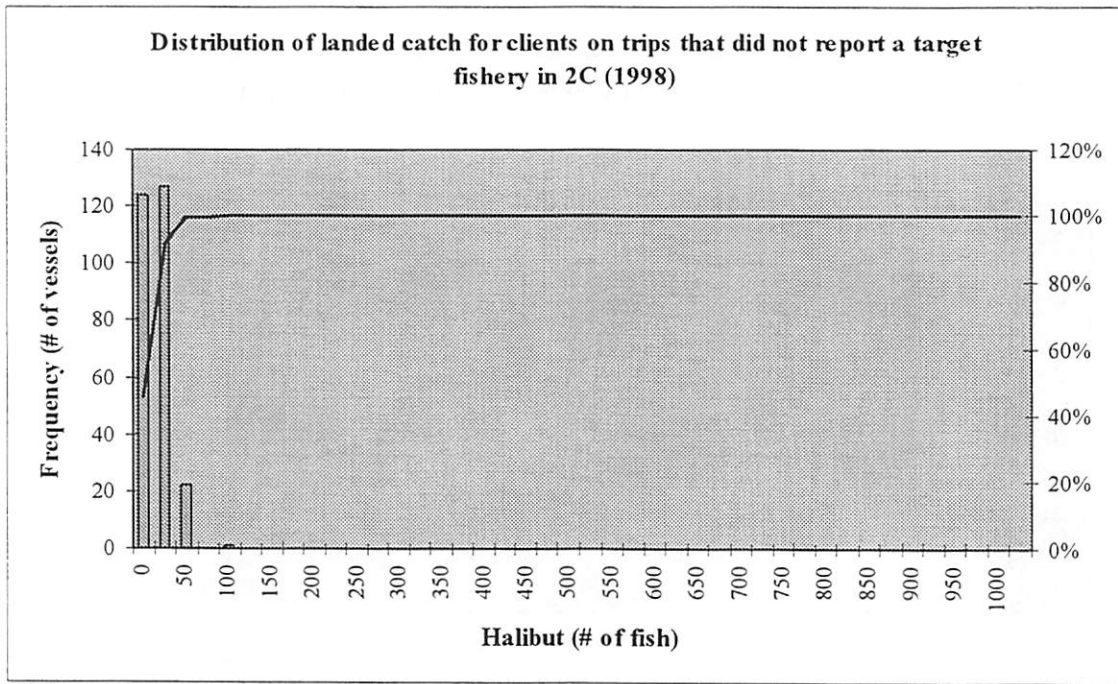


Figure A1-23

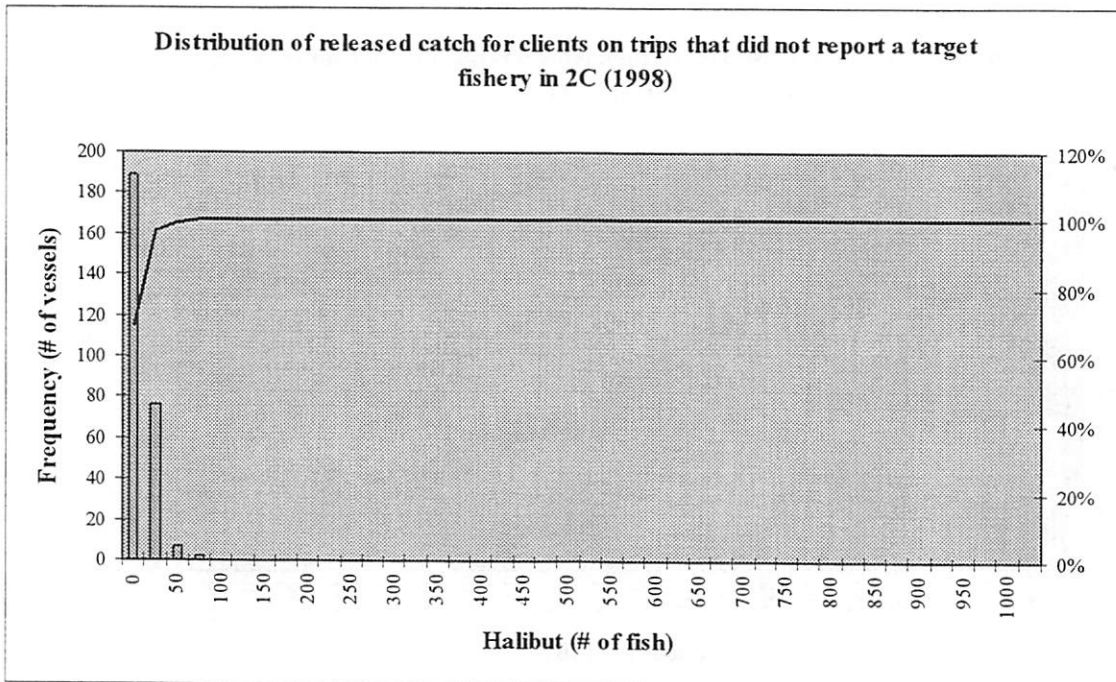


Figure A1-24

Remaining appendices will be available at the Council meeting.

Appendix II - RAM forms

Appendix III - USCG license

Appendix IV - State of Alaska business and guide registration forms

Appendix V - IPHC license

Appendix VI - CFEC license

Appendix VII - IFQ program summary

APPENDIX II

NMFS Restricted Access Division IFQ forms



**QUOTA SHARE
HOLDER:
IDENTIFICATION OF
OWNERSHIP INTEREST**

U.S. Dept. of Commerce/NOAA
National Marine Fisheries Service
Restricted Access Management
P.O. Box 106
Juneau, AK 99802-1668



Quota Share Holder:

BLOCK A - IDENTIFICATION OF QUOTA SHARE HOLDER

1. Is this business a publicly held corporation? Yes No
- 2.a. Is this a corporation or partnership? Yes No
 b. If yes, is this corporation or partnership still active? Yes No
3. Is this an estate that has been probated? Yes No
 If yes, on what date was probate finalized: _____

BLOCK B - IDENTIFICATION OF SHAREHOLDERS, PARTNERS, JOINT VENTURERS, SUCCESSOR-IN-INTEREST
NOTE: IF OWNERSHIP CONSISTS OF SEPARATE/ADDITIONAL CORPORATIONS OR PARTNERSHIPS THE INDIVIDUAL OWNERS OF THOSE ENTITIES AND THE PERCENTAGE OF INTEREST THOSE INDIVIDUALS HOLD IN THEIR RESPECTIVE CORPORATIONS OR PARTNERSHIPS MUST ALSO BE LISTED

1. NAME (Print or Type)	2. ID (SSN or IFQ ID or Tax ID)	Percent (%) of Interest Held
TOTAL OWNERSHIP:		100 %

4. Do these ownership percentages represent the addition of any new owners since Quota Share was initially issued? Yes No

BLOCK C - CERTIFICATION

Under penalty of perjury, I declare that I have examined this form, and to the best of my knowledge and belief, the information I have presented here is true, correct and complete.

1. Signature	2. Date
3. Printed Name	4. Title
5. Signature of Notary Public	6. Affix Notary Stamp or Seal Below
7. Commission Expires	



**APPLICATION FOR QS/IFQ
TRANSFER ELIGIBILITY
CERTIFICATE**

U.S. Dept. of Commerce/NOAA
National Marine Fisheries Service
Restricted Access Management
P.O. Box 21668
Juneau, AK 99802-1668



THIS IS A **TWO PAGE APPLICATION**. THE FIRST PAGE IS FOR THE APPLICANT'S PERSONAL INFORMATION AND NOTARIZED SIGNATURE. PAGE TWO IS FOR THE APPLICANT'S FISHING HISTORY. PLEASE **MAKE COPIES OF PAGE TWO IF MORE SPACE IS NEEDED** TO DOCUMENT THE APPLICANT'S PARTICIPATION OF AT LEAST 150 DAYS IN ANY U.S. COMMERCIAL FISHERY.

BLOCK A - APPLICANT INFORMATION (TYPE OR PRINT)

1. SSN or Tax ID Number:	2. Date of Birth:	3. IFQ ID Number (NMFS use only):
4. Name (Print Legibly):		
5. Permanent Business Address:	6. Address to which you want TEC Documents sent if other than Permanent Address:	
7. Business Phone:	8. Business Fax:	
9. Are you a U.S. citizen, Us Corporation, Partnership, or Association of Business Entity? Yes [] No []		

BLOCK B - FREEZER SHARES

1. Is this TEC intended for an Entity that wishes to buy or lease Category A Quota Shares only?

Check One: Yes [] No []

If Yes, and you are a corporation, partnership or other non-individual entity please complete a Quota Share Holder: Identification of Ownership Interest form.

BLOCK C - NOTARY CERTIFICATION

Under penalties of perjury, I declare that I have examined this application, and to the best of my knowledge and belief, the information presented here is true, correct and complete.

1. Signature of Applicant (or Authorized Agent):	2. Date:
3. Printed Name of Applicant (or Authorized Agent) Note: If this is completed by an agent, attach authorization:	
4. Notary Public (Signature): Attest	6. Affix Notary Stamp or Seal Here:
5. Commission Expires:	

BLOCK D - COMMERCIAL FISHING EXPERIENCE

1. Species (one per block):	2. Gear Type:	3. Location:
4. Date From:	5. Date To:	
6. Number of days spent harvesting fish:		
7. Duties performed while directly involved in the harvesting of fish. BE SPECIFIC:		
8. Vessel Name:	9. ADF&G or Coast Guard Number:	
10. Vessel Owner:	11. Vessel Operator:	
12. Reference Name (person other than yourself):	13. Reference's relationship to you:	
14. Reference's Business Mailing Address:		
15. Reference's Business Phone Number:		

BLOCK E - COMMERCIAL FISHING EXPERIENCE - CONTINUED

1. Species (one per block):	2. Gear:	3. Location:
4. Date From:	5. Date To:	
6. Number of days spent harvesting fish:		
7. Duties performed while directly involved in the harvesting of fish. BE SPECIFIC:		
8. Vessel Name:	9. ADF&G or Coast Guard Number:	
10. Vessel Owner:	11. Vessel Operator:	
12. Reference Name (person other than yourself):	13. Reference's relationship to you:	
14. Reference's Business Mailing Address:		
15. Reference's Business Phone Number:		



**APPLICATION FOR
TRANSFER OF QS/IFQ**

U.S. Dept. of Commerce/NOAA
National Marine Fisheries Service
Restricted Access Management
P.O. Box 21668
Juneau, AK 99802-1668



**NOTE: A Separate Application Must be submitted for each Quota Share or IFQ Transfer.
If you want to make application for a self sweep-up, Please use the Sweep Up Short Form.**

BLOCK A

Does the Transferee (Buyer) hold a Transfer Eligibility Certificate? Yes No

BLOCK B

**YOU MUST CHECK THIS LIST IN ORDER FOR THIS TRANSFER TO BE PROCESSED.
NOTE: FAXED APPLICATIONS ARE NOT ACCEPTABLE. PLEASE SUBMIT ORIGINALS.**

Completed, Signed, and Notarized Application Copy of signed & notarized sales or gift agreement

QS/IFQ Transfer: **SELLERS ORIGINAL** QS Certificate Documentation for Authorized Agent (if applicable)

Sweep Up Transfer: **BUYER'S & SELLER'S ORIGINAL** QS Certificate

Transfer of IFQ (Category "A" Shares, Surviving Spouse Lease): Copy of Permit or QS Certificate

BLOCK C - TRANSFEROR (SELLER)

1. Name:		2. IFQ ID Number:	
Date of Birth:		4. SSN or Tax ID Number:	
5. Permanent Mailing Address:		6. Address you want Transfer Documents sent if other than Permanent Address:	
7. Home Phone:	8. Business Phone:	9. Fax:	

BLOCK D - TRANSFEREE (BUYER)

1. Name:		2. IFQ ID Number:	
3. Date of Birth:		4. SSN or Tax ID Number:	
5. Permanent Mailing Address:		6. Address you want Transfer Documents sent if other than Permanent Address:	

7. Home Phone:	8. Business Phone:	9. Fax:
----------------	--------------------	---------

BLOCK E - QUESTIONS FOR TRANSFEREE (BUYER)

1. Do you request that this QS be included in a **SWEEP UP**, if possible. Yes [] No []

2. If yes, list the identifier on the QS certificate into which this new piece should be combined (Example H-2C-B-B-123,456,789 through H-2C-B-B-123,458,789):

Reminder: For Sweep Up, attach Both the buyer's and seller's original QS certificates to this application.

3. If this is Catcher Vessel CDQ Compensation QS and the vessel category has never been declared, check the one Catcher Vessel Category in which you would like to have your Quota Share issued.

Length Overall: 0 to 35' or 36' to 60' or greater than 60'

Vessel Category: D [] C [] B []

BLOCK F - IDENTIFICATION OF QS AND IFQ TO BE TRANSFERRED
Complete Block F if QS & IFQ are to be transferred together or if you want to transfer QS only.

1. Halibut [] or Sablefish []		2. IFQ Regulatory Area:
3. Vessel Category:	4. Number of QS Units to be transferred:	5. Transferor (Seller) IFQ Permit Number:
6. Numbered To and From (Serial Numbers are shown on the Quota Share Certificate):		
7. Do you want all remaining pounds for the current fishing year transferred? Yes [] No []		
If no, Specify the number of pounds to be transferred: _____		
-Pounds transferred will include any overage and is non-negotiable.		
-Pounds transferred will include any underage UNLESS OTHERWISE INSTRUCTED		

BLOCK G - TRANSFER OF IFQ ONLY
Complete this Block if you want to Transfer IFQ Only (Applies only to Category "A" & Surviving Spouse IFQ)

1. Halibut [] or Sablefish []	2. IFQ Regulatory Area:	3. Number of Units:
4. Numbered To and From (Serial Numbers are shown on the Quota Share Certificate):		

5. Actual Number of IFQ Pounds:

6. Transferor (Seller) IFQ Permit Number:

7. Fishing Year: 19_____

**REQUIRED SUPPLEMENTAL INFORMATION
YOUR APPLICATION WILL NOT BE PROCESSED UNLESS YOU PROVIDE THE FOLLOWING INFORMATION**

BLOCK H - TO BE COMPLETED BY THE TRANSFEROR

1. Is there a broker being used for this transaction? Yes No

If yes, how much is being paid in brokerage fees? \$ _____ or _____ % of total price.

2. What is the total amount being paid for the QS/IFQ in this transaction, including all fees?

3. Give both the price per unit of QS and the price per pound of IFQ.

\$ _____ /Unit of QS \$ _____ # of IFQ
(Price divided by QS Units) (Price divided by IFQ pounds)

4. What are your reasons for transferring the QS/IFQ? (check all that apply)

- | | | | | | |
|-------------------------------|--------------------------|--------------------------|--------------------------|-------------------------|--------------------------|
| Retirement from Fisheries | <input type="checkbox"/> | Shares too small to fish | <input type="checkbox"/> | Consolidation of shares | <input type="checkbox"/> |
| Pursue non-fishing activities | <input type="checkbox"/> | Trading Shares | <input type="checkbox"/> | Other (explain) | <input type="checkbox"/> |
| Health Problems | <input type="checkbox"/> | Enter other Fisheries | <input type="checkbox"/> | | |

BLOCK I - TO BE COMPLETED BY THE transferee

1. Will the QS/IFQ being purchased have a lien attached? Yes No

If Yes, Name of Lien Holder _____

2. What is the primary source of financing for this transfer (check one)?

- | | | | | | |
|---------------------------|--------------------------|---------------------------|--------------------------|--------------------|--------------------------|
| Personal Resources (cash) | <input type="checkbox"/> | AK Com. Fish & Ag. Bank | <input type="checkbox"/> | Received as a Gift | <input type="checkbox"/> |
| Private Bank/Credit Union | <input type="checkbox"/> | Transferor/Seller | <input type="checkbox"/> | NMFS Loan Program | <input type="checkbox"/> |
| Alaska Dept. Of Commerce | <input type="checkbox"/> | Processor/Fishing Company | <input type="checkbox"/> | Other (explain) | <input type="checkbox"/> |

3. How was the QS/IFQ located (check all that apply)?

- | | | | | | |
|-----------------------------|--------------------------|---------------------|--------------------------|-----------------|--------------------------|
| Relative/Personal Friend | <input type="checkbox"/> | Casual Acquaintance | <input type="checkbox"/> | Other (explain) | <input type="checkbox"/> |
| Advertisement/Public Notice | <input type="checkbox"/> | Broker | <input type="checkbox"/> | | |

4. What is the Buyer's relationship to the QS/IFQ Holder (check all that apply)?

No Relationship Business Partner Other (explain)
Family Member Friend

5. Is there an agreement to return the QS or IFQ to the Transferor (seller), or any other person, or a condition placed on resale? Yes No

If yes, please explain:

NOTE: This Application for Transfer must be completed, signed and notarized by both parties. Failure to have signatures properly notarized will result in delays in the processing of this Application.

BLOCK J - TRANSFEROR (SELLER)

Under penalties of perjury, I declare that I have examined this application, and to the best of my knowledge and belief, the information presented here is true, correct and complete.

1. Signature of Transferor (Seller) or Authorized Agent:

2. Date:

3. Printed Name Transferor (Seller) (or Authorized Agent) Note: If this is completed by an agent, attach authorization:

4. Notary Public: **ATTEST**

5. Affix Notary Stamp or Seal Here:

6. Commission Expires:

BLOCK K - TRANSFEREE (BUYER)

Under penalties of perjury, I declare that I have examined this application, and to the best of my knowledge and belief, the information presented here is true, correct and complete.

1. Signature Transferee (Buyer) or Authorized Agent:

2. Date:

3. Printed Name Transferee (Buyer) (or Authorized Agent) Note: If this is completed by an agent, attach authorization:

4. Notary Public: **ATTEST**

5. Affix Notary Stamp or Seal Here:

5. Commission Expires:



**APPLICATION FOR
TRANSFER OF QS/IFQ BY
"SWEEP-UP" - (SHORT FORM)**

U.S. Dept. of Commerce/NOAA
National Marine Fisheries Service
Restricted Access Management
P.O. Box 21668
Juneau, AK 99802-1668



BLOCK A- INSTRUCTIONS

BLOCK B- SWEEP UP LIMITS

To complete a "Self Sweep-Up" (i.e., to combine two blocks that you currently hold), use this form instead of the standard Application for Transfer Form. In the space provided, identify yourself and the blocks of QS you wish to combine. Sign and date the application in the presence of a Notary Public, **attach both original QS Certificates**, and submit to RAM. **NOTE:** To be combined, QS must be in the same **Vessel Category**, and the resulting block size must not exceed the **Sweep Up Limits** (see block B).

Halibut		Sablefish	
<u>Area</u>	<u>Quota Share</u>	<u>Area</u>	<u>Quota Share</u>
2C	<u>Units</u>	SE	<u>Units</u>
3A	19,992	WY	33,270
3B	27,912	CG	43,390
4A	44,193	WG	46,055
4B	22,947	AI	48,410
4C	15,087	BS	99,210
4D	30,930		91,275
	26,082		

BLOCK C- APPLICANT INFORMATION (Type or Print legibly)

1. Name:		2. SSN or Tax ID Number:	
3. Permanent Address:		4. Address to which you want Self-Sweep up documents sent if other than Permanent Address:	
5. Date of Birth:		6. IFQ ID Number:	
7. Home Phone:	8. Business Phone:	9. Fax:	

BLOCK D- First QUOTA SHARE BLOCK

1. Halibut <input type="checkbox"/> or Sablefish <input type="checkbox"/>	2. IFQ Regulatory Area:
3. Vessel Category:	4. Number of QS Units to be swept up:
5. Numbered From:	6. Numbered To:

BLOCK E- Second QUOTA SHARE BLOCK

1. Halibut <input type="checkbox"/> or Sablefish <input type="checkbox"/>	2. IFQ Regulatory Area:
3. Vessel Category:	4. Number of QS Units to be swept up:
5. Numbered From:	6. Numbered To:

BLOCK F- CERTIFICATION OF NOTARY AND APPLICANT

Under penalty of perjury, I declare that I have examined this application, and to the best of my knowledge and belief, the information presented hereon is true, correct and complete.

1. Signature of QS holder (or authorized agent):	2. Date:
3. Printed Name of QS holder (or authorized agent). Note: If this is completed by an agent, attach authorization:	
4. Notary Public (Signature): ATTEST	6. Affix Notary Stamp or Seal Here:
5. Commission Expires:	

Please mail completed application to **NMFS Alaska Region, Restricted Access Management, P.O. Box 21668, Juneau, AK 99802-1668**. If you need additional information, contact RAM at 1-800-304-4846 or 907-586-7202. **Please allow at least ten working days for your application to be processed.** Items will be sent by first class mail, unless you provide alternate instructions *and* include a prepaid mailer with appropriate postage or corporate account number for express delivery.

Privacy Act Statement: Federal regulations (at 50 CFR Part 679) authorize collection of this information. This information is used to verify the identity of the applicant(s) and to accurately retrieve confidential records related to federal commercial fishery permits. Where the requested information is your Social Security Number (SSN), disclosure is voluntary; in the event it is not provided, NMFS will assign a unique code that will identify your records.

PUBLIC REPORTING BURDEN STATEMENT

Public reporting burden for this collection of information is estimated to average [0.2 hours] per response, including the time for reviewing the instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing the burden, to Assistant Regional Administrator, Sustainable Fisheries Division, NOAA National Marine Fisheries Service, P.O. Box 21668, Juneau, AK 99802.

ADDITIONAL INFORMATION

Before completing this form please note the following: 1) Notwithstanding any other provision of law, no person is required to respond to, nor shall any person be subject to a penalty for failure to comply with, a collection of information subject to the requirements of the Paperwork Reduction Act, unless that collection of information displays a currently valid OMB Control Number; 2) This information is mandatory and is required to manage commercial fishing efforts under 50 CFR part 679 and under section 402(a) of the Magnuson-Stevens Act (16 U.S.C. 1801, et seq.); 3) Responses to this information request are confidential under section 402(b) of the Magnuson-Stevens Act (16 U.S.C. 1801, et seq.). They are also confidential under NOAA Administrative Order 216-100, which sets forth procedures to protect confidentiality of fishery statistics. These procedures have been implemented under the NMFS Operations Manual entitled, "Data Security Handbook for the Northwest-Alaska Region National Marine Fisheries Service."



APPLICATION FOR REPLACEMENT OF CERTIFICATES, PERMITS, OR CARDS

U.S. Dept. of Commerce/NOAA
National Marine Fisheries Service
Restricted Access Management
Alaska Region
P.O. Box 21668
Juneau, Alaska 99802-1668



BLOCK A - IDENTIFICATION OF APPLICANT

1. Name of Applicant _____	2. NMFS I.D. Number _____
3. Date of Birth _____	4. Social Security or Tax ID Number _____
5. Business Address <input type="checkbox"/> Permanent <input type="checkbox"/> Temporary _____	
6. Business Phone Number _____	7. Business Fax Number _____

BLOCK B - REPLACEMENT REQUEST (Check only the items that Apply)

1. _____	QS CERTIFICATE: UNITS _____ AREA _____ SPECIES _____ VESSEL CATEGORY _____
a. IF REQUESTING A QS CERTIFICATE, PLEASE INDICATE IF IT IS FOR A PENDING TRANSFER. <input type="checkbox"/> Yes <input type="checkbox"/> No	
2. _____	IFQ FISHING PERMIT: PERMIT NO. _____ SPECIES _____
3. _____	IFQ/CDQ LANDING CARD: PERMIT NO. _____ SPECIES _____
4. _____	TRANSFER ELIGIBILITY CERTIFICATE (TEC): IFQ I.D. NO. _____
5. _____	HIRED SKIPPER CARD: PERMIT NO. _____ SKIPPER NAME _____ SKIPPER IFQ ID _____
6. _____	REGISTERED BUYER PERMIT: PERMIT NUMBER _____
7. _____	FEDERAL FISHERIES/PROCESSOR PERMIT: PERMIT NUMBER _____ VESSEL ADF&G _____
8. _____	FEDERAL SCALLOP MORATORIUM PERMIT: PERMIT NUMBER _____ VESSEL ADF&G _____
9. _____	LICENSE LIMITATION: LICENSE NUMBER _____ ID NUMBER _____ VESSEL ADF&G _____
10. _____	AMERICAN FISHERIES ACT PERMIT: AFA PERMIT NUMBER _____ USCG _____

BLOCK C - REASON FOR REPLACEMENT REQUEST

Lost Destroyed Stolen Other (explain) _____

BLOCK D - CERTIFICATION OF APPLICANT AND NOTARY

Under penalties of perjury, I hereby declare that I, the undersigned, completed this application, and the information contained herein is true, correct, and complete to the best of my knowledge and belief.

1. Signature of Applicant or Authorized Agent _____	Date _____
2. Printed Name of Applicant or Authorized Agent _____	
3. Notary Public _____	ATTEST
Notary Commission Expiration Date _____	Affix Notary Stamp or Seal

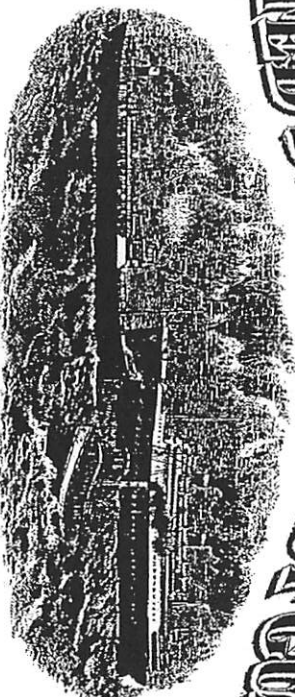
APPENDIX III

USCG license

SERIAL NUMBER

ISSUE NUMBER

UNITED STATES COAST GUARD



NO U.S. MERCHANT MARINE OFFICER

This is hereby stated *** YOUR NAME HERE ***

having been duly examined and found competent by the undersigned, is licensed to serve as OPERATOR OF UNINSPECTED PASSENGER VESSELS AS DEFINED IN 46 U.S.C. 2101 (42) UPON NEAR COASTAL WATERS NOT TO EXCEED 100 MILES OFFSHORE.

This license expires on the 12th day of June, 2005

For the term of years from this date.
12TH JUNE XX 2000
Given under my hand this _____ day of _____, 19____

JUNEAU, AK

G. P. ROSENKOPF, BY DIRECTION

Port _____
Officer in Charge of Marine Inspection

APPENDIX IV

State of Alaska business and guide registration forms



State of Alaska
 Department of Fish and Game
 Division of Sport Fish
 333 Raspberry Road
 Anchorage, Alaska 99518-1599

BUSINESS Registration for Sport Fishing 2000

No. 2000-B-

For more information, contact:
Policy & Technical Services
 (907) 267-2369 • Fax (907) 267-2422

IMPORTANT

State regulation (5 AAC 75.075) requires that all businesses providing sport fishing guide services in Alaska register annually with the Department of Fish and Game before guiding. **Keep either the pink copy of the validated form or the wallet-sized card in your possession while guiding.** As proof of your valid registration, a wallet-sized card will be mailed to your permanent address (unless you indicate otherwise on the form). **Registered fishing guides must also have in their possession a photocopy of the validated registration of the business that employs them.** **NOTE:** There may be requirements by other state and federal agencies to operate as a guide in Alaska.

PLEASE PRINT: Incomplete or unreadable forms will delay your registration!

To register a BUSINESS:

ONLY the business owner or an authorized agent of the business owner should fill out this form. A business should register only ONCE for 2000.

Name of Business: _____	
Permanent Mailing Address: Street or P.O. Box _____ City _____ State _____ Zip _____ Country _____	Inseason Mailing Address: <input type="checkbox"/> SEND THE WALLET-SIZED CARD TO THIS ADDRESS Street or P.O. Box _____ City _____ State _____ Zip _____ Country _____
Telephone Number: _____	Inseason Telephone Number: _____
Name of Business Owner or Permanent Contact Person: Last Name/Surname _____ First Name _____ MI _____	Inseason Contact Person: Last Name/Surname _____ First Name _____ MI _____
Alaska Business License Number _____	Last Name/Surname _____ First Name _____ MI _____

About your business: where do you provide fishing services?

If **SALTWATER**, where? Southcentral (Cook Inlet, PWS, Kodiak) Number of vessels _____
 Southeast/Yakutat Number of vessels _____
 Other _____ Number of vessels _____

You must obtain a logbook for each active saltwater vessel

If **FRESHWATER**, where? Arctic/Yukon/Upper Kuskokwim Bristol Bay/Lower Kuskokwim Cook Inlet/Kenai/Mat-Su
 Kodiak/Alaska Peninsula/Aleutians Prince William Sound/Upper Copper-Upper Susitna Southeast Area

About your business: what fishing services do you provide?

The following information is **optional**. Please check all boxes that apply:

<input type="checkbox"/> Saltwater Fishing Charter	<input type="checkbox"/> Rental equipment: _____
<input type="checkbox"/> Full service guiding	<input type="checkbox"/> Other: _____
<input type="checkbox"/> Tent/Cabin camps	<input type="checkbox"/> Other: _____
<input type="checkbox"/> Drop-off service	<input type="checkbox"/> Specialty (specify): _____
<input type="checkbox"/> Lodge/Resort: Specify physical location (e.g. Lake Clark) _____	

SIGNATURE OF OWNER/AGENT:

I hereby certify that all information is true and correct and that I understand this information is subject to public disclosure.

X

Date: _____

For Department Use Only: This form must be signed by an ADF&G representative to be valid.

Name of ADF&G Representative _____ Place of Issue: _____
 Signature _____ Date: _____



State of Alaska
 Department of Fish and Game
 Division of Sport Fish
 333 Raspberry Road
 Anchorage, Alaska 99518-1599

GUIDE Registration for Sport Fishing 2000

No. 2000-G-

For more information, contact:
Policy & Technical Services
 (907) 267-2369 • Fax (907) 267-2422

IMPORTANT

State regulation (5 AAC 75.075) requires that all individuals providing sport fishing guide services in Alaska register annually with the Department of Fish and Game before guiding. **Keep the pink copy of the validated form in your possession while guiding.** As proof of your valid registration, a wallet-sized card will be mailed to your permanent address (unless you indicate otherwise on the form). **Registered fishing guides must also have in their possession a photocopy of the validated registration of the business that employs them.** **NOTE:** There may be requirements by other state and federal agencies to operate as a guide in Alaska.

PLEASE PRINT: Incomplete or unreadable forms will delay your registration!

To register yourself as a GUIDE:

A guide should register only ONCE for 2000. Receipt of duplicate registrations will delay your registration.

Name of Guide: <hr/> Last Name/Surname First Name MI <hr/> Permanent Mailing Address: <hr/> Street or P.O. Box <hr/> City State Zip Country <hr/> Telephone Number:	Guide's Driver's License Number and State: _____ <hr/> Inseason Mailing Address: <input type="checkbox"/> SEND THE WALLET-SIZE CARD TO THIS ADDRESS <hr/> Street or P.O. Box <hr/> City State Zip Country <hr/> Inseason Telephone Number: _____ <hr/> SIGNATURE OF GUIDE/AGENT Date: _____ X
--	---

For Department Use Only: This form must be signed by an ADF&G representative to be valid.

Name of ADF&G Representative _____	Place of Issue: _____
Signature _____	Date: _____

SPORT FISHING GUIDE REGISTRATION

No 11277

A copy of this form must be in the possession of all guides employed by the business when they are guiding clients

Alaska Department of Fish and Game, Division of Sport Fish
P.O. Box 111100, Anchorage, Alaska 99511-1100

Beginning in May 1995, the owner of any business engaged in sport fishing guiding anywhere in Alaska is required to register annually with the Alaska Department of Fish and Game before the owner, or any employee working as a sport fishing guide for the owner, conducts sport fishing guiding activities. Sport fish "guiding" means to assist another person in the taking of fish or shellfish under sport, personal use, or subsistence fishing regulations with the intent of receiving monetary or material remuneration for services, by accompanying and directing that person personally for the duration, or any portion, of a fishing trip. "Guiding" does not include a person who provides only transportation services or rents a vessel or skiff without an operator.

Year 19 Saltwater Freshwater Both

Business Information:

Name of Business: _____
 Business Owners: _____

Permanent Address: _____ Local Address (if different): _____

Permanent Telephone Number (____) ____ - _____ Local Telephone Number (____) ____ - _____

Employees Acting as Sport Fishing Guides for the Business:

Name: _____ Permanent Mailing Address: _____ _____ _____ Telephone Number: (____) ____ - _____	Name: _____ Permanent Mailing Address: _____ _____ _____ Telephone Number: (____) ____ - _____
Name: _____ Permanent Mailing Address: _____ _____ _____ Telephone Number: (____) ____ - _____	Name: _____ Permanent Mailing Address: _____ _____ _____ Telephone Number: (____) ____ - _____
Name: _____ Permanent Mailing Address: _____ _____ _____ Telephone Number: (____) ____ - _____	Name: _____ Permanent Mailing Address: _____ _____ _____ Telephone Number: (____) ____ - _____

(continue on separate form if needed)

Charter Vessels Used for Guiding in Saltwater:		Vessels Used for Guiding in Freshwater:	
<u>ADF&G Number</u>	<u>Vessel Port in Alaska</u>	<u>ADF&G Number</u>	<u>ADF&G Number</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

(continue on separate form if needed)

Areas Where Business Intends to Operate (refer to map for codes):

Owner's or Agent's Signature _____	Date _____	Department Representative _____	Date _____
Original (White) to Business; Yellow and Pink to ADF&G, Division of Sport Fish		Area Office: _____	

APPENDIX V

IPHC license

COMMISSIONERS:

ROD J. BEAMISH
VALMO, B.C.
BOB BEST
COMOX, B.C.
RALPH G. HOARD
SEATTLE, WA
KRIS NOROSZ
PETERSBURG, AK
STEVEN PENNOVER
JUNEAU, AK
BRIAN VAN DORP
RICHMOND, B.C.

INTERNATIONAL PACIFIC HALIBUT COMMISSION

ESTABLISHED BY A CONVENTION BETWEEN CANADA
AND THE UNITED STATES OF AMERICA

DIRECTOR
DONALD A. MCCALGHRAN

P.O. BOX 95009
SEATTLE, WA 98145-2009

TELEPHONE
(206) 634-1838

FAX
(206) 632-2963

1996 Season

LICENSING PROCEDURES

The following procedures are followed by the Commission when issuing licenses. This list is intended to explain procedures and assist fishermen in obtaining licenses in a timely fashion.

1. The Commission licenses vessels, not individual fishermen.
2. Pre-printed applications are prepared in January/February. If a commercial vessel made at least one halibut landing in the previous year, the computer will prepare a pre-printed application with the prior years information, it will also show in which area the license will be used. All sport charter vessels will be sent a pre-printed application form from the previous years information.
3. If you do not receive your pre-printed application by March, you may request one by calling the Commission at (206) 634-1838. In some instances forms can be obtained from local or state agencies. When filling out applications, write legibly and provide all pertinent information (i.e. document or registration number, ADF&G number, etc.). Also, if you address changed during the year please let us know.
4. Completed applications should be mailed to LP.H.C., PO Box 95009, Seattle, WA 98145-2009. Applications can also be faxed to the Commission at (206) 632-2983. Please note the actual license cannot be faxed back.
5. Once an "Application for Vessel License" is received, it is dated, edited, and entered into the computer. Unsigned or incomplete applications are returned to the sender for missing information. Processing usually takes about 24 hours. License applications received by noon will be processed by 3 p.m. the following business day. Licenses are not issued the same day as received. Also, as previously noted, licenses cannot be faxed.
6. Licenses and other pertinent information will be sent by first class mail, beginning in February. The license will be sent to the person signing the application unless other instructions are specified with the application.
7. If the license is to be held for pick-up, it must be noted at the time of application. Also, the person picking up the license needs to know the name of the vessel and captain so that the correct license is released to the right person. Please call first.
8. To speed delivery of the license a pre-paid self-addressed Express Mail Envelope obtained from the Post Office may be enclosed with the license application.

The procedures outlined above are designed to get your individual license to you in the quickest way possible. If you have any comments or questions or need help completing an application please call (206) 634-1838.

INTERNATIONAL PACIFIC HALIBUT COMMISSION

INSTRUCTIONS FOR COMPLETING LICENSE APPLICATION FOR BRITISH COLUMBIA (AREA 2B) OR ALASKA (Areas 2C, 3A, 3B, 4)

The license application form must be fully completed to receive a halibut fishing license.
INCOMPLETE FORMS WILL BE RETURNED TO THE APPLICANT.

The following entries must be completed as specified:

VESSEL ACTIVITY: Check "Commercial" if catch is to be sold. Check "Sport Charter" if vessel is for hire and includes a hired operator for use in the sport fishery. You must check at least one activity to complete your application.

OFFICIAL NUMBER: Enter the Document or Registration for U.S. vessels and the M.O.T. number for Canadian vessels.

OVERALL LENGTH: The horizontal distance between the foremost part of the stern and the aftermost part of the stern (excluding bowsprits, rudders, outboard motor brackets, and similar fittings or attachments).

GROSS TONS, NET TONS, YEAR BUILT: Gross tons, net tons, and year built as shown on the certificate when the official number was assigned.

HOME PORT: Enter your vessels primary marine port of operations.

NUMBER IN CREW: Enter the number of crew members, including the Captain, usually on board while halibut fishing.

FISHING VESSEL PLATE NUMBERS: List all license numbers, assigned to the vessel by state or federal agencies, under which halibut are sold. You must enter at least one agency license.

COMMERCIAL FISHING GEAR: Check the principal gear to be used for halibut fishing.

CAPTAIN OR OWNER'S SIGNATURE: The application must be signed.

SPECIAL NOTICE

1. Vessels bearing a valid Halibut Commission license must also possess all federal, state or Canadian license required for the waters in which they intend to fish.
2. The halibut license number assigned will be the same as the official number provided on the license application.
3. The halibut license must be carried on the vessel and be available for inspection while the vessel is engaged in the halibut fishery.
4. Licenses will be mailed to the person signing this application unless otherwise requested.

INTERNATIONAL PACIFIC HALIBUT COMMISSION

Application for Vessel License for the 19____ Halibut Fishery

CHECK ONLY ONE AREA: British Columbia (Area 2B) Alaska (Areas 2C, 3A, 3B, 4)

Activity: Commercial _____ Sport Charter _____
 Vessel Name _____ Official Number _____
 Overall Length _____ Gross Tons _____ Net Tons _____ Year Built _____
 Home Port _____ Number in Crew _____

Vessel Captains

Last Name	First Name	Initial	
_____	_____	_____	
Last Name	First Name	Initial	
_____	_____	_____	
Mailing Address			
_____	_____	_____	
City	State	Zip Code	Telephone
_____	_____	_____	_____

Vessel Owners (complete only if different from Captain)

Last Name	First Name	Initial	
_____	_____	_____	
Last Name	First Name	Initial	
_____	_____	_____	
Mailing Address			
_____	_____	_____	
City	State	Zip Code	Telephone
_____	_____	_____	_____

Fishing Vessel Plate Numbers		Commercial Fishing Gear
Tribal _____	_____	Type of Longline Gear Used:
Alaska (ADF&G) _____	_____	Fixed Hook _____ Snap _____
British Columbia (CFV) _____	_____	Automated _____ Tub _____
Washington (WDF) _____	_____	Other:
Oregon (ODFW) _____	_____	Hand Line _____ Troll _____
California (CFG) _____	_____	

I declare that the above information is true to the best of my knowledge and understand that any false statements may invalidate the IPHC vessel license.

Captain or Owner's Signature _____ Application Date _____

Mail To: PO Box 95009, Seattle, WA 98145-2009 or application may be faxed (206) 632-2983
 Telephone: (206) 634-1838 Rev. 1/96

APPENDIX VI

CFEC license

ALASKA COMMERCIAL FISHERIES ENTRY COMMISSION

File No.

8800 Glacier Highway, #109, Juneau, AK 99801

2000 Sport Vessel License

(907) 789-6150 www.cfec.state.ak.us

(Application for Charter/Guided Sport Fishing Vessels)

Instructions: Vessels used for charter/guided sport fishing activities in Alaska must be licensed by completing this form. If vessel is also used for commercial fishing a 2000 Commercial Vessel License application must also be submitted, but only one fee is required for each vessel. Fee categories based on overall length are shown below. The owner or authorized agent must sign the certification in Part C. If not sure of the vessel's ADF&G number, or if it has ever been assigned one, please complete Part D on the back of this page. Please provide the USCG documentation or registration number, and hull identification number. If sufficient information to properly identify the vessel is not provided issuance of the license will be delayed. See the back of this page for information.

Fee Categories: **A - \$20** **B - \$50** **C - \$100** **D - \$250** **E - \$500** **F - \$750**
 (overall length) 25' and under over 25' - 50' over 50' - 75' over 75' - 150' over 150' - 250' over 250'

Part A: Legal Owner of Vessel - Name and Address

Name of Legal Owner of Vessel _____			Temporary Mailing Address for this license (if different) _____		
Permanent Mailing Address - Street or P.O. Box _____			Street or Box _____		
City _____	State _____	Zip _____	City _____	State _____	Zip _____
Social Security Number (or Bus license #, if company-owned) _____		Birthdate _____	Contact Person (if company-owned) _____		Telephone (if unlisted, check here) _____

Part B: Vessel Information

(If not sure of vessel's ADF&G number, or if it has ever had one, complete Part D on the other side of this form)

1) Vessel Built In: USA Canada Other _____
 (please specify)

2) ADF&G Number (if known) _____

3) Vessel Name _____

4) U.S. Coast Guard Doc. or Reg. Number _____

5) Year Built _____ 6) Overall Length _____

7) Vessel Make/Model _____

8) Gross Tonnage _____ 9) Net Tonnage _____

10) Homeport (city/state) _____

11) Engine Type: (circle one) G - gas D - diesel

12) Horsepower _____ 13) Estimated Vessel Value \$ _____
 (as presently equipped)

14) Hull Construction: (circle one)
 A - aluminum F - fiberglass/plastic W - wood
 K - concrete S - iron / steel alloy R - rubber

15) Hull Identification Number _____
 (12 alpha-numeric characters on lower right outboard side of transom above water line)

16) Hold Capacity _____ Live Tank Capacity _____
 cu. ft. cu. ft.

17) Fuel Capacity _____ (gal.)

18) Refrigeration: yes no (circle one)

19) Freezing Capability on Vessel: yes no (circle one)

20) Areas of Operation - Circle ONLY the specific areas in which this vessel will be used for sport fish charter during 2000:

- | | | |
|---|---|-------------------------------------|
| Southeast
(Fresh & Saltwater) | Southcentral
(Saltwater Only) | Interior |
| 1. Ketchikan area | 9. Pr Wm Sd / Copper River Flats | 29. Kuskokwim River |
| 2. Prince of Wales Is. | 10. North Gulf Coast | 30. Seward Peninsula / Norton Sound |
| 3. Kake / Petersburg / Wrangell areas | 11. Lower Cook Inlet | 31. Northwest Alaska |
| 4. Sitka area | 12. Upper Cook Inlet | 32. Yukon River area |
| 5. Juneau area | 13. Kodiak Archipelago | 33. North Slope / Brooks Range area |
| 6. Haines/Skagway | 14. AK Peninsula / Aleutian Islands / Bristol Bay | |
| 7. Glacier Bay area | | |
| 8. Yakutat | | |
| | Southcentral (Freshwater Only) | |
| 15. Pr Wm Sd / Copper River Flats | 22. West Cook Inlet Drainages | |
| 16. Upper Copper / Upper Susitna | 23. Alaska Peninsula / Aleutian | |
| 17. North Kenai Pen. Drainages | 24. Eastern Southwest Alaska | |
| 18. South Kenai Pen. Drainages | 25. Central Southwest Alaska | |
| 19. Anchorage Area Drainages | 26. Western Southwest Alaska | |
| 20. Knik Arm Drainages | 27. Kodiak Island Archipelago | |
| 21. Susitna River Drainages | 28. Tanana River Area | |

21) Primary Port in Alaska _____

22) Business Owner - Name, address and Business License No. of Sport Fishing Services Provider operating vessel: Bus. Lic.# _____

Business Name _____

Bus. Owner's Name _____

Address (in season) _____

 (City, state, zip) (Contact Phone)

Part C: Certification

I certify under penalty of perjury I am the vessel owner or agent authorized to license the vessel, that I have reviewed all information on this form and it is true and correct to the best of my knowledge.

Signature _____ Printed Name _____ Date _____

Complete all information, sign form, enclose correct fee and submit with a copy of USCG reg. or doc. certificate.

License Information for Charter/Guided Sport Fishing Vessels

Vessels used for commercial fishing or related activities must be licensed by the Entry Commission, including fishing vessels, tenders or packers, processing vessels and sport fishing charters. Sport fishing charters includes charter vessels and vessels used for guided sport fishing. Bare boat rentals are not considered sport fishing charter vessels as long as guide services are not included. If this vessel is used in the sport fishing charter service and also used in commercial fisheries, BOTH the Sport Vessel License and Commercial Vessel License applications should be completed to provide all required information, although only one license fee is required. Contact the ADF&G Sport Fish office in the area of operation for sport fishing regulations and requirements.

The license fee is based upon the overall length of the vessel. There are six fee categories, ranging from \$20 to \$750. Fees are based upon the overall length, defined as "the horizontal distance between the outboard side of the foremost part of the stem and the outboard side of the aftermost part of the stern, excluding rudders, outboard motor brackets, and other similar attachments."

The vessel license consists of a triangular metal ADF&G number plate, (issued only when the vessel is first licensed,) as well as a printed vessel license receipt and annual sticker. If the vessel is registered for commercial salmon net fishing, the license may also include a salmon net area tab. Once registered for a commercial salmon net area, in subsequent years a new area tab will be issued only if the area is changed OR if the original tab is lost or damaged.

The application on the other side contains three sections. **Part A** requests the name and address of the vessel owner. There is also space to provide a **temporary mailing address** if the license is to be mailed somewhere else. **Part B** requests descriptive information about the vessel and the fishing activities in which it is used. Please provide as much of this information as possible, although some of it may not be applicable to smaller vessels. **Part C** contains a certification section which must be signed by the vessel owner or the owner's authorized agent. **Part D** (below) requests information we may need to determine if the vessel has previously been assigned an ADF&G number.

USCG Documentation or Registration is required for all motorized vessels used in commercial fishing or sport charter fishing activities. The United States Coast Guard assigns Official Documentation numbers to vessels measuring at least 5 net tons, generally 32 feet or greater. Vessels under 5 net tons are assigned registration numbers, ('AK' numbers in Alaska). For applications or information on registering boats under 5 tons in Alaska contact the USCG at 1-800-478-6381. For assistance with documentation of vessels 5 net tons or over call 1-800-799-8362.

Changes of Ownership may be reported to the commission in two ways. If the vessel is **not** licensed for the year, the new owner may complete the Vessel License application to provide the necessary information. If the vessel is already licensed for the year, a Vessel License Change of Information form must be submitted with the current Vessel License Receipt.

Replacements for lost or damaged vessel licenses (metal ADF&G number plates, vessel receipts or stickers) may be requested by completing a Request for Duplicate License form (available from CFEC or local ADF&G offices) and submitting it with the appropriate fee.

Part D: Vessel History

(complete this section ONLY if you do not know vessel's permanent ADF&G number)

Is there a triangular metal ADF&G number plate on vessel? _____ If yes, what is the number on it? _____

When did you purchase this vessel? _____ From whom? _____

List any vessel registration or plate numbers issued to the vessel in other states, (CA, OR, WA,) and indicate which years the vessel fished in each state: _____

Did previous owner use vessel for commercial fishing in Alaska? _____

If yes, in which years was it fished? _____

Has vessel ever had a different name? _____ If yes, list previous name(s): _____

Has vessel ever been rebuilt or modified? If so, describe changes: _____

Commercial Fisheries
Entry Commission



1996
Forms

Commercial Fishing Permit
and
Vessel License Applications

This packet contains the necessary forms to apply for a vessel license and as many as 5 commercial fishing permits. All information requested must be provided or delays in issuance of the licenses may result. **Permits and vessel licenses must be in your possession before fishing - allow at least three weeks for processing.** The permit and vessel license applications may be submitted to the commission with a single check or money order to cover the fees, payable to: State of Alaska. The Vessel License application is on the other side of this page, followed by the Permit application. Please refer to the general instructions below before completing the forms. Applicants should review State and Federal regulations for specific fisheries prior to applying for permits as fees may NOT be refunded.

Permit Application Instructions

A commercial fishing permit authorizes the holder to operate gear in a specific fishery. Permits are issued only to individuals, not to companies or corporations. A separate permit is required for each fishery. **The permit fee is refundable ONLY if there is a season-long closure of the fishery.** Applicants are responsible for reviewing state and federal regulations to be sure they are eligible to participate in the fishery before applying for a permit.

To apply for a permit, indicate the fishery resource to be harvested, the type of gear being used and the area in which you will be fishing. The Fishery Codes and Permit Fee Schedule are on the back of the permit application form. Minimum ages for holding permits are set out in 20 AAC 05.400(b) as: 10 years for set net (04) fisheries and 16 years for all other fisheries, except hand picking (12), shovel (18) and miscellaneous gear (99). Permit fees range from \$50 to \$750, with a reduced fee available to qualified low income applicants, see below for more information. Fees depend upon the fishery, the applicant's residency and, in some cases, the size of the vessel being fished.

Part A - provide your name, social security number, date of birth, and permanent mailing address, as well as the street address or physical location of your residence, (i.e. where you actually reside). There is also space to provide a temporary mailing address if you want the permit(s) mailed somewhere else.

Part B - refer to the Fishery Codes and Fee Schedule on the back of the permit application form. For some fisheries, permits are issued on a 'statewide' basis; these are listed in Part B of the Fee Schedule. Fisheries for which permits are issued by area are listed in Part D. Part C contains only the Southeast Alaska king crab and Tanner crab fisheries. Locate the appropriate fishery resource codes, gear codes and area codes and enter them on the permit application. **Fishery resource codes** are the letters in bold print following the resource names, (for example: abalone - "A"). **Gear codes** are the numbers in front of each gear type listed, (example: 12 - hand picking). For "statewide" fisheries, the area code is "B". For other fisheries the area codes are listed across the page in Part D; the code letters refer to the areas listed in the upper right corner of the page. The Fee Classes listed in Part A are designated by the numbers to the right of each resource and gear type. (Example: a roe herring gill net permit for Bristol Bay would have resource code "G", gear code "34" and area code "T" (G34T) and it is in fee class 5, for which the resident fee is \$50 and the nonresident fee is \$150.) Legal fisheries which are not specifically listed in the Fee Schedule fall into fee class 5, unless otherwise provided by regulation. It is helpful to the licensing staff if you also write out the description of the fishery you want, especially if you are unsure of the correct codes.

Part C - check one box to indicate if you are an Alaska resident or nonresident and check a second box to indicate if you are a U.S. citizen or alien. **Sign the certification section of the form - It will not be processed without your signature.**

A reduced fee is available to qualified low income applicants. The fee is \$15 for Alaska residents and \$45 for nonresidents, for each permit. To determine if you are eligible please obtain the "1996 Poverty Guidelines and Reduced Permit Fee Application" from the Commission or your local ADF&G office. **A copy of your tax return, or the completed tax waiver form on the reduced fee application must be submitted along with your permit application.**

Vessel License Application Instructions - Note New Fees for 1996

Vessels used for commercial fishing or related activities must be licensed by the Entry Commission, including fishing vessels, tenders or packers, processing vessels and sport fishing charters. The only exception is set out in AS 16.05.495, which exempts vessels used solely for harvesting salmon at set net sites or in state waters between the latitudes of Point Romanof and Cape Newenham and surrounding Nunivak Island. For 1996 licenses, the fee is based upon the overall length as defined by the USCG. There are six fee categories, ranging from \$20 to \$750.

Part A - requests the name and address of the vessel owner. There is also space to provide a temporary mailing address if the licenses are to be mailed somewhere else. **Part B** - requests descriptive information about the vessel; provide as much of this information as possible, although some of it will not be applicable to smaller vessels. **Salmon fishing vessels**, (seiners, drift gillnetters and trollers,) must be registered by completing the net area and/or troll registration sections in items 20 and 21. **Part C** - needs to be completed only if the ADF&G number is NOT known.

Groundfish vessels must be registered with local offices of the Alaska Dept. of Fish and Game AND, if they operate in the 3-200 mile zone, must obtain Federal Groundfish Permits before fishing. Contact the Nat'l. Marine Fisheries Service at (907) 586-7225 for information on federal requirements.

Shellfish vessels must register with local offices of the Alaska Dept. of Fish & Game before fishing.

Halibut vessels must also be registered with the Int'l. Pacific Halibut Commission, P.O. Box 95009, Seattle, WA 98145-2009. Phone (206) 634-1838.

The MMPA (Marine Mammal Protection Act) requires fishermen in certain fisheries to obtain an exemption from NOAA to fish lawfully. For information contact: NMFS (National Marine Fisheries Service), Alaska Regional Office at (907) 586-7233.

Personal information (such as social security number) required on this form pursuant to AS 16.43 will be used for fisheries research, management and licensing purposes. Personal information will be kept confidential, except that it may be disclosed to the Alaska Department of Fish and Game, the National Marine Fisheries Service and the North Pacific Fisheries Management Council as required for the preparation and implementation of fishery management plans, or to other agencies or individuals as required by law or court order. Your name, address and telephone number will be included in the mailing list of the permit application.

COMMERCIAL FISHERIES ENTRY COMMISSION

8800 Glacier Highway, #109, Juneau, Alaska 99801

(907) 789-6150

STATE OF ALASKA,

1996

Vessel License Application Form

Instructions: Vessels used in commercial fishing activities, including sport fishing charters, may be licensed by completing this form and submitting it with the appropriate fee and required documentation. Fees are based upon register length as determined by the U.S. Coast Guard. A COPY OF THE U.S.C.G. DOCUMENTATION OR REGISTRATION IS REQUESTED THAT CFEC MAY VERIFY THE LENGTH. If the vessel is used for salmon seining, gillnetting or trolling, complete number (20) and/or (21) in Part B. The owner or authorized agent signs the certification in Part D. Note: there is an additional \$10 service charge per license if issued at a CFEC field office. (Exemption: some vessels are exempt from the licensing requirement; for instance, skiffs used only at salmon set net sites. For more information, see Alaska Statute Sec. 16.05.495.)

Fee Categories: **A - \$20** **B - \$50** **C - \$100** **D - \$250** **E - \$500** **F - \$750**
 (vessel length) **25' and under** **over 25' - 50'** **over 50' - 75'** **over 75' - 150'** **over 150' - 250'** **over 250'**

Part A: Vessel Owner / Address Information

Name of Vessel Owner _____			Temporary Mailing Address (for this license (if different)) _____		
Permanent Mailing Address - Street or P.O. Box _____			Street or Box _____		
City _____	State _____	Zip _____	City _____	State _____	Zip _____
Social Security Number _____		Birthdate _____	Contact Telephone Number _____		

Part B: Vessel Information *Has vessel been licensed in Alaska in previous years?* **yes** **no** **not sure** *(if not sure, complete Part C)*

1) Vessel Built In: USA Canada Other _____ <small>(please specify)</small>	16) Fuel Capacity _____ (gal.)	17) Refrigeration: yes no
2) ADF&G Number (if known) _____	18) Types of Vessel Activity: 91 - charter 87 - freezer/canner (circle those that apply)	
3) Vessel Name _____	92 - fishing 88 - tender/packer	
4) U.S. Coast Guard Doc. or Reg. Number _____	19) Types of Gear Expected to be Fished: (circle the appropriate gear codes in number (23) below)	
5) Year Built _____	20) Salmon Net Area Registration - vessels that fish salmon with seines or gill nets must be registered for ONE administrative area each year. Indicate the area the vessel will fish during 1996 from the list in number (22), and list the permit numbers of the CFEC permits which will be fished on the vessel.	
6) Overall Length * _____	Salmon Net Area: CFEC Permit No. <u>S 0</u> _____ CFEC Permit No. <u>S 0</u> _____	
7) Vessel Make/Model _____	21) Salmon Troll Registration - vessels must be registered for trolling prior to participating in the commercial salmon troll fishery, or by the start of the summer troll season, whichever occurs first . To register, circle the appropriate gear type below, either hand or power. If you want to use the vessel for sport fishing prior to commercial trolling, you may designate the date you want the troll registration to be effective; you cannot use the vessel to sport fish for salmon after the effective date and you cannot troll commercially before the effective date. (If left blank, the effective date will be the date the license is issued.)	
8) Gross Tonnage _____	HAND POWER TROLL TROLL EFFECTIVE DATE _____	
9) Net Tonnage _____		
10) Homeport (city/state) _____		
11) Engine Type: (circle one) G - gas D - diesel		
12) Horsepower _____	13) Estimated Vessel Value \$ _____ <small>(as presently equipped)</small>	
14) Hull Construction: (circle one) A - aluminum F - fiberglass/plastic W - wood K - concrete S - iron / steel alloy R - rubber		
15) Hold Capacity _____	Live Tank Capacity _____ <small>cu. ft. cu. ft.</small>	

22) Salmon Net Area Codes	A - Southeast	E - Prince William Sd	H - Cook Inlet	K - Kodiak	L - Chignik	M - Peninsula/Aleutians	T - Bristol Bay	Z - Norton Sound																																
23) Gear Codes (circle codes that apply)	01 - purse seine	02 - beach seine	03 - drift gill net	04 - set gill net	05 - hand troll	06/61 - long line	07 - otter trawl	08 - fish wheel	09/91 - pot gear	10 - ring nets	11 - power troll	12 - beam trawl	13 - fish wheel	14 - fish wheel	15 - power troll	16 - beam trawl	17 - beam trawl	18 - beam trawl	19 - beam trawl	20 - beam trawl	21 - beam trawl	22 - scallop dredge	23 - mechanical jig	24 - mechanical jig	25 - mechanical jig	26 - mechanical jig	27 - double otter trawl	28 - double otter trawl	29 - double otter trawl	30 - herring gill net	31 - herring gill net	32 - herring gill net	33 - pair trawl	34 - pair trawl	35 - pair trawl	36 - pair trawl	37 - pair trawl	38 - pair trawl	39 - pair trawl	39 - other (miscellaneous) gear

Part C: Vessel History (complete this section ONLY if you do not know vessel's permanent ADF&G number) (Complete a Request for Duplicate form to obtain a replacement metal ADF&G number plate)

When did you purchase this vessel? _____ From whom did you purchase the vessel? _____

Did previous owner use vessel for commercial fishing in Alaska? _____ If yes, in which years was it fished? _____

Has vessel ever had a different name? _____ If yes, list previous name(s): _____

Is there a triangular metal ADF&G number plate on vessel? _____ If yes, what is the number on it? _____ Has vessel ever been rebuilt or modified? If so, describe changes: _____

Part D: Certification **I certify under penalty of perjury that I am the vessel owner or agent, that I am authorized to license the vessel and that I have reviewed all information on this form and that it is true and correct to the best of my knowledge.**

Signature _____ Printed Name _____ Date _____

APPENDIX VII

ADF&G Sportfish Charter Vessel Logbook

1998 SCVL 8 gm.

1998 ALASKA DEPARTMENT OF FISH & GAME SALTWATER SPORTFISHING CHARTER VESSEL LOGBOOK

This Logbook sheet is for the week of: 9/28/98 thru 10/4/98

ADF&G (CFEC) No.: Vessel Name:

This Logbook sheet must be POSTMARKED NO LATER THAN: 10/11/98

- Check if this is your **FIRST** form of the season.
- Check if this is your **LAST** form of the season.

Sport Fishing Harvest by Species—NOTE: harvest must be broken down by Residents (R) and Nonresidents (N)

Date	Trip No. (of 2)	Day, Mo of Trip (see cover)	USCG License No. of Skipper for Trip	Skipper Initials	Port or Site of Landing for Trip	Where Fishing Occurred (use map provided to you)		Boat Hours Spent Fishing		Client Information		Rods Fished		King Salmon			Coho Salmon	Sockeye Salmon	Pink Salmon	Chum Salmon	Halibut		Pelagic Rockfish	Other Rockfish	All Rockfish	Lingcod	Salmon Sharks			
						Primary Area for Salmon	Primary Area for Bottomfish	Hours Fishing for Salmon	Hours Fishing for Bottomfish	Residency Resident	No. of Clients	For Salmon	For Bottomfish	Total Kept	Total Released (28" or larger)	"Shakers" (less than 28") Released	Total Kept	Total Kept	Total Kept	Total Kept	Total Kept	Total Released	Total Kept	Total Kept	Total Released	Total Kept	Total Kept	Total Released	Total Kept	Total Kept
Mon, Sep 28	1									R																				
	2									R																				
Tue, Sep 29	1									R																				
	2									R																				
Wed, Sep 30	1									R																				
	2									R																				
Thu, Oct 01	1									R																				
	2									R																				
Fri, Oct 02	1									R																				
	2									R																				
Sat, Oct 03	1									R																				
	2									R																				
Sun, Oct 04	1									R																				
	2									R																				

CERTIFICATION STATEMENT:

(Signature of Agent of Business Operating Vessel Named Above), certify that the information contained in this document is true and correct to the best of my knowledge. (Today's Date).

WHITE Copy—ADF&G PINK Copy—Retain in Logbook for your records

1988 ALASKA DEPARTMENT OF FISH & GAME SALTWATER SPORTFISHING CHARTER VESSEL LOGBOOK—CREW MEMBER HARVEST FORM

ADP&G
(CFEC) No.

Vessel Name:

This Logbook sheet must be submitted at the end of your fishing season along with your FINAL Logbook Form.

CREW MEMBER HARVEST BY SPECIES

Date	Total No. of Rods Fished by Crew Members	King Salmon			Coho Salmon	Sockeye Salmon	Pink Salmon	Chum Salmon	Halibut		Pelagic Rockfish	Other Rockfish	All Rockfish	Lingcod	Salmon Sharks	
		Total Kept (NO KING SALMON MAY BE KEPT BY CREW IN S.E.)	Total Released (28" or larger)	*Shakers* Released (less than 28")	Total Kept	Total Kept	Total Kept	Total Kept	Total Kept	Total Released	Total Kept	Total Kept	Total Released	Total Kept	Total Kept	Total Released

INSTRUCTIONS:

This form is for use only when the captain, crew, or non-paying passengers harvest fish species listed, while the vessel has paying clients on board. If NO paying clients are on board, then harvests taken during these trips need not be recorded in this Logbook.

The following special regulations for charter crews apply to Southeast Alaska (S.E.) waters only:

a) Operators and crew members working on a charter vessel may not retain king salmon while clients are on board the vessel.

b) The maximum number of fishing lines that may be fished from a vessel engaged in charter activities is equal to the number of paying clients on board the vessel except that an additional line with 15 or less unbaited hooks attached may be used to jig for herring and smelt to be used as bait; so long as the total number of lines fished does not exceed six lines. A six line limit applies to all sport fishing vessels in Southeast Alaska.

CERTIFICATION STATEMENT:

(Signature of Agent of Business Operating Vessel Named Above), certify that the information contained in this document is true and correct to the best of my knowledge. (Today's Date).



State of Alaska • Department of Fish & Game • Division of Sport Fish • Saltwater Sport Fishing Charter Vessel Logbook

WEEK OF April 26-May 2, 1999. This sheet must be postmarked by May 9, 1999. No.

INSTRUCTIONS: Mark each inactive date. Mail white copy to ADF&G; keep pink copy for your records. Return signed sheets for ALL days, active and inactive, between your first and last 1999 charter trips.

This form has my FIRST charter of the season. This form has my LAST charter of the season.

ADF&G ID: _____ Vessel Name: _____

DATE	Day No. of Multi-Day Trip	PORT OR SITE OF OFF-LOADING	NUMBER OF CLIENTS AND CREW	SALMON FISHING		Number of KING SALMON				Number of Other Salmon					BOTTOMFISH FISHING		Number of Halibut		Number of Pelagic Rockfish (Black Bass, etc.)		Number of Other Rockfish (Red Snapper, etc.)		Number of Lingcod				
				Primary Area Fished (Write 1 Salmon Code no. per Date)	No. Rods Fished for Salmon	Boat Hours Fished	28" and Larger		"Shakers" Less Than 28"		Coho Kept	Coho Released	Sockeye Kept	Pinkie Kept	Chum Kept	Primary Area Fished (Write 1 Bottomfish Code no. per Date)	No. Rods Fished for Bottomfish	Boat Hours Fished	Kept	Released	Kept	Released	Kept	Released	Kept	Released	
							Kept	Released	Kept	Released																	
MON APR 26																											
inactive <input type="checkbox"/>																											
TUES APR 27																											
inactive <input type="checkbox"/>																											
WED APR 28																											
inactive <input type="checkbox"/>																											
THURS APR 29																											
inactive <input type="checkbox"/>																											
FRI APR 30																											
inactive <input type="checkbox"/>																											
SAT MAY 1																											
inactive <input type="checkbox"/>																											
SUN MAY 2																											
inactive <input type="checkbox"/>																											

Form 11-540 (02-99)

CERTIFICATION:

I certify that the information contained in this document is true and correct to the best of my knowledge.

X

BUSINESS OWNER OR AGENT SIGNATURE

DATE

No.

State of Alaska
Department of Fish & Game
Division of Sport Fish



2000 Saltwater Charter Vessel Logbook

Any person in possession of an Alaska Department of Fish and Game Saltwater Sportfishing Charter Vessel logbook must show that logbook to any local representative of the department or to any peace officer of the state upon request.

The DEADLINE for final logbook forms is JANUARY 15, 2001



State of Alaska
 Department of Fish & Game
 Division of Sport Fish

No. _____

2000 Saltwater Charter Vessel Logbook Sign-Out
For ADF&G Use Only

INSTRUCTIONS TO ADF&G REPRESENTATIVE: Please forward the white copy of this form to Sport Fish Policy & Technical Services, 333 Raspberry Rd., Anchorage, AK 99518. ADF&G area offices may keep the pink copy.

Name of person to whom this logbook was issued: _____

BUSINESS INFORMATION (for this logbook)

Name of Sport Fishing Business: _____

ADF&G Business Registration Number: 00-_____

Business Mailing Address: _____

Business Phone Number: _____

VESSEL INFORMATION (for this logbook)

Vessel Name: _____ **ADF&G No. (CFEC Triangle):** _____

Vessel Home Port: _____

Date Logbook Issued: _____

Signature of ADF&G Representative: _____ **Area Office:** _____

Comments:

Check here if these data were entered at the ADF&G area office.

INSTRUCTIONS FOR COMPLETING THE 2000 WEEKLY LOGBOOK FORMS

COMPLETE LOGBOOKS DAILY

It is not necessary to start logbook entries until the vessel is actually used for a charter fishing trip during 2000. Once a vessel has been used for a charter fishing trip in 2000, the logbook must include daily reporting until the last trip of the season is completed.

The owner or agent of the business operating this vessel is required to make an entry into this logbook per the following schedule.

RETURNING TO A DOCK

- **FISH KEPT**
Complete the logbook before offloading any clients or fish.
- **NO FISH KEPT**
Complete the logbook before the operator leaves the vessel.

NO DOCKING FACILITIES (e.g., trawlered vessels)

- **FISH KEPT**
Complete the logbook before the vessel or operator departs the landing site and before offloading any fish.
- **NO FISH KEPT**
Complete the logbook before the vessel or operator departs the landing site.

MULTIPLE TRIPS PER DAY

Complete the logbook at the end of each trip, as described above.

MULTIPLE DAY TRIPS

Complete the logbook at day's end for each day of the trip; complete the last day's activity as described above.

PERIODS OF INACTIVITY

Once a vessel has been used for a charter trip during 2000, the logbook must be completed daily to report inactivity or fishing trips. A logbook sheet must be submitted weekly, even if no trips were taken for the entire week.

Illness or unexpected absences may prohibit timely completion of logbook sheets that report inactivity. Nevertheless, logbooks must be completed and weekly reports submitted as close to the required reporting deadlines as is possible.

Please be complete and write legibly. You may be contacted in person or by mail if forms are delinquent, missing, incomplete, or illegible.

RETURN LOGBOOK REPORTS WEEKLY

Once a vessel has been used for a charter fishing trip, the logbook must be completed daily and returned per the schedule printed on each logbook sheet until a sheet is submitted indicating that the vessel has taken its last trip for the year.

WEEKLY LOGBOOK SHEETS & SUPPLEMENTAL LOGBOOK SHEETS

Weekly Logbook Sheets should be used to report charter fishing activity between April 24 and October 1.

Supplemental Logbook Sheets should be used to report charter fishing activity before April 24 or after October 1, or to report trips in addition to the first two trips taken on any day.

Supplemental Logbook Sheets used prior to April 24 should be postmarked by May 7.

Supplemental Logbook Sheets used after April 30 should be submitted when a form is full or when you are through fishing for the season (whichever comes first).

Supplemental Logbook Sheets may be adapted to special needs. For example, two trips are taken in a day, then the vessel departs on a multi-day trip. Use the Supplemental Form to report the first day of the multi-day trip.

Additional Supplemental Logbook Sheets beyond the five in this logbook are available from local ADF&G offices.

CERTIFICATION SIGNATURE DEADLINE

Each Weekly Logbook Form and each Supplemental Logbook Form must be legibly signed and dated by the owner or agent of the business operating the vessel to which the logbook has been assigned.

All completed and signed 2000 forms must be received by ADF&G before JANUARY 15, 2001.

LOGBOOK DATA

ADF&G No. The 5-digit vessel number assigned by the Commercial Fisheries Entry Commission (CFEC). A vessel must have this number to be a legally licensed charter vessel in Alaska.

Vessel Name The Vessel Name or identity, as it corresponds to the ADF&G No. issued by the CFEC.

Date Dates are printed on the weekly sheets from April 24 through October 1. You must write the date on Supplemental Logbook Sheets.

Inactive (X) Check Inactive if the vessel is not used for charter fishing on a given date.

Trip No. A Trip starts when the vessel leaves a dock, port, or launch site with clients on board to go sport fishing. A trip typically ends when the vessel returns to a dock, port, or site of landing to offload clients and fish. A trip may cover part of one day, one day, or multiple days.

Do NOT sum information for two or more trips; each trip must be reported separately in the Logbook.

The first two trips on a day should be reported on the Weekly Logbook Sheets; all additional trips for the day would be reported in the Supplemental Logbook Sheets.

Write the date and trip number on the Supplemental Logbook Form.

Day No. of Multi-day trip This applies to trips that span two or more calendar days (see definition of Trip above). A "1" would be entered for the first day of a trip, "2" would be written for the second day, and so on until the trip is completed.

Port of Landing The port (or site) where clients and/or fish are offloaded at the conclusion of the trip.

Number of Clients and Crew Fishing The number of clients and crew who fished any part of the trip, whether or not they landed a fish. If crew do not fish, leave crew blank. Do NOT add crew information to client information.

INSTRUCTIONS FOR COMPLETING THE 2000 WEEKLY LOGBOOK FORMS

LOGBOOK DATA (CONTINUED).

SALMON

Primary Stat Area Fished	The 6-digit area code where you caught most of the salmon on this trip. If you fished for salmon, but caught none, write the code for the location fished the most time on this date and trip.
Maximum Rods Fished	The maximum number of rods/lines fished for salmon at any one time during this trip. Record client rods separate from crew rods.
No. Boat Hours Fished	The number of boat hours at least one rod/line was fishing for salmon. This is NOT the number of hours the boat was on the water. DO NOT include the time it took to run to the fishing grounds from port. Round up to the nearest whole hour.
Fish Kept & Released	The total number of fish kept and released by client and crew as indicated. Do NOT combine client and crew information.

BOTTOMFISH

Primary Stat Area Fished	The 6-digit area code where you caught most of the bottomfish on this trip. If you fished for bottomfish, but caught none, write the code for the location fished the most time on this date and trip.
Maximum Rods Fished	The maximum number of rods/lines fished for bottomfish at any one time during this trip. Record client rods separate from crew rods.
No. Boat Hours Fished	The number of boat hours at least one rod/line was fishing for bottomfish. This is NOT the number of hours the boat was on the water. DO NOT include the time it took to run to the fishing grounds from port. Round up to the nearest whole hour.
Fish Kept & Released	The total number of fish kept and released by client and crew as indicated. Do NOT combine client and crew information.

SPECIAL NOTES—RODS, BOAT HOURS.

What species group was targeted?

An operator must decide if gear and fishing methods were effectively targeting salmon, bottomfish, or both species groups equally.

BASIC RULE

Simply write the targeted rods and boat hours under each target species group. The sum of targeted boat hours may or may not exceed the hours the boat was engaged in fishing (see below).

EXAMPLE:

If SALMON were targeted, write the number of rods and number of boat hours under the SALMON section, even if no salmon were caught or kept.

ONE TARGET

SALMON OR BOTTOMFISH

Do NOT report rods and boat hours under the species group that was NOT targeted.

EXAMPLE:

If BOTH salmon and bottomfish were targeted on a trip, write the targeted rods and boat hours of targeted effort under EACH species group section.

TWO TARGETS

SALMON AND BOTTOMFISH

It is possible that the sum of salmon boat hours and bottomfish boat hours will not exceed the number of hours the boat was engaged in fishing.

Yet it is also possible that the sum of salmon boat hours and bottomfish boat hours will exceed the number of hours the boat was engaged in fishing (e.g., different anglers target different species groups during the same time, or when gear used targeted both species groups equally at the same time).

Incidental Catch (same guidelines for both salmon and bottomfish)

Record all fish kept and released, as indicated. Do NOT include rods or boat hours for a species group that was NOT targeted, even if fish of that group were caught and kept.

EXAMPLE: If a salmon was caught while targeting bottomfish, record the salmon as kept and/or released, but do NOT record salmon effort for that fish.

SPECIAL NOTES - SPECIES.

"Shakers"

Chinook (king) salmon that are under the 28" minimum size (only in the Southeast Region) that must be released upon capture, unless caught in designated terminal harvest areas.

Pelagic Rockfish

Includes black and dusky rockfish (commonly called "black bass") and yellowtail rockfish.

These species of rockfish are uniformly gray, green, brown, or black (see rockfish ID chart in your regulation booklet).

Non-pelagic Rockfish

All other rockfish not mentioned above. Includes yelloweye (commonly called "red snapper"), quillback, and copper rockfish, as well as numerous other species..

VIOLATION WARNING

Failure to comply with any of the above requirements could be grounds for a citation. If you require clarification of logbook requirements, contact your local ADF&G office.



Alaska Department of Fish & Game Saltwater Sport Fishing Charter Vessel Logbook

INSTRUCTIONS: Mark each inactive date. Mail white copy to ADF&G; keep pink copy for your records. Return signed sheets for ALL days, active and inactive, between your first and last 2000 charter trips.

WEEK OF April 24-April 30, 2000. This sheet must be postmarked by May 7, No.

ADF&G No. (GFRC) **1 2 3 4 5** Vessel Name **My Boat**

DATE	Day No. of Multi-Day Trip	TRIP	Port or Site of Off-Loading	Number of Clients and Crew Fishing	Salmon Fishing				Number of King Salmon				Number of Other Salmon				Bottomfish Fishing			Number of Halibut		Number of Patagio Rockfish (black bass, etc.)		Number of Other Rockfish (red snapper, etc.)		Number of Lingcod		Number of Salmon Shark							
					Primary Salmon Stat Area Fished (1 code/trip)	Max. No. Rods Fished	No. Boat Hours Fished	28" and Larger	"Shakers" Less Than 28"	Coho	Sockeye	Pink	Chum	Primary Bottomfish Stat Area Fished (1 code/trip)	Max. No. Rods Fished	No. Boat Hours Fished	Kept	Released	Kept	Released	Kept	Released	Kept	Released	Kept	Released	Kept	Released	Kept	Released	Kept	Released			
Mon Apr 24	1		Sitka	4	113412	4	2	1									113416	4	2	1															
Inactive		<input type="checkbox"/>																																	
Tue Apr 25	2																																		
Inactive		<input checked="" type="checkbox"/>																																	
Wed Apr 26	1		Sitka	4	113416												113416	4	8	3															
Inactive		<input type="checkbox"/>																																	
Thu Apr 27	1																																		
Inactive		<input checked="" type="checkbox"/>																																	
Fri Apr 28	1		Sitka	4	113412	4	6	2									113412	4	2	8	4														
Inactive		<input type="checkbox"/>																																	
Sat Apr 29	1																																		
Inactive		<input checked="" type="checkbox"/>																																	
Sun Apr 30	1		Sitka	4	113412	4	4										113412	4	4	4	2														
Inactive		<input type="checkbox"/>																																	

Mark each date the vessel was not fishing.

Note: 1 crew member did not fish for salmon, but did target bottomfish.

Note: incidental catch of salmon (not a target so effort not recorded).

Note: Crew did not fish; each client fished for salmon and bottomfish.

Note: All clients targeted both salmon and bottomfish for the entire 4 hour trip. This could occur if a technique targets both species groups equally (e.g., "mooching").

Remember to mark the first and last trips of the season.

Form 11-540 (01-2000)

CERTIFICATION: I certify that the information contained in this document is true and correct to the best of my knowledge. **J. M. Skipper** 5112000

Check if this form has FIRST or LAST trip of the season.



INSTRUCTIONS: Mark each inactive date. Mail white copy to ADF&G; keep pink copy for your records. Return signed sheets for ALL days, active and inactive, between your first and last 2000 charter trips.

ADF&G No. (Circled Triangle) [] Vessel Name []

Table with columns: DATE, Day No. of Multi-Day Trip, TRIP, Port or Site of Off-Loading, Number of Clients and Crew Fishing, Salmon Fishing (Primary Salmon, Max. No. Rods, No. Boat Hours, 28" and Larger, "Shakers" Less Than 28"), Number of King Salmon (Kept, Released), Number of Other Salmon (Coho, Sockeye, Pink, Chum), Bottomfish Fishing (Primary Bottomfish, Max. No. Rods, No. Boat Hours), Number of Halibut, Number of Pelagic Rockfish, Number of Other Rockfish, Number of Lingcod, Number of Salmon Shark.

Form LI-540 (01-2000)

CERTIFICATION: I certify that the information contained in this document is true and correct to the best of my knowledge. BUSINESS OWNER OR AGENT SIGNATURE [] DATE []

Check if this form has FIRST [] or LAST [] trip of the season.

APPENDIX VIII

IFQ Program Summary

Characteristics of the commercial halibut IFQ Program as revised through 2000.

Quota Share (QS) Characteristics

1. QS allocated or permits issued pursuant to (IFQ regulations at 50 CFR Part 679) do not represent either an absolute right to the resource or any interest that is subject to the "takings" provision of the Fifth Amendment of the U.S. Constitution. Rather, such QS represent only a harvesting privilege that may be revoked or amended subject to the requirements of the Magnuson-Stevens Act and other applicable law.
2. QS and individual fishing quotas (IFQs) are species, area, and vessel category specific. Halibut QS, other than unblocked QS and large blocks of QS in area 2C, may be fished down (i.e. used on smaller vessels than the designated QS category). IFQs are issued for a fishing year, by species/area/vessel category: $(QS/QS \text{ Area Pool}) * (IFQ \text{ TAC}) = IFQ$.
3. The halibut IFQ management areas are the eight IPHC areas, 2C through 4E. Halibut is allocated to the CDQ program in areas 4B, 4C, 4D, and 4E.
4. QS categories are derived from the size vessels that were used to make qualifying landings for initial issuance of QS. The halibut vessel and QS categories are:
 - A. freezer (processor) vessels
 - B. catcher vessels > 60 feet, and
 - C. catcher vessels > 35 feet and \leq 60 feet,
 - D. catcher vessels \leq 35 feet L.O.A.
5. The Regional Administrator shall initially assign to qualified persons halibut fixed-gear fishery QS. A "qualified person" means a "person" that owned or leased a vessel that made legal landings of halibut harvested with fixed gear from any IFQ regulatory area in any QS qualifying year (1988, 1989, or 1990).
6. A person that owned a vessel cannot be a qualified person based on the legal fixed gear landings of halibut by a person who leased the vessel for the duration of the lease (i.e., eligible landings are assigned to the vessel owner OR lessee).

QS/IFQ Allocations

7. The amount of the initial halibut QS for an area assigned to each person will equal the sum of the halibut landings for the person's best five years of eligible landings between 1984 and 1990 for that area.
8. During the qualification period, a vessel is considered to have been a freezer vessel in a given year, if during that year it processed any of its commercial fixed gear groundfish or halibut landings.
9. Each qualified person's QS will be assigned to a vessel category based on the LOA of vessel(s) from which that person made fixed gear legal landings of groundfish or halibut in the most recent year of participation. The most recent year of participation means the most recent year in which any groundfish or halibut were harvested using fixed gear from 1988 through September 25, 1991. All QS will be assigned to the vessel class of the most recent year of participation regardless if qualifying landings were made on a vessel of that size. However, if the owner or lease holder participated in the most recent year using vessels in more than one vessel category, qualifying pounds will be assigned to separate vessel classes in proportion to the landings made with each vessel category.

10. Prior to the beginning of each fishing year for the fixed gear halibut fisheries, the fixed gear TACs by area, excluding any TAC that is reserved for community development quotas, will be apportioned to the holders of QS as year, species, area, and vessel category specific IFQs based on the amount of QS held by each person, the QS pool for that species and area (as of January 31), and the IFQ TAC: $(QS/QS \text{ area pool}) * (IFQ \text{ TAC}) = \text{annual IFQ (by species, area, category)}$. For example, a person who held 0.1% of the halibut QS for an area would receive 0.1% of the halibut fixed gear TAC for that area excluding any community development quotas.
11. A person's annual IFQ account will be adjusted (increased or decreased) in the year following a determination that the person who used the QS in the previous year over- or under-fished the IFQ derived from that QS. Underages of up to 10% of a person's total annual IFQ account for a current fishing year will be added to an annual IFQ account in the following year. Underages are specific to the species, area, and vessel category for which the IFQ is calculated and will apply to any person to whom the IFQ is allocated in the year following the underage. Overages are specific to species, area, and vessel category. A person's annual account will be adjusted downward the following year if the amount greater than the amount available in an IFQ account does not exceed 10% of the amount available in the account at the time of landing. The adjustment will apply to any person to whom the accepted IFQ is allocated in the year following the determination. *Any overage that exceeds the amount remaining on a permit account by greater than 10% of the amount remaining at the time of a landing is subject to Enforcement penalties and is not administratively adjusted in the following year.*
12. The Regional administrator shall issue to each halibut QS holder an IFQ permit specifying the maximum amount of halibut that may be harvested with fixed gear in a specified IFQ regulatory area and vessel category as of January 31 of each year.

Transfers of QS/IFQ

13. If approved by NMFS, any person holding freezer vessel QS may transfer (sell or lease) those QS to any other person eligible to receive A shares. A person is eligible to receive A shares on NMFS' approval of an Application for Transfer Eligibility Certificate. Approval requires no eligibility criteria such historic commercial fishing participation.
14. If approved by NMFS, a person holding catcher vessel QS may transfer (sell only; leases are prohibited as of 1/1/98) those QS either to any person (individual or non-individual) who is an initial issuee of QS; or to any individual who is an IFQ Crew Member. A individual who was not an initial issuee of QS may become an IFQ Crew Member to receive catcher vessel QS upon NMFS' approval of an Application for Transfer Eligibility Certificate in which they demonstrate they have accrued at least 150 days on the harvesting crew of any U.S. commercial fishery.
15. Halibut catcher vessel QS issued for area 2C must be transferred to an individual person.

QS/IFQ use

16. Halibut QS and IFQs arising from those QS may not be applied to; 1) trawl-caught halibut, or 2) halibut harvested utilizing pots in the Gulf of Alaska, or 3) halibut harvested using pots in the Bering Sea/Aleutian Islands.
17. Any individual who harvests halibut with fixed gear must:
 - a. have a valid IFQ card;
 - b. be on board the vessel at all times during the fishing operation;
 - c. sign any required fish ticket;
 - d. sign the IFQ landing report.

18. The exception to the requirement that the card holder is aboard the vessel and sign the IFQ landing report in #14 may be waived in the event of an emergency involving the IFQ user during a fishing trip. The waiving of these requirements shall apply only to the IFQ halibut retained on the fishing trip during which such emergency occurred.
19. Any person retaining IFQ halibut with commercial fixed gear must hold (or be a hired master authorized to fish under) an IFQ permit. *(The intent of the Council is to prohibit open access fixed gear fisheries for halibut, and to require that persons in fixed gear fisheries who retain halibut as bycatch must hold or fish under an IFQ or Community Development Quota (CDQ) halibut permit.)*
20. Fish caught with freezer vessel IFQ may be delivered processed or unprocessed (as allowed by IPHC regulations). Fish landed with catcher vessel IFQ may not be frozen or processed in other ways aboard the vessel utilizing that IFQ.
21. For catcher vessel QS, non-individual, and individual initial issuee QS holders may use a hired skipper to fish their IFQ providing that they own at least 20% of the vessel upon which the IFQ will be used. This minimum 20 percent ownership requirement does not apply to any individual who received an initial allocation of catcher vessel and who, prior to April 17, 1997, employed a master to fish their IFQ, provided that the individual continues to own the vessel from which the IFQ is fished at no less percentage than that held on April 17, 1997 and provided that this individual has not acquired additional QS through transfer after September 23, 1997. Additionally, the exemption providing for a hired master does not apply to individuals who receive an initial allocation of catcher vessel halibut QS in area 2C.

For freezer vessel QS, IFQ permit holders may hire a master; but need not own the vessel upon which the IFQ is fished.

22. A corporation or partnership (i.e., non-individual) except for a publicly-held corporation, that receives an initial allocation of catcher vessel QS loses the ability to hire a master on the effective date of change of a "change in the corporation or partnership" from that which existed at the time of initial allocation. A "change in the corporation or partnership" means the addition of any new shareholder(s) or partner(s) except that a court appointed trustee to act on behalf of a shareholder or partner that becomes incapacitated is not a "change". QS and IFQ held by a corporation or partnership that has "changed" under #16 must be transferred to an individual before it may be used at any time after the effective date of the change. *In the case where ownership of shares is initially allocated to a publicly held corporation, the Council did not make a recommendation regarding what constitutes a change in the corporation.*
23. The Secretary may, by regulation, designate exceptions to the restrictions on who may use catcher vessel IFQ to be employed in case of personal injury or extreme personal emergency which allows the transfer of catcher boat QS/IFQs for limited periods of time. *To date, no such regulations have been promulgated.* However, an existing emergency provision allows waiving the requirement that the IFQ permit holder remain on board to complete an IFQ trip and landing in the event that the permit holder is incapacitated during that trip.
24. Unless the allocation in excess of the following was received in the initial allocation of halibut QS, no person, individually or collectively may use more than:
 - a. 1,502,823 units of the total QS units from the combined areas 2C, 3A, and 3B,
 - b. 495,044 units of the total QS from the combined areas 4A, 4B, 4C, 4D, and 4E, or
 - c. 599,799 units of the total QS or IFQ from Area 2C.

The exception is that any person who receives an initial allocation of QS in excess of these limits may continue to use them. However, such a person shall be prohibited from using additional QS or IFQs until that person's QS holdings fall below the limits set forth above, at which time each such person shall be subject to the limitations.

25. No person, individually or collectively, may hold more than two blocks of halibut QS for each IPHC area.
26. No vessel may be used during any one fishing year, to harvest more than:
 - a. one-half percent of the combined total catch limits of halibut for all IFQ regulatory areas; or
 - b. in IFQ regulatory 2C, no vessel may be used to harvest more than one percent of the halibut catch limit for this area. *(This differs from the way use caps are aggregated).*
27. In order for the continued prosecution of non-IFQ fixed gear fisheries, the Council suspended the halibut fixed gear Prohibited Species Catch limit.
28. It is prohibited to discard halibut caught with fixed gear from any catcher vessel when any IFQ card holder aboard holds unused halibut IFQ for that vessel category and the IFQ regulatory area in which the vessel is operating, unless discard of halibut is required in halibut regulations or other provisions.
29. It is prohibited to discard Pacific cod or rockfish that are taken when IFQ halibut are on board, unless Pacific cod or rockfish are required to be discarded by Federal or State of Alaska laws.
30. It is prohibited to possess unprocessed and processed IFQ species on board a vessel during the same trip except when fishing exclusively with IFQ derived from vessel category A QS.
31. It is prohibited to process fish on board a vessel on which a person aboard has unused IFQ derived from QS issued to vessel categories B,C, or D; except that fish other than IFQ halibut or IFQ sablefish may be processed on a vessel on which persons authorized to harvest IFQ based on allocations of IFQ resulting from QS assigned to category A.
32. Surviving spouses of QS holders have special temporary use privileges including the ability to transfer 100% of the IFQ (lease), for a period of 3 full years from the date of the death of the QS holder. *This is planned to change to apply to surviving heirs, regulations are pending.*

IFQ Reporting and recordkeeping

33. Any person that receives IFQ halibut from the person(s) that harvested the fish must possess a registered buyer permit, except in the following conditions; in which a registered buyer permit is required of any such person who harvests and transfers such fish:
 - a. in a dockside sale (to individuals for personal consumption);
 - b. outside of an IFQ regulatory area; or
 - c. outside the State of Alaska.A registered buyer permit also is required of any vessel operator transporting fish on the harvesting vessel outside the State of Alaska.
34. Prelanding clearance. A vessel operator who makes an IFQ landing at any location other than in an IFQ regulatory area or in the State of Alaska must obtain prelanding written clearance of the vessel from a clearing officer. Prelanding clearance must be obtained prior to the vessel departing the waters

of the EEZ adjacent to the State of Alaska, the territorial sea of Alaska, or the internal waters of the State of Alaska.

35. Prior Notice of Landing. The operator of any vessel making an IFQ landing must notify NMFS Enforcement, Juneau, no fewer than 6 hours before landing IFQ halibut (or sablefish), unless a waiver is granted by a clearing officer.
36. IFQ landing report. A registered buyer must report an IFQ landing within 6 hours after all such fish are landed prior to shipment or departure of the delivery vessel from the landing site. *IFQ landing reports must be filed electronically, unless a waiver to report manually is obtained from NMFS Enforcement.*
37. Shipment report. Each registered buyer, other than those conducting dockside sales, must complete a shipment report for each shipment or transfer of IFQ halibut from that registered buyer before the fish leave the landing site. *For dockside sales, a receipt with specified information is required.*
38. Transshipment report. A transshipment report is required for any transfer of processed IFQ product to a vessel from the harvesting vessel.
39. Depending on circumstances, a Vessel Departure Report and/or Vessel Activity Report also may be required for vessels that have engaged in the IFQ or CDQ halibut fishery.
40. Halibut IFQ is measured and debited from accounts, in net weight (head of, gutted) pounds. Permit holders are responsible for managing their accounts. The exception is that limited exception that limited overages will be allowed as specified in an overage program approved by NMFS and the IPHC.
41. Halibut tagged under a research program by any state, Federal, or International agency and landed pursuant current Pacific halibut regulations shall not be calculated as part of an individual's IFQ harvest, nor debited against an individual's halibut IFQ.
42. Persons holding IFQ may utilize those privileges at any time during designated seasons. Retention of halibut is prohibited during closed seasons. Seasons will be identified by the IPHC on an annual basis. *(The halibut IFQ season has opened on March 15 and closed on November 15 since the inception of the program in 1995.)*

IFQ Cost Recovery program

43. Starting in 2000, IFQ permit holders are responsible for paying fees to NMFS to cover the costs of management and enforcement of the IFQ program. Fees are levied as a percentage, not to exceed 3%, of the ex-vessel value of IFQ landings on permits.

Executive Summary

- ▶ National Standard 8 of the Manson-Stevens Fishery Conservation and Management Act directs that “Conservation and management measures shall, consistent with the conservation requirements of this Act (including the prevention of overfishing and rebuilding of overfished stocks), take into account the importance of fishery resources to fishing communities in order to (A) provide for the sustained participation of such communities, and (B) to the extent practicable, minimize adverse economic impacts in such communities.”
- ▶ The Oceans Studies Board of the National Academy of Science’s National Research Council (NRC) report on Individual Fishing Quotas, Sharing the Fish: Toward a National Policy on IFQs, concludes “(w)hen designing IFQ programs, councils should be allowed to allocate quota shares to communities or other groups, as distinct from vessel owners or fishermen.”
- ▶ Many smaller Gulf of Alaska communities have yet to develop mature halibut charter businesses. The current “Elements and Options for Analysis” by Council Staff on the halibut charter IFQ issue do not include options allocating, or setting aside, quota share for developing halibut charter fisheries in these fisheries-dependant coastal communities, nor do they address the sustained participation of many Gulf of Alaska communities in the halibut charter fishery.
- ▶ Alaska’s halibut charter industry is relatively new and has experienced rapid growth. Moreover, halibut charter fishermen are concentrated in only a few Alaskan communities.
- ▶ The NRC report cautions that “councils should avoid taking for granted the ‘gifting’ of quota shares to the present participants in a fishery, just as they should avoid taking for granted that vessel owners should be the only recipients of quota and historical participation should be the only measure for determining initial allocations.”
- ▶ Halibut charter IFQs may intensify near shore depletion and could restrict angler options for diverse halibut charter experiences.
- ▶ The community halibut charter IFQ “set aside” would reserve halibut charter quota for

use by residents of a defined class of undeveloped and underdeveloped communities who wish to establish halibut charter businesses. All "set aside" quota not obligated by a date certain would be "rolled back" into the general IFQ pool.

- ▶ Eligible communities are defined by four criteria: 1. located on salt water (coastal); 2. fisheries dependant; 3. remote (no road access); and 4. less than 2,500 people as recorded by the 2000 census. These criteria qualify twelve communities located in halibut management area 3A and twenty-two communities located in halibut management area 2C.
- ▶ A non-profit community development corporation or fisherman's association would be an appropriate management entity for community halibut charter IFQs. The entity must be inclusive of all residents in qualifying coastal communities, native and non-native alike.
- ▶ The community halibut "set aside" program would be administered by RAM division of NMFS.
- ▶ Communities would be limited in use to approximately 50,000# of "set aside" halibut charter IFQs. Cumulatively the program would be limited to 680,000# of "set aside" halibut charter IFQs.
- ▶ Individuals within communities would be restricted to 10,000# of halibut charter IFQ and further restricted to increments of 2,000# per year for the first five years. Also, individuals could only obtain halibut charter IFQs for 15 years.
- ▶ Since any unused portion of the halibut charter "set aside" is rolled back into the general IFQ pool, sunset provisions are unnecessary.
- ▶ The GOAC³ proposal for charter IFQ "set aside" quota is a concept for allocating shares that is likely to make the halibut charter IFQ allocations more equitable and successful.

Draft List of Communities Qualifying for Analysis Under AP Recommendations for Halibut Charter IFQs.

Qualifying Criteria: Area 2C and 3A fishery dependant coastal communities with populations of less than 2,500 people and not connected to the road system.

Area 2C		Area 3A	
Community	Population ¹	Community:	Population
Angoon	601	Akhiok	80
Cuffman Cove	254	Chenega Bay	96
Craig	1,946	Karluk	58
Edna Bay	79	Larsen Bay	130
Elfin Cove	48	Nanwalek	162
Gustavus	328	Old Harbor	310
Hollis	106	Ouzinkie	259
Hoonah	903	Port Graham	170
Hydaburg	406	Port Lions	233
Hyder	138	Seldovia	289
Kake	696	Tatitlek	124
Kassan	41	Yakatat	801
Klawock	759		
Metlakatla	1,540	12 communities	2712
Meyers Chuck	35		
Pelican	209		
Point Baker	62		
Port Alexander	98		
Port Protection	64		
Saxman	394		
Tenakee Springs	107		
Thorne Bay	650		
Whale Pass	92		
23 Communities	9556		

¹1995 data — Alaska Dept. Of Labor

Community “Set Aside”

Halibut Charter IFQs

Draft

Elements and Options For Analysis

(1) Halibut IFS Community Assistance Model:

- (a) Gifting of Halibut Charter IFQs to qualified community administrative entity.
(CDQ model)
- (b) Gifting of Halibut Charter IFQs to individuals within qualified communities
- (c) Halibut charter IFQ “set aside” for use by qualified communities
- (d) Co-management of local area Halibut Charter IFQs

Suboption 1. Turf fishery for Halibut Charter IFQs

(2) Eligible Communities:

- (a) Rural communities with less than 2,500 people in the Gulf of Alaska with direct access to saltwater.
- (b) Rural communities with less than 2,500 people in the Gulf of Alaska, no road access to larger communities, and with direct access to saltwater.
- (c) Rural communities with less than 2,500 people in the Gulf of Alaska, no road access to larger communities, and with direct access to saltwater, and a documented historic participation in the halibut fishery.
- (d) Rural communities with less than 2,500 people in the Gulf of Alaska, no road access to larger communities, and with direct access to saltwater, documented historic participation in the halibut fishery.

Suboption 1: Include a provision that the communities must also be fishery dependent.

Fishery Dependence can be determined by:

- (a) Fishing as a principal source of revenue to the community
- (b) Fishing as a principal source of employment in the community
(e.g., fishermen, processors, suppliers)

The relative importance of fishing to a community can be estimated by looking at other sources of revenue and employment and comparing those sources to fishing activities in the community

Suboption 2: Decrease community size to communities of less than 1,500 people.

Suboption 3: Increase community size to communities of less than 5,000 people.

3) **Appropriate Administrative Entity within the Qualifying Community**

- (a) Existing recognized governmental entities within the communities (e.g., municipalities, tribal councils or ANCSA corporations)
- (b) New non-profit community entity
- (c) Aggregation of communities parallel to the "CDQ groups"
- (d) Combination of the entities

Suboption 1: Allow different ownership entities in different communities depending on the adequacy and appropriateness of existing management structures.

(4) **Administrative Oversight**

- (a) Require Submission of detailed information to NMFS prior to being considered for eligibility as a community halibut charter IFQ recipient.
- (b) Annual requests to RAM division regarding qualifications for transfer of quota and amount of halibut charter quota for use by administrative entity.
- (c) Require Submission of an annual report detailing accomplishments.

(5) Roll Over

- (a) Rollover of unrequested quota prior to commercial and halibut charter IFQ allocations
- (b) "Bank" unrequested quota for future use
- (c) Unrequested (and unfished) quota is added to following year biomass estimate

(6a) Use Caps Cumulative Caps for all Communities

- (a) 3% of the combined 2C and 3A Total Allowable Catch (TAC)

Suboption 1: 2% of the combined 2C and 3A Total Allowable Catch (TAC)

- (b) 10% of initial issuance of halibut charter IFQs

Suboption 1: 15% of initial issuance of halibut charter IFQs

- (c) Fixed quota amount equal to 20,000# for each qualified community

Suboption 1: Fixed quota amount equal to 30,000# for each qualified community

(6b) Use Caps: For Individual Communities

- (a) Proportional amount, based on total qualifying communities, of total "set aside" cap.

Suboption 1: Proportional amount, based on total participating communities, of total "set aside" cap.

- (b) 50,000# per community

Suboption 1: 30,000# per community

Suboption 2: 20,000# per community

- (c) 1/10 of 1% of 3A and 2C Total Allowable Catch (TAC)

Suboption 1: 2/10 of 1% of 3A and 2C Total Allowable Catch (TAC)

(6c) Use Caps: For Individual Halibut Charter Operators

- (a) Use cap of with range of 5,000#, 10,000# or 15,000#
- (b) Use cap of no more than 2,000# per year for each year of operation – up to total individual cap

Suboption 1: Use cap within range of 1,500# - \$2,500# per year for each year of operation - up to total individual cap

- (c) Deduct unused quota, if more than 10%, from next year individual allocation

Suboption 1: Deduct unused quota, if more than 5%, from next year individual allocation

- (d) Individuals are limited to no more than 15 years participation in the program

(7) Sunset Provisions

- (a) No sunset provision
- (b) Review program after 5 years and consider sunsetting program if review reveals a failure to accomplish the stated goals.

RECEIVED

SEP 26 2000

N.P.F.M.C

Written Comments

submitted to:

**North Pacific Fishery Management Council
for the October 4-9 , 2000 meeting.**

Topic: Halibut Charter IFQ Program

submitted by:

**Hans Bilben
Box 2285
Soldotna, Alaska 99669**

**(907) 260-9234
catchalaska@gci.net**

9/25/00

NPFM Council Members,

After reading the Executive Summary (January 2000) of the progress thus far by the North Pacific Fisheries Management Council I have the following comments and recommendations concerning halibut charter management measures in Area 3A which are up for consideration at the upcoming meeting:

For the record, my name is Hans M. Bilben and I have lived and worked on the Kenai Peninsula for twenty years. I have worked in the Cook Inlet drift salmon fishery, longlined for halibut, and hold a small halibut IFQ. I currently own and operate Catch Alaska Saltwater Charters out of Anchor Point, Alaska which began operations in the summer of 1999. Several years of planning and preparation preceded that beginning.

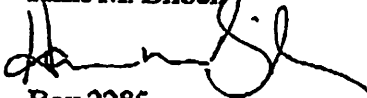
1. Because there was never really any accurate means of tracking the halibut charterboat catch prior to the introduction in 1998 of the Saltwater Charter Vessel Logbook, the idea of a **Guideline Harvest Level** based on 1995 data is inaccurate, and therefore should be **declared invalid**. Any type of **GHL** needs to be based on factual data such as that provided by the Vessel Logbooks. This data needs to be studied for a minimum of **three years** as recommended by **ADF&G** to determine what the actual catch is, and what the real trends are in the charterboat fishery.
2. Of the management measures proposed the only two that merit any attention are: Vessel Trip Limits - No vessel should be allowed to provide more than one trip per 24 hour period, and take it one step further that no fisherman should be allowed to retain more than one legal limit of halibut on any single charter. This would address some of the "meat market" charters that depart during evening hours, catch a limit before midnight, and then at 12:01 A.M. catch another limit. The other measure that deserves consideration is to Prohibit Crew Caught Fish. On my boat that measure alone would result in at least a **20% reduction** in the number of fish harvested annually. This management tool would have the least economic impact on the charter operator, and will produce a sizeable reduction in the overall catch.
3. By the admission of the Council "*client demand may be the more effective limiting factor on growth in this industry sector than a moratorium*". Also stated in the Executive Summary (January 2000) was the point that a moratorium on this fishery "*likely would not be effective relative to attainment of GHL goals*". I am opposed to any type of moratorium. As compared to the commercial fishery where the resource is fish, in the Charter fishery the resource is people. By limiting the number of charters available you limit the number of people who will come to this area in pursuit of that experience, and you ensure that those who do come will pay very inflated prices to those few who will then control the industry. As a 1999 entrant into the charter industry I must say that I had no problems finding people who wanted to go fishing. To those operators that claim to be worried about their "economic stability" I would have to say they may need to be more creative and provide more services just as I do and if they can't make it, to get into a different line of work.

4. The criteria suggested by the Council in the event of an area-wide halibut charter moratorium are severely flawed. None of the options being considered state that as a condition of receiving a Charterboat IFQ a person must be a current charter operator with a 2000 Logbook. It is ludicrous that a permit may be granted to a person who perhaps gave the charter business a try sometime between 1995 and 1999 and then got out of it for whatever reason. There is no legitimate reason to even consider a person as a possible IFQ recipient if they are not currently in the industry. As stated in the Executive Summary, "*growth is flat*" in the 3A charter fleet, and "*there is considerable exit and entry in this fishery between 1998 and 1999*". I am assuming that this was also true between 1999 and 2000.

5. The control date of June 24, 1998 as set by the National Marine Fisheries Service has been the best kept secret in Alaska and as such needs to be invalidated. Had this date been well publicized, people (myself included) could have been forewarned that a moratorium may be on the horizon and planned accordingly. It wasn't, and in 1999 it appears as if I (and about 175 other operators) in good faith began operations. It seems that somewhere in all of the bureaucratic hoop jumping that one goes through to obtain all of the required permits, registration, licenses, and insurances that someone at some level might have mentioned the fact that a small group of people with government backing would be trying to put us out of business in the near future..... In the event of any type of moratorium there has to be sufficient **PUBLIC NOTICE** to prevent individuals from investing all too much time, and the many thousands of dollars required to start this type of business.

Thank you for taking the time to read this, and I sincerely hope that you will see fit to seek a Fair and Equitable solution to these issues.

Hans M. Bilben



Box 2285
Soldotna, Alaska 99669
(907) 260-9234
catchalaska@gci.net

Tenacious Charters LLC
Mike & Karen Lockabey
 P.O. Box 1542 Wrangell, Alaska 99929
 Ph. 907-874-3723 Fax 907-874-3724 E-mail: lockabey@seapac.net

Fax Transmit Form

Date : 9/26/00

To : NPFMC
1-907-271-2817

From : Mike Lockabey

Number of pages including this page 1

RECEIVED
 SEP 26 2000
 N.P.F.M.C

Written Comment for 146th session Oct 4-9

This comment is addressing the Halibut Charter IFQ program

Greetings Council Folks,

My name is Mike Lockabey, I have been a commercial fisherman and Charter operator for the last 16 years here in SE Alaska. My Wife and myself have been Alaskan residents for all our Adult life, 26 years, and our children are born and raised here. Our family is totally dependent on my income as a commercial fisherman and charter operator. We charter from May to Sept, , fish our Halibut IFQ in the spring and fall and dungeness crab , shrimp and longline rockfish in the winter. We power trolled on the outside coast for 10 years. We have been in all these endeavors before limited entry and the IFQ program occurred in each of these fisheries. We have progressed in our business up to our current 42' modern boat and have done it by hard work and diligent business management.

In this meeting you will consider progress on the formulation of the Halibut Charter IFQ program. While doing so I would like you to consider the following points.

Point 1) I agree that there must be restrictions on the harvest of Charter caught Halibut and an IFQ program could work if administered fair to all the Charter fleet

Point 2) I would propose that there be a Nonresident Annual possession limit of no more than four and preferably 3 halibut. This I believe would have an immediate impact on the amount of halibut harvested by the charter fleet and be fair to all the different types of charter operations. It is important to restrict the harvest of Halibut first by the harvester, that being the fisherman. A Limit of 3 or 4 Halibut annually would still allow the opportunity for our Alaskan guest to experience our great fishing and enjoy the bounty of the catch.

Point 3) Currently the proposal as I understand it would work off of halibut harvested in the years 1998 & 1999 (the log book data base years) and does not take into account the different types of Charter operations. For example: A day boat out of a competitive port would typically charge \$150.00 to \$175.00 a day for a charter and less for a half day, as many that cater to the cruise ship do. Currently,

day fishing charters will and do harvest a limit (2) each day and guest will harvest as many as 6 to 10 halibut in a 3 to 5 day stay. In contrast, long range and stayaboard charters like mine and at least 50% of our communities operations that are similar to mine harvest not more than a possession limit (4 halibut) for a 4, 5 or 6 day trip. A typical charge for a stayaboard trip is \$350.00 to \$450.00 per day per person. In the qualifying years my operation has a excellent production record, about as good as it can be, it produces up to twice the prime income that the day charters do with much less halibut harvest. If a day boat with the same amount of days on the water as a stayaboard boat receives twice the IFQ what would stop him from expanding his operation with his awarded allotment, While operations like mine would be stopped from future growth. It is not my intention here to slam the day boat charters, it is simply to put operations like mine on a level playing field with them in the IFQ program process. If one were to consider the Socioeconomic aspect, a straight poundage or fish count IFQ would reward the group that has had the highest impact with the lowest return and allow it to grow while at the same time kill the growth and restrict the operation ability of operations like mine that have sought and practiced good resource management and conservation. By placing a Non resident annual limit on Halibut it would be fair to all the different types of charter operations

Point 4) At present I can't see a way to put poundage on the IFQ that would be like the current Comm fish Halibut IFQ. Considering that the log book program only counted numbers of fish and not poundage. In the long range, stayaboard style of fishing guest are limited to a possession limit of fish and become selective in the fish they keep. I can document with photographs and affidavits that our guest have been selective for many years. With this point it should be apparent that it is fair to deferenciate between Charter operation styles. A possible way to deal with the day boat Vs long range stayaboard boat is to class the boat size similar to the commercial fishing fleet A, B, C. This would be a way to level the playing field for all different types of Charter operations. Please feel free to call me if you have any

questions about my comments. (907-874-3723)

You are entrusted with making new and ground breaking regulations for the Charter fishing / guiding industry. Please do your best to understand the many different aspects of our industry and to be fair to all of us that have pioneered it.

Thank you.

Sincerely,


Michael T. Lockabe

Tenacious Charters takes pride in being associated with:

Pure Fishing

Fenwick, Berkley, Abu Garcia

Mercury Team Alaska

G-Loomis, Guide program

Izor Line International

World Class outdoor gear for World Class Sportsman

Northwest Pacific Fishery Management Council
605 West 4th Ave., #306
Anchorage, AK 99501-2252

April 29, 2000

RECEIVED
MAY - 2 2000
N.P.F.M.

Dear Council members,

I have just established "Prince William Sound Eco-Charters, LLC", and am very concerned about recent actions being considered by the North Pacific Fisheries Management Council, the Alaska Charter Halibut Association and Commercial Halibut Fishermen. I need your help in finding an equitable solution to the halibut catch issue. A significant part of my business will be impacted by upcoming decisions.

Recent meetings in Anchorage between the NPFMC, Halibut Charter Operators and Commercial Fishing representatives have caused me great concern in light of the potential economic impact on Alaskan residents, like myself, just entering the charter boat business. I currently work for the Federal Government in the weather business. I plan to retire in 3 years. I will be operating out of Whittier. I plan to devote a good portion of my summers to introducing people to the Prince William Sound area, one of the many 'special' areas of Alaska. A part of my new business involves fishing for halibut. I understand that none of the proposals currently under consideration by the NPFMC include new competition. In fact, many established halibut charter operators want to place a moratorium on halibut fishing and are intent on instituting an IFQ system which is to be based on previous participation in the fishery. This would nearly eliminate future growth in the charter business. Selling IFQs would drive prices up and up, hurting many and benefitting a few. IFQs would give someone a reward for catching a lot of halibut in the past! This certainly doesn't help those starting out, right?

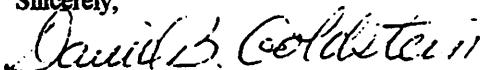
The NPFMC is concerned with a projected decrease in halibut stocks and the fishery becoming too large. I agree with managing this fishery. It is critical, however, to look at actions that meet the needs of everyone concerned. Sportfishing must be recognized as a viable investment. I wouldn't be surprised to find that revenues pumped back into the State of Alaska from sportfishing currently, or could in the future, exceed revenues pumped back into the State by commercial interests? I believe there is too much emphasis placed on the commercial side of Alaska's fishing industry while the "little-man" is ignored. Take a close look at halibut allocations between the two. The numbers speak for themselves.

Another issue worth noting is that the commercial by-catch of halibut far exceeds the annual charter industry catch. This is presently accepted. I'm not in favor of going to a "one" fish limit as some suggest. I believe this would hurt the existing charter fishery. I would, however, like to see an honest review and modification of current regulations which allow charter operators to conduct multiple charters each day and allow captains and deck hands to catch daily limits of halibut while chartering.

I always thought that caught halibut belong to the people purchasing fishing licenses, not the charter operators? Aren't charters only a means of helping licensees catch fish? By placing a moratorium on the charter industry, competition in providing a quality fishing experience will be severely limited. This will eventually lead to higher prices for the licensee and possibly take away a fishing opportunity for some. New proposals would limit choices of charters for those interested in halibut fishing.

Please help Alaskans find a practical solution to the halibut fishery problem. We need to work together, foster teamwork, growth, and develop stability for all, including NEW participation and growth into the business. We should strive to provide a fair solution for everyone.

Sincerely,



David B. Goldstein
7545 Foxridge Way, STE #413
Anchorage, AK 99518
(907) 336-3286 E:mail davego@gci.net

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

April 17, 2000
RECEIVED
APR 19 2000
N.P.F.M.C

Dear Council:

I am writing you in reference to a concern I have with recent actions being considered by the North Pacific Fisheries Management Council, Alaska Charter Halibut Association and Commercial Halibut Fishermen. I would appreciate assistance in finding an equitable resolution.

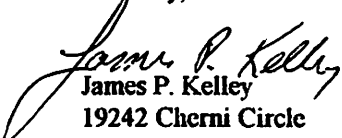
Recent meetings in Anchorage between the NPFMC, Halibut Charter Operators and Commercial Fishing representatives has caused great concern what the outcome might be and the economic impact on Alaskan residents, like myself, just entering the charter industry. I recently retired from the U.S. Air Force, saved and recently invested in starting a new Halibut Charter/Campground in the Deep Creek area. Current proposals under consideration within the NPFMC are many, of which none include new competition. In fact, the charter operators themselves have indicated placing a moratorium and instituting an IFQ system based on previous participation in the fishery, thus, eliminating future growth.

The NPFMC is concerned with a projected decrease in halibut stocks and the fishery becoming too large. I'm totally in agreement of managing the fishery. All I suggest is slow down, take a look at all aspects and those involved and not eliminate anyone. This is not a commercial venture, suggesting new entrants purchase an IFQ. One can only guess how much it would cost for an IFQ if this proposal is accepted. I feel its long overdue that sportfishermen be recognized as a viable investment I suspect sportfishing revenues into the state of AK exceed commercial dollars and far too much emphasis is placed on the commercial side of Alaska's' fishing industry while the "little-man" is ignored. Take a close look at halibut allocations between the two.....they speak for themselves. Another issue worth note is the commercial by-catch, far exceeding the annual charter industry totals.....and it's accepted. I'm not in favor of going to a "one" fish limit (another suggested option) as I feel this would hurt the existing charter fishery but, recommend reviewing and modifying current regulations which allow charter operators to conduct multiple charters each day and allowing the captains and deck hands to catch daily limits of halibut while chartering.

Correct me if I'm wrong but, don't the halibut belong to the people purchasing fishing licenses, not the charter operators. Charters are only a means of helping the licensee catch their fish. Placing a moratorium on the charter industry will eliminate competition of providing a quality fishing experience, eventually lead to higher prices for the licensee and possibly eliminate some licensees an opportunity to fish. Under existing Fish & Game regulations, limiting charters really has no bearing on numbers of halibut harvested but, a moratorium simply eliminates the customer's choices with whom to obtain them.

Bottom Line! Alaskans need to look at positive, practical solutions to our current halibut fisheries. Lets work together, foster teamwork, growth, and develop stability for all, including NEW participation and growth into the business. The Department of Fish and Game might consider the feasibility of supplementing halibut populations with hatchery fish, as the west coast has done. This might eventually increase tourism, promote economic growth, and provide a quality, and stable environment for everyone.

Sincerely,


James P. Kelley
19242 Cherni Circle
Eagle River, AK 99577 (907) 696-5141

April 18, 2000

RECEIVED

APR 20 2000

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

N.P.F.M.C

Dear Council Members:

We are writing you in reference to some possible upcoming actions being considered by the North Pacific Fishery Management Council concerning the Charter Halibut fishery in southern Alaska. We would appreciate your assistance and hope you can stop what is taking place.

Drastic changes are looming for the Charter Halibut Fishery. Recent meetings in Anchorage, AK between the NPFMC, Halibut Charter and Commercial Representatives have created a stir in the community. Our greatest concern is the Halibut Charter Business shutting the door on new entrants into the fishery. They have suggested a moratorium into the fishery, thus eliminating any future competition. Additionally, they have proposed initiating an IFQ system based on recent history in the fishery, which again shuts the door to future competition. We feel a lot of operators are only interested in the money.

We believe that halibut belongs to the person purchasing a fishing license, not the charter operator. A moratorium will only decrease the licensees' choice with whom to charter, decrease competition and possibly eliminate the opportunity to fish for many individuals. Additionally, once an IFQ is established, we predict in the not to distant future, most shares will be sold and owned by a distinct few. Those of us who truly care about the halibut and tourism industry as a whole want to look at supplementing halibut populations with hatchery fish as the west coast has done. Why solve the problem by settling for a declining halibut population when we can increase the populations and thereby promote the economic growth of our tourism and seafood processing industries?

We would appreciate your investigation into this matter. There must be a positive, practical solution to the dilemma facing the halibut fishery. Lets work together, foster teamwork, growth and stability for all, including fostering new competition.

Respectfully submitted by the following Alaskans,

Please see the attached copies of signed letters which went to Senator Frank Murkowski, Congressman Don Young, and Secretary William Daley

Please address a response to:

Heidi L. Kelley
19242 Cherni Circle
Eagle River, AK 99577
(907) 696-5141

Heidi Kelley

April 17, 2000

Office of Senator Frank Murkowski
222 West 7th Avenue, No. 569
Anchorage, AK 99513-7570

Dear Senator Murkowski: (SAME LTR TO DON YOUNG, SEC. DALEY)

We are writing you in reference to some possible upcoming actions being considered by the North Pacific Fisheries Management Council concerning the Charter Halibut fishery in southern Alaska. We would appreciate your assistance and hope you can stop what is taking place.

Drastic changes are looming for the Charter Halibut Fishery. Recent meetings in Anchorage, AK between the NPFMC, Halibut Charter and Commercial Representatives have created a stir in the community. Our greatest concern is the Halibut Charter Business shutting the door on new entrants into the fishery. They have suggested a moratorium into the fishery, thus eliminating any future competition. Additionally, they have proposed initiating an IFQ system based on recent history in the fishery, which again shuts the door to future competition. We feel a lot of operators are only interested in the money.

We believe that halibut belongs to the person purchasing a fishing license, not the charter operator. A moratorium will only decrease the licensees' choice with whom to charter, decrease competition and possibly eliminate the opportunity to fish for many individuals. Additionally, once an IFQ is established, we predict in the not to distant future, most shares will be sold and owned by a distinct few. Those of us who truly care about the halibut and tourism industry as a whole want to look at supplementing halibut populations with hatchery fish as the west coast has done. Why solve the problem by settling for a declining halibut population when we can increase the populations and thereby promote the economic growth of our tourism and seafood processing industries?

We would appreciate your investigation into this matter. There must be a positive, practical solution to the dilemma facing the halibut fishery. Lets work together, foster teamwork, growth and stability for all, including fostering new competition.

Respectfully submitted by the following Alaskans,

Heidi Kelley
Dawn Spain
Kelly Bennett
Macey Satter
Minn Helbert

[Handwritten signatures]

Don Tanner
Donald W. Zund
Wayne Carmony
Tuckerman Bebrock

Please address a response to:

Heidi L. Kelley
19242 Cherni Circle
Eagle River, AK 99577
(907) 696-5141



City

RECEIVED
SEP 11 2000
N.P.F.M.
Pelican

BOX 737

- PELICAN, ALASKA 99832

- PHONE 735-2202

- FAX 735-2258

**RESOLUTION #2000-13
PELICAN, ALASKA**

**A RESOLUTION CALLING FOR THE SUPPORT OF COMMUNITY FISHING
QUOTAS (CFQ'S)**

WHEREAS, the City of Pelican is a rural, coastal community with documented historic participation in the Halibut and Sablefish longline fisheries; and

WHEREAS, though there are benefits to the IFQ program, the City of Pelican can substantiate the adverse economic impacts; the decline in raw fish tax revenue and less resident participation in the fisheries; and

WHEREAS, CFQ's would provide direct economic assistance to individuals and businesses that are dependent on the fishing fleet and have real and immediate financial needs; and

WHEREAS, it would utilize funds to restructure and stabilize the business and community infrastructure; and

WHEREAS, community-based program administration will consider the diverse interests and high expectations of all participants, such as the harvesters, processors, residents, and consumers; and

WHEREAS, fishermen and communities both have a strong interest in sustaining and rebuilding local resources; and

WHEREAS, this program provides for the fair and sustained participation of coastal communities in the IFQ program.

WHEREAS, our support for this concept hinges on an outcome that will not negatively impact current IFQ holders, while at the same time, being economically feasible for communities.

NOW, THEREFORE BE IT RESOLVED that the Pelican City Council of Pelican, Alaska supports the concept of Community Fishing Quotas for the Rural Coastal Communities of Alaska.

FURTHER, BE IT RESOLVED that the Pelican City Council of Pelican, Alaska recognizes that it will not happen unless the people affected are willing participants in its realization.

RESOLUTION 2000-13

Page 2

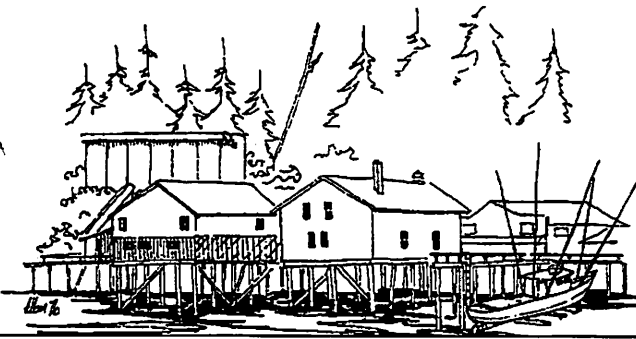
PASSED AND APPROVED by a duly constituted quorum of the Pelican City Council on this 11th day of SEPTEMBER, 2000.

Signed Kathie Wasserman
Kathie Wasserman, Mayor

Attest:

Betty L. McClain
Betty L. McClain, City Clerk/Treasurer





City of Pelican

BOX 737

PELICAN, ALASKA 99832

PHONE 735-2202

FAX 735-2258

September 6, 2000

Chairman
North Pacific Fishery Management Council
605 W. 4th Avenue
Anchorage, Alaska 99501

RECEIVED
SEP 11 2000
N.P.F.M.C

Dear Council Members;

The City Council of Pelican, Alaska would like to go on record as being supportive of exploring the concept of the community purchase of halibut and sablefish. Pelican has suffered greatly from the many changes that have affected the fishing industry. We see great potential for this program towards the benefit of coastal communities like Pelican.

Sincerely,

Kathie Wasserman

Kathie Wasserman
Mayor, City of Pelican

FROM :

FAX NO. :

RECEIVED
Sep. 05 2000 01:58PM P2

SEP 11 2000

City of Pelican

Organization or Individual

N.P.F.M.C

P.O.B. 737, Pelican, AK 99832

Address

TO: August 2000

TO: Chairman

North Pacific Fishery Management Council
605 W. 4th Avenue
Anchorage, Alaska 99501

RE: DRAFT Discussion Paper for Community Purchase of
Halibut and Sablefish IFQs and Community Set-Asides
for Halibut charterboat IFQs

Dear Members of the North Pacific Fishery Management Council:

As a small Gulf of Alaska coastal community member, we are deeply concerned about the impacts of loss of fishing access on our community.

The Council has a unique opportunity to explore ways that small coastal communities in the Gulf can regain some of that access through a consideration of the proposed community purchase of halibut and sablefish as well as a proposed set-aside for community IFQs for charter boats.

We are very concerned that these proposals go forward for analysis and full public commentary process.

Therefore, we, the undersigned, request that the North Pacific Fishery Management Council forward the items in the DRAFT discussion papers for further analysis.

Thank you.

Kathie Wasserman Kathie Wasserman
Printed name Signature

mayor

City of Pelican

Petersburg Vessel Owners Association

P.O. Box 232
Petersburg, Alaska 99833
Phone (907) 772-9323 Fax (907) 772-4495

September 14, 2000

Mr. David Benton, Chairman
NPFMC
605 West 4th Avenue, Suite 306
Anchorage, AK 99501-2252

Re: Comments of Draft Discussion Paper for Community "Set Aside" of Halibut Charter Individual Fishing Quota Shares (IFQs)

Dear Mr. Benton,

On behalf of Petersburg Vessel Owners Association (PVOA), I am submitting comments to the NPFMC in regards to the draft discussion paper on a community "set aside" of halibut charter IFQs. The analysis for halibut charter IFQs is currently underway and a preliminary draft of that analysis is scheduled to be available at the October, 2000 NPFMC meeting in Sitka. If the Council is going to consider a community "set aside" and ownership of halibut charter IFQs, the Council may have to give direction to staff to include it in the analysis in the near future.

In that regard, PVOA would like to comment on the origins of the community charter set aside, i.e. from where does it come from. It was our assumption, if the set aside was found to be necessary, it would come from the potential quota share pool of charter IFQ. The potential poundage from this pool is then limited by the GHL which varies with abundance in a stair-step fashion. Assuming that when the charter IFQ program becomes active, the charter quota share pool (including set asides, if any) will be applied to the GHL that is in effect at that point in time. Therefore, the proposed community charter "set aside" would come from the charter sector TAC and not from the commercial longline TAC.

If the community charter set aside is to come from charter quota share, then it is an issue for the Charter IFQ Committee. From a general policy standpoint, PVOA would be interested but would not necessarily have a direct stake in the issue. However, if the set aside is to be derived from the combined joint commercial/charter quota share pool, then PVOA would have a direct stake in the matter. Such a joint pooling would result in an increase in the aggregate charter catch above the GHL amount. In effect, it becomes a re-negotiation of the GHL which the Council has already taken final action upon. We do

not believe that would be appropriate to re-negotiate a Council action that took seven years to negotiate.

PVOA has provided comments and concerns to the Council on community ownership of IFQs in a letter dated 9/11/00. Many of those same concerns and comments are relevant here as well such as the qualifying criteria for communities, a cap on the aggregate amount of community ownership, and possible other alternatives including loan programs.

Thank you for your consideration,

A handwritten signature in black ink, appearing to read 'Gerry Merrigan', with a horizontal line extending to the right.

Gerry Merrigan
Director, PVOA

COUNCIL ANNETTE ISLANDS RESERVE

METLAKATLA INDIAN COMMUNITY

SOLOMON D. ATKINSON, MAYOR

JUDITH A. LAUTH, SECRETARY

SANDRA S. WILSON, TREASURER

ESTABLISHED 1887

POST OFFICE BOX 8

METLAKATLA, ALASKA 99926

PHONE (907) 886-4441

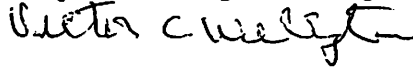
FAX (907) 886-3338

FAX (907) 886-7997

DATE: September 15, 2000

TO: David Benton, Chairman
North Pacific Fishery Management Council
605 w 4th Avenue
Anchorage, AK 99501

FROM: Council Annette Islands Reserve
Victor C. Wellington, Acting Mayor



SUBJECT: Community "Set Aside" of Halibut Charter IFQ

In light of the fact that the NPFMC has "fast tracked" the issue of inclusion of the halibut charter fleet into the existing halibut IFQ program Metlakatla considers it of the utmost importance that our community be included in the original issue of halibut charter quota shares.

This community has been devastated economically by downturns in the timber and salmon industry and currently has an unemployment rate approaching 75%. Metlakatlas fisheries are in a state of decline due to changing markets, localized depletion and an ever-increasing rate of interception by competing fisheries.

Metlakatla has a long history of fisheries participation statewide, but many particularly the young will have no access to this newest IFQ fishery. At present there are more than twenty people with the proper licensing to run charters but NONE will qualify under the criteria being considered by the NPFMC for the original issue of these quota shares.

Without being included in the original issue of these quota shares Metlakatlans will not only not be able to participate in the fishery but will face increased interception of local stocks from the charter fleet.

Only you, the NPFMC, can help to mitigate this situation by including Communities in our region in the original issue of halibut charter IFQ.

September 6, 2000

TO: Chairman
North Pacific Fishery Management Council
605 W. 4th Avenue
Anchorage, Alaska 99501

RE: DRAFT Discussion Paper for Community Purchase of
Halibut and Sablefish IFQs and Community Set-Asides
for Halibut charterboat IFQs

Dear Members of the North Pacific Fishery Management Council:

As a small Gulf of Alaska coastal community member, we are deeply concerned about the impacts of loss of fishing access on our community.

The Council has a unique opportunity to explore ways that small coastal communities in the Gulf can regain some of that access through a consideration of the proposed community purchase of halibut and sablefish as well as a proposed set-aside for community IFQs for charter boats.

We are very concerned that these proposals go forward for analysis and full public commentary process.

Therefore, we, the undersigned, request that the North Pacific Fishery management Council forward the items in the DRAFT discussion papers for further analysis.

Thank you for your time and attention in this matter.



IRA Tribal Council President

DRAFT
CHARTER IFQ COMMITTEE
MINUTES
October 2, 2000

The Halibut IFQ Committee convened at approximately 1 pm. Chairman Dave Hanson, Committee members: Brett Huber, Jim Preston, Steve Campbell, Bob Ward, Seth Bone, Tim Evers and Technical advisors: Don Lane, David Brindle, Mark Lundsten, Arne Fuglvog. Council member Kevin Duffy attended part of the meeting. Staff present included Jane DiCosimo, Chuck Hamel, Rob Bentz, Jim Hale, Phil Smith, Jay Ginter, Gregg Williams and Earl Krygier. Eight members of the public attended.

Community set-aside

The committee recommended not adopting the GOACCC proposal to set-aside charter IFQs for communities.

The committee recommended that the Council consider AFA-related halibut bycatch issues and associated halibut bycatch savings be assigned to communities for development of charter IFQ fisheries if the Council desires to implement community programs.

Issue 1.

The committee recommended adding an option under Option 1 to use the State's corrected percentages as a suboption.

The committee recommended adding an option of an amount of pounds equal to the average 1998-99 halibut harvest to guarantee a set poundage to the charter sector for the first year of the program. That poundage amount would be converted to a percentage that would be used to set the poundage in subsequent years.

Issue 4.

The committee recommended deleting options 3 and 4, and changing Option 1 to:

1. Charter vessel owner - individual who owns the charterboat

Staff interprets that the committee's intent is to qualify the person controlling the charter business in situations where the vessel is leased.

Issue 3.

The committee recommended the proposed language change for "initial issues" (staff recommendations (SR)). It also recommended the most inclusive proxy for logbook participation, that is, "active vessel" defined as having turned in one logbook page with positive catch or effort.

The committee recommended that the ADF&G Guide and Business Registration be made a mandatory proxy for participation for all options where the issuee is a bare vessel lessee. Neither CFEC vessel registration nor IPHC licensing would be required of bare vessel lessees.

Issue 2.

The committee recommended deleting the 125% inflation under Option 1. It clarified that the balance would be redistributed proportionally to all initial issues (with none left over for hardships) (SR).

The committee recommended moving Option 3 (fix 50%/float 50%) under Issue 1 (SR).

Issue 5.

The committee recommended deleting “individual” for Option 1 (SR) and delete Option 2b.

Issue 6.

The committee recommended adopting New Option 1, 2 and 3 (SR). It further recommended deleting the language “not to exceed...”(SR). It clarified that transfer limitations should be by area, but not by vessel category (meaning only one transfer for each area for all vessel categories). The committee recommended that the 25% cap be based on individual transfers rather than by aggregate because it is more restrictive.

Issue 7.

The committee recommended changing Issue 7, Option 4, to “use” caps (instead of ownership) applied only to the charter sector at the time of initial allocation. This would not impact existing commercial ownership and use caps.

Issue 9.

The committee recommended that staff analyze the pounds vs. fish issue for both issuance and use of charter IFQs, and expressed its desire that IFQs be issued as number of fish.

Other Issues

The committee identified that a quantitative analysis of the impacts of the proposed charter IFQ program on anglers should be considered by the Council, while recognizing that this may require substantial time and funds.

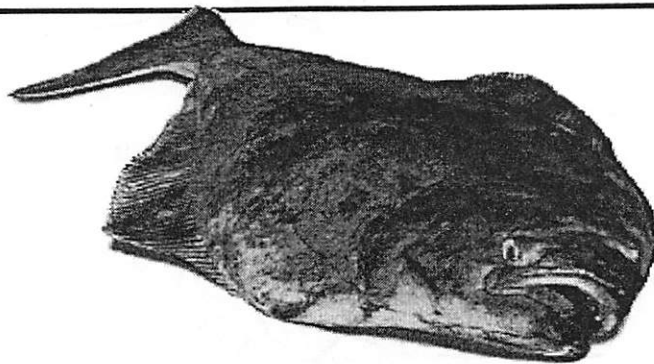
The committee discussed that the analysis is separable for Area 2C and 3A and recommended that the Council pursue an IFQ system for Area 3A only, in the event that there is not sufficient support for a program in Area 2C.

The Halibut IFQ Program a refresher course...

North Pacific Fisheries Management Council
Sitka, Alaska :: October 2000

Phil Smith, Program Administrator
Restricted Access Management
Alaska Region, NMFS

Pacific Halibut

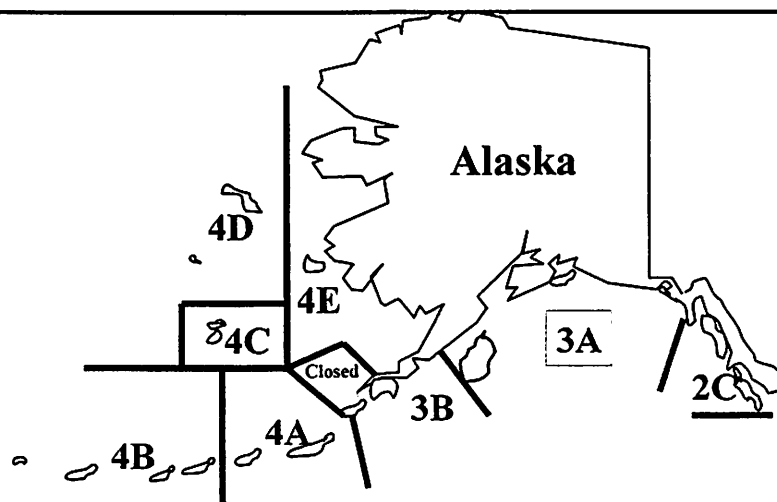


Hippoglossus Stenolepsis

Pacific Halibut Management

- managed under treaty (US/Canada) by International Pacific Halibut Commission (IPHC) and
- (in US) North Pacific Halibut Act
- IPHC sets conservation rules and annual commercial TACs by area
- Council recommends allocation and access rules to Secretary of Commerce

Halibut Management Areas



Race for Fish in '70s

- **state limited entry (mid-1970s) displaced fishers, who sought new opportunities**
- **oil pipeline caused population growth**
- **halibut fishery inexpensive to enter, can be fished from smaller (<60) vessels**
- **circle hook technology (~1978) increased catching efficiency**

Race for Fish (continued)...

- **by mid-1980s, the season length had collapsed to < 1 week in some areas**
 - **reduction from months in 1970s**
 - **by late '80s, >3,500 vessels chasing the TACs**
- **similar situation in sablefish fishery**
 - **>1,800 vessels compressed the season length**

Race for Fish - Problems

- **conservation problems**
 - gear conflict on the fishing grounds
 - low Catch/Unit of Effort (CPUE)
 - lost and abandoned gear, ghost fishing
 - high by-catch & discard mortality rates
 - TAC-busting
- **safety at sea compromised**
- **economic inefficiency and waste**
 - race for fish encouraged “capital stuffing”
 - low ex-vessel prices for fishers
 - poor product quality
 - fresh fish on market rare, consumers unhappy

Council Took Steps

- **early 1980s - halibut moratorium**
 - Denied by OMB/Secretary of Commerce
- **mid-1980s sablefish fully “Americanized” and also overcapitalized**
- **council explored options with industry**
 - input controls (more gear and area restrictions, limiting licenses, etc.)
 - output controls (quota system)

Arguments Against IFQs

- **would “give away” the public resource**
- **would be contrary to competitive fishing ethic**
- **would unfairly create “windfall profits”**
- **would shift bargaining power to IFQ holders**
- **consolidation could harm interests of hired skippers, crews, and fishing communities**
- **difficult to enforcing compliance**
 - **incentives for high-grading, under-reporting and non-reporting of harvests**

Arguments For IFQs

- **would extend season length to ~8 months**
 - **conservation benefits (slow race for fish)**
 - **economic benefits (higher value fish)**
 - **consumer benefits (quality product, steady supply)**
- **would reduce capital inputs to the fishery**
 - **fleet could “buy itself out”**
 - **fewer fishing operations**
 - **less expensive operations**
- **would improve safety at sea**

Council Decisions – '91 to '92

- **December 1991 - Council recommended IFQs for both halibut and sablefish**
- **April 1992 - affirmed on reconsideration**
- **Council established an industry “IFQ Implementation Committee”**
- **early 1993 - Proposed Rule published**
- **November 9, 1993 - Final Rule published**

Key Program Elements

- **QS permits (units of QS) and annual IFQ permits (pounds of fish) are identified by:**
 - **species (halibut or sablefish)**
 - **management area**
 - **vessel category**
 - **“blocked” or “unblocked”**
- **QS/IFQ is transferable to US citizens**
 - **but amount of QS and amount of IFQ fished is capped**
- **special rules apply to harvest and reporting**

Some Legal Elements

- **QS/IFQ is a privilege, not property**
 - permits convey no ownership of common resource
 - permits may be voided or amended without compensation to permit holders
 - permits may only transfer with NMFS approval
- **but has some property characteristics**
 - may be used as collateral for loans
 - may transfer by “operation of law” (repossession, wills, divorce decrees, etc.); however,
 - if so transferred, it may be restricted (i.e., no IFQ will be issued unless transferee is qualified)

QS/IFQ Relationship - 1.

- **QS is a permit, expressed in units**
 - QS permit identified by species, area, vessel category, and whether blocked or unblocked
 - permit is considered “permanent” - does not change from year to year
- **annually (on January 31) all QS units for each area and species are summed**
 - calculation yields the Quota Share Pool (QSP) for that species, area and year

QS/IFQ Relationship - 2

- amount of QS held by a person in an area is then divided by the QSP for that area
- resulting fraction is multiplied by the annual TAC for that area
- result is the number of pounds of fish on the person's annual IFQ permit

$$\underline{QS/QSP \times TAC = IFQ}$$

- use of IFQ permit is limited by type of QS from which it was derived (species, area, and vessel category)

QS/IFQ Vessel Categories

<u>Vessel Type/Length</u>	<u>Category</u>
Processor (any length)	"A"
Catcher, > 60'	"B"
Catcher, 35' to 60'	"C"
Catcher, < 35'	"D"

Halibut QS Use Caps

<u>Halibut IFQ Area</u>	<u>QS Use CAP</u>
2C	1.0%
2C, 3A, 3B	0.5%
4A – 4E	1.5%

Note: Halibut QS use caps are expressed in constant numbers of QS units – they do not change from year to year..

Halibut Vessel IFQ Caps

<u>Halibut IFQ Area</u>	<u>Vessel CAP</u>
2C	1.0%
All Areas	0.5%

Exception: If an IFQ permit is issued in an amount that exceeds the vessel cap, it may all be fished from one vessel.

Blocked & Unblocked QS

- **QS is “blocked” if it yields <20,000 IFQ pounds, calculated on 1994 TACs and QSPs**
 - **if blocked, it may not be subdivided when transferred - all units go together**
 - **may not hold more than 2 blocks in one area, or 1 block and unblocked to QS cap**
 - **“sweep-up” of small blocks (<3,000 pounds) allowed**
- **about 70% of 2C QS and about 35% of 3A QS is blocked**

Transfer Limitations

- **unless NMFS has approved an application for transfer, QS/IFQ has not legally transferred**
- **“A” shares may be “leased” (IFQ transfer)**
- **catcher vessel shares may only transfer to**
 - **an initial issuee, or to**
 - **an “IFQ Crewmember” (fisherman with 150 days experience in any US commercial fishery)**
- **if non-individual initial issuee adds member(s), or when Estate is probated, QS must transfer to qualified individual(s)**

Hiring Skippers to Fish IFQ

- exception to IFQ “holder-on-board” provisions
- limitations apply only to catcher vessel shares
 - category “A” IFQ may be “leased” (IFQ transfer)
- non-individuals must designate a skipper
- individuals may designate a skipper (not in 2C)
 - both must own minimum of 20% interest in vessel
- new entrants (IFQ crewmembers), and IFQ loan recipients must go fishing (i.e., they may not hire skipper)

Reporting Requirements

- IFQ fishers must have IFQ permit on board while fishing and delivering
- may only deliver to “Registered Buyer”
- must “hail in” with NMFS Enforcement no less than 6 hours prior to landing
- must report catch using IFQ landing card and use electronic transaction terminal
- buyers must file IFQ shipment report

Initial Issuance of QS

- **QS initially issued to vessel owners and lessees (not their hired skippers or crew)**
- **must have owned/leased vessel(s) that made landings in 1988, 1989, and/or 1990**
- **amount of QS issued is equal to the sum of pounds of legal landings during the vessel owners' 5 "best" years, 1984-1990**
- **only actual landings count – landings not hypothecated based on "unavoidable circumstances"**

Determinations and Appeals

- **applications for QS compared with "Official IFQ Record" prepared by NMFS/RAM**
- **applicants have burden of proving that the Official Record is erroneous**
- **applicants given 60 days to present evidence,**
- **then RAM prepares a decision – "Initial Administrative Determination" (IAD)**
- **within 60 days of IAD, applicant may appeal it to the Office of Administrative Appeals (OAA)**
- **OAA decision is final 30 days after issuance**
 - **but Regional Administrator may change**

IFQ Cost Recovery (Fees)

- **required by Magnuson/Stevens Act**
- **beginning in 2000, IFQ permit holders must pay a fee (which may not exceed 3% of ex-vessel value of IFQ landings), to NMFS**
- **the fee will be lesser of 3% of the ex-vessel value, or the “actual costs” of management and enforcement of IFQ program**
- **fee must be paid by January 31 of year following the harvest, or**
 - **permit holder will lose ability to transfer QS/IFQ or to receive additional QS/IFQ**
 - **non-filer/non-payers may be referred for collection**

IFQ Cost Recovery (cont'd)

- **use of receipts to address two purposes:**
 - **IFQ Loan Program (25% of fees deposited to Treasury for Congress to appropriate)**
 - **Limited Access System Administrative Fund (must be spent on IFQ program management and enforcement)**
- **fund will never exceed more than 75% of management/enforcement costs**

IFQ Loan Program

- **Magnuson/Stevens Act program managed by NMFS/Financial Services (Seattle)**
- **provides loans to “fishermen who fish from small vessels” and “entry-level fishermen”**
 - will finance 80% of collateral value of QS/IFQ
 - interest rate is below market (discount + 2%)
 - long-term loans (20 – 25 years)
- **limited activity so far; expected to expand when fee receipts appropriated by Congress**

Questions??

- **The IFQ program is codified in Federal Register at 50 CFR, Section 679**
- **Additional Information can be obtained from NMFS/Alaska Region**
1-800-304-4846 (press “2”)

Gulf of Alaska Coastal Communities Coalition
Public Comments Regarding
Halibut Charter IFQs (Item C-4)
October 7, 2000

Mr. Chairman, Members of the Council, my name is Duncan Fields and I'm speaking to you today on behalf of the Gulf of Alaska Coastal Communities Coalition. As you are aware, the coalition has forwarded a proposal that would include consideration of coastal communities in the initial distribution of halibut charter IFQs.

The issue for the Council today is whether or not to include the Coalition's proposal for a community "set aside" of charter IFQs in the analysis currently being reviewed and developed by Council staff. Staff has suggested that, if this issue is included in the analysis, the scope should be limited to a discussion of a "set aside" amount and that the details of the set aside provision be analyzed later as a trailing amendment. The Council's Advisory Panel unanimously agreed to this approach and has included the "set aside" discussion as Option 3 under Issue 1 of their recommendations. The Gulf Coalition supports the AP recommendation and defers to Council staff regarding work load and time restraints. However, if Council staff determines that the "set aside" amount analysis jeopardizes their analysis schedule, the Coalition strongly suggests that Council authorize additional contract work to supplement the contract help already being provided on the halibut charter IFQ analysis.

As I've visited with members of the Council, talked with staff and members of the halibut charter task force, I've found that there may be some confusion between the two IFQ related proposals that have been developed by the Gulf Coalition. In June, you will remember, I talked with you at length about our IFQ "buy in" proposal. This proposal was limited to the existing commercial halibut fishery and will be addressed during staff tasking. In contrast, the proposal I'm discussing with you today is limited in scope to the issuance of halibut charter IFQ's and is a "set aside" proposal, rather than a buy in or a specific allocation.

I believe you have in your notebooks background information on the "set aside" proposal -- a list of qualifying communities, a draft Elements and Options for Analysis and an Executive

Gulf Coalition Comments

Page 2

Summary. The full text of the proposal was provided at the June meeting. As far as I know, the concept of a "set aside" is somewhat new in Council resource management and grows out of the idea that the halibut charter fishery has developed very rapidly and in relatively few communities. Consequently, near shore depletion problems are occurring, angler opportunities are limited and residents in most of Alaska's coastal communities will receive few, if any, halibut charter IFQs. The community set aside is a modest proposal that could spread out some of the fishing effort, provide additional angler opportunities and reduce the economic barriers faced by start up charter businesses in rural communities.

Although we agree with the AP and Staff that the current analysis should be limited to a discussion of a "set aside" amount, let me put this into the larger context by briefly outlining the theoretical constructs of the community "set aside" proposal:

1. A specified amount of quota is reserved for a defined class of communities.

We have suggested some parameters to create a class of communities – Less than 2,500 people without road access -- 34 communities in areas 3A and 2C have been identified. However, the proposal further limits qualifying communities to those communities that, cumulatively, have residents that hold less than 50,000# of halibut charter IFQs. It is unknown if any of the 34 communities will have residents awarded more than 50,000# of halibut charter IFQs.

We have further suggested that the analysis consider a range of quota to be set aside. The poundages suggested by the A.P. are between 1% and 2.5% of the combined commercial\charter TAC for halibut management areas 3A and 2B and are consistent with the ranges we requested.. It is anticipated that this will be approximately 300,000# to 750,000#.

2. The "set aside" is annually available for qualifying individuals until a time certain. If not obligated, the "set aside" rolls back into the quota pool. This is a "use it or loose it" provision.

“Use it or Loose it” is the core idea for a “set aside” proposal. The “set aside” is available but it is not reserved indefinitely, cannot be leased or transferred, and it cannot be mortgaged. In short, the “set aside” is a limited right of use on a seasonal basis. Each year, qualifying individuals will need to work through their community to request a portion of the set aside.

3. As proposed, qualifying individuals (folks from qualifying communities and in possession of the necessary licenses) would initially be entitled to no more than 2,000 lbs. of halibut charter IFQ's each (approximately 91 fish). Additional halibut can be requested in subsequent seasons when the full initial entitlement is used. However, increases are limited to 2,000# annual increments with a maximum individual cap of 10,000# -- inclusive of any halibut charter IFQs owned by the individual. Further, if more than 10% of the requested quota is not utilized, the unused portion will be deducted from subsequent allocations.

Individual limitations underscore the necessity that halibut charter quota, set aside for communities, be utilized – that is, actually fished. Consequently, relatively small amounts of halibut are available for individuals as they start up their halibut charter businesses. We believe this will track how halibut charter businesses are actually developed in smaller communities. As their charter businesses grow, and the individual uses his or her set aside quota, quota appropriate for the growth of the business can be requested. The disincentive for individual operators to request more quota than will be used again highlights the proposal's priority not to have fish set aside that are not used.

4. Individuals cannot receive halibut charter IFQs for more than 15 years.

The proposal modifies the economic barriers for rural residents created by halibut charter IFQs but it requires that, to stay in business, these residents must begin purchasing

their own quota. It is believed that, as halibut charter businesses mature they will provide, over a 15 year period, for the purchase of halibut charter quota.

In a nutshell this is our proposal. We are concerned that, as the charter IFQ analysis moves forward, undeveloped communities will not be addressed. Placing a community set aside range in the analysis will keep undeveloped communities as part of the charter IFQ discussion and, as a trailing amendment, will allow further refinement of the mechanics of the proposal.

If I may, Mr. Chairman, let me anticipate one of your questions. If communities are allowed to purchase commercial IFQ's why can't they just buy halibut charter IFQ's as well? There are several responses. First, National Standard 8 of the Magnuson-Stevens Act, passed since the commercial IFQ program was put in place, has established a national standard that limited access programs should provide for the "sustained participation" of fishing communities in the fishery resource and "minimize adverse economic impacts" on these communities. A buy in provision does not minimize adverse economic impacts. Also, the Ocean Studies Board of the National Academy of Science in their definitive work on IFQ's, Sharing the Fish: Toward a National Policy on Individual Fishing Quotas, recommends, among several endorsements for community participation in IFQ programs, that "Councils should consider including fishing communities in the initial allocation of IFQ's". As a practical matter, the proposal for community quota purchase has not been sent forward to staff for analysis and may, of course, not be approved.

Again, the issue today is inclusion of a "set aside" amount for qualifying communities in the current halibut charter IFQ analysis. Other program concerns can be addressed in both the initial review of the analysis and final action on the halibut charter IFQ program as well as during the trailing amendment specifically discussing the community "set aside". I encourage you, however, not to dismiss the community set aside concept at the very outset of the discussion.

Thank You

FROM :

FAX NO. :

Sep. 06 2000 01:58PM P2

City of Pelican
Organization or Individual

P.O.B. 737, Pelican, AK 99832
Address

TO: August 2000

TO: Chairman
North Pacific Fishery Management Council
605 W. 4th Avenue
Anchorage, Alaska 99501

RE: DRAFT Discussion Paper for Community Purchase of
Halibut and Sablefish IFQs and Community Set-Asides
for Halibut charterboat IFQs

Dear Members of the North Pacific Fishery Management Council:

As a small Gulf of Alaska coastal community member, we are deeply concerned about the impacts of loss of fishing access on our community.

The Council has a unique opportunity to explore ways that small coastal communities in the Gulf can regain some of that access through a consideration of the proposed community purchase of halibut and sablefish as well as a proposed set-aside for community IFQs for charter boats.

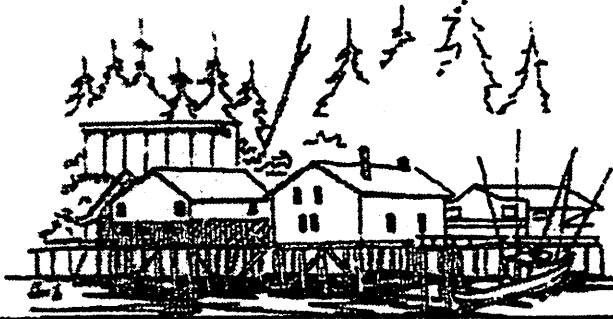
We are very concerned that these proposals go forward for analysis and full public commentary process.

Therefore, we, the undersigned, request that the North Pacific Fishery Management Council forward the items in the DRAFT discussion papers for further analysis.

Thank you.

Kathie Wasserman Kathie Wasserman
Printed name Signature

Mayor
City of Pelican



City of Pelican

BOX 737 - PELICAN, ALASKA 99832 - PHONE 735-2202 - FAX 735-2258

September 8, 2000

Chairman
North Pacific Fishery Management Council
805 W. 4th Avenue
Anchorage, Alaska 99501

Dear Council Members:

The City Council of Pelican, Alaska would like to go on record as being supportive of exploring the concept of the community purchase of halibut and sablefish. Pelican has suffered greatly from the many changes that have affected the fishing industry. We see great potential for this program towards the benefit of coastal communities like Pelican.

Sincerely,

Kathie Wasserman

Kathie Wasserman
Mayor, City of Pelican



City of Pelican

BOX 737 • PELICAN, ALASKA 99832 • PHONE 735-2202 • FAX 735-2258

RESOLUTION #2000-13 PELICAN, ALASKA

A RESOLUTION CALLING FOR THE SUPPORT OF COMMUNITY FISHING QUOTAS (CFQ'S)

WHEREAS, the City of Pelican is a rural, coastal community with documented historic participation in the Halibut and Sablefish longline fisheries; and

WHEREAS, though there are benefits to the IFQ program, the City of Pelican can substantiate the adverse economic impacts; the decline in raw fish tax revenue and less resident participation in the fisheries; and

WHEREAS, CFQ's would provide direct economic assistance to individuals and businesses that are dependent on the fishing fleet and have real and immediate financial needs; and

WHEREAS, it would utilize funds to restructure and stabilize the business and community infrastructure; and

WHEREAS, community-based program administration will consider the diverse interests and high expectations of all participants, such as the harvesters, processors, residents, and consumers; and

WHEREAS, fishermen and communities both have a strong interest in sustaining and rebuilding local resources; and

WHEREAS, this program provides for the fair and sustained participation of coastal communities in the IFQ program.

WHEREAS, our support for this concept hinges on an outcome that will not negatively impact current IFQ holders, while at the same time, being economically feasible for communities.

NOW, THEREFORE BE IT RESOLVED that the Pelican City Council of Pelican, Alaska supports the concept of Community Fishing Quotas for the Rural Coastal Communities of Alaska.

FURTHER, BE IT RESOLVED that the Pelican City Council of Pelican, Alaska recognizes that it will not happen unless the people affected are willing participants in its realization.

RESOLUTION 2000-13
Page 2

PASSED AND APPROVED by a duly constituted quorum of the Pelican City Council on this 11th day of SEPTEMBER, 2000.

Signed Kathie Wasserman
Kathie Wasserman, Mayor

Attest:

Betty L. McClain
Betty L. McClain, City Clerk/Treasurer



- July 1 B season start date
- Alaska State Fisheries to be considered for parallel action by the State of Alaska (not part of this action)
- Close rocky and important haulouts to fishing for Pacific cod
- Two fishery seasons

Some Halibut/Sablefish IQ statistics

Table III-o: Vessels Participating in Sablefish Fishery; Catcher Vessels	92	93	94	95	96	97	98	99
All Unique	1,123	915	1,139	517	503	504	449	443

Table III-n: Vessels Participating in Halibut Fishery; All Vessels Landing	92	93	94	95	96	97	98	99
All Unique	3,452	3,393	3,450	2,057	1,962	1,925	1,601	1,613

Quota held by those who did not receive QS/IQ by initial issuance: 13.4% halibut 7% Sablefish
 1999 number of transaction terminals: 12,451; Percent reported by terminals: 97%

Top 5 Alaska Halibut Ports 1999								
Port	1999	1999 pounds (Net wt.)	Percent	1995	1996	1997	1998	1999 Rank
Homer	1	11,563,889	20.5%	2	2	3	1	1
Kodiak	2	10,065,891	17.8%	1	1	1	2	2
Seward	3	6,823,915	12.1%	5	3	4	3	3
Dutch/Unalaska	4	5,197,176	9.2%	4	4	2	4	4
Juneau	5	2,985,964	5.3%	13	8	8	7	7

Top 5 Alaska Sablefish Ports 1999								
Port	1999	1999 Pounds (Round wt.)	Percent	1995	1996	1997	1998	1999 Rank
Seward	1	6,239,105	24.6%	1	1	1	1	1
Sitka	2	3,304,885	13.0%	2	2	2	2	2
Kodiak	3	2,636,574	10.4%	4	3	3	3	3
Dutch/Unalaska	4	2,549,255	10.0%	3	4	4	4	4
Homer	5	1,510,581	5.9%	9	8	9	6	6



KAKE TRIBAL CORPORATION

P.O. Box 269 • Kake, AK 99830 • (907) 785-3221 • Fax (907) 785-8407

September 9, 2000

Chairman NPFMC
605 West 4th Ave.
Anchorage, AK 99501

Dear Members of the NPFMC:

The community of Kake is a small Gulf of Alaska coastal community member, and we are deeply concerned about the impacts of loss of fishing access on our community. Kake has lost over 30% of halibut IFQs, and 100% of the West Yakutat Sablefish quota since the issuance of IFQ stock. The loss of that fishing income has had a detrimental effect on the economy of our community, and in many other rural communities all along the coast of Alaska.

Kake Tribal Corporation owns a seafood plant in Pelican, a seafood plant in Kake, as well as a value-added seafood plant in Kake. As we continue to expand our operations, we continue to lack product primarily due to the lack of local IFQ poundage. Many of the original quota shares have been sold outside the community because local residents lack the capital to purchase additional quota shares.

The Council has a unique opportunity to explore ways that small coastal communities in the Gulf can regain some of the access through a consideration of the proposed community purchase of halibut and sablefish.

I cannot express enough the urgency that these proposals go forward for analysis and full public commentary process. Kake Tribal Corporation requests that the North Pacific Fisheries Management Council forward the items in the Draft discussion papers for further analysis. Thank you for your consideration in this important matter that is essential to the economic viability of our coastal communities.

Sincerely,


Sam Jackson
President/CEO

FROM : City of Akhlok

PHONE NO. : 1 987 836 2209

Sep. 13 2000 03:22PM P1
Sep. 26 2000 02:53:11 P2

FROM :

FAX NO. :

CITY OF AKHIK
Organization or Individual

P.O. Box 5050 AKHIK AK 99615
Address

TO: August 2000

TO: Chairman

North Pacific Fishery Management Council
605 W. 4th Avenue
Anchorage, Alaska 99501

RE: DRAFT Discussion Paper for Community Purchase of
Halibut and Sablefish IFQs and Community Set-Asides
for Halibut charterboat IFQs

Dear Members of the North Pacific Fishery Management Council:

As a small Gulf of Alaska coastal community member, we are deeply concerned about the impacts of loss of fishing access on our community.

The Council has a unique opportunity to explore ways that small coastal communities in the Gulf can regain some of that access through a consideration of the proposed community purchase of halibut and sablefish as well as a proposed set-aside for community IFQs for charter boats.

We are very concerned that these proposals go forward for analysis and full public commentary process.

Therefore, we, the undersigned, request that the North Pacific Fishery Management Council forward the items in the DRAFT discussion papers for further analysis.

Thank you.

DIANA S. SIMONOFF, MAYOR
Printed name

Diana S. Simonoff, Mayor
Signature

Gulf of Alaska Coastal Communities Coalition (GOACC3)
 P.O. Box 201236, Anchorage Alaska 99520
 Phone: (907)561-7633 Fax: 561-7634
goacc@alaska.net

DATE: August 2000

TO: Chairman
 North Pacific Fishery Management Council
 605 W. 4th Avenue
 Anchorage, Alaska 99501

RE: DRAFT Discussion Paper for Community Purchase of
 Halibut and Sablefish IFQs

Dear Members of the North Pacific Fishery Management Council:

As Gulf of Alaska coastal community members, we are deeply concerned about the impacts of loss of fishing access on our community.

The Council has a unique opportunity to explore ways that small coastal communities in the Gulf can regain some of that access through a consideration of the proposed community purchase of halibut and sablefish.

Therefore, we, the undersigned, request that the North Pacific Fishery Management Council forward the items in the DRAFT discussion paper for further analysis.

Thank you.

SIGNED: John A. Fork ORGANIZATION: UNGA CORPORATION
 SIGNED: Bruce J. Soto ORGANIZATION: UNGA CORPORATION
 SIGNED: James Shumway ORGANIZATION: UNGA CORPORATION

UNGA CORPORATION
 P.O. BOX 130
 SAND POINT, AK 99664

The First Unified Voice for Coastal Communities in the Gulf of Alaska

Gulf of Alaska Coastal Communities Coalition (GOAC3)
P.O. Box 201236, Anchorage Alaska 99520
Phone: (907)561-7633 Fax: 561-7634
goaccc@alaska.net

DATE: August 2000
TO: Chairman
North Pacific Fishery Management Council
605 W. 4th Avenue
Anchorage, Alaska 99501
RE: DRAFT Discussion Paper for Community Purchase of
Halibut and Sablefish IFQs

Dear Members of the North Pacific Fishery Management Council:

As Gulf of Alaska coastal community members, we are deeply concerned about the impacts of loss of fishing access on our community.

The Council has a unique opportunity to explore ways that small coastal communities in the Gulf can regain some of that access through a consideration of the proposed community purchase of halibut and sablefish.

Therefore, we, the undersigned, request that the North Pacific Fishery Management Council forward the items in the DRAFT discussion paper for further analysis.

Thank you.

SIGNED: Henry Mack (mayor) ORGANIZATION: City of King Cove, AK 99612
SIGNED: _____ ORGANIZATION: _____
SIGNED: _____ ORGANIZATION: _____

FAX NO. :

FROM :

Gary Price
Organization or Individual

Box 137 Old Harbor, AK 99643
Address

TO: August 2000

TO: Chairman
North Pacific Fishery Management Council
605 W. 4th Avenue
Anchorage, Alaska 99501

RE: DRAFT Discussion Paper for Community Purchase of
Halibut and Sablefish IFQs and Community Set-Asides
for Halibut charterboat IFQs

Dear Members of the North Pacific Fishery Management Council:

As a small Gulf of Alaska coastal community member, we are deeply concerned about the impacts of loss of fishing access on our community.

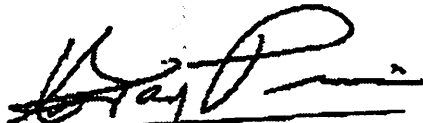
The Council has a unique opportunity to explore ways that small coastal communities in the Gulf can regain some of that access through a consideration of the proposed community purchase of halibut and sablefish as well as a proposed set-aside for community IFQs for charter boats.

We are very concerned that these proposals go forward for analysis and full public commentary process.

Therefore, we, the undersigned, request that the North Pacific Fishery Management Council forward the items in the DRAFT discussion papers for further analysis.

Thank you.

Gary Price
Printed name


Signature

ORGANIZED VILLAGE OF KASAAN-IRA
P.O. BOX 26-KXA
KETCHIKAN, AK 99950-0340
PHONE: (907) 542-2230 FAX: (907) 542-3006

September 7, 2000

Chairman
North Pacific Fishery Management Council
605 W. 4th Avenue
Anchorage, Alaska 99501

RE: Draft Discussion Paper for Community Purchase of
Halibut and Sablefish IFQs and Community Set-Asides
FOR Halibut Charterboat IFQs

Dear members of the North Pacific Fishery Management Council:

As a small Gulf of Alaska coastal community member, we are deeply concerned about the impacts of loss of fishing access on our community.

The Council has a unique opportunity to explore ways that small coastal communities in the Gulf can regain some of that access through a consideration of the proposed community purchase of halibut and sablefish as well as a proposed set-aside for community IFQs for charter boats.

We are very concerned that these proposals go forward for analysis and full public commentary process.

Therefore, we, the undersigned, request that the North Pacific Fishery Management Council forward the items in the DRAFT discussion papers for further analysis.

Thank you,

Printed Name

Signature

Holly K Young

Holly K Young

Pam L. McCarthy

Pam McCarthy

Gary Zeman

Gary Zeman

John Buscemi

John Buscemi

Richard J. Peterson

Richard J. Peterson

Peter M. Sadler

Peter M. Sadler

Kree Plimkott

Kree Plimkott

Jane Denny

Jane Denny

Shirley A. Eskott

Shirley A. Eskott

Della A. Coburn

Della A. Coburn

Printed Name

Bobby Stewart

Signature

Bobby C Stewart

Lined writing area with 15 horizontal lines.

FROM :

FAX NO. :

Sep. 05 2000 03:54PM P2

Freddie Christensen
Organization or Individual

PO Box-6 Old Harbor AK.
Address 99643

TO: August 2000

TO: Chairman

North Pacific Fishery Management Council
605 W. 4th Avenue
Anchorage, Alaska 99501

RE: DRAFT Discussion Paper for Community Purchase of
Halibut and Sablefish IFQs and Community Set-Asides
for Halibut charterboat IFQs

Dear Members of the North Pacific Fishery Management Council:

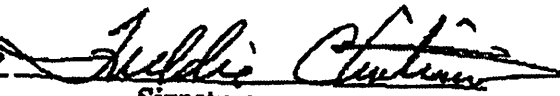
As a small Gulf of Alaska coastal community member, we are deeply concerned about the impacts of loss of fishing access on our community.

The Council has a unique opportunity to explore ways that small coastal communities in the Gulf can regain some of that access through a consideration of the proposed community purchase of halibut and sablefish as well as a proposed set-aside for community IFQs for charter boats.

We are very concerned that these proposals go forward for analysis and full public commentary process.

Therefore, we, the undersigned, request that the North Pacific Fishery Management Council forward the items in the DRAFT discussion papers for further analysis.

Thank you.

Freddie Christensen 
Printed name Signature



Grand Camp
Alaska Native Brotherhood

September 9, 2000

Chairman NPFMC
605 West 4th Ave.
Anchorage, AK 99501

Dear Members of the NPFMC:

The Alaska Native Brotherhood Grand Camp is a small Gulf of Alaska coastal community member, and we are deeply concerned about the impacts of loss of fishing access on our community. Kake has lost over 50% of halibut IFQs, and 100% of the West Yakutat Sablefish quota since the issuance of IFQ stock. The loss of that fishing income has had a detrimental effect on the economy of our community, and in many other rural communities all along the coast of Alaska. ANB Grand Camp has many member camps in similar situations throughout the region.

The Council has a unique opportunity to explore ways that small coastal communities in the Gulf can regain some of the access through a consideration of the proposed community purchase of halibut and sablefish.

I cannot express enough the urgency that these proposals go forward for analysis and full public commentary process. The Alaska Native Brotherhood Grand Camp requests that the North Pacific Fisheries Management Council forward the items in the Draft discussion papers for further analysis. Thank you for your consideration in this important matter that is essential to the economic viability of our coastal communities.

Sincerely,

Sam Jackson
President
ANB Grand Camp

Wesley Christiansen

Organization or Individual

Box 7
Old Harbor, AK 99643

Address

TO: August 2000

TO: Chairman

North Pacific Fishery Management Council
605 W. 4th Avenue
Anchorage, Alaska 99501

RE: DRAFT Discussion Paper for Community Purchase of
Halibut and Sablefish IFQs and Community Set-Asides
for Halibut charterboat IFQs

Dear Members of the North Pacific Fishery Management Council:

As a small Gulf of Alaska coastal community member, we are deeply concerned about the impacts of loss of fishing access on our community.

The Council has a unique opportunity to explore ways that small coastal communities in the Gulf can regain some of that access through a consideration of the proposed community purchase of halibut and sablefish, as well as a proposed set-aside for community IFQs for charter boats.

We are very concerned that these proposals go forward for analysis and full public commentary process.

Therefore, we, the undersigned, request that the North Pacific Fishery Management Council forward the items in the DRAFT discussion papers for further analysis.

Thank you.

Wesley Christiansen

Printed name

Wesley Christiansen

Signature

Old Harbor Tribal Council
Organization or Individual

P.O. Box 62 Old Harbor AK
Address 99643

TO: August 2000

TO: Chairman
North Pacific Fishery Management Council
605 W. 4th Avenue
Anchorage, Alaska 99501

RE: DRAFT Discussion Paper for Community Purchase of
Halibut and Sablefish IFQs and Community Set-Asides
for Halibut charterboat IFQs

Dear Members of the North Pacific Fishery Management Council:

As a small Gulf of Alaska coastal community member, we are deeply concerned about the impacts of loss of fishing access on our community.

The Council has a unique opportunity to explore ways that small coastal communities in the Gulf can regain some of that access through a consideration of the proposed community purchase of halibut and sablefish as well as a proposed set-aside for community IFQs for charter boats.

We are very concerned that these proposals go forward for analysis and full public commentary process.

Therefore, we, the undersigned, request that the North Pacific Fishery Management Council forward the items in the DRAFT discussion papers for further analysis.

Thank you.

Tony R. Azumak Sr.

Tony Azumak Sr.
Printed name

Signature

Gulf of Alaska Coastal Communities Coalition (GOACC3)
P.O. Box 201236, Anchorage Alaska 99520
Phone: (907)561-7633 Fax: 561-7634
goacc@alaska.net

DATE: August 2000

TO: Chairman
North Pacific Fishery Management Council
605 W. 4th Avenue
Anchorage, Alaska 99501

RE: DRAFT Discussion Paper for Community Purchase of
Halibut and Sablefish IFQs

Dear Members of the North Pacific Fishery Management Council:

As Gulf of Alaska coastal community members, we are deeply concerned about the impacts of loss of fishing access on our community.

The Council has a unique opportunity to explore ways that small coastal communities in the Gulf can regain some of that access through a consideration of the proposed community purchase of halibut and sablefish.

Therefore, we, the undersigned, request that the North Pacific Fishery Management Council forward the items in the DRAFT discussion paper for further analysis.

Thank you.

SIGNED: Reuben Matuskin ORGANIZATION: KONIAQ, Inc

SIGNED: _____ ORGANIZATION: _____

SIGNED: _____ ORGANIZATION: _____

Gulf of Alaska Coastal Communities Coalition (GOACC3)
P.O. Box 201236, Anchorage Alaska 99520
Phone: (907)561-7633 Fax: 561-7634
goacc@alaska.net

DATE: August 2000

TO: Chairman
North Pacific Fishery Management Council
605 W. 4th Avenue
Anchorage, Alaska 99501

RE: DRAFT Discussion Paper for Community Purchase of
Halibut and Sablefish IFQs

Dear Members of the North Pacific Fishery Management Council:

As Gulf of Alaska coastal community members, we are deeply concerned about the impacts of loss of fishing access on our community.

The Council has a unique opportunity to explore ways that small coastal communities in the Gulf can regain some of that access through a consideration of the proposed community purchase of halibut and sablefish.

Therefore, we, the undersigned, request that the North Pacific Fishery Management Council forward the items in the DRAFT discussion paper for further analysis.

Thank you.

SIGNED: Ralph Illes ORGANIZATION: Athiak Kaguyak Inc

SIGNED: _____ ORGANIZATION: _____

SIGNED: _____ ORGANIZATION: _____

The First Unified Voice for Coastal Communities in the Gulf of Alaska

FROM :

FAX NO. :

Aug. 28 2000 01:50PM P3

Gulf of Alaska Coastal Communities Coalition (GOACC)
P.O. Box 201236, Anchorage Alaska 99520
Phone: (907)561-7633 Fax: 561-7634
goacc@alaska.net

DATE: August 2000

TO: Chairman
North Pacific Fishery Management Council
605 W. 4th Avenue
Anchorage, Alaska 99501

RE: DRAFT Discussion Paper for Community Purchase of
Halibut and Sablefish IFQs

Dear Members of the North Pacific Fishery Management Council:

As Gulf of Alaska coastal community member, we are deeply concerned about the impacts of loss of fishing access on our community.

The Council has a unique opportunity to explore ways that small coastal communities in the Gulf can regain some of that access through a consideration of the proposed community purchase of halibut and sablefish.

Therefore, we, the undersigned, request that the North Pacific Fishery Management Council forward the items in the DRAFT discussion paper for further analysis.

Thank you.

SIGNED: Dee Smith ORGANIZATION: King Cove Corp.

SIGNED: _____ ORGANIZATION: _____

SIGNED: _____ ORGANIZATION: _____

The First Unified Voice for Coastal Communities in the Gulf of Alaska

Gulf of Alaska Coastal Communities Coalition (GOACC)
P.O. Box 201236, Anchorage Alaska 99520
Phone: (907)561-7633 Fax: 561-7634
goacc@alaska.net

DATE: August 2000
TO: Chairman
North Pacific Fishery Management Council
605 W. 4th Avenue
Anchorage, Alaska 99501
RE: DRAFT Discussion Paper for Community Purchase of
Halibut and Sablefish IFQs

Dear Members of the North Pacific Fishery Management Council:

As Gulf of Alaska coastal community members, we are deeply concerned about the impacts of loss of fishing access on our community.

The Council has a unique opportunity to explore ways that small coastal communities in the Gulf can regain some of that access through a consideration of the proposed community purchase of halibut and sablefish.

Therefore, we, the undersigned, request that the North Pacific Fishery Management Council forward the items in the DRAFT discussion paper for further analysis.

Thank you.

SIGNED: Carroll Korpeloff ORGANIZATION: The Tatitlek Corp.
SIGNED: Daniel T. Olsen ORGANIZATION: The Tatitlek Corp.
SIGNED: Leanne [Signature] ORGANIZATION: The Tatitlek Corporation

The First Unified Voice for Coastal Communities in the Gulf of Alaska

Gulf of Alaska Coastal Communities Coalition (GOAC3)
 P.O. Box 201236, Anchorage Alaska 99520
 Phone: (907)561-7633 Fax: 561-7634
goacco@alaska.net

DATE: August 2000

TO: Chairman
 North Pacific Fishery Management Council
 605 W. 4th Avenue
 Anchorage, Alaska 99501

RE: DRAFT Discussion Paper for Community Purchase of
 Halibut and Sablefish IFQs

Dear Members of the North Pacific Fishery Management Council:

As Gulf of Alaska coastal community members, we are deeply concerned about the impacts of loss of fishing access on our community.

The Council has a unique opportunity to explore ways that small coastal communities in the Gulf can regain some of that access through a consideration of the proposed community purchase of halibut and sablefish.

Therefore, we, the undersigned, request that the North Pacific Fishery Management Council forward the items in the DRAFT discussion paper for further analysis.

Thank you.

SIGNED: [Signature] ORGANIZATION: Ouzinkie Native Corp. Chairman

SIGNED: [Signature] ORGANIZATION: Bevato's Tackle Co. Owner

SIGNED: Zack Cherkoff ORGANIZATION: City of Ouzinkie

The First Unified Voice for Coastal Communities in the Gulf of Alaska

NATIVE VILLAGE OF EYAK

P.O. BOX 1388, CORDOVA, ALASKA 99574

~~TEL-907-424-7738 FAX-907-424-7739~~

September 5, 2000

TO: Chairman
North Pacific Fishery Management Council
605 West 4th Avenue
Anchorage, Alaska 99501

RE: Draft Discussion Paper for Community Purchase of
Halibut and Sablefish IFQs and Community Set-Asides
For Halibut charterboat IFQs

Dear Members of the North Pacific Fishery Management Council:

As a small Gulf of Alaska coastal community member, we are deeply concerned about the impacts of loss of fishing access on our community.

The Council has a unique opportunity to explore ways that small coastal communities in the Gulf can regain some of that access through a consideration of the proposed community purchase of halibut and Sablefish as well as a proposed set-aside for community IFQs for charter boats.

We are very concerned that these proposals go forward for analysis and full public commentary process.

Therefore, we, the undersigned, request that the North Pacific Fishery Management Council forward the items in the DRAFT discussion papers for further analysis.

Thank you.

Sincerely yours


Robert J. Henrichs

President,

Traditional Council

Gulf of Alaska Coastal Communities Coalition (GOACC3)
P.O. Box 201236, Anchorage Alaska 99520
Phone: (907)561-7633 Fax: 561-7634
goacc@alaska.net

DATE: August 2000
TO: Chairman
North Pacific Fishery Management Council
605 W. 4th Avenue
Anchorage, Alaska 99501
RE: DRAFT Discussion Paper for Community Purchase of
Halibut and Sablefish IFQs

Dear Members of the North Pacific Fishery Management Council:

As Gulf of Alaska coastal community members, we are deeply concerned about the impacts of loss of fishing access on our community.

The Council has a unique opportunity to explore ways that small coastal communities in the Gulf can regain some of that access through a consideration of the proposed community purchase of halibut and sablefish.

Therefore, we, the undersigned, request that the North Pacific Fishery Management Council forward the items in the DRAFT discussion paper for further analysis.

Thank you.

SIGNED: Rita L. Stevens ORGANIZATION: Kodiak Area Native Association
SIGNED: _____ ORGANIZATION: _____
SIGNED: _____ ORGANIZATION: _____

RECEIVED

BY *mc* | DATE *9/9/00*

Gulf of Alaska Coastal Communities Coalition (GOACC3)
P.O. Box 201236, Anchorage Alaska 99520
Phone: (907)561-7633 Fax: 561-7634
goacc@alaska.net

DATE: August 2000
TO: Chairman
North Pacific Fishery Management Council
605 W. 4th Avenue
Anchorage, Alaska 99501
RE: DRAFT Discussion Paper for Community Purchase of
Halibut and Sablefish IFQs

Dear Members of the North Pacific Fishery Management Council:

As Gulf of Alaska coastal community members, we are deeply concerned about the impacts of loss of fishing access on our community.

The Council has a unique opportunity to explore ways that small coastal communities in the Gulf can regain some of that access through a consideration of the proposed community purchase of halibut and sablefish.

Therefore, we, the undersigned, request that the North Pacific Fishery Management Council forward the items in the DRAFT discussion paper for further analysis.

Thank you.

SIGNED: Mary A. Brown, Pres. ORGANIZATION: Klawock Heenya Corp

SIGNED: _____ ORGANIZATION: _____

SIGNED: _____ ORGANIZATION: _____

FROM:

FAX NO. :

Sep. 05 2000 03:53PM P2

Klawock Heenya Corporation
Organization or Individual

Box 129 Klawock AK 99925
Address

TO: August 2000

TO: Chairman
North Pacific Fishery Management Council
605 W. 4th Avenue
Anchorage, Alaska 99501

RE: DRAFT Discussion Paper for Community Purchase of
Halibut and Sablefish IFQs and Community Set-Asides
for Halibut charterboat IFQs

Dear Members of the North Pacific Fishery Management Council:

As a small Gulf of Alaska coastal community member, we are deeply concerned about the impacts of loss of fishing access on our community.

The Council has a unique opportunity to explore ways that small coastal communities in the Gulf can regain some of that access through a consideration of the proposed community purchase of halibut and sablefish as well as a proposed set-aside for community IFQs for charter boats.

We are very concerned that these proposals go forward for analysis and full public commentary process.

Therefore, we, the undersigned, request that the North Pacific Fishery Management Council forward the items in the DRAFT discussion papers for further analysis.

Thank you.

MARY A. BROWN President
Printed name

Mary A. Brown President
Signature

City of August / Mayor
 Organization or Individual

P.O. Box 189 August, ALASKA 99824
 Address

TO: August 2000

TO: Chairman
 North Pacific Fishery Management Council
 605 W. 4th Avenue
 Anchorage, Alaska 99501

RE: DRAFT Discussion Paper for Community Purchase of
 Halibut and Sablefish IFQs and Community Set-Asides
 for Halibut charterboat IFQs

Dear Members of the North Pacific Fishery Management Council:

As a small Gulf of Alaska coastal community member, we are deeply concerned about the impacts of loss of fishing access on our community.

The Council has a unique opportunity to explore ways that small coastal communities in the Gulf can regain some of that access through a consideration of the proposed community purchase of halibut and sablefish as well as a proposed set-aside for community IFQs for charter boats.

We are very concerned that these proposals go forward for analysis and full public commentary process.

Therefore, we, the undersigned, request that the North Pacific Fishery Management Council forward the items in the DRAFT discussion papers for further analysis.

Thank you.

Floyd W. Kookesh Floyd W. Kookesh
 Printed name Signature

FROM :

FAX NO. 1

Sep. 05 2000 04:12PM P2

Shumagin Corporation

TO: August 2000

TO: Chairman
North Pacific Fishery Management Council
201 W 4th Avenue
Anchorage, Alaska 99501

RE: DRAFT Discussion Paper for Community Purchase of
Halibut and Sablefish IFQs and Community Set-Asides
for Halibut charterboat IFQs

Dear Members of the North Pacific Fishery Management Council

As a small Gulf of Alaska coastal community member, we are deeply concerned about the impacts of loss of fishing access on our community

The Council has a unique opportunity to explore ways that small coastal communities like ours can regain some of that access through a consideration of the proposed community purchase of halibut and sablefish as well as a proposed set-aside for community IFQs for charter boats.

We are very concerned that these proposals go forward for analysis and full public comment process.

Therefore, we, the undersigned, request that the North Pacific Fishery Management Council forward the items in the DRAFT discussion papers for further analysis.

Thank you.

Debra M. Schneider Debra M. Schneider
Printed name Signature

Agdaagux Tribal Council
PO Box 249
King Cove, AK 99612
Phone: (907) 497-2648
Fax: (907) 497-2803

August 2000

TO: Chairman

North Pacific Fishery Management Council
605 W. 4th Avenue
Anchorage, AK 99501

RE: DRAFT Discussion Paper for Community Purchase of
Halibut and Sable Fish IFQs and Community Set-Asides
for Halibut charter boat IFQs

Dear Members of the North Pacific Fishery Management Council:

As a small Gulf of Alaska coastal community member, we are deeply concerned about the impacts of loss of fishing access on our community.

The Council has a unique opportunity to explore ways that small coastal communities in the Gulf can regain some of that access through a consideration of the proposed community purchase of halibut and sablefish as well as a proposed set-aside for community IFQs for charter boats.

We are very concerned that these proposals go forward for analysis and full public commentary process.

Therefore, we, the undersigned, request that the North Pacific Fishery Management Council forward the items in the DRAFT discussion papers for further analysis.

Thank you.

Marvin Hoff Sr.
Marvin Hoff Sr.
President

Gulf of Alaska Coastal Communities Coalition (GOAC3)
P.O. Box 201236, Anchorage Alaska 99520
Phone: (907)561-7633 Fax: 561-7634
goaccc@alaska.net

DATE: August 2000
TO: Chairman
North Pacific Fishery Management Council
605 W. 4th Avenue
Anchorage, Alaska 99501
RE: DRAFT Discussion Paper for Community Purchase of
Halibut and Sablefish IFQs

Dear Members of the North Pacific Fishery Management Council:

As Gulf of Alaska coastal community members, we are deeply concerned about the impacts of loss of fishing access on our community.

The Council has a unique opportunity to explore ways that small coastal communities in the Gulf can regain some of that access through a consideration of the proposed community purchase of halibut and sablefish.

Therefore, we, the undersigned, request that the North Pacific Fishery Management Council forward the items in the DRAFT discussion paper for further analysis.

Thank you.

SIGNED: Emil Christensen ORGANIZATION: OLD HARBOR NATIVE CORP.

SIGNED: _____ ORGANIZATION: _____

SIGNED: _____ ORGANIZATION: _____

Native Village of Perryville
P.O. Box 101, Perryville, Alaska 99648

September 6, 2000

TO: Chairman
North Pacific Fishery Management Council
605 W. 4th Avenue
Anchorage, Alaska 99501

RE: DRAFT Discussion Paper for Community Purchase of
Halibut and Sablefish IFQs and Community Set-Asides
for Halibut charterboat IFQs

Dear Members of the North Pacific Fishery Management Council:

As a small Gulf of Alaska coastal community member, we are deeply concerned about the impacts of loss of fishing access on our community.

The Council has a unique opportunity to explore ways that small coastal communities in the Gulf can regain some of that access through a consideration of the proposed community purchase of halibut and sablefish as well as a proposed set-aside for community IFQs for charter boats.

We are very concerned that these proposals go forward for analysis and full public commentary process.

Therefore, we, the undersigned, request that the North Pacific Fishery management Council forward the items in the DRAFT discussion papers for further analysis.

Thank you for your time and attention in this matter.


IRA Tribal Council President

Al Cratty Jr.
Organization or Individual

Box 1 Old Harbor AK
Address

99643

TO: August 2000

TO: Chairman

North Pacific Fishery Management Council
605 W. 4th Avenue
Anchorage, Alaska 99501

RE: DRAFT Discussion Paper for Community Purchase of
Halibut and Sablefish IFQs and Community Set-Asides
for Halibut charterboat IFQs

Dear Members of the North Pacific Fishery Management Council:

As a small Gulf of Alaska coastal community member, we are deeply concerned about the impacts of loss of fishing access on our community.

The Council has a unique opportunity to explore ways that small coastal communities in the Gulf can regain some of that access through a consideration of the proposed community purchase of halibut and sablefish as well as a proposed act-aside for community IFQs for charter boats.

We are very concerned that these proposals go forward for analysis and full public commentary process.

Therefore, we, the undersigned, request that the North Pacific Fishery Management Council forward the items in the DRAFT discussion papers for further analysis.

Thank you.

Al Cratty Jr.
Printed name

Al Cratty Jr.
Signature

Old Harbor Tribal Council
Organization or Individual

P.O. Box 62 Old Harbor AK
Address 99643

TO: August 2000

TO: Chairman
North Pacific Fishery Management Council
605 W. 4th Avenue
Anchorage, Alaska 99501

RE: DRAFT Discussion Paper for Community Purchase of
Halibut and Sablefish IFQs and Community Set-Asides
for Halibut charterboat IFQs

Dear Members of the North Pacific Fishery Management Council:

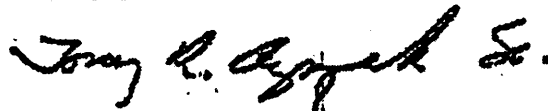
As a small Gulf of Alaska coastal community member, we are deeply concerned about the impacts of loss of fishing access on our community.

The Council has a unique opportunity to explore ways that small coastal communities in the Gulf can regain some of that access through a consideration of the proposed community purchase of halibut and sablefish as well as a proposed set-aside for community IFQs for charter boats.

We are very concerned that these proposals go forward for analysis and full public commentary process.

Therefore, we, the undersigned, request that the North Pacific Fishery Management Council forward the items in the DRAFT discussion papers for further analysis.

Thank you.



Tony Azumak Sr.
Printed name

Signature

08/19/2000 11:34

907383555

UNGA

PAGE 01

Gulf of Alaska Coastal Communities Coalition (COACS)
P.O. Box 201236, Anchorage Alaska 99520
Phone: (907)561-7633 Fax: 561-7634
coacs@alaska.net

DATE: August 2000
TO: Chairman
North Pacific Fishery Management Council
605 W. 4th Avenue
Anchorage, Alaska 99501
RE: DRAFT Discussion Paper for Community Purchase of
Halibut and Subfish IFQs

Dear Members of the North Pacific Fishery Management Council:

As Gulf of Alaska coastal community members, we are deeply concerned about the impacts of loss of fishing access on our community.

The Council has a unique opportunity to explore ways that small coastal communities in the Gulf can regain some of that access through a consideration of the proposed community purchase of halibut and subfish.

Therefore, we, the undersigned, request that the North Pacific Fishery Management Council forward the items in the DRAFT discussion paper for further analysis.

Thank you.

SIGNED: [Signature] ORGANIZATION: UNGA CORPORATION
SIGNED: [Signature] ORGANIZATION: UNGA CORPORATION
SIGNED: [Signature] ORGANIZATION: UNGA CORPORATION

UNGA CORPORATION
P.O. Box 130
SAND POINT, AK 99604

The First Unified Voice for Coastal Communities in the Gulf of Alaska



UNIVERSITY OF ALASKA ANCHORAGE

3211 Providence Drive
Anchorage, Alaska 99508-8318

COLLEGE OF ARTS AND SCIENCES

Department of Anthropology

Department (907) 786-6340

Fax Number (907) 786-6850

Sept. 15, 2000

Clarence Pautzke
North Pacific Fishery Management Council
605 West 4th Avenue
Anchorage, AK. 99501

Dear Clarence:

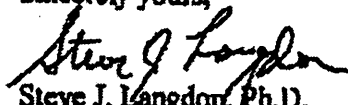
Through this letter I am expressing my support for a full, detailed, and balanced appraisal of the Gulf of Alaska Coastal Community Coalition's proposal to allow the formation of nonprofit organizations for small communities in the Gulf of Alaska to purchase and lease halibut and sablefish IFQ to their residents.

Having served as a member of the National Academy of Sciences committee that reviewed the Bering Sea CDQ program, I had the opportunity to learn about the implementation of that plan in western Alaska. As our report, The Community Development Quota Program in Alaska demonstrates, the CDQ organizations have played a major and significant role in improving the circumstances in Bering Sea coastal communities. I had the special privilege of visiting the village of Atka, similar in many respects to villages in the Gulf of Alaska, where I witnessed the positive benefits of local fisheries and processing for residents of that community. The small communities of the Gulf of Alaska have been overlooked and ignored in the political allocation process and are in need of opportunities for employment and income earning activities from the resources on their doorsteps.

The GOAC³ proposal is carefully crafted to fit the circumstances of the Gulf of Alaska that differ in a number of respects from the Bering Sea. A full review will, I am sure, demonstrate the positive benefits to be obtained from adoption of that proposal and also that benefits can be obtained without disrupting the system or disadvantaging others.

Crafting public policy to meet the circumstances of a variety of differentially positioned participants is no easy task. It does require work and careful deliberation which is what is required at this time. A full review of the GOAC³ proposal is both fully warranted by the circumstances and is the responsible action to take.

Sincerely yours,


Steve J. Langdon, Ph.D.
Professor of Anthropology

~~10/04/00~~ Passed BY BBNA Full Board
Bristol Bay Native Association
Resolution 2000-_____

**A RESOLUTION OF THE BRISTOL BAY NATIVE ASSOCIATION
ENCOURAGING THE NORTH PACIFIC MANAGEMENT COUNCIL TO PROTECT THE
FISHING INTERESTS OF SMALLER COASTAL COMMUNITIES AND TO ADOPT THE
GULF OF ALASKA COASTAL COMMUNITIES PROPOSALS FOR COMMUNITY
PURCHASE OF HALIBUT AND SABLEFISH IFQ'S AND COMMUNITY SET ASIDE OF
HALIBUT CHARTER IFQ'S.**

WHEREAS, the Bristol Bay Native Association is concerned about the cultural, social and economic needs of tribal members resident residing in coastal communities and

WHEREAS, our ancestors have depended on the marine resources in and around coastal communities for subsistence and cultural significance for thousands of years; and

WHEREAS, the Bristol Bay Native Association tribal members residing in the communities of Ivanoff Bay, Prerryville, Chignik, Chignik Lagoon and Chignik Lake have participated in commercial halibut fisheries for more than a century; and

WHEREAS, the halibut and sablefish IFQ program did not award many pounds of IFQ halibut and sablefish to residents of Ivanoff Bay, Prerryville, Chignik, Chignik Lagoon and Chignik Lake; and

WHEREAS, many residents of Ivanoff Bay, Prerryville, Chignik, Chignik Lagoon and Chignik Lake are unable to afford the purchase of halibut and sablefish IFQ's; and

WHEREAS, the Gulf of Alaska Coastal Communities Coalition has presented proposals to the North Pacific Fisheries Management Council which would modify the existing IFQ program to allow for the community purchase of halibut and sablefish IFQs; and

WHEREAS, the North Pacific Fisheries Management Council is determining whether or not to provide staff analysis for the community IFQ purchase proposals; and

THEREFORE BE IT RESOLVED, that the North Pacific Fisheries Management Council direct staff to review the Gulf of Alaska Coastal Communities Coalition's proposal for the community purchase of halibut and sablefish IFQs; and

BE IT FURTHER RESOLVED, that the North Pacific Fisheries Management Council approve the community purchase of halibut and sablefish IFQs.