



**ADVENTURE BOUND**  
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C9 Public Comment - APRIL 2016  
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March 28, 2016

North Pacific Fishery Management Council  
Dan Hull, Chairman  
605 West 4th, Suite 306  
Anchorage, Alaska 99501

Agenda Item C9 – Charter Halibut RQE

Dear Chairman Hull,

I am a travel agent who has been booking clients to Alaska on fishing trips for the past 35 years. I have seen halibut fishing limits decline in recent years and I have lost group bookings due to this. Most of my clients book a year in advance and constantly want to know what next year's fishing limits are going to be before they book. Competition for travel dollars is fierce and I am losing clients to other destinations, as value for their travel dollar to fish in Alaska seems to be decreasing, as less fish are being able to be kept.

Most of my clients go on side tours in conjunction with their fishing trips. After all, they have already traveled a great distance to fish in Alaska, why not spend a day or two sightseeing. When I lose a client due to poor fishing limits, the State of Alaska also loses on tourism dollars that support your local economy.

If this new program will stabilize the fishing limits or even better them, I am all for it and I encourage you to implement the program as soon as possible.

Sincerely,

Gail Fukada  
Adventure Bound



NPFMC comments - NOAA Service Account <npfmc.comments@noaa.gov>

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## Charter halibut RQE

1 message

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**Alaska Fishing** <art@niniilchikfishingadventures.com>

Tue, Mar 29, 2016 at 2:12 PM

To: "npfmc.comments@noaa.gov" <npfmc.comments@noaa.gov>

To Dan Hull, chairman NPFMC

I am writing this from an iPhone while in another country, my computer broke and we could not fix it, however I want to communicate with the council at least in brief.

My name is Arthur Aho and my company is called Reel'em Inn, Inc. we are based in Niniilchik, area 3A. In addition I am partner in a company called Niniilchik Fishing Adventures, LLC in area 3A. In total we represent 4 CHP permits, 1 for 8 lines, and 3 for 6 lines. Our business has been operating for over 20 years and includes charters, lodging, RV park and sport fish processing. In total we employ a crew of 10 persons

We support the RQE program but have never supported the GAF program.

The last 2 years have been difficult to break even much less make a living wage due mostly to the 1 day a week closure which potentially represents 15% of our annual revenue. Coupled with extreme size restrictions, our sales have seen a downward trend leading to discounts from less demand.

The RQE by theory, seems like a fair compromise for our clients, business owners and commercial interests. At the very least it would assist the sport fishing industry and hundreds of local support industries within and outside the state without inflicting great harm to the commercial sector and its support industries. Hopefully we are able to work this compromise in a positive way between all involved groups.

Thank you for allowing my voice to be heard and your support of small businesses in all user groups.

Sincerely, Arthur Aho, Niniilchik

Sent from my iPhone



Post Office Box 1229 / Sitka, Alaska 99835 907.747.3400 / FAX 907.747.3462

March 29, 2016

North Pacific Fishery Management Council  
604 W 4<sup>th</sup> Ave, Suite 306  
Anchorage, AK 99501

Subject: C9 Charter Halibut Recreational Quota Entity (RQE)

Dear Chairman Hull and Members of the Council,

The Alaska Longline Fishermen's Association **OPPOSES the RQE amendment for the following reasons:**

1. Although the RQE purchase of commercial QS may “promote greater stability in the charter sector,” it does so at the expense of subsistence and non-guided sport fishermen as well as at the expense of the commercial harvesters, processors, support sector businesses, seafood wholesalers, retailers, and **the millions of American consumers who enjoy commercially harvested halibut**. At some point charter operators and their clients need to embrace resource stewardship and recognize that during times of low abundance EVERYONE conserves by harvesting less.
2. The RQE has the potential to further inflate already formidable QS prices, driving up the cost of entry for new fishermen and creating additional barriers to entry for deckhands and residents of Alaska's fishery dependent communities. With no personal investment and an outside revenue stream, the RQEs will distort the QS market.
3. QS purchase at times of low abundance will result in the RQEs holding significantly more QS than they need as halibut stocks recover. If the RQE is allowed to lease QS back to the commercial fleet, essential provisions to preserve the owner-operator characteristics of the halibut fishery will be undermined. If return leasing is not allowed, the result is forgone harvest of this valuable resource, which undermines National Standard 1 optimal yield objectives. If allowed to sell QS back to the commercial sector, the RQE is incentivized to purchase and sell QS at a profit, further distorting the QS market. The RQE amendment undermines goals of the halibut QS program and erodes access for American consumers.
4. The Halibut Catch Sharing Plan was implemented just **two** years ago after **twenty** years of work to provide a measure of stability to the halibut fishery. The CSP allows a compensated mechanism for transfer between sectors. Charter clients (or operators) CAN ALREADY secure “meaningfully liberalized bag limits” by investing in the opportunity just as new entrants to the commercial fishery must do.

5. The RQE amendment STILL does not include an option to limit **the amount of QS in TOTAL that could move from the commercial to the charter fleet as GAF or RQE purchase**. The request for a cumulative cap was the primary focus of commercial fishermen and organizations testifying on the RQE in December 2015. When the Council took action in December, ALFA understood that the cumulative cap, with mechanisms to subdivide between Guided Angler Fish (GAF) lease and RQE purchase, would be an explicit option or alternative in the next iteration of the amendment. Our members are extremely frustrated that no cumulative cap has been added to the alternatives. If the Council elects to continue with this amendment, ALFA STRONGLY requests that Alternative 2 Element 2 Option 3 be amended to include a CUMULATIVE cap on the amount of commercial quota available to the charter sector through GAF lease **and** RQE purchase of 5- 10% in Area 2C and 5-15% in Area 3A. We would note that data on page 13 establish that 5-10% of the Areas 2C and 3A commercial quotas will provide charter clients with “meaningfully liberalized bag limits,” and that since charter operators utilized less than 1% and .25% of quota available through the GAF program in 2C and 3A respectively, these ranges are more than adequate to meet the stated purpose and need. The cumulative limit should be in addition to individual GAF limits and should be subdivided between GAF and RQE with an opportunity to re-specify the sub-division in 3-5 years.

#### **Requested Changes to Alternatives and Analysis**

ALFA recognizes that improvements have been made in the analysis since the December meeting and we thank the Council and the analysts for this work. In particular we appreciate the modification to the purpose and need statement that acknowledges impacts of this amendment to other sectors: *“The intent is to consider such a mechanism without undermining the goals of the halibut IFQ Program or significant adverse impacts to other halibut sectors.”*

ALFA members also appreciate the additions of Appendix A, which explores economic impacts to the observer program of reallocating halibut, and Appendix B, which discusses the cumulative cap. That said, we agree with the Halibut Coalition that a number of changes to the alternatives and additions/corrections to the analysis are needed prior to moving this amendment package to final action. Although we support all issues raised by the Halibut Coalition, ALFA highlights the following:

**Alternative 2. Element 2. Option 2. QS Transfer Rates:** ALFA requests that the range of transfers be adjusted to include a new lower annual limit of 0.5%. Page 85 of the analysis indicates that in some circumstances a 1% annual transfer rate would translate to 20-46% of the quota on the market. Further analysis and comment by the SSC on the impact of transfer rates on QS market prices should be provided, along with a substantial treatment of the impact of this amendment to the halibut IFQ entry level.

**Alternative 2 Element 2 Option 3:** Amend this option to read: Total (cumulative) limit on amount of QS or IFQ that may transfer from commercial to charter sector under RQE amendment or GAF program.

Sub-option 1. 5-15% of any commercial QS by regulatory area (2C/3A) with 3/4ths of cumulative cap available for purchase by RQE (2015 QS pool) and 1/4th available to lease through GAF program (based on annual QS pool). RQE/GAF ratio reviewed after 5 years.

Sub-option 2. 5-15% of each class of commercial QS by regulatory area (2C/3A) with 3/4ths of cumulative cap available for purchase by RQE (2015 QS pool) and 1/4th

available to lease through GAF program (based on annual QS pool). RQE/GAF ratio reviewed after 5 years.

**Alternative 2 Element 2 Option 4.** ALFA supports retaining ALL sub-options for analysis. Protecting D class QS and small C and B QS blocks would mitigate to some small degree the impact of the RQE program on commercial entry level.

**Alternative 3:** ALFA supports RQE purchase of charter permits. RQE purchase of charter halibut permits, coupled with the eventual elimination of non-transferable permits, could easily address the charter sector's desire for "less restrictive harvest annual harvest measures" even during times of low abundance. We would remind the Council that 30% of charter halibut permits in Area 2C and 22% in Area 3A are non-transferable, hence will eventually terminate (page 44).

#### **4.8.2 Economic and Social Effects of the Proposed Program.**

**Section 4.8.2.1.1** addresses impact of the RQE on charter anglers, but the analysis does not include a comparable section to address the effects on halibut consumers. This deficiency must be addressed prior to advancing the RQE amendment. Far more Americans access halibut through grocery stores and restaurants than through Alaska charters and, as evidenced by strong fresh and frozen halibut prices, American consumers place a high value on commercially harvested halibut. As currently proposed, consumers could lose access to up to 30% of the 2C and 3A quota. In 2016, a 20% combined 2C/3A transfer to RQE would have resulted in the loss of 3,555,789 meals (assuming a 60% recovery rate and 6 oz. servings). The analysis should include this impact and consider the loss to wholesale, retail and restaurant workers as well.

**Section 4.8.2.3.** Impacts to processors and support sector: The analysis notes that RQE purchase of QS may cause some processors to close during parts of the year or completely (page 133). Representatives from Seafood Producers Cooperative, Yakutat Fisheries, and the Halibut Association of North America have voiced similar concerns. Although the potential for this impact is noted in the analysis, no attempt is made to quantify the impact of these closures to processor workers or Alaska's fishery dependent communities. Also absent is a discussion of the impacts to the fishing fleet and communities as quota reallocation eliminates the commercial fishing support sector, despite ample evidence that as the fishing support sector disappears from a community, the viability of the local fishing fleet quickly erodes.

This section also notes the concerns raised repeatedly in public testimony by **subsistence, personal use and non-guided sport harvesters** who have experienced significant loss of access due to charter driven local depletion of halibut. Although no effort is made to assess or quantify these impacts, for coastal residents who depend on halibut for sustenance the loss of access is significant. ALFA requests that this section be supplemented with information assessing the dependence of the Area 2C and 3A communities on subsistence resources, including the number of residents below the poverty line and the number of residents participating in halibut subsistence activities. This information should be central to your decision making process.

National Standard 8 directs Council's to provide for the sustained participation of fishery dependent communities in the nation fisheries. The cumulative impact of low halibut abundance, substantially reduced catch limits, minimal halibut bycatch reductions, and now the potential for substantial reallocation to the charter sector is clearly inconsistent with National Standard 8 directives. Fishery access workshops and legislation to address Alaska's loss of access to

adjacent fisheries highlight the fears and challenges of Alaska's rural residents. The RQE amendment will increase the cost of entry and exacerbate the socioeconomic crisis building in rural Alaska. ALFA requests that this important community impact section be expanded to fully assess the cumulative impacts of Council actions and stock conditions on halibut fishermen and halibut dependent communities over the past two decades.

### **Summary**

In closing, ALFA opposes the RQE amendment. The RQE will destabilize and undermine subsistence, non-guided sport, and commercial sectors to provide a few more inches of halibut opportunity to guided sport clients. The very title ("recreational quota entity") is a misnomer—this amendment fosters *charter client* opportunity at the expense of non-guided *recreation* opportunity. The Halibut Catch Sharing Plan, which took the Council over 20 years to develop and has only been in place for two years, balanced the concerns of all sectors in arriving at an allocation AND provides charter operators with a market based opportunity to increase harvesting options for their clients; the subsidized reallocation established through the RQE will raise the cost of entry to commercial halibut fisheries, undermine the viability of the commercial processors, support sectors and communities, and reduce public access to Alaska's halibut.

If Council advances this amendment: ALFA strongly recommends that Alternative 2 be amended to include a cumulative cap on the amount of halibut quota that can move from the commercial to the charter sector, and, in response to staff concerns, that this cumulative cap be subdivided between RQE purchase and GAF lease. We ask that the Council add .5% to the range for limits on annual QS annual transfers, and that sections addressing socioeconomic impacts to crew, processors, marketing and support sectors, rural communities and American halibut consumers be expanded.

Thank you for the opportunity to comment.  
Sincerely,



Alaska Longline Fishermen's Association  
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Sitka, AK 99835  
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North Pacific Fishery Management Council  
Dan Hull, Chairman  
605 West 4th, Suite 306  
Anchorage, Alaska 99501-2252

March 29, 2016

Comments: Agenda Item C9 – Charter Halibut RQE

Dear Mr. Hull,

Speaking for ourselves and the recreational anglers we serve, we appreciate the opportunity to comment on Charter Halibut RQE. Our business is recreational fishing, and recreational fishing is about opportunity, perception, and stability. We would like to speak in support of the Charter Halibut RQE.

I have been a licensed charter guide and lodge owner in Sitka, Alaska since April, 1990. I have seen tremendous changes in our charter industry during these last 26 years! The guided recreational sport angler has been constantly ratcheted down and been slowly restricted from harvesting less and less of all species of sport fish as each year has passed.

My husband and I are local residents and live in Sitka, year round. We have two young children, born and raised here and they also work as part of our local family business. This is my husband's 17<sup>th</sup> year as a licensed charter operator. He also has been a deckhand for many years on a commercial longline vessel that fishes for several permit holders. We see both sides of the fence. However, the majority of our income is derived from our fishing and lodging operation and our business supports the local economy in many ways. One example would be payroll, with very near a million dollars in payroll alone paid annually to 35 employees, of which several are local residents! We purchased all seven (7) of our charter vessels in Sitka and we support the local economy year round, quite significantly.

Wild Strawberry Lodge operates seven (7) charter vessels, taking care of 1,000 to 1,200 clients from May 10<sup>th</sup> to September 10<sup>th</sup>, of each season within our lodge facility. Our customers are primarily recreational anglers from the Lower 49 states, who choose to access their public resource, on our charter vessels. We provide them a safe, hassle free fishing vacation from the moment they arrive in Sitka, until we put them back on the plane. These clients typically fish an average of 3 to 4 days bringing a significant amount of outside dollars into the Sitka economy. They spend time shopping downtown, which supports local businesses. Approximately 50 percent of our clients will book from six months to a year in advance, and many will rebook for the next season before they leave here to fly home.

We find that most of our fishing clients' main purpose to choose to come to Alaska is to experience FISHING! They enjoy the whole Genuine Alaskan Hospitality experience we provide, as long as they have the opportunity to catch Halibut and Salmon! Short and to the point: If the option to go halibut fishing was taken away, most of them would not come here.

The Recreational Quota Entity program would create a non-profit entity, which purchases IFQs for use by the guiding industry. The availability of additional quota shares will loosen catch regulations and allow charter clients the freedom to catch larger fish. In the interest of economic stability for our businesses and coastal communities, we ask the NPFMC to allow a recreational quota entity to hold commercial halibut quota for use by halibut charter anglers.

In summary, we support the preferred Alternatives, Elements, Options, and Sub-options as recommended by the Alaska Charter Association (ACA) and listed below:

Support: Alternative 2. Establish a Recreational Quota Entity (RQE) as a qualified entity to purchase and hold commercial halibut QS for use by the guided halibut sector.

Support: Element 1, Option 2. One entity with two area quota pools, Area 2C and Area 3A.

Support: Element 2. Two-way transfers are allowed. Quota class and block designations are retained if the quota is transferred back to the commercial sector.

Element 2, Option 2, Annual limit of transfers to the RQE in each regulatory area (Area 2C and Area 3A) of 3% of commercial QS units in each area (2015).

Support: Element 2, Option 3. Total (cumulative) limit on amount held by RQE by regulatory area (Area 2C and 3A).

Sub-option 1. 15% of any commercial QS based on 2015.

Do NOT Support: Element 2, Option 4. Restriction on RQE quota share (in either or both areas.)

Support: Element 3. Setting of annual charter management measures (support as written). Sub-option 1 (If there is excess quota beyond what is necessary for the RQE to equal harvest measures of the unguided sector, NMFS would reallocate IFQ quota) Equally to all catcher vessel QS holders, which hold not more than 1,500 to 3,000 pounds in 2016 pounds (by area, proportional to QS holdings).

Support: Element 4. Limit on use of RQE funds. Use of funds for purchase of QS, charter halibut permits, halibut conservation/research, promotion of the halibut resource, and administrative costs.

Do Not Support: Element 5. RQE Board Composition.

Support: Alternative 3. Purchase of charter halibut permits.

We want to thank you for your time and consideration and this opportunity for public comment.  
Sincerely,

***Juan Belcher & Theresa Weiser***

Owners / Operators

Alaska Premier Charters, Inc. / Wild Strawberry Lodge

P.O. Box 2300, Sitka, AK 99835

Toll Free: 1-800-770-2628

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NPFMC comments - NOAA Service Account &lt;npfmc.comments@noaa.gov&gt;

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**Agenda Item C9 - Charter Halibut RQE**

1 message

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**kings@ptialaska.net** <kings@ptialaska.net>

Tue, Mar 29, 2016 at 5:41 AM

To: npfmc.comments@noaa.gov

Dear Chairman Hull,

My name is Luther Andersen. I operate King of Kings fishing lodge in Happy Valley Alaska. This year is our 24th year in business, and we are local Alaska residents. Our customers come to Alaska for halibut and salmon and then as a bonus tour Alaska. Many drive to see Denali, and Fairbanks, as well as driving into Seward to go on glacier cruises, or go on fly out trips for salmon and bear viewing. The list goes on and on how these tourists help boost the local economy everywhere they touch in this great state. Many tell us that due to these new restrictive measures they will not return, and they're word of mouth in the lower 48 is toxic to our local economy. The RQE would be a wonderful solution to this problem.

I support having a single quota entity with two quota pools. I think that a 5% annual transfer limit and a 15% cumulative limit of all commercial quota shares would be best for our business and local community. Many new fishermen enter on C class vessels, so restricting D class quota may be unnecessary, however, blocks of 1500lbs or less should be protected. Unallocated RQE IFQs could even be issued back to all IFQ shareholders proportionately. Finally, there are latent CHPs which the RQE should be able to purchase over time.

An RQE is the best option for guided sportfishing and the Alaska economy. For my clients, the size of the fish they can catch is important in making their booking decisions. The less restrictive our fishing conditions, the more happy customers we have frequenting our community. As a business owner, I cannot afford to take time every year to reassess whether I can lease more IFQs to ensure my clients have a good time. This is a great, voluntary way to use quota shares.

Sincerely,

Luther Andersen



NPFMC comments - NOAA Service Account <npfmc.comments@noaa.gov>

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## RQE

1 message

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**Gary Ault** <grobault@hotmail.com>

Mon, Mar 28, 2016 at 9:24 AM

To: "npfmc.comments@noaa.gov" <npfmc.comments@noaa.gov>

Dear Chairman Hull,

March 28, 2016

My Name is Gary Ault And My wife and I own Inlet Charters in Homer Alaska. Inlet Charters employs eight people and owns and operates two charter boats. I am writing today in support of the proposed RQE program and in response to the recently released program document.

An RQE is the best option for guided sportsfishing and the Alaska economy. For my clients, the size of the fish they can catch is important in making their booking decisions. The less restrictive our fishing conditions, the more happy customers we have frequenting our community. As a business owner, I cannot afford to take time every year to reassess whether I can lease more IFQs to ensure my clients have a good time. This is a great, voluntary way to use quota shares.

Thank you so much for your attention to this matter.

Gary Ault

Inlet Charters Across Alaska Adventures

[800-770-6126](tel:800-770-6126)

[907-235-6126](tel:907-235-6126)



NPFMC comments - NOAA Service Account &lt;npfmc.comments@noaa.gov&gt;

## Comment on proposed Charter RQE

1 message

David Bayes &lt;deepstrikeak@hotmail.com&gt;

Mon, Mar 28, 2016 at 10:56 AM

To: "npfmc.comments@noaa.gov" &lt;npfmc.comments@noaa.gov&gt;

Dear Chairman Hull,

My name is David Bayes. I was born and raised in Homer and purchased a boat to start my own charter business at age 20.

Now, at age 32, I've served as President of both the Homer and Alaska Charter Associations. I never asked to be appointed as President of either Association, or even be on the Boards for that matter, but I was in essence "put there" as the older generation of charter fishermen and industry representatives threw their defeated hands into the air. "You are the young guys" they would say. "It's your problem now" Those guys have mostly retired now, though many of them are still sitting-on their boats; boats which were meant to someday be a considerable part of their retirement, but which have now become greatly devalued in an era when new-entrants are uncertain about buying-in.

Each year, myself and other new-entrants into the charter fleet live under the dark cloud of further restrictions and economic uncertainty. My wife has even made me promise that I will not depend on charter fishing to support our family in the future, and that I will not purchase another boat to expand my business. The uncertainty about our future catch limits cripples our ability to thrive as a fishing family.

Charters rely-on a 100 day fishing season; if we don't run a trip between Memorial Day and Labor day, we can not make up for it later in the season. School schedules, weather patterns, and fish migrations make successful day-charters a slim possibility before May and after September. Thus, each day of the June-August season equates to 1% of our total gross income for the year. The Area 3A Wednesday closure for 2016 creates a loss of 15 days in that June-August period. Fishing in the "Halibut Capital of the World" a loss of 15 "halibut" days means that my gross income this year will likely be reduced by 15%. Add to that 3 or 4 days per month lost to weather, and I've now lost close to 25% of my potential yearly income. As most small-business owners know, we work on a pretty slim profit margin to begin with. Many of our costs are fixed, so when 25% of the gross is lost, we've lost a LARGE portion of our profits for the year.

On my 6-pack boat, I carry around 600 clients per year. These clients fly or drive into town for a guided halibut trip. They stay in local bed-and-breakfasts and eat at local restaurants. In the past, I've asked couples aboard my boat to estimate the total amount which they will spend during their trip to Alaska; vacationing, traveling, and doing a 1-day halibut charter. For out-of-state visitors, their estimate often exceeds \$5000. Only about \$600 of that \$5000 is spent upon the actual charter, so there are incredible amounts of money being spent elsewhere throughout the town and State! If that couple caught a full limit of average-sized 3A fish, then they are putting \$125 into the Alaskan economy for every 1 pound of halibut which they remove.

Though many of my clients will stay in Alaska for a week or more during their vacation, most tell me that FISHING is their reason for choosing to visit Alaska. Questioned further, they will often state that if the option to do a halibut charter was off-the-table, they would not return.

In the early 2000's, we went to Council meetings to voice our concerns with the proposed Charter IFQ program. In that era, I was told, by IFQ holders, "if you guys want more quota, you can just buy it from us!" At the time, it was an older and established halibut fisherman bullying a new entrant, who, though young, enthusiastic, and swimming in debt, happened to use a different gear type. The comment brought great laughter from all those within hearing range.

At age 20, in college, and with a new boat loan resting heavily upon my shoulders, those conversations deeply soured my view of the "Process." I've carried the memory of that conversation with me for many years, and though I swore that I would never consider it, it now, somehow, 12 years later, seems our best option for survival. We'd like create an RQE to purchase quota, so that we can continue to survive.

Always remembering that conversation, it AMAZES me that IFQ holders today resist what was, originally, their plan.

I support having a single quota entity with two quota pools. I think that a 5% annual transfer limit and a 15% cumulative limit of all commercial quota shares would be best for our business and local community. Many new fishermen enter on C class vessels, so restricting D class quota may be unnecessary, however, blocks of 1500lbs or less should be protected. Unallocated RQE IFQs could even be issued back to all IFQ shareholders proportionately. Finally, there are latent CHPs which the RQE should be able to purchase over time.

An RQE is the best option for guided sportfishing and the Alaska economy. For my clients, the size of the fish they can catch is important in making their booking decisions. The less

restrictive our fishing conditions, the more happy customers we have frequenting our community. As a business owner, I cannot afford to take time every year to reassess whether I can lease more IFQs to ensure my clients have a good time. This is a great, voluntary way to use quota shares.

Sincerely,

David Bayes

DeepStrike Sportfishing



NPFMC comments - NOAA Service Account <npfmc.comments@noaa.gov>

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## Agenda Item C9 HAL 16-007 Charter Halibut RQE - Initial Review

1 message

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**Ann Bayes** <bayes@xyz.net>

Tue, Mar 29, 2016 at 12:19 PM

To: North Pacific Fisheries Management Council <npfmc.comments@noaa.gov>

Ann Bayes  
PO Box 575  
Anchor Point, Ak 99556

Mr. Dan Hull, Chairman  
North Pacific Fisheries Management Council  
605 West 4th, Suite 306  
Anchorage, Ak 99501  
Email: [npfmc.comments@noaa.gov](mailto:npfmc.comments@noaa.gov)

Re: Agenda Item C9 HAL 16-007  
Charter Halibut RQE - Initial Review

Dear Chariman Hull,

Why is there an item on your agenda known as the RQE?

Following the adoption of the charter halibut permit system, and passage of the catch share plan, the guided fleet became keenly aware that they didn't have enough allocation to continue providing the historical catching opportunity to guided anglers. Also, they received the message from representatives of the commercial sector in a broad-based stakeholder group that reallocation of fish would have to come with compensation. In short, to buy or lease quota.

The charter sector took that message to heart and went to work on a plan to purchase commercial quota -- a plan that would function well for the charter industry and the many people who access the resource via the guided fleet. In 2011 the Southeast Alaska Guides Organization (SEAGO) and the Alaska Charter Association (ACA) were awarded a grant from the National Fish and Wildlife Foundation to study a pooled approach to purchasing commercial quota. In simple terms -- guided anglers would become the owners of a pool of fish purchased from the willing sellers of commercial quota. The amount of quota purchased through the program would be added to the existing quota in the CSP and allow for improved regulations.

Which brings us to what you have before you for your consideration.

This plan was modeled after an existing set of rules within the commercial halibut fishery known as a Community Quota Entity (CQE). Under the CQE program, a community is allowed to purchase and hold halibut quota in a common pool and assign those fishing rights to members of the community. Our plan seeks to implement a similar concept, however, the rights to the pool will be assigned to guided recreational anglers and is thus called a Recreational Quota Entity or RQE.

If the RQE is given the ability to purchase and hold QS, the next step would be to find a funding mechanism(s) to buy the quota. The guided sport fleet favors a halibut stamp, similar to the current king salmon stamp, that each guided halibut angler will purchase. Each guided recreational angler bears the cost but ultimately the risk is borne by the operators as it figures into the total cost of a trip and the ability to set rates. Aside from providing funds for buying quota, the revenues from the stamp could be used to cover the cost of managing the RQE and ADFG's costs with halibut management.

As the RQE accumulates quota, guided anglers would enjoy better regulations and value for their trip. Even small incremental changes upward in the regulations will provide the guided angler a sense of increased value.

An RQE, even with a small amount of quota, has the ability to incrementally move the needle in a direction that

will be viewed very positively by halibut charter clients and will have a positive effect on businesses' ability to entice people to come to Alaska to spend their money in our communities. These small changes will also allow Alaskans, many of whom rely on charters for their halibut fishing, better opportunity to fill their freezers.

Improved marketability for guided businesses and lodges spreads economic benefits throughout coastal communities via increased expenditures at local restaurants, hotels, bed and breakfasts, grocery stores, and other retailers. Contribution to local sales tax, bed tax, and fish box tax help local budgets in these strained times.

This plan provides for relatively small adjustments in allocation that provide potentially large impacts without all the fighting. Additionally, involvement in the existing halibut IFQ plan will require greater accountability and tracking of guided sport catch. The guided fleet gains greater motivation to act as a long-term player in the sustainability and care of the halibut resource. By vesting each guided angler and giving them a stake in the future, those anglers buy into the concept that conservation today has payoffs tomorrow.

The RQE will provide choice for those who access the resource. The guided angler can choose to participate or not based on the stamp purchase. The commercial IFQ shareholder who wants to sell can choose to sell to the RQE or not. The board that manages the RQE can decide whether liberalizing the regulations is worth additional investment in IFQ shares. I believe giving choice to people results in more rational outcomes than freezing allocation ad infinitum. Static allocations are not a realistic way to manage any resource.

Allowing guided anglers the opportunity to enter into a willing seller/willing buyer arrangement with commercial halibut quota share holders allows market forces determine the highest and best use of the resource.

Commercial halibut fishermen have made this argument for years as they rebuffed proposals which included the uncompensated reallocation of their halibut quota shares to other user groups.

Years of research, dedication, and hard work to identify an equitable solution to this problem have come to the same conclusion – if guided sport anglers want better access to the resource, the RQE provides us with a fair and equitable way to achieve that through purchase of those rights from commercial fishermen.

Current regulations prohibit such a transfer. The solution – one that people have worked long, hard, and with great dedication to develop – is the RQE.

And finally, why am I addressing this?

I work as a booking agent on behalf of my adult son who was born and raised in Alaska and loves fishing. He started his own successful charter business while still in college. I only meet his clients by phone, email, or snail mail, but I'm the one that has to call and tell them all their plans are in limbo due to changes in the regs during the year they plan to visit Alaska. People are generally very nice about it and are willing to accept it as one more example of our government at work, but it is not good for our reputation or yours.

Chipping away at the edges of this issue with annual regulatory changes to keep the charter fleet in compliance with insufficient quota allocation to meet demand, while using insufficient reliable statistical data upon which to base decisions, is akin to hoping a crystal ball will give us the answers we need to sustain both the resource and our fish-dependent businesses, sport and commercial. That is neither smart nor efficient nor fair.

The time is now to move the RQE forward through your process. Thank you for this opportunity to comment.

Sincerely,  
Ann Bayes

**Bay Traders Inc.**  
**Fish House Charters**

1303 4<sup>th</sup> Ave.  
Seward, AK 99664

Dear Chairman Hull,

My name is Mark Clemens and I own a fishing charter business as well as a retail store in Seward.

Our family started this business in 1974 and I'm the second generation operating this business and currently training the third generation. As an original recipient of the Commercial Halibut IFQ's I can attest to the multitude of changes the industry (on the water as well as shore side businesses have adapted to).

Our retail sales to commercial fisherman have continued to decline, due in part to on-line buying as well as the length of the seasons (no more derbies). By no means does this mean that the commercial sector is not an important part of every community, it is and hopefully will remain so. But the purchasing has changed, both by the vessels and the crew themselves.

In 1974 we had about 4 vessels offering charters out of our business and community. Currently we own 6-vessels and book for another 15-vessels. Our employment has grown from 4 in 1974 to 34 in 2015. We employ 11 full time year around and another 23 seasonal. Our seasonal workers come from mainly our own town. Included in that figure is our Captains and Deckhands, (approx. 50% live and reside in Alaska).

Our advertising budget yearly is \$150,000, we target both Alaskans (our repeat business from Alaskans is 30% of our charters) and visitors from all over the world. These customers contribute to our local economy as well as to the Alaskan economy. They will stay in hotels, bed and breakfasts, eat at local diners shop a variety of shops and yes go fishing. These TOURIST dollars are what currently keeps our local economy going by providing a windfall in tax dollars.

Operating a seasonal business is a difficult enough endeavor, without having to stress about what the regulations are for the coming year. Our advertising dollars are already spent before we know what we can offer our clients in regards to Halibut fishing. When regulations do come out we have to call our Alaskan clients and tell them that their yearly bag limit has been reduced (only if they fish on a charter vessel). Some of our Alaskans like to go out more than 5 times a summer. This bag limit on Alaskans severely impacts the recreation of our State Residents. It also increases the amount of ILLEGAL CHARTERS that occur. The bag limit and size restrictions should apply to any and all anglers who target halibut. It is time that this occurs, if we want management of our resource than we need to manage all user groups (the recreational boat owners are great customers of ours, and most agree that this should occur).

An RQE will provide a tool to help manage our industry, and enable long term planning as well as entry into the industry for new businesses. It is a starting point that shows the commitment level we are willing to participate at as users of this resource. The other management tools I would like to see utilized are: no more leasing of non-transferrable permits, sunset laws for permits that are not utilized and the same fishing regulations for all who have a Sport fishing license.

Sincerely,

Mark Clemens





NPFMC comments - NOAA Service Account <npfmc.comments@noaa.gov>

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## C9 Charter halibut RQE

1 message

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**Nancy Behnken** <nancybehnken@gmail.com>

Tue, Mar 29, 2016 at 10:41 AM

To: npfmc.comments@noaa.gov

To whom it may concern,

I am writing to state my firm opposition to the charter reallocation proposal.

I live in Sitka, AK where I own and operate and 31' commercial fishing vessel. It is getting more and more difficult to earn a living in this industry, and the halibut shares that I have purchased, at considerable personal expense, are crucially important to my livelihood. Years of low abundance are difficult for all of us, and we have been working to develop the Halibut Catch Sharing Plan, as close to a fair and equitable distribution of the halibut quota as we could, for all agree on, over 20 years. To now allow the charter industry to purchase, using subsidized funds no less, another 20% of commercial fishermen's quota, beyond the 10% currently allowed to be leased under the GAF program, would completely undermine all these years of work and compromise that went into the Catch Sharing Plan. The cost of entry into the commercial halibut fishery is already a heavy burden for those of us who are vested in this business and live in these fishery-dependent communities without adding a new, subsidized entity to the quota share market.

I find it especially disturbing that, despite requests from several commercial fishermen, the current alternatives do not include a cumulative cap on the amount of quota that may be moved from the commercial sector to the charter sector (RQE plus GAF). If this proposal moves forward, both the alternatives and the analysis must be revised.

Thank you for your time and consideration of this extremely important issue.

Nancy Behnken

F/V Dipper

Sitka, AK

Dear Chairman Hull,

March 28, 2016

My name is Tim Berg and I began operating a halibut sport fishing business in 1978 at the age of 22. My business began in Ninilchik and today I have 2 vessels in Homer and 4 in Seward. I have seen the full array of restrictions that have been implemented in recent years, and dealing with these has made life in the Charter industry very difficult. In addition to the 6 charter vessels my family also owns 3 fishing lodges. We employ 40 employees to run the lodges and boats each summer, many which are local residents and some that come up to work every summer from the lower states.

I also understand the challenges that the commercial sector faces, as I am involved in that industry as well. My wife, son and daughter and I also own and operate a year around fish processing company in Soldotna, Alaska, and just today we purchased 4,000 lbs. of commercial halibut from landings in Seward. Our commercial processing plant in Soldotna is Peninsula Processing LLC, and we employ 32 local members of our community for 12 months each year, plus an additional 40 employees during the very busy summer months.

We process both Sport caught fish as well as commercial caught fish during the summer months, both of which are very important to the survival of our family business.

Processing commercial halibut and salmon is a very large part of our business and as a result I developed numerous friendships working hand in hand with all of the commercial salmon and halibut fisherman. I am not sure if this really matters, but it is important to point out that although a good number of the commercial fisherman are from our local community, and even larger number of these commercial fishers reside elsewhere most of the year.

The new restriction in 2015 that shut down halibut charters for one day each week essentially took 15% off the table for the Charter fleet. The annual bag limit for Charter anglers which in 2016 restricts this group of anglers to just 4 fish is another 10% reduction as many folks just aren't going to come to Alaska and spend the money to catch to very small halibut and 2 of any size.

This whole situation should not be taking place in the first place as the fish that we are trying to now buy back were always part of the sport harvest quota. Back room politics have a funny way of always being self serving and letting the rest of us fend for ourselves.

Given the current sad state of affairs of having to battle every year to just get the few crumbs that the commercial sector leaves on the ground, I support the following:

Having a single quota entity with two quota pools. I think that a 5% annual transfer limit and a 15% cumulative limit of all commercial quota shares would be best for our business and local community. Many new fishermen enter on C class vessels, so restricting D class quota may be unnecessary, however, blocks of 1200 lbs. or less should be protected. Unallocated RQE IFQs could even be issued back to all IFQ shareholders proportionately. Finally, there are latent CHPs which the RQE should be able to purchase over time.

An RQE is the best option for guided sportfishing and the Alaska economy. For my clients, the size of the fish they can catch is important in making their booking decisions. The less restrictive our fishing conditions, the more happy customers we have frequenting our community. As a business owner, I cannot afford to take time every year to reassess whether I can lease more IFQs to ensure my clients have a good time. This is a great, voluntary way to use quota shares.

Sincerely,

Timothy R. Berg  
720 K-Beach Road  
Soldotna, Ak. 99669  
Peninsula Processing LLC.  
Alaskan Fishing Adventures, LLC



NPFMC comments - NOAA Service Account <npfmc.comments@noaa.gov>

## Agenda Item C9- Charter Halibut RQE

1 message

ashtikan@ptialaska.net <ashtikan@ptialaska.net>

Tue, Mar 29, 2016 at 2:48 PM

To: npfmc.comments@noaa.gov

North Pacific Fisheries Management Council  
Dan Hull, Chairman  
605 West 4th, Suite 306  
Anchorage, Ak. 99501

Agenda Item C9-Charter Halibut RQE

Dear Chairman Hull,

My name is Bryan Bondioli. I have owned and operated a halibut fishing charter in Homer since 1997 and been involved in the charter fishery since 1992. I am a former founding board member of the Alaska Charter Association, former board member of the National Association of Charter Boat Operators, and was an active participant in the North Council "process" from 2004 until the promulgation of the CSP.

Prior to the passage of the CSP, I routinely hosted over 600 clients per year. These clients spent an average of \$5000-\$8000 during their trip to Alaska. Although these people come to our State specifically to catch halibut, they typically only spend between \$300-\$1500 on charter fishing. The rest of their money is spent supporting small local businesses such as Bed and Breakfasts, hotels, restaurants, local watering holes, and our coastal communities through their tax dollars.

This Council's Catch Sharing Plan has done an excellent job of bankrupting countless small charter operators, disassociating numerous families (young and old alike) and causing irreparable harm to the economies of our coastal communities and to the State. I personally have lost over 90% of my long term customers who were always reliable to book 3-7 days each year. They will not return to Alaska to fish and spend their money. The newer generation of fishermen cannot rationalize the expense of coming to Alaska for a glorified Fluke fishery and a great many of them are deciding it is more cost effective to stay in the lower 48. With the additional 15% loss of my earning potential due to the "day of the week closure" my overall business has declined by more than 35% as a direct result of the restrictions placed on guided anglers with the Catch Sharing Plan. (At the same time, the longline sector has realized exponential profits with ex-vessel prices averaging \$7.00/lb and Quota now listed at \$60.00/lb).

The negative economic effects of the CSP are widespread and significant. The losses in tax revenue to the city of Homer just from my clients who will never return is hundreds of thousands of dollars. The losses in tax revenue to the city of Homer from the "day of the week closure" will be equally significant. The income to our Chamber of Commerce from the Homer Halibut Derby has been reduced by over 50%. The income to the State of Alaska just from fishing license sales has been reduced by hundreds of thousands of dollars. Coastal communities such as Deep Creek and Ninilchick have all but dried up and fallen off the map.

For the better part of the last 20 years, this Council has focused its' energy to achieve the agenda of the Alaska Longline Fisherman's Association and to implement an insufficient allocation between sectors to create an artificial marketplace for a "compensated Reallocation". Congratulations, you have clearly achieved step one. Step two is on the table right now. There is a well thought out mechanism to facilitate a "compensated reallocation" (the Council and ALFA's ultimate goal) and yet the longline sector opposes the idea and/or wants to minimize the potential of realizing that goal.

I support the Council continuing to work toward the RQE as a mechanism for the CATCH program to achieve a "compensated reallocation". I support having a single quota entity with two quota pools. I think that a 5% annual transfer limit and a 15% cumulative limit is cheesy. If the money is there and you have your "compensated reallocation"; that's what you wanted.....so why do you want to minimize your compensation. I

do not believe that the RQE funds should be used to buy out CHP permits. It will be a lot easier to convince anglers that the whole concept of the CATCH program is to INCREASE angler opportunities not to DECREASE them.

I believe this Council bears some responsibility to the coastal communities of our state to undo some of the extreme economic hardships it has caused. The RQE and the CATCH program won't do much to salvage the lives and livelihoods of those of us who have participated in the Council "process", but, at least it may provide a means for a future generation of charter fishermen to even exist.

Respectfully,

Bryan Bondioli  
Captain B's Alaskan C's Adventures  
P.O. Box 66  
Homer, Ak. 99603

North Pacific Fisheries Management Council  
Dan Hull Chairman  
605 West 4<sup>th</sup> Suite 306  
Anchorage, Alaska 99501

March 29<sup>th</sup> 2016

Dear Sirs;

I have been in the halibut charter business since 1981 and I have been fighting the halibut charter battles since its inception. I ask today that you consider two very important issues and act on them as soon as possible.

Issue one is the RQE program. I stand in support of this concept but unlike some I do not support the sale of charter allocations to the commercial fleet. It wouldn't be long before there was no one chartering for halibut as everyone would sell their portion to the commercial fleet. I do support the selling of commercial IFQ to become RQE until there is a 50/50 split between the fish for the private and the commercial fleet. You should have never allowed the creation of two classes of people within the private sector, those being people fishing from a private vessel and those that rent a chair on a charter boat. Both serve the recreational fishing community. The system now in place encourages unsafe and non-regulated fishing activities.

Issue number two is the leasing of non-transferable CHP. Each year I watch the size restriction become greater, the number of days we are allowed to fish decrease, and the number of trips we make are allowed to make disappear. It was my understanding that a non-transferable permit died when the owner/operator was no longer using the permit personally. This is not the case. Several non-transferable permits are being leased and used in Homer, Whittier and other places. This practice must stop! I view their action as simple theft of the resource from the transferable CHP permit holders.

Restriction would never be placed upon the commercial sector when pirates were being allowed to freely steal their quota.

Please act upon these issues with the utmost of haste.

Sincerely

Patrick M. Bookey  
Luck of the Irish Charters  
Box 55194  
North Pole, Alaska 997805



NPFMC comments - NOAA Service Account &lt;npfmc.comments@noaa.gov&gt;

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**Agenda item C-9, Charter Halibut RQE**

1 message

**Diane Borgman** <homer.ocean.charters@gmail.com>

Wed, Mar 23, 2016 at 8:48 PM

To: npfmc.comments@noaa.gov

RE: Agenda Item C-9, Charter Halibut RQE Initial Review

I would like to express my support for the establishment of a recreational quota entity (RQE). Under the CSP catch restrictions have reduced the potential for charter operators to successfully conduct a profitable business to almost nil. The GAF program is not a viable option for individual operators as can be demonstrated by it's lack of use. The RQE would allow for a compensated reallocation of quota share to the charter industry as a whole.

An important aspect of the formation of a RQE is the option of purchasing charter halibut permits (CHPs) with funds held by the RQE. In order to be effective any cap placed on the purchase of CHPs by the RQE should be a minimum of 30% of the present number of transferable permits. By including the option of purchasing CHPs through the RQE the charter industry could reduce the number of latent permits and control the growth of the industry in the future. This method could provide more "bang for the buck" so to speak than the actual transfer of quota share between sectors.

Another very effective way the Council could assist the halibut charter industry would be to prohibit the leasing of non-transferable CHPs. Leasing of non transferable permits goes against the original intent of the Council with regards to the CHP program. This house keeping measure would do much to improve the long term health of the charter industry without the transfer of any quota share.

As always, the reduction of halibut by catch should be a high priority of the Council as this is a direct benefit to the directed fishery and the charter industry.

Thank you for your time,

Captain Roark Brown

## C9 Charter Halibut RQE

Chairman Dan Hull and members of the North Pacific Fisheries Management Council:

My name is Forrest Braden, owner and operator of True North Sport Fishing in Gustavus, Alaska. I've been in operation since 1997 and currently provide fishing services and lodging for up to 12 anglers. I resided in Gustavus year round for 9 years and currently winter in Utah. I provide access to the Pacific Halibut public resource for recreational fisherman nationwide who do not have other access options.

Through business and client direct expenditures, True North Sport Fishing supports the local economy through the following purchases:

- fish processing
- mechanical and shipwright services
- fuel
- grocery
- housing rental
- air taxi services
- tour operations beside fishing
- construction and building services
- local utilities
- marine facility fees
- city tax

Though I do not agree with the way that the council has segregated and managed the sportfishery, in light of prevailing circumstances, I support the concept of a Recreation Quota Entity.

Sportfishing is sensitive to low allocations in unique ways that the commercial sector does not experience. Commercial prices can and have responded positively to restrictions in supply. Recreational demand has responded negatively. Commercial distribution channels can often absorb immediate increases in supply, while sportfishing businesses can take years to rebuild a customer base.

GAF is a dead end. Leasing at current prices is non-starter. No commercial entity would lease IFQ where the cost per pound of lease equals revenue per pound.

An RQE should be a single entity with separate pools for 2C and 3A. All vessel classes should be on the table without block restrictions. I support a 2%-3% annual cap to reach a 15% cumulative cap incrementally but quick enough to be useful.

I do not support automatic reallocation back to the commercial sector of unused IFQ. I support fish left in the water as a buffer for overages, or sell back from RQE to the commercial sector for long term underage problems.

Respectfully,

Forrest Braden

907 723-1970



For example, the council's decision to group 2C harvest, slash halibut allocations, and redistribute evenly across all 2C ports, eliminated the competitive advantage that areas such as Gustavus, Elfin Cove, and Petersburg had built their business models on.

## **Comment to the NPFMC re Agenda Item C9, Charter Halibut RQE**

To: The North Pacific Fishery Management Council

From: Judy Brakel, Box 94 Gustavus, AK 99826 phone 907-697-2287 [judybrakel@gmail.com](mailto:judybrakel@gmail.com)

Date: March 29, 2016

**The Recreational Quota Entity (RQE) proposal submitted by two Alaska charter fishing organizations** would establish a Charter Halibut RQE and transfer to it a large amount of halibut from the commercial fishing fleet to the charter sport fishing fleet. This would be a permanent transfer, not the one-year "GAF" program leasing of some halibut IFQ by charter operators that is already allowed. Targets for purchase are, for Southeast Alaska (Halibut Area 2C) 587,000 lbs.; for Southcentral Alaska (Area 3A) 785,000 lbs. Compared to 2015 allocations, for Southeast Alaska this would be a 69% increase for charter and 16% decrease for the commercial fishery. For Southcentral it would be a 42% increase for charter and a 10% decrease for the commercial fishery.

I oppose the establishment of a Charter Halibut RQE for these major reasons:

A. It would lead to more local depletions of halibut. You are operating within a framework of halibut management that does not attempt to prevent local depletions. The proposed action will increase the number and likelihood of depletions by transferring a substantial amount of catch and effort to charters that operate day trips in inshore areas, often near communities.

B. Approval of the proposal would undeniably decrease total fishing jobs.

C. The program, if implemented in a substantial fashion, would have a net negative effect on the nations as a whole, on the commercial halibut fishing sector, on Southeast Alaska, and on the ability of residents of Alaska's coastal communities to provide for their own food.

Before elaborating these points, it should be noted that the RQE plans are proceeding without general public knowledge. Only NPFMC insiders and charter industry are informed. In 2011 the proposing charter organizations advertised public "listening sessions" on the CATCH proposal in six Southeast communities, but then cancelled them. None have been held. Public notice might generate support in Anchorage and environs where some residents go on charter trips to catch halibut, but likely be disturbing to smaller coastal communities, including in Southeast where only a negligible proportion of charter clients are Alaska residents. In Southeast Alaska, it is extremely rare to find anyone who has heard of this proposal.

### **A. INSHORE DEPLETIONS AROUND COMMUNITIES**

**A1. Halibut management in Alaska does nothing to protect local areas and does not track status of local halibut stocks. As halibut exploitation increases in inshore areas, arguably this is a recipe for numerous inshore depletions.** Currently all stock status information and management actions are on the basis of the large regional areas. The biologists at the Halibut Commission will verify that IPHC does not track smaller areas. Area 3A is 750 miles drawn as an offshore arc, and even for a subarea as significant as Prince William Sound we have only "anecdotal information." Anecdotal information says

there are a number of local depletions, but in the absence of research we do not know whether these merely reflect the general downturn in halibut stocks.

Current management philosophy is that halibut off-shore spawning and subsequent larvae drift with the Alaska Current followed by counter-migration of juvenile halibut means that stocks are not really local and local depletions will eventually be filled in by migrants, although they admit that local depletions can be maintained by continued heavy fishing pressure.\* In the late 1990's – early 2000's the Council recognized local depletions of halibut as a problem to be dealt with by Local Area Management Plans (LAMPs) following the model of the Sitka Sound LAMP, but this proved infeasible. Now the Council simply denies/ignores the problem amid increasingly heavy pockets of inshore exploitation by the charter industry, the "self-guided" clients, local residents, and other users.

The halibut treaty actually allows for management on a finer scale. The Pacific Fishery Management Council has established seven halibut sport fish quota areas within Halibut Area 2A and annually to each allocates a different quota.

**A2. The Council should be cautious about adding to inshore pressures via the CATCH proposal,** which will shift a substantial portion of the halibut catch from the wider-ranging commercial longline fishery to a fishery that operates day trips mostly out of coastal communities. Handily for proponents of the CATCH proposal, no data is available about local depletions. But charter guides in our area (Icy Strait/Cross Sound/Glacier Bay) say some age classes have been wiped out here.

Charter operations tend to cluster in favored locations. I live in a community that experiences this clustering, partly because large halibut are common here. There is general community concern that the pressure from commercial sport fishing in our area will lead, or is leading, to local depletion. Among other concerns, the superior gear and fish-finding electronics of these commercial sport fishers enable them to fish any area, any tide, so they now exploit places that were formerly halibut refuges.

The Magnuson-Stevens Act requires some attention to the effects of management actions on communities. In our Icy Strait/Cross Sound/Glacier Bay area most of the charter and self-guided operators and clients are from communities in in the lower 48 states, especially from Utah. Hopefully attention will also be paid to communities on the coast of Alaska.

**A3. The CATCH plan will decrease availability of halibut as local food** due to increased competition and local depletions. Most residents of small Alaska coastal communities fish for their own food. Halibut is unavailable for purchase in many communities. In my small town you can buy it at \$20/lb., not something most of us would do. Local food as part of food security has become a statewide policy concern for a number of reasons.

**A4. Halibut research in Glacier Bay shows behavior that make halibut highly susceptible to local depletion and could cast doubt on some assumptions of halibut management.** An earlier study in Glacier Bay showed rather extreme site fidelity and small movement range for most of the large female (60+ lbs.) halibut during summer months.\*\* To learn about movement patterns during the fall, winter and spring a new study is being conducted led by some of the same scientists, Andrew Seitz and Julie Nielsen, funded by the NPRB, the National Park Service and others. Principal Investigator Andrew Seitz has also been PI or participant in recent studies for the International Pacific Halibut Commission (see IPHC Scientific Reports #85 & 82).

Pop-up archival tags (PSATs) that record depth, light, temperature, magnetic field and acceleration were attached to a number (25 tagged but 5 failed to pop up) of large fish (average 130 cm or 52 inches), all large females, in June 2013. Fifteen were also given acoustic tags and were located via hydrophones on six tracking trips. Fifteen PSAT tags were timed to pop up Feb. 1, 2014 when researchers expected them to be outside of Glacier Bay for spawning. Another 10 were timed to pop up July 1, 2014. However, all popped up in the Bay; one was captured outside the Bay in March. They obtained data from 20 fish: 14 had remained in the Bay the entire time, 6 made winter migrations outside the Bay, and of these 4 returned to the Bay, one was taken in the commercial fishery and one unknown. The tagged fish recorded a total of 4,477 fish days, of which 4,136 were within the Bay, or 92.4% of fish days. Possibly those that remained in the Bay spawned there. Or if they did not spawn, it suggests that 70% of the adult females did not spawn in a year. Either of these would have important management implications, and spawning in the Bay would have huge implications for local depletions. The scientific papers are yet to be published but there is an excellent 18-page report to the National Park Service dated Nov. 16, 2015: *Using pop-up satellite archival tags for understanding Pacific halibut movement in and around Glacier Bay National Park*.

Interestingly, the IPHC in its 2014 Annual Report states that because of the question of whether halibut residing in the southern Salish Sea “represent a distinct stock component from those found elsewhere in IPHC Regulatory Area 2A” the Commission “**began an effort to begin filling some of the substantial gaps in understanding local population function**” by deploying fishery-independent PAT tags in that area. So we don’t necessarily understand how local halibut populations function.

**A5. The “self-guided” sports fishing industry continues despite the new NPFMC regulation on the definition of a fishing guide.** Pressure on inshore areas continues and even increases from these operations. They are very substantial in our area, using several patterns to evade the charter sport fishing bag and size limits. One example from our local area: two former charter lodges in Elfin Cove were purchased and now operated as one “self-guided” business. It deployed nine boats in 2014 and expanded to thirteen boats in 2015. The “non-guided” halibut catch for our local area is now very large, despite the small resident human population. The only source for non-guided sport fishing harvest data is ADF&G’s “Statewide Harvest Survey” mailed to a sample of sport fishing license holders in the fall, not highly reliable data. This sector needs more attention, including distinguishing commercial “self-guided” operations from other private sport fishers. Remember that all harvest by this sector comes off the top before allocations are made under the Catch Sharing Plan. And like the charter industry, the “self-guided” effort can cluster in a few favored places.

## **B. FISHING JOBS**

**B1. If enacted, the CATCH proposal will decrease the total number of fishing jobs.** It will substantially decrease the Area 2C and 3A IFQs available for purchase by commercial fishermen, including by new entrants. It will not increase the number of charter permit holders because halibut charter is a limited entry fishery. It will simply increase the incomes of those limited CHP holders. That would suggest that CHP holders should be the ones funding IFQ purchases for the RQE. Instead they propose to have it funded by a state halibut stamp or other mechanism, not by themselves. Commercial fishermen and people trying to get into the commercial fishery would have to compete against a Recreational Quota Entity (RQE) in an already tight market for IFQs. The decrease in fishing jobs would not be good for

Alaska’s coastal communities.

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For Southeast Alaska the RQE plan would clearly be a net negative. The majority of Area 2C IFQs, 82.7%, are owned by people who *live* in Area 2C. Less than 2% of Area 2C residents (or, in this case, Alaska residents at all) catch their halibut as charter clients. Instead they either fish for halibut themselves as non-guided sport fishers or subsistence fishers, or buy halibut in stores. The proposal to shift a substantial amount of halibut out of the commercial sector into the charter sector will raise the price of halibut on the retail market for those buying it in grocery stores.

At the national level, the staff Analysis shows a net negative benefit to the nation if a substantial amount of halibut is transferred from the commercial to the charter sector.

It appears that the benefits of an RQE program would accrue only to the existing number of charter permit holders and to their clients, who could return home with more boxes of fish.

*Footnotes below:*

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- From: *Draft for Public Review, Regulatory Amendment for a Catch Sharing Plan for the Pacific Halibut Charter and Commercial Longline Sectors in International Pacific Halibut Commission Regulatory Area 2C and Area 3A* Aug. 28, 2008:

## 1.10 Potential Impacts on Resource Components

### 1.10.1 The Pacific halibut stock assessment and harvest policy

“The IPHC sets area catch limits for the commercial fishery in proportion to halibut abundance. This harvest philosophy protects against overharvest of what may be separate, but unknown, genetic populations, and spreads fishing effort over the entire range to prevent regional depletion. Small scale local depletion does not have a significant biological effect on the resource as a whole. The IPHC considers the halibut resource to be a single population. Egg and larval drift and subsequent counter migration by young halibut cause significant mixing within the population. Ultimately, counter migration and local movement tend to fill in areas with low halibut density, although continued high exploitation would maintain local depletion. However, estimates of local biomass and information about immigration and migration rates on a high geographical resolution are not available to manage small areas.”

\*\* MARINE ECOLOGY PROGRESS SERIES

Mar Ecol Prog Ser  
Vol. 517: 229–250, 2014

## **Characterizing Pacific halibut movement and habitat in a Marine Protected Area using net squared displacement analysis methods**

**Julie K. Nielsen<sup>1,\*</sup>, Philip N. Hooze<sup>2,4</sup>, S. James Taggart<sup>2,5</sup>, Andrew C. Seitz<sup>3</sup>**



Alaska Coastal Marine  
P.O. Box 3143  
Soldotna, AK 99669  
907-262-4359  
[alaskacoastalmarine.com](http://alaskacoastalmarine.com)

March 28, 2016

North Pacific Fishery Management Council  
605 West 4th, Suite 306  
Anchorage, Alaska 99501

Dear Chairman Hull and Council Members,

I am writing today in support of the RQE.

My name is Timothy Cashman. As the Vice President of Alaska Coastal Marine, I have operated a halibut charter fishing business in Homer Alaska since 1988. We currently own six vessels from 30'-76'. We employ 21 members of our community and provide an indispensable service to Alaskan residents as well as the tourists who support our economy. We shop locally, hire locally, employ local trades, use local professional services, and we have children in local schools. We are absolutely critical to the economic health of our small community.

The regulatory measures we have faced over the past few years have placed many small businesses similar to mine near the tipping point of failure. If management trends continue the tax basis, and job opportunities available in small communities will be placed at severe risk. We need a more stable industry outlook moving forward and the RQE is a big step in that direction.

The exact mechanics of how to best implement the RQE is well documented and best negotiated between user groups. The most important thing now is for you to allow the framework of this process to move forward.

Important considerations to my business that can be accomplished through the RQE:

- We must be able to continue to retain two fish per person per day.
- The possession limit must remain at two daily limits.
- One fish of any size per day must continue to be an option.
- The second fish per day must be larger than 28".
- We must not drop below 6 days of fishing per week.
- Charter anglers must be allowed more than 4 fish per year. (This arbitrary rule does not seem to change the number of fish caught, only who is catching them. This also adds quite a bit of cost to our businesses and it's difficult to explain to current angler clientele).
- Multiple trips per day should be considered if combined with annual trips per year. (This allows for multiple business models).
- Unused and underused CHP's must be retired or frozen.
- Non-transferable CHP's must not be leased.



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- For resource management to be effective all user groups must be involved. ***The non-guided angler must face the same regulations as the guided angler.*** It makes no resource management sense that a person could pay his buddy \$150.00 for fuel to go fishing on a private boat and be allowed to take two fish of any size with an unlimited annual limit, but if that same person pays a charter business \$150.00 he is faced with a slew of stifling regulations including size limitations, annual limits, and closure days. As a direct result of the current charter management measures the private sector harvest has exploded. This unregulated sector now takes nearly as many fish (that we know of) as the charter sector with no reduction in sight. The charter sector provides an infinitely more valuable service to the angler and community as a whole including; increased safety, sales tax collection, economic health, job opportunities, management accountability, license fees, and the list goes on and on.

Respectfully Submitted,

*Timothy J. Cashman Jr.*

Vice President  
Alaska Coastal Marine



NPFMC comments - NOAA Service Account &lt;npfmc.comments@noaa.gov&gt;

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## RQE letter of support

1 message

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**Klinton Chambers** <kchamski@gmail.com>

Tue, Mar 29, 2016 at 5:08 PM

To: npfmc.comments@noaa.gov

North Pacific Fisheries Management Council

I am a captain/owner of a charter boat out of Sitka Alaska. I Started off as a deckhand in my mid to late teens and worked my way up to captain. I work as captain for a lodge that had the confidence in me to become an owner of a vessel and subcontract to them and be apart of the fishing community. The day i got that call was one of the most proud days of my life! i get to be a captain/fisherman and business owner and be apart of something i hope to do for the rest of my life, or until my body gives way.

Haybucker Charters has been around now for four years but i have been fishing in Sitka for fourteen. Everything the business buys is through local markets. Water, soda, snacks, motors oil! it all stays in house. Clientele eat at lodge or go to local restaurants and spend time roaming the streets looking for gifts for their loved ones in town to bring something memorable home to those who could not make the trip.

In my years a lot of changes have been made. Limits, size regulations and chp permits all have been factors that business owners have had to deal with. Especially if you were not part of the qualifying years the chps were given out. However there could be a solution.

WE are looking for stability in our industry and hopefully the RQE will help with that. If we can improve conditions by ten percent and all work together it will workout for everyone. IF in the long run the rqe can help with conservation of halibut and our fishery it will help everyone! Im hoping for stability and fish we can catch for generations to come and for fish my clients can be happy with and take home and to come back in the future.

Thanks

Klinton Chambers

PO BOX 2626  
Sitka Ak 99835





NPFMC comments - NOAA Service Account &lt;npfmc.comments@noaa.gov&gt;

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## RQE Letter

1 message

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**spencer chute** <spencerchute@gmail.com>

Tue, Mar 29, 2016 at 3:58 PM

To: npfmc.comments@noaa.gov

To whom it may concern,

Hello my Name is Spencer Chute and I live in Sitka Alaska. I have been in the charter fishing business in Sitka since 2007 and am a full time resident of the the state. My main livelihood is from my job as an charter captain during the short summer fishing season (May-Sept.) Over the years that I have been in sitka I have seen drastic changes in Halibut regulations for sport caught fish as well as on the commercial caught fisheries.

Although Sitka is most famous for its abundance of ocean run feeding King Salmon and Coho we also have a great offshore Halibut fishery. The great thing about the Sitka fishery is our location is so close to the open ocean and the continental shelf. This gives us guides weather permitting the opportunity to fish both Salmon and Halibut in the same day. I feel this gives us a great marketing advantage to potential clients who live in the lower 48 and across the world.

What is holding us back is our size restrictions in our area. If we were able to keep larger fish or have some sort of program which can give anglers incentives to keep less annual fish but nicer ones it would give us the boost in clients we need to sustain our business's.

Non-Resident fishing clients are a great boost to local economy i.e. : Supermarkets, gift shops, bars, restaurants, fishing/tackle shops, the list is endless and we need to not turn our backs on our tourism industry.

Please take my letter into consideration for the RQE program.

Sincerely

Spencer C. Chute

P.O. Box 1441  
Sitka AK 99835  
[spencerchute@gmail.com](mailto:spencerchute@gmail.com)



NPFMC comments - NOAA Service Account <npfmc.comments@noaa.gov>

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## C9 Charter Halibut RQE

1 message

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**Paul Clampitt** <pfishcl@gmail.com>  
To: npfmc.comments@noaa.gov

Tue, Mar 22, 2016 at 11:55 AM

NPFMC

3/22/2016

Subject: Comment-C9 Charter Halibut RQE

Dear NPFMC members:

I'm writing in opposition of further reallocation from the commercial halibut sector to the commercial charter Sector.

We are just two years into the halibut catch sharing plan and already the commercial charter sector is asking for more. Allowing charter operators to purchase more than the already allotted 10% halibut from the commercial sector will force the price of halibut quota up and making it even more difficult for new entrants to participate in the halibut fishery which is against the stated purpose of this council.

The halibut fishery is currently close to if not at a point of historically low abundance which makes it difficult for all halibut users. If the council could get a handle on trawl bycatch by closing the tender loop hole which allows trawl operator to fish without observers and lower trawl bycatch all users of the halibut resource would see their allocations grow.

Reallocating from commercial users to commercial charter will result in localized depletion and make halibut less available to local communities along with taking more halibut off the table and making it more expensive for the vast majority of the U.S. public that can't afford a charter trip to Alaska.

My family and crew have been fishing halibut for over 30 years, halibut used to be our main source of income, because of mismanagement and proposals like C9 it is now less than a third of our income. We would like to see this resource return to health and again be our main fishery. Allocating away the fishery to the commercial charter industry will not accomplish that.

Sincerely: Paul Clampitt

F/V Augustine

7721 168<sup>TH</sup> PL SW

Edmonds, WA 98026



**NPFMC comments - NOAA Service Account <npfmc.comments@noaa.gov>**

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**(no subject)**

1 message

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**CRFBC@aol.com** <CRFBC@aol.com>

Thu, Mar 24, 2016 at 9:19 AM

To: npfmc.comments@noaa.gov

Dear Chairman Hull,

I am writing to oppose C9 charter halibut RQE.

Just a few years ago we resolved the halibut charter issue with a catch share plan. Now we are back at the issue of more fish to the charter fleet that will be financed through other means than a charter owners pocket book and this will lead to an over inflated cost of IFQ to the entry level commercial fisher person.

Charter fishermen with an increase in their quota will create depletion of local halibut stocks and residents of Alaska will experience destabilization of their historical fishing grounds.

If this amendment moves forward the alternatives and the analysis must be revised.

I have 40 years in the commercial halibut fishery and depend on it to provide my living and retirement. Not now not ever is the time to reallocate any more fish to the charter industry.

Thank you for your time.

Bill Connor  
Petersburg Alaska.

DANIELS PERSONALIZED GUIDE SERVICE AND GUESTHOUSES  
P.O. Box 918 Homer, Alaska 99603  
1- 800-230-3843 [www.homerfishing.com](http://www.homerfishing.com) [info@homerfishing.com](mailto:info@homerfishing.com)

Dear Chairman Hull:

C-9 RQE

My name is Daniel Donich I first came to Alaska in 1988 working on a Sport fishing boat as a Deckhand as I worked up the later and gained more experience and Sea time, I then acquired my Captain's License and eventually saved up enough money to buy my boat the Optimist and started my own charter business in 1992, Specializing in Halibut and salmon fishing.

Ever since I started my Halibut charter business there has been this Black cloud hanging over us and that other users of the resource insisted there needs to be changes to are industry so over the years instead of expanding my fleet I decided to stick with my 6 pack boat and provide Guest houses for accommodations for my clients, thinking that would be a safer route and diversify my income.

We are looking for stability in are industry ever since the CSP went into effect we have had regulation changes every year and we have had to take major cuts to try and stay at or below are allocation this has been very challenging. I know firsthand I have been a member since 2014 on the Charter Halibut Implementation Committee and we have to come up with some very creative ways of keeping are Industry under are allocation, the RQE is the most sensible way to increase are allocation and to bring stability at times of low abundance to are Guided Halibut Industry.

Stability is the key that clients are looking for when it comes to Regulations, when it changes from year to year it is difficult to understand, most people understand that the resource has gone down and we need to change regulations and bag limits to make sure we are not over harvesting the resource. But changes year after year get frustrating to the client.

Willing Buyer willing seller: The RQE program is a voluntary program nobody is being forced to sell their QS, the program is aimed towards unused and sellable quota shares.

The RQE should be set up as a single entity, with two quota pools one for 3A and one for 2C and as far as transfers go if there could be a 5% annual maximum limit and a 15% cumulative limit on all commercial QS transfers.

There have been many concerns from the longline sector that the RQE would be buying up all the little quota shares less than 1500 lbs. and then the new guy would have a really hard time buying into the Halibut Longline Industry, you could put a freeze on any blocks of QS'S 1500 lbs. or less

If for some strange reason, we have more poundage than what we are using then we could either leave those fish in the water on the side of Conservation or set up a program were we give any un used QS'S back to all Quota shareholders on a year to year bases at no cost.

RQE funds should be used to acquire QS'S and possibly CHP'S, and or conservation and research, and to cover Administration cost.

A little bit goes a long way in 3A it would not take much QS to make a big difference the 5 fish annual limit saved us about 88,000 lbs. last year and closing Wednesdays to Halibut fishing should save us 267,000 lbs. this year. so another words we really don't need so much quota to get us back to 2014 regulation.

Thanks for your time. Daniel Donich

Homer Alaska



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## North Pacific Fishery Management Council, Agenda Item C9 - Charter Halibut RQE

1 message

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**Mark & Miriam Edwards** <contactus@nahabayoutdooradventures.com>  
To: npfmc.comments@noaa.gov

Mon, Mar 28, 2016 at 5:55 PM

### Agenda Item C9 - Charter Halibut RQE

My wife and I own a small lodge in southeast Alaska, Naha Bay Lodge which is located remote from the road system, north of Ketchikan. we are a full service lodge. My wife is the chef, and I am the charter captain.

All of our fuel, boat and fishing equipment, food, fuel and other items for our lodge and charter business is purchased locally in Ketchikan.

We have been in business since 2003, and I purchased a halibut charter permit at the first opportunity as part of our investment.

We are reliant on saltwater salmon fishing and halibut fishing for our business. Over the last few years, as the halibut limits have been cut we have seen our business drop off significantly. We have not been told repeatedly over the years that the halibut limits are too restrictive, and so our customers have either gone "north" to where they can catch two halibut per say, or have decided to stop coming to Alaska altogether.

We believe that if we can offer one halibut per day, with no size restriction we will be able to attract some of these people back to southeast Alaska.

Therefore we fully support the proposed RQE program as this is the best opportunity for southeast Alaskan lodge and charter businesses.

Regards

Mark & Miriam Edwards  
Nah Bay Lodge  
email: [contactus@nahafishing.com](mailto:contactus@nahafishing.com)  
web: [www.nahafishing.com](http://www.nahafishing.com)  
tel: 907 617 2895



NPFMC comments - NOAA Service Account <npfmc.comments@noaa.gov>

## C 9 Halibut RQE

1 message

**Capt. Mel Erickson** <gamefish@alaska.net>

Mon, Mar 28, 2016 at 5:35 PM

To: npfmc.comments@noaa.gov

North Pacific Fishery Management Council, Dan Hull, Chairman  
605 West 4th, Suite 306  
Anchorage, Alaska 99501

Agenda Item C9 - Charter Halibut RQE

From : Mel Erickson, Alaskan Gamefisher  
PO Box 1127  
Soldotna AK 99669

Dear Chairman Hull & Council Members

I have been a Halibut charter boat operator since 1989, in Area 3A, operating in Cook Inlet out of Deep Creek & Anchor Point.

I would like to voice my support for the proposed RQE. The restrictions placed on the guided angler the last few years is killing the charter industry, & severely affecting the viability of a charter business, & reducing my yearly income by a significant amount.

The Deep Creek, & Anchor Point fishery has been affected the most by the recent restrictions. Before the CSP we used to be able to fish up to 14 trips per week, now we are down to a maximum of 6 if the weather is good. A good season before we could get in 95-120 trips, now were down to 70 at best. The current restriction on 1 trip per day only transfers our clients into our competitors boats in May & June & does not stop people from finding a boat due to the huge over supply of boats. In July it probably does prevent some anglers from finding a seat due to high demand in July.

I was a big supporter of the Charter IFQ back in the early 2,000's and i think that would have prevented all this restrictions now but the NPFMC killed that plan in 2005.

The RQE while not my first choice of a remedy, it is currently the best option on the table to reduce restrictions on the charter industry. The GAF program is not a viable option for charter owners to participate in due to high cost of leasing the GAF

I think the RQE can work if enough quota is available & IFQ holders are willing to transfer to the sport fishery. Enough funds would also need to be raised to purchase these IFQ's, My concern with the RQE is it may be a very slow process to raise the funds and buy enough IFQ to make a difference in the short term, so this issue needs to be addressed.

The leasing of non-transferable permits also needs to be addressed, plus the extra CHP's not being used,

With all the different business models in the charter industry, I would also like to see trip limit regulations be based on individual boats on a per week or per season basis, instead of a broadbased 1 trip per day, 6 starts per week per boat/per permit would be a much better option, or a maximum of 70-80 trips per season per vessel/per permit.

Thanks for your consideration in the Charter halibut issues.

Mel Erickson

Alaskan gamefisher

- > Captain Mel Erickson
- > Alaska & Costa Rica fishing charters
- > <http://www.alaskangamefisher.com>
- > <http://www.bearviewinginalaska.com>
- > <http://www.fish-costa-rica.com>
- > 1-800-320-2980, 1-907- 398-1744 alaska cell
- > 1-605-838-3108 direct costa rica, toll free
- > 011-506-8943-3962 cell costa rica





NPFMC comments - NOAA Service Account <npfmc.comments@noaa.gov>

## RQe

1 message

**DAVE ESSERT** <alaskafishguide@gmail.com>

Mon, Mar 28, 2016 at 6:24 PM

To: Npfmc.comments@noaa.gov

Dear mr hull

My name is Dave Essert,I've been doing halibut charters in homer Alaska for 20 years.now at age 49 ,I've used up the most productive years of my life charter fishing in homer Alaska. With these catch sharing plan rules in effect , most of my return clients aren't interested in coming to Alaska for 4 halibut.these rules have put all charters in the small area of looking for the same type of fisherman (the single day charter). Most of my return business has left due to catch sharing. Not to mention my vessel value is down. Not sure how much longer I can go on if there isn't changes , we never know from year to year what rules will be, but one thing is a fact, they've gotten worse every year. My business is shrinking , and I depend on my business to pay bills and feed my family.

A rQe would be a start to fixing our quota problem , with a chp buy back program part of it.. These non used permits (chp)will just continually haunt us with them potentially being leased to individuals that will run abunch of trips off of the cap. Then us who own our permits paying the price. Please stop the non transferable permits being able to lease them,They are non transferable, and should not be leased. We should be able to buy as much ifq as the rQe can afford,but it shouldn't wipe out the commercial sector.

The gaf does not work for me. My clients spend enough money getting there ( plane,car rental, motel ,processing ,ect ). Theye aren't springing for me to buy gaf from a commercial fisherman who would rather sit at the dock to collect his money. If Theye don't want to fish them sell them to us. We want them and defently need them.

I don't see why the rQe board should have any commercial fishermen on it or any adf members.

Sincerely  
Dave Essert

Dave Essert Alaskan fishing



NPFMC comments - NOAA Service Account &lt;npfmc.comments@noaa.gov&gt;

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**Agenda Item C9 - Charter Halibut RQE**

1 message

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**Eye of the Storm** <eots@gci.net>  
To: npfmc.comments@noaa.gov

Mon, Mar 28, 2016 at 10:30 PM

March 28, 2016

North Pacific Fishery Management Council,  
Dan Hull, Chairman  
605 West 4th, Suite 306  
Anchorage, Alaska 99501

Re: Agenda Item C9 - Charter Halibut RQE

Dear Chairman Hull,

Once again, it is time for me to weigh in on halibut issues that impact the charter halibut industry. It gives me special pleasure to address these comments to you, as the current chair of the North Pacific Fishery Management Council (NPFMC). Before starting, I want to thank you, and others on the Council, for listening to, and reading through, comments regarding halibut and the charter halibut industry. I believe we are at a pivotal moment now with the RQE proposal/program that is before the Council. I hope that we all can move forward to see it continue to develop and reach implementation expeditiously.

Since involving myself with the charter industry, I have served on the Alaska Charter Association Board and am currently the Vice President of the Prince William Sound Charter Boat Association. I continue to run my charter business out of Whittier and am now entering my 16<sup>th</sup> year with it. Taking clients out to fish for halibut is, by far, the biggest part of my business. I have attended many NPFMC meetings, workshops, AP meetings, etc. and have learned a great deal about the processes involved in managing the halibut fishery. Almost from the 'get-go', I started looking at the halibut fishery as a large pie, with pieces cut for the commercial sector, the recreational sector and the subsistence sector. When I first became involved, I learned that the commercial catch for the upcoming season was essentially what was left after the new CEY subtracted out the recreational and subsistence harvests based on the prior year's fishery. From

that point, I wondered why the 'slices of the fishery pie' were not more fluid and evenly controlled. In other words, why the recreational and subsistence halibut fishery weren't more regulated, and why slices of the pie couldn't change according to demand?

The charter industry initially, at least in my thinking, was a sub-sector of the recreational category. Over the years, the charter halibut industry has been looked at more and more like a commercial entity and increasingly regulated as such. The Catch Sharing Plan moved my industry more into the commercial arena. Although I have my personal opinions on the logic and validity of this, I do understand the argument, and justification for it, and have come to realize it as a fact that I must deal with and accept.

The big problem, however, is that the charter halibut industry is directly tied to the recreational sector and services those recreational/sport fishers who want to catch halibut. These clients have needs that literally range from A to Z. Some wish to simply go out with friends or business teams, socialize, drop lines and catch some fish to take home. Others, the more serious ones, want to catch a year's supply of food. Each, however, must obtain a fishing license from the State of Alaska that stipulates rules and regulations for fishing not only halibut, but other species as well. Due to the simple fact that halibut charters don't sell halibut, but merely provide transportation, gear and expertise for clients to catch halibut...the industry more naturally blends into the recreational fishery. Further complicating matters is that recreational fishing rules for all species BUT halibut, are the same for all recreational fishers...i.e. those who use charter boats and those who don't. Hence, when the differences in rules for catching halibut get larger and larger between recreational fishers going out on a charter boat and those who don't, there is a bigger and bigger temptation for more and more charter boat operators to come up with ways of becoming 'non-halibut charters'. This is a problem that, in my opinion, will only grow and grow unless ways are found to mitigate it soon.

In 3A, I'm sure you know the current rules for halibut charters. No charter halibut fishing on Wednesdays, 4 halibut maximum per year for charter halibut fishers, a size restriction of 28 inches or less for the second fish (about 7 lbs of meat), no skipper or crew fish, and trip limits that prevent multiple halibut charters in a day. For other recreational halibut fishers, there is no size restriction on the second fish, no annual limit and no closed day. The GAF program that was recently put into effect is a poor solution that benefits only a few, is expensive (mostly passed on to the client) and pits charter businesses that have connections or IFQ against those who don't and can't afford that option (the vast majority). What the GAF did do is to provide a way to avoid the second fish size restriction...at least an attempt at parity with recreational halibut fishing by non-charters.

The proposed RQE, however, finally brings a plan to transfer halibut numbers between commercial entities (now including the charter halibut fleet) with the specific goal of establishing parity in size and numbers of halibut allowed by non-charter halibut fishers. In all fairness, the plan should also allow transfers of CHPs and the associated halibut catch back to other parts of the commercial halibut fishery. So finally, the slices of pie can be cut differently, without the ongoing battles that have taken their tolls on both sides over the years. Willing seller, willing buyer...on all sides. A win-win for all. Hopefully, one day, the non-guided recreational halibut fishery and the subsistence halibut fishery will also be brought into this more fluid transfer of fish, along with guideline harvest numbers...or even inclusion in the CSP.

As for latent capacity, my thoughts are that these need to be addressed and either retired or allowed to be purchased by the RQEs. In reading through the over 100 page RQE document (still haven't finished it), I noted a fallacy in the logic. As I'm sure many on the Council recall, a program was developed for businesses with less than 15 halibut charters and more than 5 halibut charters per year to acquire Charter Halibut Permits. The justification was that these businesses weren't actively involved in halibut fishing, but did so as a small part of their overall business. These permits were handed out to qualifying businesses as 'non-transferable'. The problem with these, however, is that there is no restriction on leasing these permits (so instead of 15 or less halibut trips...the potential is for a full season of, perhaps, 90+ days). Also, while these permits were supposed to 'sunset' when the business closed or was sold, in fact, these permits could continue indefinitely as heirs/family members acquire them under the initial business title. A similar rationale is suggested for the CQEs, many of which are hibernating and latent. Perhaps a solution for both would be to tighten things up on the 'non-transferable' permits and establish a time limit to use the CQEs? I'm sure others, much more knowledgeable than I, can figure out fair and logical ways to deal with these situations...but I have no objection to allowing the RQEs to purchase these and hold them.

With best regards,  
Dave Goldstein  
Prince William Sound Eco-Charters, LLC



NPFMC comments - NOAA Service Account &lt;npfmc.comments@noaa.gov&gt;

## C9 Comments

1 message

jeff farvour <jefarv@gmail.com>  
To: npfmc.comments@noaa.gov

Tue, Mar 29, 2016 at 4:49 PM

Dear Chairman Hull and Council Members,

As a commercial fisherman and full time resident of Sitka who is still buying into the halibut fishery, I cannot support this RQE concept. Allowing IFQ to be acquired by an RQE will create additional barriers to buying into the halibut fishery, one of the few fisheries that the Council manages that is able to be fished by small vessels without a ton of gear, relatively close to shore. I purchased my IFQ with crew earnings when quotas were much higher then watched my investments shrink while quotas shrank and we battled through getting a Catch Sharing Plan for the commercial halibut and charter halibut sectors.

Further erosion of the IFQ halibut should not be a priority of the Council. There is considerable house cleaning that could and should be done within the CSP, with CHP's and streamlining GAF before entertaining controversial actions that diminish opportunity for Alaskas commercial fisherman.

Before the Council considers RQE, I ask that you fully consider the following:

- The magnitude of inequity of a one way street in allowing an RQE to acquire Halibut IFQ without allowing the Halibut IFQ sector to buy charter allocation. If we can do one its only reasonable to do the other, otherwise there is only loss in it for the halibut fishery, Alaskan communities and our domestic halibut market.
- The RQE analysis lacks an option to limit the amount of IFQ in total (combined GAF and RQE) that could move from the commercial to the charter fleet as GAF or RQE purchase. This was asked for in December and I and other commercial halibut fishing stakeholders believed that would be included this time. An cumulative cap option of GAF lease and RQE purchase indexed to the current GAF %'s represents the total maximum amount that could potentially move from the commercial sector to the charter sector when GAF was implemented. Add an Option 3 to Alternative 2. Element 2
- The range of %'s for annual QS transfer is not reasonable. Add a lower rate of at least .5% to Alternative 2. Element 2. Option 2.
- 31% of halibut mortality in 2C is from the sport sector (guided and unguided combined).
- 2C charter business has grown steadily since 2011 while under low abundance and with even more restrictive management measures. There does not appear to be any need for "*less restrictive annual harvest measures for guided recreational anglers in times of low halibut abundance*".
- Under these low levels of Halibut quota and given that many like myself have purchased quota with our own money, allowing an subsidized RQE to purchase Halibut IFQ will drive more instability and increase market demand for IFQ in an already extremely competitive market. There are already significant challenges to enter and participate in the commercial Halibut fishery. Intentionally creating mechanisms that deteriorates commercial halibut harvesting opportunities and further barriers to sustained participation is unreasonable.
- Any losses in IFQ taxes from transfer of commercial IFQ to RQE should be payed by the RQE back to their original intended source of destination.

Allowing an RQE to buy commercial Halibut quota will result in significantly less oversight, accounting and reporting of an iconic species that is of much concern to nearly every fishing sector the Council manages. For example, commercial halibut fishing is observed and is required to make a 3 hour PNOL (prior notice of delivery) for enforcement and IPHC port samplers. Offloads of halibut are only allowed for 12 hours a day between 6am and 6pm. ALL of the halibut that is commercially landed is weighed and accounted for.

For these reasons (and many many more) I am opposed to the development of an RQE for the purposes of transferring IFQ to an RQE. It took 20 years to develop a Catch Sharing Plan, its only been 2 years since implementation and GAF (market-based transfer mechanism) has a robust amount of use. The CSP is providing at least some stability by knowing that each sector has its own allocations to live within without one sector dipping into anothers. Inviting more re-allocation discussions without reciprocity will instigate more uncertainty, less stability and disruption to our communities and businesses.

Thank you for this opportunity to comment. Sincerely, Jeff Favour, Sitka AK



NPFMC comments - NOAA Service Account <npfmc.comments@noaa.gov>

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## Letter of support for RQE

1 message

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**Gotta Fish Charters** <gottafishcharters@gmail.com>

Tue, Mar 29, 2016 at 3:27 PM

To: npfmc.comments@noaa.gov

Dear Chairman Hull,

My name is Captain Allen Henderson, co-owner of Gotta Fish Charters located in Ninilchik, Alaska. I have been a halibut charter captain for 12 years in my town of Ninilchik.

As a charter business owner, and a member of the Ninilchik Chamber of Commerce, I am extremely worried about the instability of our local halibut fishery. Not only do I rely on this fishery for my livelihood, but the local economy of Ninilchik relies predominately on halibut charter fishing. Many of my peers are charter operators and owners of local businesses and we simply need stability to ensure our livelihoods survive.

Every year our industry gets more restrictive. Seasonal limits, catch sharing plans, limited entry programs, fishing days taken away, one fish under 28 inches, 1 trip per day etc...I am constantly worried that very soon, Alaska will have a sign at the border that says "Welcome to Alaska! NO HALIBUT FISHING ALLOWED".

We need stability in our industry and that is why I support RQE. Purchasing quota helps to ensure that future visitors to Alaska continue to enjoy our halibut fishery. Purchasing quota ensures that our small local economies that rely on halibut charter fishing survive. It ensures that people will continue to invest in our fishery and small fishing economies. We need stability to ensure our towns and our way of life survive into the future.

Thank you,

Capt. Allen Henderson  
Gotta Fish Charters



PO Box 22073  
Juneau, AK 99802-2073

[halibutcoalition@gmail.com](mailto:halibutcoalition@gmail.com)  
[www.halibutcoalition.org](http://www.halibutcoalition.org)

March 29, 2016

Mr. Dan Hull  
Chair  
North Pacific Fishery Management Council  
604 W 4<sup>th</sup> Ave, Suite 306  
Anchorage, AK 99501

Dear Chair Hull and Members of the Council,

**Subj: C9 Charter Halibut Recreational Quota Entity (RQE)**

We appreciate the effort that has gone into improving the RQE analysis; it is much improved over the December 2015 draft. We appreciate that many of the public's concerns are being addressed in the analysis.

Having said that, **we are still opposed to the RQE**. In our view, the RQE is still a campaign in search of a problem. Since 1993, there has been an erosion of the commercial sector's portion of the harvest and consumer access. The CSP and CHP were designed to limit the charter sector's harvest in 2C/3A. During times of low abundance ALL sectors have to do with less—that is the nature of resource dependent businesses. Transferring more quota to the charter sector destabilizes the commercial sector and undermines the goals of the IFQ program.

During the deliberations on the RQE motion in December, it was noted by one member that the RQE is not a priority and that there were other projects more important to the Council at this time and that may result in more halibut being made available to the setline and charter sectors.

Several issues still need to be resolved, including but not to limited to:

- **Premature Action.** Tinkering with the CSP at this time is premature since we only have two years of experience. Since the CSP and GAF are still new it is to be expected that issues are still being

Alaska Longline Fishermen's Association • Cordova District Fishermen • Deep Sea Fishermen's Union • Fishing Vessel Owners Association • Halibut Association of North America • Kachemak Bay Fisheries Association • North Pacific Fisheries Association • Petersburg Vessel Owners Association • Sea Food Producers Cooperative • Southeast Alaska Fishermen's Alliance • United Cook Inlet Driftnetters Association • United Fishermen's Marketing Association • United Southeast Alaska Gillnetters Association



worked out. In addition, the charter halibut permit (CHP) program needs to be reviewed and ongoing house cleaning should be done, such as requiring annual permit renewals and imposing a renewal fee to cover the cost of program administration. (See comments below on non-transferable CHP). In addition, use of non-transferable CHP by multiple guides has not been addressed. The logistics of the GAF program would be enhanced by an online auction system for willing sellers/buyers, similar to what has been in effect for British Columbia for several years; since the Canadians paid for the initial development, the cost for NMFS should be minimized. Annex B (Page 185) notes that it takes up to 10 days to process a GAF transfer request and this could be mitigated by an online system.

- **Skin in the Game.** We are very concerned that the RQE would not require charter operators to invest their own money to purchase quota. It is a basic tenant of IFQ programs that investment tends to encourage resource stewardship. There is also an issue of fairness if one sector pays and the other uses someone else's money to get into the game.
- **Combined RQE/GAF Cap.** The RQE amendment STILL does not include an option to limit **the amount of QS in TOTAL that could move from the commercial to the charter fleet as GAF or RQE purchase.** The request for a cumulative cap was the primary focus of commercial fishermen and organizations testifying on the RQE in December 2015. When the Council took action in December, we understood that the cumulative cap, with mechanisms to subdivide between Guided Angler Fish (GAF) lease and RQE purchase, would be an explicit option or alternative in the next iteration of the amendment. Our members are extremely frustrated that no cumulative cap has been added to the alternatives. If the Council elects to continue with this amendment, we **STRONGLY** request that Alternative 2 Element 2 Option 3 be amended to include a **CUMULATIVE** cap on the amount of commercial quota available to the charter sector through GAF lease **and/or** RQE purchase of 5- 10% in Area 2C and 5-15% in Area 3A. We would note that data on page 13 establish that 5-10% of the Areas 2C and 3A commercial quotas will provide charter clients with "meaningfully liberalized bag limits," and that since charter operators utilized less than 1% and .25% of quota available through the GAF program in 2C and 3A respectively, these ranges are more than adequate to meet the stated purpose and need. The cumulative limit should be in addition to individual GAF limits and should be subdivided between GAF and RQE with an opportunity to re-specify the subdivision in 3-5 years.
- **Annual Transfer Restrictions.** Alternative 2. Element 2. Option 2. 4.8.1.2. 2. Annual limit on transfers to the RQE. We suggest that the range of transfers be adjusted to include a new lower annual limit of 0.5%. Page 85 of the analysis indicates that in some circumstances a 1% annual transfer rate would translate to 20-46% of the quota on the market. We would appreciate further analysis or comment by the SSC on the impact of transfer rates on market prices for QS.
- **Combined Effects of Quota Increases and Phase out of Non-Transferable CHP.** The analysis is silent on the combined effects of an increasing quota and the phase out of non-transferable permits. The analysis does not even state the numbers of halibut being caught on non-transferable permits.

Since the CSP was implemented (2014-2016), the Area 2C charter quota has increased by 19% (Table 4-10 and IPHC 2016) and 122 of 585 CHP were not used in 2014 (Table 4-62).

Independent analysis indicates that in 2C at least 45 non-transferable CHP have not had an associated Alaska Business License or their corporation has been administratively dissolved since 12/31/14; and that approximately @22 non-transferable CHP may be invalid due to changes in corporate ownership.

In 3A, since the CSP was implemented (2014-2016), the charter sector quota has increased by 1.9% (Table 4-11) and 129 CHP were not used in 2014 (Table 4-62).

The analysis needs to address non-transferable CHP halibut harvest so charter “need” can be more accurately assessed and the Council can understand the long term effects and timing of non-transferable phase out. The Halibut Coalition recommends the Council move ahead with the discussion paper on administration of the CHP program, including annual renewal, renewal fees, stricter scrutiny of corporate ownership changes, and if non-transferable CHP are being used by someone other than the CHP owner.

- **Economic Viability of the Charter Sector.** In Area 2C, the angler days for bottom fishing have been increasing since 2011; 21% of the transferable charter permits sold during the period 2011-2015 and the median sales price is \$28,000 – the same as in 2011 (Table 4-6). **Angler demand is consistent or increasing with a one fish bag limit in place. It is difficult to determine the problem the Council is addressing in Area 2C.**

In Area 3A, angler days have been decreasing since 2011; 32% of the transferable permits sold during the period 2011-2015 and the median sales price was \$40,000 –down from \$60,000 in 2011. With Alaska’s budget crisis, 3A could experience decreasing angler days due to anticipated resident job losses (both state/municipal and private sector) in the rail-belt.

The number of CHP sales and the prices involved indicate that there are viable business opportunities and that the sector is not in financial distress.

- **IFQ Program Goals.** 4.5.1. Page 55. The accomplishment program goals are mentioned in brief but deserve a more rigorous review as part of this analysis.
- **Limit on Use of RQE Funds.** 4.8.1.4. Page 125. We are concerned that funding for “promotion of the halibut resource” could be soft money for lobbying on behalf of the charter sector in allocation disputes. In addition, this would duplicate other taxpayer funded conservation programs by NMFS and ADFG Sportfish.
- **RQE Board Composition.** 4.8.1.5. We believe further analysis of board composition needs to be done. One issue is the propriety of having Commissioners serve on the RQE board without the State of Alaska being compensated for staff time and travel expenses, especially in these times of constrained resources. When the inclusion of the Commissioner of Revenue was discussed, one comment was made to the effect that would result in free financial advice, something that the RQE should pay for as a regular business expense.

If the RQE amendment moves forward, consideration should be given to which Commissioner would be most appropriate; since the RQE has potential to cause harm to communities it might be more

appropriate to have the state represented by the Commissioner (or designee) of Commerce, Community, and Economic Development.

We do not support an RQE board that does not have effective government oversight, however, it needs to be done in a manner in which the Council does not impose a financial burden on the state.

- **Cost Recovery.** 4.8.1.6.2. We believe that the RQE or individual CHP owners should pay for full NMFS costs of administering both the RQE and CHP programs. Since the RQE program will result in the loss of Fisheries Business Taxes to the state of Alaska and communities, a mechanism for the RQE to compensate for tax losses should be addressed.
- **Economic and Social Effects of the Proposed Program.** 4.8.2. Section 4.8.2.1.1 speaks to effects on charter anglers but there is not an equivalent section on effects on consumers. As currently proposed, consumers could lose access to up to 30% of the 2C and 3A quota. In 2016, a 20% combined 2C/3A transfer to RQE would have resulted in the loss of 3,555,789 meals (60% recovery rate, 6 oz. portion). The analysis should include this impact and consider the loss to retail and restaurant workers as well.
- **Impacts on Communities, Processors, and Support Sectors.** 4.8.2.3. The analysis is rather vague on impacts on these types of entities and “Section 8. Preparers” does not indicate that any processors were contacted for their input, although there was public testimony from Seafood Producers Cooperative in opposition to the RQE proposal during the December Council meeting. Loss of jobs for processor workers and other support workers is of major concern, since this would undercut communities.
- **Effects on Subsistence /Personal Use Fishing, Non-Guided Sport Fishing, and Communities.** 4.8.2.3. (Page 134). The analysis does not estimate the loss to communities and the State of Alaska of Fishery Business taxes if QS is sold to an RQE. At the 20% level, in 2015 this would have been approximately \$148,000 in 2C and \$324,000 in 3A; this would be further compounded if the GAF is not included in a combined cap on transfers. In at least one community, fishery business tax receipts have been previously committed to paying off harbor renovation bonds. Similarly, the loss of NMFS IFQ management fees is not analyzed and can be readily assessed using basic information from the observer fee discussion.

As noted in this section and elsewhere, NMFS does not know how much QS or CHPs are held by charter “residents” in a fishing community since NMFS relies on “registered” addresses which may not show real residency. The lack of residency data undercuts the ability of the Council to assess impacts on communities as is required by National Standard 8: *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 by utilizing economic and social data that meet the requirement of paragraph (2) [i.e., National Standard 2], in order to (a) **provide for the sustained participation of such communities**, and (b) to the extent practicable, minimize adverse economic impacts on such communities. NMFS needs to at minimum ask for the information when registering QS or CHPs or use other data sources (e.g. Alaska Corporate Business database).*

- **Purchase of Halibut Charter Permits.** Alternative 3. 4.9. We support the adoption of this alternative and believe it should be implemented before considering the purchase of QS. Purchase of QS should only occur after the charter sector gets its own house in order with regard to harvesting controls.
- **Charter Sector Participation in Area 2C/3A, 2014.** 4.9.1/4.9.2. Page 137.  
These sections would be more useful to decision makers and the public if Tables 4-62 and 4-63 would distinguish between transferable and non-transferable CHP, and CQE permits. It is important to know how many non-transferable CHP are being used and how many harvested halibut are associated with these permits. This would also help inform the discussion in Section 4.1 on latency; but more importantly help clarify if RQE is even needed and to what extent. The non-transferable CHPs will phase out over time (and without too much work this could be estimated). This may obviate the need for an RQE, especially in times of rising abundance. For example, 30% of CHP in Area 2C are non-transferable and 22% in Area 3A are non-transferable (Page 44). The 2C charter quota has risen 15% from 2011-2016. Figure 4-30 shows that in 72 2C non-transferable permits were not used in 2014 (12% of the total 2C CHP pool). This numbers are corroborated by a review of Alaska Business Licenses for non-transferable permits, which establishes that 46 non-transferable CHP have not renewed their business licenses since 12/31/2014 or their corporation has been dissolved by the State of Alaska.

Additional minor comment and concerns are included in Enclosure (1).

Thank you for the opportunity to comment.

Sincerely,



Thomas M Gemmell  
Executive Director

## Enclosure (1): Additional Comments and Concerns

Page 44. The total area CHP counts do not agree among Tables 4-5 (Page 44), Table 4-28 (Page 73), Table 4-29 (Page 74), Table 4-62 (Page 137), and Table 4-63 (Page 139). Dates vary from 2014 to 2015, to 2016

Page 53. Tables 4-12 & 4-13. Add price for a GAF fish to round out the picture.

Page 55. Update hired skipper discussion to reflect *Fairweather Fish, Inc. et al v. Pritzker et al*  
<https://docs.justia.com/cases/federal/district-courts/washington/wawdce/3:2014cv05685/203621/49>

Page 99. Line 4. Correct verbiage on poundage equivalents to comport with data in table (i.e. 2011 vice 2015, 1.337 Mlbs vs 1.471Mlbs).

Page 117. Bottom paragraph. The example of a U50 size limit requiring a 9% cumulative allowance does not comport with the table which shows 11% needed in the “no restrictions” category.

Page 159. Figures 6-4 and 6-5 (Projected Removals 2C & 3A). Update to 2016 projected removals since this information is available.

Page 159. 2<sup>nd</sup> para from bottom. Update to 2015 vs 2011.

**4.10. Summation of Net Economic Benefits to the Nation.** The discussion on Alternative 3 laments that potential charter clients may have difficulty booking a charter at peak season if there are fewer CHP. The potential client has several options available including changing charter dates or engaging in a non-consumptive activity that still results in money being spent in Alaska.

**6.3.2. Effects of the Alternatives. Page 162.** Overage/Underage Adjustment. We concur with Mr. Gregg William’s comments that an overage/underage provision not be include in a RQE program.

**Appendix A: Discussion of Observer Coverage and Fees.** The discussion of the observer issue is very much appreciated. For the Council to make an informed decision, we believe this analysis should be expanded to include loss of IFQ management fees and loss of Fishery Business Tax (split between the state and communities) to both the state and communities.

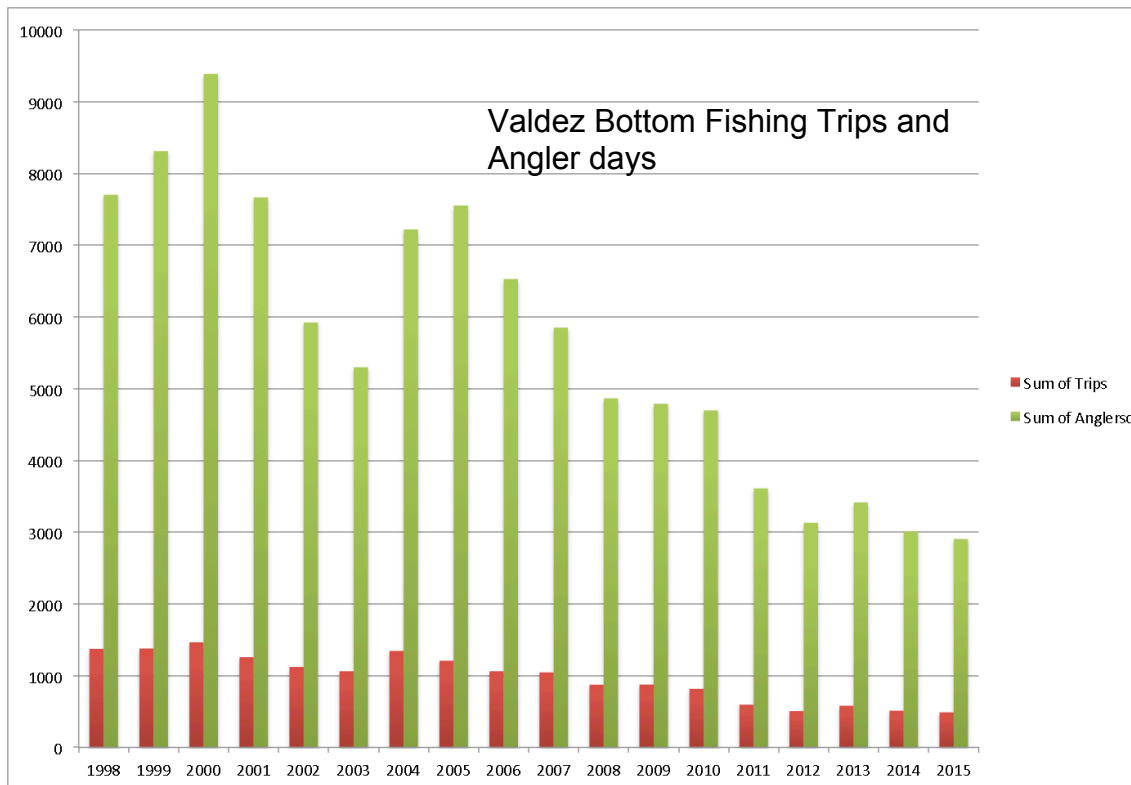


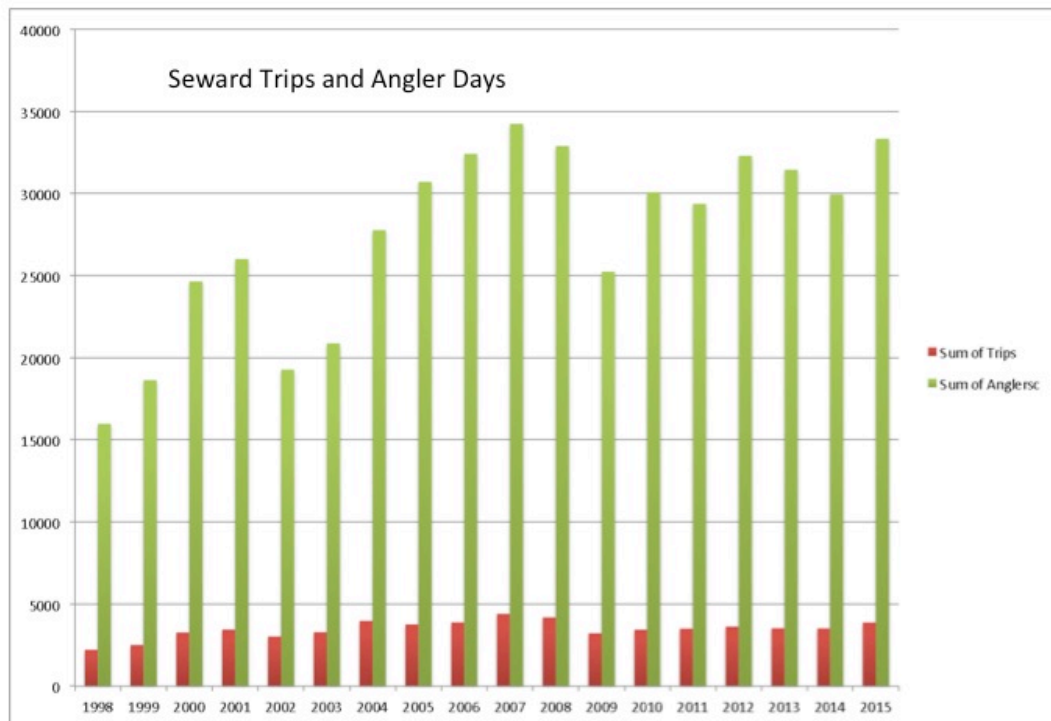
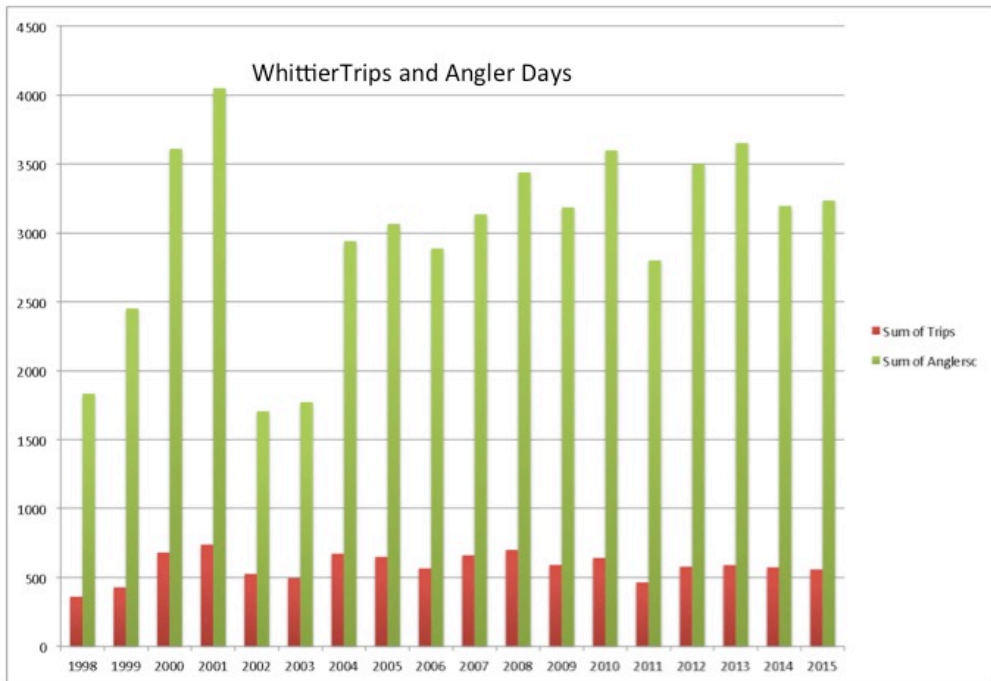
28 March 2016

To Whom It May Concern:

The Prince William Sound Charter Boat Association fully supports the RQE

Since the implementation of the IFQ program, the Charter Halibut Permit system and the recent area wide catch limit restrictions Valdez has seen a dramatic decline in charter trips and supported angler days. The declines have drastically impacted the local economy and threaten the future existence of charter fishing in a once great fishing destination. Alaska Fish and Game data for bottom fishing angler days and trips is proof the current management system has negatively impacted the economy in Valdez. The RQE may be the last hope for a charter industry of any significance to continue operating in Valdez and for those small businesses struggling to survive on the fewer anglers now visiting this small town. The RQE should be moved forward for final implementation.





Sincerely,  
 Melvin Grove  
 //Signed//  
 President, PWSCBA



NPFMC comments - NOAA Service Account <npfmc.comments@noaa.gov>

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## Agenda Item C9, Charter Halibut RQE Comment

1 message

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**Kent and Bev** <bevandkent@hotmail.com>

Mon, Mar 28, 2016 at 9:13 PM

To: "npfmc.comments@noaa.gov" <npfmc.comments@noaa.gov>

To NPFMC Members,

After 27 years, I recently retired from owning and operating a charter boat business in Sitka, Alaska. About 75 percent of my business was recreational fishing for halibut and salmon. I am submitting comments because I care about recreational anglers in Alaska, as well as the Lower 49 States, having the opportunity to fish for halibut in Alaska. I support the creation of a halibut RQE, for the purpose of transferring halibut from the commercial sector to the charter sector.

I am in complete agreement with the position taken by the Alaska Charter Association (ACA). ACA's position deserves the support of the Council because ACA represents charter boat businesses throughout Alaska, and recreational anglers throughout the 50 States. Other Council proposals pertaining to charter boat businesses, like the GAF and Charter IFQ, were developed by individuals from the commercial fishing sector, who had their own interests in mind.

As the RQE program is a voluntary program, I support a 5 percent annual limit and 15 percent cumulative commercial quota share transfer of willing sellers and buyers. A single entity with separate pools for IPHC Areas 2C and 3A would function the best.

There is no reason to restrict Class D quota shares, but blocks of 1500 pounds or less should be protected. Unallocated RQE IFQs should be issued back to all shareholders proportionately.

RQE funds should be used for the following: 1) administrative costs, 2) acquiring quota share from willing sellers, 3) acquiring latent Charter Halibut Permits, and 4) halibut conservation and research.

Thank you for your interest and attention.  
Kent Hall





NPFMC comments - NOAA Service Account <npfmc.comments@noaa.gov>

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## Letter of Support for Recreational Quota Entity Program

1 message

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**Chris Hashiguchi** <guch\_fish@hotmail.com>

Tue, Mar 29, 2016 at 3:08 PM

To: "npfmc.comments@noaa.gov" <npfmc.comments@noaa.gov>

North Pacific Fisheries Management Council

I am a owner operator of a single boat out of Sitka. I moved to Alaska 1995 to work as a deckhand on board a charter boat. In 1997 I took the Coast Guard test, qualified for my 100 ton license and became a hired skipper. In 1999 I started my own company Legasea Fishing Charters and have been an owner operator out of Sitka ever since. My wife and our two beautiful girls love Sitka and hope to continue our lives there.

I am writing to persuade the council that the RQE program is the only viable idea that will compensate the Commercial Fisherman who were mostly given there IFQ from the public resource of which they have gained control.

All of my clientele stay in Sitka every night and eat out at the local restaurants every meal they are not on the boat. Mostly dinner and breakfast are eaten in town. My anglers also stay at the Westmark and Shee atika hotels while they fish with me. Not to mention all the gifts, fuel, rental cars, fishing tackle and other portions of the tourism industry our sport fishing clients support. The anglers who fish with me see the importance of plugging our tourisms dollars back in the local economy.

The RQE will allow for Quota Share to be fairly purchased by the Non-profit at a rate of 1-5% annually with a cap of 15%. Those numbers make sense to give stability to our industry and allow the comm fisherman to get a great price for there IFQ. Of all the solutions that have been put in front of the council in this long drug out debate/problem. The RQE has to be the idea that makes the most sense. This plan has the best chance of success at solving the problem. The comm fisherman want to be paid for there QS and sport fishing's biggest obstacle is large fluctuations in fish size limit. When an angler is looking for a fishing trip one of the first questions is what type and size fish can I catch? Since the reverse slot has been the law in recent years its always fluctuating. With the RQE program we will finally get some stability in the resource.

In closing it is my hope that we can finally see some cohesion in the different halibut user groups. The RQE plan is the best way for the future of both the IFQ halibut fisherman and the Guided Sport Sector to survive and be compensated at the same time.

Thanks,

3/30/2016

National Oceanic and Atmospheric Administration Mail - Letter of Support for Recreational Quota Entity Program  
CO Public Comment - APRIL 2016

Christopher W. Hashiguchi

PO BOX 2626

Sitka AK 99835

Sent from [Mail](#) for Windows 10



NPFMC comments - NOAA Service Account <npfmc.comments@noaa.gov>

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## Comments on agenda item C9, RQEs

1 message

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**James Hughes** <carterhughes@hotmail.com>

Tue, Mar 29, 2016 at 10:30 AM

To: NPFMC comments - NOAA Service Account <npfmc.comments@noaa.gov>

Hello Chairman Hull and members of the NPFMC:

My name is Carter Hughes and I am a troller based out of Sitka. I have a 37 foot fishing vessel that I use for salmon trolling. I have about 3000 lbs of 2C hallibut. I have been making my living in the commercial fishing industry since 1984. I have been longlining for hallibut since 1988. I have been operating my own vessel since 1994. I am making my comments on agenda item C9, RQEs.

I believe it is too early to move forward with RQEs. The catch sharing program that was implemented a couple of years ago, with the GAFF option for charter vessel leasing of IFQs from the longline sector, has not been given time to work. I have two main concerns with the RQE program is currently being conceived.

1) RQEs are not being purchased by the businesses that stand to benefit from them. They will be subsidised by a tax on their clients. This will require no investment commitment on their part. This approach will lead to an increase in the price in the IFQ properties that qualify for purchase under this program. Perhaps charter operators should be allowed to qualify for purchasing IFQs so that they can GAFF them to themselves.

2) The current Catch Sharing Plan allows for 10% of the IFQs in areas 2C and 3A. If RQEs are implemented, the combined amount of exchange (GAFF and RQE) should be 10%.

Thank you all for this opportunity to comment and for your work on the issue.

Sincerely,  
Carter Hughes  
FV Astrolabe  
Sitka AK  
March 29, 2016

Sent from my Samsung Galaxy smartphone.



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P.O. Box 4326 - Soldotna, Alaska 99669 (907) 262-5561

March 27, 2016

Dear Chairman Hull,

My name is Jimmie Jack Drath and I am a fishing lodge owner from Kenai, Alaska. I was raised here and began fishing in Alaska when I was 13 years old. I started working as a Kenai River fishing guide in 1995, and currently own 12 charter boats and a lodge business, Jimmie Jack's Alaska Fishing Lodge in Kenai, Alaska.

I started as a guide with a single boat, and now have grown into a lodge hosting 20 guests per week for a four month season. I estimate that my guests spend approximately 1.4 million dollars in Alaska every year. We buy our fishing and lodge supplies from the locally owned stores. Furthermore, we pay local sales taxes which are collected to benefit the Kenai Borough. My business supports fish processors, tackle shops, grocery stores, restaurants, accountants, and local cities.

I am writing today in support of the proposed RQE program and in response to the recently released program document. As an Alaska resident, I support having a single quota entity with two quota pools. I think that a 5% annual transfer limit and a 15% cumulative limit of all commercial quota shares would be best for our business and local community. I know that most new fishermen enter on C class vessels, so restricting D class vessels is unnecessary, but blocks of 1500lbs or less should be protected. Unallocated RQE IFQs should not be left in the water, but issued back to all shareholders proportionately. Finally, there are latent CHPs which the RQE should be able to purchase over time. An RQE is the best option for guided sportfishing and the Alaska economy.

For my clients, the size of the halibut they can catch is very important in making their booking decision. I am very involved in the sales of our business, and when regulations make the product sound complicated, we lose sales. Therefore, the community loses money. The less restrictive our fishing conditions, the more likely customers will buy our service. As a business owner, I cannot afford to take time every year to reassess whether I can lease more IFQs to ensure my clients have a good time. This is a great, voluntary way to use quota shares.

Cordially,

Jimmie Jack Drath  
President  
Jimmie Jack Fishing, Inc.

**NPFMC comments - NOAA Service Account <npfmc.comments@noaa.gov>**

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**Halibut RQE's**

1 message

**terry\_joanna@yahoo.com** <terry\_joanna@yahoo.com>

Tue, Mar 29, 2016 at 4:38 PM

To: npfmc.comments@noaa.gov

Dear chairman Hull and members of the council,

I am writing to express my opposition to halibut charter RQE's.

I am a skiff fisherman from Sitka with D-class quota. My concern is the shift of quota from the commercial sector to the guided sport sector. We have fought hard to preserve the sustainably managed commercial harvest of the halibut resource. The charter sector needs to understand that they must be limited to harvesting based on abundance. There is already a system in place for guided anglers to acquire additional fish for clients. The Guided Angler Fish program, allows some commercial quota to be leased to the charter sector if the market is there for clients who choose to harvest more Halibut. Let's give this more time to work, more than just two years. Also we need to protect the retail market for Halibut consumers.

I have many years of fishing experience and have invested in additional quota. I'm proud that I can make a living commercial fishing and would like to preserve that opportunity for future generations.

Thank you for considering my thoughts, Terry Perensovich

Sent from my BlackBerry 10 smartphone.



NPFMC comments - NOAA Service Account &lt;npfmc.comments@noaa.gov&gt;

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## RQE Support Letter From a New Charter Captain of Homer

1 message

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**Wesley Jones** <wesleydotjones@gmail.com>

Tue, Mar 29, 2016 at 12:17 PM

To: npfmc.comments@noaa.gov

Hi and Thank You,

**My name is Wesley Jones, I am 26 years old and I am in the beginning of my Mariner Career in Alaska.**

This year will be my first year skippering a halibut charter vessel out of Homer and the charter I will be working for has recently been purchased by new owners. Both me and my charter owners have big dreams of contributing to the continuation of Alaska being a fun and epic destination for adventure and fishing.

**I am in support of the RQE** motion because it means more of an opportunity for me and the owners of my new charter to give people around the world the chance to go on fishing adventures that are second to none. It will bring more people and there money to our state and industry which is very crucial in this time of need.

Without the RQE I am afraid of instability in this industry and the Alaskan state that I am newly invested in alongside the new owners of this charter business. **I have spent thousands of my own dollars on marine training, certification, and licenses in this state** for the sake of participation in this Alaskan fishing industry and I want this industry to be around for rest of my life and the life of my children and grandchildren. **Without the RQE, and the instability that its absence may bring, I may be forced to have different career goals that may take me outside of the great state of Alaska.**

**Thank you** for all your hard work and concerns for the success of our fine state and fishing industry. **Please pass the RQE for the benefit of everyone in Alaska and in particular, for the benefit of new, young industry workers as myself and the new owners of my new fledgling charter company in Homer.**

Living the Dream,

Wesley Jones  
(907) 299-7155

Ospreys Swoop!

**2016 Board of Directors**

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Richard Yamada  
Louis Juergens  
Chris White

North Pacific Fishery Management Council,  
Dan Hull, Chairman  
605 West 4th, Suite 306  
Anchorage, Alaska 99501  
March 29, 2016

Dear Chairman Hull,

My name is Capt. Kevin Burchfield. I have been operating a charter fishing business in the Juneau area for over 10 years.

I've served as president of the Juneau Charter Boat Operators Association for 3 years. I am writing this letter representing our membership as well as my individual company.

Each year the charter fleet has to live under the dark cloud of further restrictions and economic uncertainty. The uncertainty about our future catch limits cripples our ability to thrive and grow.

Charters in Juneau rely-on a 4 month fishing season; if we don't run a trip between Memorial Day and Labor day, we cannot make up for it later in the season. School schedules, weather patterns, and fish migrations make successful day-charters a slim possibility before May and after September. Thus, each day of the 4 month season is vital to our total gross income for the year.

On our 6 pack boats we do a large number of halibut trips. Our clients fly into town for a guided halibut trip or they arrive via a cruise ship in the Juneau area. They stay in local bed-and-breakfasts and eat at local restaurants. In the past, I've asked couples aboard my boat to estimate the total amount which they will spend during their trip to Alaska; vacationing, traveling, and doing a 1-day halibut charter. For out-of-state visitors, their estimate often exceeds \$5000. Only about \$600 of that \$5000 is spent upon the actual charter, so there are incredible amounts of money being spent elsewhere throughout the town and State! If that couple caught a full limit of average-sized 2C fish, then they are putting \$125 into the Alaskan economy for every 1 pound of halibut which they remove.

Though many of my clients will stay in Alaska for a week or more during their vacation, most tell me that FISHING is their reason for choosing to visit Alaska. Questioned further, they will often state that if the option to do a halibut charter was off-the-table, they would not return. This would be devastating to the Alaska economy.

We'd like create an RQE to purchase quota, so that we can continue to survive.

We support having a single quota entity with two quota pools. I think that a 5% annual transfer limit and a 15% cumulative limit of all commercial quota shares would be best for our business and local community. Many new fishermen enter on C class vessels, so restricting D class quota may be unnecessary, however, blocks of 1500lbs or less should be protected. Unallocated RQE IFQs could even be issued back to all IFQ shareholders proportionately. Finally, there are latent CHPs which the RQE should be able to purchase over time.

An RQE is the best option for guided sport fishing and the Alaska economy. For our clients, the size of the fish they can catch is important in making their booking decisions. The less restrictive our fishing conditions, the more happy customers we have will frequenting our community. We believe that this centralized entity is the best mechanism for maintaining not only a stable business model but also a thriving and sustainable fishery.

Sincerely,  
J. Kevin Burchfield  
President



NPFMC comments - NOAA Service Account <npfmc.comments@noaa.gov>

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## RQE

1 message

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**keith kalke** <oceanhuntercharters@yahoo.com>

Mon, Mar 28, 2016 at 12:58 PM

Reply-To: keith kalke <oceanhuntercharters@yahoo.com>

To: NPFMC Comments - NOAA Service Account <npfmc.comments@noaa.gov>

Dear Mr. Hull

I am writing to endorse the RQE as it is written.

I own a single six pack boat located in Homer. Since we have experienced a large down sizing of the recreational charter boats some years ago. The cuts into recreational fishing continue to affect the general public and most of all Alaskan state residents and small coastal businesses. The adoption of the catch share plan has done every thing but share the quotas fairly with the recreational sector. While I do in no way support recreational anglers buying quota that in the first place should have been theirs to begin with, I must support the REQ in order to see that recreational fishing survives in our state.

Hence I ask you to consider all of the impacts on the recreational fishery and support the REQ. At this point as much as i disagree with the notion It is an alternative we can some what consider.

Thank you for your time.

Keith Kalke  
Owner  
Ocean Hunter Charters  
PO BOX 1900  
Homer AK 99603  
[1-907-299-1735](tel:1-907-299-1735)



**NPFMC comments - NOAA Service Account <npfmc.comments@noaa.gov>**

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**To Dan Hull, Chairman**

1 message

**James Kearns <jim@fairweatheradventures.com>**

Tue, Mar 29, 2016 at 8:41 AM

To: npfmc.comments@noaa.gov

These are my comments for your consideration.

My name is James S Kearns and I have been in business as a charter boat operator in the Icy Straits, Cross Sound, Glacier Bay, and near coastal areas of 2C since 1970.

What actually affects my business is not the allocation restrictions including bag limits and size limits, but rather the inequity caused by the difference in regulations for guided sports fishermen and unguided sports fishermen. So I would really like to see you all address a change in policy that would remove charter boat sport fishing anglers from any kind of catch sharing plan with commercial fishermen. And then put them, and all other sports fishermen, in a separate sport fishing user group or fishery, with a separate allocation that fits into the halibut abundance picture, so that bag limits and size limits are the same for all sports fishermen. Additionally, implement a halibut stamp or tag for all sports fishermen that would be used to give a more accurate count of the number of fish that are harvested.

As for the RQE plan, I am sure it would reduce the impact of size limits and bag limits on charter boat sport fishing anglers. However, like the GAF program or any other aspect of a policy that puts one group of sports fishermen in the commercial sector while allowing another group of sports fishermen to be basically unregulated or rather unaccountable to the fishery abundance, it will not address the real problem.

The real issue is that charter boat operators and businesses are not commercial fishermen. They are really coast guard licensed taxi drivers, therefore the sports fishermen whom they transport are not commercial fishermen either and thus it is not realistic or right that they be put in a commercial fishing allocation.

Now don't get me wrong, I am delighted that the process limited the number of charter boat operators or businesses by putting them in a limited entry program, ie the charter halibut permit program. It is great. Reduces the competition for us all and I truly appreciate the asset I received that is worth about 40 thousand dollars. But the SPORTS FISHERMEN who go on mine and every other operator's boats are not commercial fishermen. In fact, it is against the law for them to sell their fish. NOT COMMERCIAL!!!!!! Put them in a separate allocation group for all sports fishermen and then they can be a separate group accountable to a portion of the whole pie based on abundance. Then we don't need RQE, GAF, CSP, or the extra regulations. Sport fishing for halibut in Alaska would have its own allocation of the halibut abundance pie, like Canada currently does, and the management regulations would be the same for all sports fishermen in Alaska.

Thank-you for your consideration

James S Kearns  
PO Box 148  
Gustavus, AK 99826  
[907-723-3065](tel:907-723-3065)  
[jim@fairweatheradventures.com](mailto:jim@fairweatheradventures.com)

Dear Chairman Hall,

Our family has been in the guided charter business for more than 23 years. We started this industry with one boat and the simple dream of taking tourists out into the pristine waters of Alaska and fishing the most sought after Halibut. Now that we've been in this industry for so long, we've turned this dream into reality and now base our living on this passion. Our kids have grown up in this industry and we rely on it year after year to not only accommodate our living expenses, but to also build memories for the tourist who make that once in a lifetime trip to Alaska to take part in fishing- which is unlike any other part of the world.

Because of this, we depend on stability within this industry for survival and to keep Alaska's economy growing. As a coastal community that depends heavily on the fishing charter industry, additional restrictions and economic uncertainty bring up questions in regards to making a living each year and trying to cater to tourists that spend thousands of dollars to fish Alaska. The conservation of Halibut is 100% important to our line of work, but we strongly feel that it can be done by implementing an RQE to purchase quota. An RQE would establish a variety of beneficial factors in regards to preservation of guided charter companies, halibut, and a stable economic growth.

Therefore, we support the establishment of one entity with two quota pools and restrictions on transfers in terms of an annual limit of 3% and a cumulative limit of 15% of all commercial quota shares that would in turn, benefit both businesses and the economy. In addition, setting of annual management measures for unused allocation equal to all vessels between 1,500 lbs and 3,000lbs will help to support the small vessel sector from which some quota may have been purchased. The RQE should be able to use funds for purchase of QS, CHP's, halibut conservation/ research, promotion of halibut resources, and any administrative costs. Implementing an RQE would bring about organizational structure by allowing the composition to be decided by charter representatives from each area, thus making the RQE managed solely by representatives of the charter sector and their clients. Finally, an RQE would allow for purchase of CHP's in each area, which allows for asset management and support for new entrants into the charter halibut sector.

By supporting an RQE, we can formulate a plan that would support guided charter companies, Alaska's economy, and halibut conservation, without the risk of devastating businesses with annual profit loss reaching more than 15% or more and hurting the economy with restrictions to one of Alaska's largest tourism markets- fishing.

Sincerely,

Kathryn Flores  
Ninilchik Charters

## **Kingfisher Charters & Lodge**

**P.O. Box 1043**

**Craig, Alaska 99921**

**(907) 826-3350**

[www.alaskakingfisherlodge.com](http://www.alaskakingfisherlodge.com)

March 29, 2016

North Pacific Fishery Management Council,

Dan Hull, Chairman

605 West 4th, Suite 306

Anchorage, Alaska 99501

Agenda Item C9 - Charter Halibut RQE

Dear Chairman Hull,

My family and I established Kingfisher Charters and Lodge in 1994. Living on Prince of Wales Island we have worn many hats to make a viable living supporting a family of seven. We have built our business around the idea that a family run business is the strongest business that a person can invest in, that has grown throughout the years to what it is now. We run a full service lodge entertaining over 250 guests per year. The dollars we bring to the island is substantial considering the amount of resource harvested per dollar left in the community. This amounts to over several hundred thousand dollars from our business that is circulated throughout the Craig area in fuel, food, equipment, repairs, materials, and this year building a new boat as well here on the island. The dollars help support so many small businesses here on the island as well as 5 other families here in the community some of which are our children's families.

It is unfortunate that I will not be able to testify in person at the meetings but I am in the process of building my new boat which I must have completed for the upcoming season.

My business is affected by the Halibut restrictions that have been put on our industry which is for all practical purposes restrict us to a 43" and smaller Halibut. My guests would like the opportunity for larger fish so this year we will be leasing GAF for our guests, but I also are in agreement with the ACA President David Bayes and

I support having a single quota entity with two quota pools. I think that a 5% annual transfer limit and a 15% cumulative limit of all commercial quota shares would be best for our business and local community. Many new fishermen enter on C class vessels, so restricting D class quota may be unnecessary, however, blocks of 1500lbs or less should be protected. Unallocated RQE IFQs could even be issued back to all IFQ shareholders proportionately. Finally, there are latent CHPs which the RQE should be able to purchase over time.

An RQE is the best option for guided sport fishing and the Alaska economy. For my clients, the size of the fish they can catch is important in making their booking decisions. The less restrictive our fishing conditions, the more happy customers we have frequenting our community. As a business owner, we cannot afford to take time every year to reassess whether I can lease more IFQs to ensure my clients have a good time. This is a great, voluntary way to use quota shares.

Respectfully,

*Charles Haydu*

Charles Haydu (owner)



**NPFMC comments - NOAA Service Account <npfmc.comments@noaa.gov>**

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## C9 chater halibut rqe

1 message

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**George Kirk** <fvphantom2@gmail.com>

Thu, Mar 24, 2016 at 6:22 PM

To: "npfmc.comments@noaa.gov" <npfmc.comments@noaa.gov>

We've fought over this halibut alocation long enough, i oppose more realocation, the halibut industry deserves stability. My family and i depend on the commercial halibut fishery to stabilize, george kirk



NPFMC comments - NOAA Service Account <npfmc.comments@noaa.gov>

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## RQE

1 message

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**Capt Kirk** <surestrikecharters@aptalaska.net>  
To: npfmc.comments@noaa.gov

Tue, Mar 29, 2016 at 10:42 AM

HI THERE

I own and operate SURE STRIKE CHARTERS out of Craig, Alaska on the west side of prince of wales is.

I run a 6 boat operation and am entering my 23rd year in business. And 30th year as a charter fisherman in the area.

I'll try to keep this letter short and sweet.

Have the bag limits effected my client base. Absolutely..

It has cost me quite a few customers since the slot limit was introduced.

Is business good now. Yes! Business is great ! but only while the economy stays strong.

If the economy crashes again, with the way the catch sharing program has not been working for us.

Business will not be good at all. Or worse...

So am I in favor of an RQE program. Yes

It would be better than the GAF program we have,

Plus I think it would be great for RQE to purchase permits in the future.

I could use the argument of how we are great for the local economy .

Here's my take.

Pow is a logging and fishing community.

Logging continues to struggle for its existence on this island.

Commercial fishing is up and down. Right now it's on a downward swing.

Or fishing is better in another area, like the scene fishery this year. They have bean

talk about shutting down the processing plant because of poor fish run predictions

Or the fishing being better elsewhere. That is going to suck for the city of Craig.

So what I'm getting at is that ,we in the tourist /charter fishing industry are always here.

Through good times and bad, as long as the powers that be work with us to allow stability for our industry.

Sincerely,

Kirk Agnitsch/ sure strike charters



NPFMC comments - NOAA Service Account <npfmc.comments@noaa.gov>

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## Comment on Agenda item C9- Halibut RQE program

1 message

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**Matt Kopec** <matt@fishwhittier.com>

Sat, Mar 26, 2016 at 9:22 AM

Reply-To: Matt Kopec <matt@fishwhittier.com>

To: "npfmc.comments@noaa.gov" <npfmc.comments@noaa.gov>

Dear Council members,

My name is Matt Kopec and I own and operate Whittier Marine Charters. As a 17 year charter operator, I've watched and participated in the halibut allocation battle throughout my career. Operators such as myself have had many years of stressful challenge in a volatile business with an unknown future. Those of us who have been through it all are looking for a sustainable future that is both economically and biologically viable for the long term. I urge you to help provide a solid foundation for this industry by moving the halibut RQE program ahead.

I feel that the RQE is the best available alternative for a number of reasons:

1. The GAF program is unfeasible for all but a few operators. The overwhelming position from both the industry and customers is that GAF is not affordable in most cases. Current participation should be an indicator of this.
2. Additional bag limit restrictions for charter anglers in area 3A will damage businesses and coastal communities. I have lost a number of long time repeat customers (both resident and nonresident) due to bag limit reductions and annual limits. These customers are still fishing for halibut as much, or more than they have historically- they are just going on private boats. With the current state of our budget and economy, it seems that it would be prudent to not deter tourism further.
3. Creation of a RQE would be no more detrimental to the IFQ program than the quota consolidation and leasing practices that have been ongoing and increasing throughout the program's history.

Please consider these comments and work to provide a reasonable solution for a long term, sustainable charter industry.

Thank you,

Matt Kopec  
Whittier Marine Charters.

Garrett Lambert  
P.O. Box 1627  
Soldotna, AK

Mr. Dan Hull, Chairman  
North Pacific Fisheries Management Council  
605 West 4th, Suite 306  
Anchorage, AK 99501  
Email: npfmc.comments@noaa.gov

Re: Agenda Item C9 HAL 16-007  
Charter Halibut RQE - Initial Review

Dear Chairman Hull,

My passion for fishing and the outdoors has taken me across North America. From the commercial Cod fishery of Massachusetts, to the outfitting of Illinois Whitetail, and permanently here, in Soldotna Alaska.

I have seen a handful of fisheries flourish, deplete, and cease to exist all together. Change is part of an ecosystem. Adaptation is a response to change. My ecosystem is among the charter fleet. Within this system I experience the model of Alaska's largest tourism draw, Halibut fishing. Our business hangs on the fringe of multiple variables. Biomass sustainability, economy and tourism stimulus, charter fleet attendance, and governmental regulation, which is what I am here to speak about today.

I have seen a great deal of change among the Halibut regulations and survey science being done. I see this as a compliment to yourself and the IPHC, only mentioning a part of the pie. These changes tell me the effort to find a workable solution is being done actively and aggressively to adapt cohesively to the other variables, Biomass, tourism, and charter fleet attendance.

Agenda Item C9 HAL 16-007

Charter Halibut RQE creates a safety blanket to allow the other variables to fluctuate without damaging our "ecosystem" and the charter sector. A few examples, if the Halibut Biomass increases and the tourism/charter demand increases in the same year, we may surpass what blue line surveys indicate as an estimated fish allotment, the RQE would jump into action, taking halibut stamp revenue and pushing it back into our own economy to purchase quota, in tern, filling the fluctuation we may not have predicted. Likewise, If regulation moves to a single fish, and charter attendance drops, we may see a much lower catch rate and tourism rate. The RQE would go into managing Charter Halibut Permits for the following year, ensuring sustainability regarding tourism vs charter attendance. Purchasing Charter Halibut permits is also a crucial



point of this bill. A serious variable we must consider could be drawn to the fact that 40% of our Halibut permits are not being used on a yearly basis. If 10% of these permits jumped into use, we call it a fatal blow to the charter fleets yearly allotment. The RQE would cover this with as I mentioned, a safety blanket. Creating security to the future of the charter sector, and a promising change to realigning our ultimate goal of sustainability and adaptation to change in the process. Thank You

Best Regards,

Garrett Lambert  
Captain, Ninilchik Charters

REF: Recreational Quota Entity (RQE) Program

Good Friday, 25 March, 2016

Dear Chairman Hull, and the other members of NPFMC:

My name is Ken L Larson and my wife and I own and operate a charter fishing business as a Guide, including a remote lodge and charter boat out of Valdez and Ellamar, Alaska. We moved to Alaska in 1984 and have been running Halibut & Salmon Charters since the early 1990's, focusing on multi-day overnight charters.

When I first started chartering in PWS as a "Week-end & Holiday Warrior" in 1995, I averaged 50-70 days on the water with 6 clients per day each season, with good size catches, when we had 2-fish/4-fish any size limits. As a result of the ever-increasing restrictions forced on the small charter fleet over the ensuing years, my halibut charters (with full time operation availability) have steadily decreased to an average 15-20 days on the water with 4-6 clients per day in 2015, with small fish and minimal catches, due to ever-decreasing demand. As a result, I have been forced to focus more on lodge ops and salmon fishing to continue my business. Over the years my many returning clients spent big bucks to travel by plane or car to Valdez, as well as spending on the local Alaskan economies for fish-related activities, food, lodging, booze, transportation and other tourist activities. Sadly, the ever-decreasing lack of opportunity for Halibut Catching by clients has diminished (or closed) many of my fellow charter operator's businesses, both here in Valdez as well as state-wide. I believe ADF&G's annual fishing license sales decreases is adequate testimony to this fact.

Over the years, I have participated in the various NPFMC, IPHC and BOF processes as a letter-writer and meeting participant representing my self, as well as the past president and/or secretary of the PWS Charter Boat Assn. Needless to say, with the overwhelming appointments of non-recreational charter or sport fishermen to the various boards and councils, the ever-increasing restrictions on charter operations was inevitable and will most likely result in the total elimination of Halibut Charter Operators in the near term. And with the present state of the Halibut Biomass I fear that all Halibut fishing will have to cease in order for species survival.

Having stated the obvious, above, I am writing today, Easter/Good Friday, in lukewarm support of the proposed RQE program by way of response to your recently released program document. Depending on how it's funded, I believe that a 5% annual transfer limit and a 15% cumulative limit of all commercial quota shares would be of most benefit for the remaining halibut charter and local businesses both here in Valdez and the rest of Alaska. If adequate RQE funds do become available, they should be judiciously used to first acquire QS's and possibly unused CHP's. I will reserve Judgment on the use of RQE's until we see how well it's funded and if it really works, and, more importantly, IF our halibut stocks actually start to recover in sufficient numbers to main-tain a viable fishery. As we all know, the Road to Hell is paved with good intentions, wishes and ideas, but the much smaller Stairway to Heaven reality is a lot less well-traveled.

It may well be that an RQE is the only option left for guided sport fishing and the Alaskan tourist economy. My declining client base accepts the need for conserving the halibut fishery, but still needs to be provided an oppor-tunity for consistent numbers of adequately sized fish in order to continue booking trips, and the RQE may help that. However, you need to also seriously look at WHY there is even ANY unused QS on the COMFish side of the allocation equation and make adjustments accordingly. It has been well established in past years that the Sport Fish Tourism Industry has brought more to the annual Alaskan Economy than the Non-Alaskan dominated COMFish Industry. Sadly, that is obviously no longer the case, so why not grant the Sport Fishermen a better opportunity to re-stimulate the economy with higher allocations?

While I continue to ease my B&B business model out of the under performing Charter Halibut business model, I wish the rest of my remaining (and declining) fellow charter operators the best of luck with the RQE. But, I remain overcome by reality and am extremely doubtful of the survival of any Halibut Fishery for many years to come. I have participated in the fisheries management process too many years against a stacked deck to waste any more time and effort on it. The process, like our Government, is broken!! Good Luck!

Sincerely,

Capt. Ken L Larson  
SANITY CHARTERS



NPFMC comments - NOAA Service Account <npfmc.comments@noaa.gov>

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## In support of the RQE

1 message

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**mannscharTERS** <mannscharTERS@yahoo.com>

Tue, Mar 29, 2016 at 9:10 AM

To: npfmc.comments@noaa.gov

Hello,

This is Mike Manns, owner and operator of  
MANN'S CHARTERS INC.

I have been fishing out of Homer for many years. I have seen many changes along the way, with many greatly threatening our future.

I fish an average of 700 clients per year of whom use local restaurants, hotels, etc.

I am certainly in support of the RQE as it will be a step in the right direction toward a much brighter future not only for us but the next generation as well.

Thank you,  
MikeManns

Sent from my Samsung Galaxy smartphone.

March 28, 2016

Dear Chairman Hull,

My name is Gerri Martin, my husband and I started North Country Charters in 1979 in Homer. We have watched our fishery change dramatically in the past 36 years. Our company started several years before IFQ's were ever issued to the commercial fleet. We have been active in the process of trying to protect our industry and have watched the rise and fall of the halibut stocks.

The last few years have been particularly painful as the restrictions keep stacking up. The first major hit for our company was the one trip a day restriction and the restrictive size limit of 29" or smaller on one of the two fish limit. The one trip a day restriction targeted a specific sector of the charter fleet and was a drastic hardship on us. Then closures on Thursday and 5 fish seasonal bag limit and now closures on Wednesday, a 28" or smaller fish and a 4 fish seasonal limit. It is hard to imagine what is next.

The fact that we do not find out the regulations until the end of January for the upcoming season is very difficult, for our booking season has been underway for months already. Our clients are not happy waiting to find out the "new" restrictions so late in the season. Many of them plan their trips close to a year in advance.

Our clients, many of whom are Alaskan residence, spend their money in our community at; RV parks, restaurants, hotels, water taxi's, on charters and gift shops. The Homer Spit is alive with activity, a tax collecting engine for the City of Homer and the Kenai Peninsula. We take pride in employing Homer residents, we buy our fishing supplies and have our boats repaired here. The business cycle is full circle in this town.

The idea of the RQE program that is before you need recognizing. I believe this is the best option on the table for guided sports fishing and the Alaska economy. The GAF program is a failed attempt at providing access to more halibut in our industry. It is cost prohibitive and difficult at best.

As a resident of Homer, I support having a single quota entity with two quota pools. I think that a 5% annual transfer limit and a 15% cumulative limit of all commercial quota shares would be best for our business and local community. It appears many new fishermen enter on C class vessels, so restricting D class quota may not be necessary, however, blocks of 1500lbs or less should be protected. Unallocated RQE IFQs could even be issued back to all IFQ shareholders proportionately. Finally, there are latent CHPs which the RQE should be able to purchase over time.

Being part of this process is important and I truly hope that you can listen with an open mind and act on behalf of the Halibut Charter Industry to help us sustain a viable industry for not only our communities but the State of Alaska.

Sincerely,

*Gerri L Martin*

Gerri Martin  
North Country Charters  
P.O. Box 889  
Homer, Alaska 99603  
907-235-7620

North Pacific Fishery Management Council  
C9 Charter halibut RQE

March 27,2016

My name is Sigurd Mathisen. I am a commercial halibut fisherman from Petersburg, Alaska. My family ,Norwegian immigrants , started fishing halibut in Alaska before 1910. I am third generation, and my son,who also fishes, is fourth generation of Mathisens' involved in the Alaskan halibut fishery. The halibut fishery has defined our lives. We are genuinely dependant on this fishery for our livelihood. Four generations of families, houses, boats in Petersburg is testimony to this dependence. I served on the conference board of the IPHC for well over twenty years from the early 70s to the mid 90s, during the time I ran the Petersburg Vessel Owners Association. My Uncle served as a commissioner on the IPHC for a term. Our commitment and desire to preserve and maintain the resource and halibut fishery is well documented, from the dory fishing days to the present.

I am opposed to the proposed charter reallocation. The halibut catch sharing plan was supposed to settle an allocation dispute, and has only been in effect a short time. Reallocation will take away a significant percentage of the commercial fleets Quota. We are in a time of very low abundance, and the commercial fleet, as it's done for nine decades, is doing it's share to conserve, and bring back this resource to levels of abundance. The sport charter fleet moved in and grew unrestricted while the commercial fleet was conserving , and under and IFQ regimen. The IPHC was toothless to intervene in the rapid reallocation of resource from a restricted fishery to a wide open charter sector. It took a long time to work out a solution . The sport charter fishery still has the option to grow without taking more quota from the commercial sector. They can catch and release. This is done almost all over the rest of the globe, and it should be the solution here. The emphasis from the sport side has always been to send everyone home with big boxes of fish. That does not happen elsewhere. It's a cowboy attitude that does not belong in our management protocol in Alaska in the twenty first century..

My son, and two of the three other crewmembers on my vessel have IFQ of their own, as they are trying to develop a stake in the halibut fishery. They believe it will get better. They hope to build, and grow families in this productive fishing community. Uncertainty because of reallocation should not be what holds any of these young fishermen back. I urge you not to change the catch sharing plan to reallocate fish from the commercial sector to the charter sector.  
Thank you for your considerations,

Sigurd R Mathisen  
Box 1460  
Petersburg, Alaska 99833  
Mathisen@gci.net

Regarding RQE,

My wife and four children came to Alaska nearly 6 years ago looking for a better quality of life from the one we were used to in California. My love for fishing and boating drew me right into the charter business. We invested into vacation cabin rentals purchased two existing charter companies and we believed we had found the life that we always wanted. We run 4 different boats, we fish process, and also have a gift shop. We invested every last cent into Alaska only to find out that our tourist based fishing business was about to change and our finances were about to get turned upside down. Thursdays off last year alone made it difficult to stay up with our bills through the winter. I invested into sportsmen shows in Portland, Denver, and Long Beach to try to get people excited about fishing with us. It was flat out shocking how many potential clients started out by asking what the Halibut regulations were. Once I laid it out for them the majority of people would just walk away or have nasty comments as if the I had made the regulation on the second small fish or the day off. I can honestly say from what I witnessed, Alaska's tourism will suffer greatly from the challenging halibut regulations. Each year we employ 3 captains and 4 deckhand all being Alaska residents and all who depend on the trips that we book for them. It is getting harder and harder promising them trips that their families depend on. Additionally we employ approximately 12 more employees that process fish and work in the gift store. Once again the mandatory day off in our short season makes it difficult to make a living. In a 4 month season we are forced to take 16 days off of work which is like being forced to take 7 weeks unpaid leave at a year round job. I do not know many charter industry people that can survive financially under those conditions. Our industry also draws visitors that the restaurants, the hotel and the travel (car and plane) industries depend on. Even the Chamber of Commerce's two main sources of fund raising are tied to the Charter Industry. The tax funds generated from Fish Tourism here fund this City. RQE can truly be the saving grace that saves our family's investment as well as many others. We have lost so much in my short amount of time in this industry we need things to shift back in the direction of a vibrant tourism industry that supports our livelihood as well as the town of Homer, Alaska.

Sincerely,

Chad, Crisi, Austin, Christian, Caleb, and Cayte Matthews  
O'Fish'ial Charters of Alaska  
4025 Homer Spit Rd. #7  
Homer, Alaska 99603

Dear Chairman Hall,

My name is Michael Flores and I started in this industry over 23 years ago with a single boat and a passion for fishing. Today, we see roughly 5,000+ tourists each year that come to Alaska to fish. To have a successful operation, I employ 10 captains, 4 deckhands, 1 year round office personnel, seasonal office staff, fish processing staff, and mechanics that help make my business run every year. Living in a coastal economy, means our lively hood relies heavily on 5 months of successful fishing out of the year. The constant inconsistency in this industry effects every locally owned charter business, which ultimately effects both our survival each year and tourist each season- which is vital for Alaska's economy.

To better resolve the inconsistency for both local charter businesses, incoming tourists, and the economy as a whole, I am asking for stability in the fishery by implementing an RQE. I support an RQE that will establish one entity with two quota pools, restrict transfers to an annual limit of 3% and a cumulative limit of 15%, proper management of used allocation, protection of small vessel between 1,500 lbs. and 3,000 lbs., use of funds for purchasing QS and CHP's, organizational structure where the RQE would be managed solely by representatives of the charter sector and their clients, and proper support for purchasing CHP's in each area so we can manage assets and support incoming entrants into the halibut charter sector.

I've been running this operation for many years and have seen the fishery change every year trying to preserve the conservation of halibut, but has been inconsistent with finding a proper solution. The lack of stability brings about hesitation in this industry for both current business owners and new ones entering. Establishing an RQE is great way to use quota shares without devastating local business operations, tourism, and most importantly the conservation of halibut.

Sincerely,

Michael Flores  
Owner- Ninilchik Charters

March 28, 2015

To: North Pacific Fisheries Management Council  
Chairman Dan Hull

From: George Malcolm Milne  
56925 Bradley Lane  
Homer, AK 99603

Re: Agenda Item C9 Halibut Charter RQE

Dear Chairman Hull and Members of the Council,

I am writing today in opposition to the creation of a Recreational Quota Entity. I began commercially fishing for halibut in the fall of 1994, the last derby style halibut fishery. I continued to work as a crew member through the IFQ fishery and began purchasing quota around the turn of the millennia (2000) as a "second generation" quota holder. I continued to invest in small blocks of IFQ and in 2010, with the help of some partners, I purchased my own vessel, F/V Captain Cook. I continue to operate the Captain Cook and fish the quota I have accumulated in addition to fishing as a hired skipper and hiring out to some walk on IFQ holders.

I appreciate the efforts that have been put into improving this program yet I still cannot support it. One of the first things that jumps out at me is the name used for this program. Recreational Quota Entity implies that this entity would benefit all recreational users while the intent is clearly to benefit charter halibut businesses. I expect to compete with other individual businesses but having a large, publicly funded entity in the IFQ market significantly threatens my business and others like mine. My business plan is to continue to purchase quota as I can while also catering to walk on IFQ holders. Page 12 of the analysis states that "RAM data show that even at one percent annual purchase limit that the RQE would be the largest individual player in the quota market." The effects on an already competitive quota market could be devastating to a business like mine and put the fishery even further out of reach to new entrants. Liberalizing the bag limit a couple of inches does not seem to help charter businesses much compared to the cost to the commercial sector.

When I began fishing in 1994 I began hearing about a plan to have the Halibut Charter sector abide by the same restrictions as the commercial fleet. Approximately twenty years later we have the Catch Sharing Plan. Please give this plan some time to work before adding more uncertainty to my business. As you are well aware, the halibut quotas are a fraction of what they were and the status quo distributes the burden between sectors. My suggestion is to work within the existing program to provide opportunities to charter businesses.

The potential harm to an already distressed small boat fleet is too much to risk for this experiment. The costs to the communities who depend on these fleets is too much to risk. The charter businesses who also contribute to these communities have proven the ability to adapt to stricter bag limits and still have successful businesses. An RQE will likely damage small commercial operations, please do not move forward with this plan. Finally, I concur with the Halibut Coalition's comments and will spare you the time of repeating them here. Thank you for serving on the Council and your consideration in this matter.

Sincerely,

  
Malcolm Milne

Homer, Alaska





NPFMC comments - NOAA Service Account <npfmc.comments@noaa.gov>

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## Comment on Agenda Item C9, Charter Halibut RQE

1 message

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**Kent and Bev** <bevandkent@hotmail.com>

Mon, Mar 28, 2016 at 9:58 PM

To: "npfmc.comments@noaa.gov" <npfmc.comments@noaa.gov>

To All Members of the NPFMC,

I owned a charter boat business in Southeast Alaska, from 1986 to 2013. I currently live in Oregon, but I am still interested in how the Council is managing charter halibut fishing. Since giving up my Alaskan residency, I empathize even more with recreational anglers in the Lower 49 States, who dream of sport fishing in Alaska.

I fully support the position of the Alaska Charter Association (ACA), and hope that you will, too. I support the RIR/IRFA/EA's Alternative 2, establishing an Recreational Quota Entity (RQE).

Of particular note, is ACA's lack of support for Element 5, RQE Board of Composition. I couldn't agree more. Only representatives of the charter sector and their clients should manage the RQE.

The lack of opportunities to go sport halibut fishing in Alaska, has increased with every passing year, due to the creation of Charter IFQs, Charter Halibut Permits, and GAFs. I know this was the intention of past Councils. I know things change slowly. I hope the Council will make changes to improve the management of halibut for the recreational angler. Following the recommendations of ACA will be a good start.

Thank you very much for this opportunity to comment on a subject that is very important to the recreational angler.

Sincerely,  
Beverly Minn



NPFMC comments - NOAA Service Account <npfmc.comments@noaa.gov>

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## Agenda Item C9, Charter Halibut RQE Comment

1 message

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**BevMinn KentHall** <bevandkent@gmail.com>

Tue, Mar 29, 2016 at 6:46 AM

To: npfmc.comments@noaa.gov

To All Members of the NPFMC,

I owned a charter boat business in Southeast Alaska, from 1986 to 2013. I currently live in Oregon, but I am still interested in how the Council is managing charter halibut fishing. Since giving up my Alaskan residency, I empathize even more with recreational anglers in the Lower 49 States, who dream of sport fishing in Alaska.

I fully support the position of the Alaska Charter Association (ACA), and hope that you will, too. I support the RIR/IRFA/EA's Alternative 2, establishing an Recreational Quota Entity (RQE).

Of particular note, is ACA's lack of support for Element 5, RQE Board of Composition. I couldn't agree more. Only representatives of the charter sector and their clients should manage the RQE.

The lack of opportunities to go sport halibut fishing in Alaska, has increased with every passing year, due to the creation of Charter IFQs, Charter Halibut Permits, and GAFs. I know this was the intention of past Councils. I know things change slowly. I hope the Council will make changes to improve the management of halibut for the recreational angler. Following the recommendations of ACA will be a good start.

Thank you very much for this opportunity to comment on a subject that is very important to the recreational angler.

Sincerely,  
Beverly Minn



NPFMC comments - NOAA Service Account &lt;npfmc.comments@noaa.gov&gt;

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## RQE Program

1 message

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**Tibor Molnar** <tmolnar91@gmail.com>

Sat, Mar 26, 2016 at 5:03 PM

To: npfmc.comments@noaa.gov

I would like to see something permanent in the allocations because this picking away every year has to come to an end.

Going from 29 to 28 inches makes no sense at all. To take away charter pounds and give them back to the commercial fleet is insane.

Last reason there were lots of Halibut in the 20 to 25 lb range and talking to some of the commercial guys that we know they said there was a lot of Halibut in the deep water where they fish. Yes I agree that we need to help with the conservation of the biomass but

taking from the charter numbers and giving it back to the commercial is not conservation. We came up with a reasonable idea that they did not even listen to because they already knew what they were going to do so listening to us was just a courtesy thing. A 20 lb halibut yields about 9 lbs of meat so 2 fish equals 18-20 lbs of filets which at market value of \$20.00 is about \$350.00. That at least pays for trip. 2 fish under 38 inches or 1 fish over 60 inches would give the customer a decent filet to take home and still be able to have an expectation for a large fish. We have calculated over the years of the economical value of a sport caught fish and that was never even taken into consideration. It just goes to show how there is now concern for anything but themselves. If the RQE program can give us something that is consistent then I am all for it. We need to keep our customers coming to Alaska and the only way possible for that to happen is that they feel that they are getting there monies worth or they will go somewhere else.

Thank You T



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NPFMC comments - NOAA Service Account &lt;npfmc.comments@noaa.gov&gt;

**RQE**

1 message

**James Moody** <info@southeastportfishing.com>

Tue, Mar 29, 2016 at 2:31 PM

To: npfmc.comments@noaa.gov

*North Council*

*My Name is Jim Moody. I am a small business owner living in Ketchikan Alaska. I have a wife and two daughters. I've been chartering for 21 years. I fish about 100 clients per season. We do not provide meals so that's 100 people either eating out at our local restaurants or shopping for food in our local store + the gifts and trinkets they bring back with them.*

*The size of the fish you can catch is an important variable for guided sportsfishing, and the RQE program helps create less restrictive fishing conditions. As the available catch size increases, we get more demand, advanced bookings, and happier customers who want to spend more time and money in local communities and on local businesses.*

*An RQE program will allow the charter sector as a whole to improve their customers' experience and catch opportunities. Small operators cannot afford to annually invest in IFQ leasing.*

*New and growing guiding organizations need to create a plausible, predictable business model to succeed. IFQ leasing can be a large and unstable risk given changing lease prices and fish sizes. Opening the gate to transferring shares from the commercial QS and back creates regular, predictable opportunities.*

*Like being a financial investor vs actually having stock you can sell*

*Year-to-year variables in fish size and availabilities make it a challenge to say with any specificity how much quota shares are needed for meaningfully liberalized bag limits when stocks are low.*

*An RQE will obtain the funds to purchase quota shares slowly and over the course of years. This means that the quota pool will encounter small entries over the course of years as the RQE develops, not be overwhelmed by a single, large entrant.*

*Willing buyer, willing seller: The RQE program is a voluntary program, aimed towards unused and sellable quota shares.*

*Quota shares cover both outlying and nearby fishing areas, regardless of where the fishing itself occurs. Local Area Management Plans handle any concerns about localized depletion, which are nearly impossible to adequately and scientifically analyze.*

*The country is watching what we do here and now. If this program doesn't move forward successfully in Alaska, we will not see it implemented in the United States, to the detriment of our fisheries industries.*



C9 Public Comment - APRIL 2016  
**Moore Charters, LLC**  
P.O. Box 22312  
Juneau, Alaska 99802  
907-723-8472  
info@moorecharters.com  
www.moorecharters.com

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North Pacific Fishery Management Council,  
Dan Hull, Chairman  
605 West 4th, Suite 306  
Anchorage, Alaska 99501

March 29, 2016

Dear Chairman Hull,

My name is Capt. Grantley Moore . I have been operating a charter fishing business in the Juneau area for over 8 years.

I've served as secretary of the Juneau Charter Boat Operators Association for 3 years. I am writing this letter representing my little charter company Moore Charters. I hire many local employees each year. Last summer I had 4 boats going out on trips and had 15 employees working for me!

My charters in Juneau rely-on a 5 month fishing season. School schedules, weather patterns, and fish migrations make successful day-charters a slim possibility before May and after September. Thus, each day of the season is vital to our total gross income for the year.

On my 6 pack boats we do a large number of halibut trips. Many of my clients fly into town for a guided halibut trip or they arrive via a cruise ship in the Juneau area. They stay in local bed-and-breakfasts and eat at local restaurants. Each and every visitor and locals alike help with the local economy.

We'd like to create a RQE to purchase quota, so that we can continue to survive.

We support having a single quota entity with two quota pools. I think that a 5% annual transfer limit and a 15% cumulative limit of all commercial quota shares would be best for our business and local community. Many new fishermen enter on C class vessels, so restricting D class quota may be unnecessary, however, blocks of 1500lbs or less should be protected. Unallocated RQE IFQs could even be issued back to all IFQ shareholders proportionately. Finally, there are latent CHPs which the RQE should be able to purchase over time.

An RQE is the best option for guided sport fishing and the Alaska economy. For our clients, the size of the fish they can catch is important in making their booking decisions. The less restrictive our fishing conditions, the more happy customers we have will frequenting our community. We believe that this centralized entity is the best mechanism for maintaining not only a stable business model but also a thriving and sustainable fishery.

Sincerely,

Grantley Moore  
Moore Charters



NPFMC comments - NOAA Service Account <npfmc.comments@noaa.gov>

## C9 Halibut RQE

1 message

**Carolyn Nichols** <carenichols@hotmail.com>

Wed, Mar 23, 2016 at 7:23 PM

To: "npfmc.comments@noaa.gov" <npfmc.comments@noaa.gov>

I am totally opposed to the latest effort of the charter fleet to grab more halibut!! The halibut RQE is way out of line!

Two years ago the Council put into place the CSP. In addition the GAF program was put in to place to allow charter operators who wanted additional fish to be able to do so.

Now , as is their usual, the charter fleet wants more, more, more.

Th halibut resource should be available to all of "Joe Public" ! An extremely small percentage of "Joe Public" will be able to afford to go fishing on a charter boat and take home halibut. And those that can afford to go on a chartered fishing trip .....well are they going to go every year so that they can have halibut to eat more than just after that dreamed of fishing trip? Not likely. So how will they get fish? Well that's obvious. They will go to the store and buy it or eat it at a restaurant. Ha but wait .... There won't be as much available. So now what?

The reduction in the longline fleet being asked for by the charter fleet is wrong. Gaining a few inches in length for each fish they catch will cost the rest of Joe Public hugely .

This is not right. Resources are at a low and we are all suffering. What's so special about the few that can afford to go charter fishing that they get to take so much from so many?

There was all this talk from the charter fleet about living within their quota. Obviously they had no intention of the at all.

Something about this effort to grab more fish sure seems wrong. The charter fleet wants the public to buy these IFQs for them.

Gees there isn't a fisherman out the who wouldn't like that . But no, the longline fleet buys their own with huge loans and their own sweat and blood. Having the public buy them for the charter fleets use is a slap in the face to both the longline fleet and the public themselves as then they (public) will have a significantly lesser amount of halibut available to be purchased to eat and the longline fleet will be further stressed financially. I see nothing but a lose lose outcome to this grab effort by the charter fleet yet again.

So my recommendation to the Council is to just say No to the charter fleet . They have CSP and GAF and learn to live within their means without tromping all over everyone else!

Th Council needs to just say NO to this bad idea . Now.

Thank you,  
Carolyn Nichols  
111 Knutson Dr  
Sitka, Ak  
99835



NPFMC comments - NOAA Service Account <npfmc.comments@noaa.gov>

## RQE

1 message

**Ninilchik Charters** <fishnininilchik@gmail.com>

Tue, Mar 29, 2016 at 4:34 PM

To: "npfmc.comments@noaa.gov" <npfmc.comments@noaa.gov>

Mr. Dan Hull, Chairman  
North Pacific Fisheries Management Council  
605 West 4th, Suite 306  
Anchorage, Ak 99501  
Email: [npfmc.comments@noaa.gov](mailto:npfmc.comments@noaa.gov)

My name is Michael Flores and I started in this industry over 23 years ago with a single boat and a passion for fishing. Today, we see roughly 5,000+ tourists each year that come to Alaska to fish. To have a successful operation, I employ 10 captains, 4 deckhands, 1 year round office personnel, seasonal office staff, fish processing staff, and mechanics that help make my business run every year. Living in a coastal economy, means our lively hood relies heavily on 5 months of successful fishing out of the year. The constant inconsistency in this industry effects every locally owned charter business, which ultimately effects both our survival each year and tourist each season- which is vital for Alaska's economy.

To better resolve the inconsistency for both local charter businesses, incoming tourists, and the economy as a whole, I am asking for stability in the fishery by implementing an RQE. I support an RQE that will establish one entity with two quota pools, restrict transfers to an annual limit of 3% and a cumulative limit of 15%, proper management of used allocation, protection of small vessel between 1,500 lbs. and 3,000 lbs., use of funds for purchasing QS and CHP's, organizational structure where the RQE would be managed solely by representatives of the charter sector and their clients, and proper support for purchasing CHP's in each area so we can manage assets and support incoming entrants into the halibut charter sector.

I've been running this operation for many years and have seen the fishery change every year trying to preserve the conservation of halibut, but are constantly failing due to improper solutions. The lack of stability brings about hesitation in this industry for both current business owners and young people trying to enter the business. Establishing an RQE great way to use quota shares without devastating local business operations, tourism, and the conservation of halibut.

Sincerely  
Michael Flores

[www.ninilchik.com](http://www.ninilchik.com)

Info | Ninilchik Charters  
[info@ninilchik.com](mailto:info@ninilchik.com)  
O 907.260.7825  
[Facebook](#) | [Twitter](#) | [Instagram](#)

**Additional Links | Fishing Season:**

[What To Bring](#) | [Dock Maps](#) | [Cancellations](#)

**Additional Links | Hunting Season:**

**NPFMC comments - NOAA Service Account** <npfmc.comments@noaa.gov>

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**RQE Letter**

1 message

**Ray Nix** <crazyraysadventures@yahoo.com>

Tue, Mar 29, 2016 at 8:39 AM

Reply-To: Ray Nix &lt;crazyraysadventures@yahoo.com&gt;

To: "npfmc.comments@noaa.gov" &lt;npfmc.comments@noaa.gov&gt;

Dear Chairman Hull,

My name is Raymond Nix. I was born and raised in Anchorage/Wasilla, Alaska and purchased a boat to start my own charter business, Crazy Rays Adventures (Whittier, Alaska) at age 28.

Now, at age 33, I have expanded my business to 2 boats and am fully invested in this fishery as it has shifted from a seasonal job to my primary source of income. Being a life long Alaskan I remember the days when catching quantities of large fish were the status quo and I have personally witnessed the shift in our Halibut populations.

During a normal season I typically service about 600 clients. Most of my clientele base is not from out of state. They are locals who utilize us as opposed to owning a boat. The new regulations are having a great effect on our clientele base as these new rules are punishing Alaskan's who fish with me. How on earth it is fair to for an Alaskan to be able to catch any amount of fish they'd like on a private boat but be regulated on a charter is beyond me. Anyways, it appears that the RQE program is going to be the only thing that reserves a future for our industry and Alaskan's, so we would like to see the RQE program put into effect. I do not think the RQE should buy permits however and I don't like the idea of a commercial fishermen operating the program it should be managed by an ADF&G commissioner. I hope this helps let me know if you have any further questions.

Sincerely,

Raymond Nix

**Crazy Rays Adventures, LLC**

Whittier, AK 99693

Ray Nix (907) 355-3182

Brenda Nix (907) 315-5382

[crazyraysadventures@yahoo.com](mailto:crazyraysadventures@yahoo.com)



North Pacific Fishery Management Council  
Dan Hull, Chairman  
605 West 4<sup>th</sup>, Suite 306  
Anchorage, AK 99501

Dear Chairman Hull,

My name is Tom Ohaus. I'm the co-owner and operator of Angling Unlimited in Sitka, Alaska. I began fishing at about the same time I began walking – when I was two years old. Over the years, I've fished extensively on the East Coast, West Coast, around South America, and the Caribbean. I graduated from the University of Washington, College of Fisheries in 1978 with a degree emphasis on management and the focus on recreational fisheries. This summer marks my 29<sup>th</sup> year of guiding for halibut and salmon on the North Pacific.

Angling Unlimited has a staff of 24 people in the summer including eight captains. Our staff is a mix year-round Southeast residents and people who come to Sitka for summer employment. We buy almost all our supplies locally – food, cleaning products, fuel, fishing supplies, fish boxes, and countless other items. Our boats and cars are fixed in locally owned shops. Furthermore, we pay local 6% sales taxes, 6% bed taxes, property tax, and a \$10 per box fish box tax which are collected to benefit Sitka.

In a good year our business serves over 1000 clients, 98% of who fly Sitka for a single purpose – sport fishing and halibut is an important part of their decision to visit Sitka. We provide them an all-inclusive package except dinner. For the evening meal, they go to locally owned restaurants like the Channel Club, the Pub, Ludwig's and others. Each group that fishes with us ends up spending one night in a local hotel like the Westmark or Totem Square. The purchase items for themselves or gifts in locally owned shops. Our clients spend at least \$250 each on meals, gifts, and last night hotel rooms that goes directly into the Southeast economy. Each buys an out of state fishing license and salmon stamp. Each buys a round trip ticket on Alaska Air or Delta.

I write today in support of the proposed RQE program and in response to particular aspects of the recently released program document. At this moment, with this program, the eyes of fishing communities, country-wide, are watching. Specifically, the question is: Do catch share programs freeze allocations between sectors in perpetuity or can they be constructed to provide a market based flow of allocation. In simpler terms: Can recreational fisheries be fit into catch share programs to the benefit of all or do they slam the door shut? Our decision on the RQE will heavily influence which direction North American fisheries management takes from here. Below, I will first address the importance of the program to myself and my clients, then the specific aspects of the program on which the Council will be voting.

An RQE is the best option for guided sportsfishing and the Alaska economy, as it will allow movement of allocation to provide a more marketable catch opportunity in the

coming years. For our clients, the size of the halibut they can legally catch is a key component in making their advanced booking decisions. Aside from helping market trips, larger size limits increase customer satisfaction on the water, which leads to more repeat business and greater economic contribution to Southeast Communities.

The GAF program is a non-starter for our business. It creates an unacceptable added cost to the customer and an unpredictable business model given changing lease prices and GAF fish size. As long-time business owners, we take time every year to reassess whether it makes sense to lease GAF and the program just doesn't work for us. The RQE will purchase quota shares over the course of years, slowly providing more flexibility via a willing-buyer, willing-seller option, something our business and others can build a plan around.

The RQE provides **choice** - something that has never existed in an allocation formula between a sport and commercial sector in the United States and, perhaps, the world. Choice to buy, choice to sell, choice to hold. I believe choice delivers the best decisions and benefits for the individuals involved and the communities of coastal Alaska.

I support:

- A single quota entity with two quota pools.
- A 5% annual transfer limit and at least a 15% cumulative limit of all commercial quota shares would be best for our business and local community.
- Protecting blocks of 1500lbs or less. Most new fishermen enter on C class vessels, so restricting D class vessels is unnecessary.
- Issuing unallocated RQE IFQs back to all shareholders proportionately. Unallocated RQE IFQs provide the highest value if not left in the water.
- Focusing RQE funds on acquiring commercial halibut quota and charter halibut permits, conducting habitat conservation and research, promoting halibut resources, and covering administrative costs. There is no need to use these funds for other purposes.
- RQE purchasing latent CHPs over time.

Sincerely,

Tom Ohaus

C9 Halibut Charter RQE  
PO Box 232 Petersburg AK, 99833

**Petersburg Vessel Owner's Association**  
(907) 772-9323  
email: pvoa@gci.net

March 29, 2016

North Pacific Fishery Management Council  
Dan Hull, Chair  
605 W Ave. Suite 306  
Anchorage, AK 99501  
[npfmc.comments@noaa.gov](mailto:npfmc.comments@noaa.gov)

RE: C9 Charter Halibut RQE Program

Dear Chairman Hull and Council Members,

Petersburg Vessel Owner's Association (PVOA) is composed of 100 members participating in a wide variety of species and gear type fisheries. An additional thirty businesses supportive to our industry are members. Our members fish throughout Alaska from Southeast to the Bering Sea. Targeted species include salmon, herring, halibut, sablefish, cod, crab, shrimp, pollock, tuna, geoduck, and sea cucumber.

PVOA's mission statement is to:

"Promote the economic viability of the commercial fishing fleet in Petersburg, promote the conservation and rational management of North Pacific resources, and advocate the need for protection of fisheries habitat."

### **C9 Halibut Charter RQE**

Petersburg Vessel Owner's Association members believe that the guided, unguided, subsistence, and commercial fishing sectors are all very important to the success of our community and customary lifestyles. PVOA is opposed to the creation of a Halibut Charter Recreational Quota Entity (RQE). We are concerned by the social-economic impacts on our commercial fishing fleets and small coastal economies dependent on the economic activity created by harvesting halibut. Our fishermen are afraid of the prospects of having to compete with a well-financed buyer to obtain quota shares. We believe this will create inflated quota share prices, consolidation in the commercial fishery, and reduced ability for new commercial fishermen to enter the fishery. "Even at a one percent annual purchase limit the RQE would be the largest individual player in the quota market" (page 12).

In Petersburg and other non-economically diverse coastal communities with very small charter fleets, the economic activity created by harvesting halibut by the commercial fleet; fuel, bait, ice, food, processing labor, freight shipping, vessel parts and maintenance, etc, are much higher than that created by our local charter fleet. In Petersburg, quota shares in the commercial sector create more local employment opportunities than in the charter sector and a transfer of shares could affect the whole community. Petersburg residents hold the majority of the quota share in 2C at 34 percent, second to Sitka at 19.5 percent. Our residents are ranked as the third highest quota share holders, at 11.3 percent, in 3A in 2016 (page 71). In 2014, 321 commercial vessels landed 1,166,005 pounds of halibut in Petersburg, while there are only 16 charter halibut permits held by Petersburg residents in 2016 (page 72-74) of all 122 charter permits in 2C (page 137).

### **Alternative 2**

C9 Halibut Charter RQE  
PO Box 232 Petersburg AK, 99833

Petersburg Vessel Owner's Association  
(907) 772-9323

Petersburg Vessel Owner's Association  
email: pvoa@gci.net

This is a very contentious policy with potential to vastly affect our local community. Some of these affects are quantifiable at this time, however some are not. While we are opposed to the RQE, we appreciate the opportunity to be a part of the conversation and help shape a program that would minimize the negative impacts to all users.

#### **4.8.1.1 Formation and Internal Management of Non-profit Entity**

While PVOA does not have a position on whether there should be one entity for both regulatory areas or two entities with one for each regulatory area, we question the dynamics of only one entity. What would the impacts be when quota share is purchased in 2C and added to the 3A charter catch limit? Could this lead to too high of fishing intensity in one area when all the sectors are combined? We believe that it is pertinent that each quota share pool be managed separately, as currently proposed, if there is only one entity.

#### **4.8.1.2 Transfer Provisions and Restrictions**

We are opposed to the restriction on transfers of D class quota. The idea of leaving it out and therefore obtainable for younger generations to enter the fishery is admirable, however, we do not view D class quota as entry level. D class quota shares are fished on vessels small enough that few or no crewmembers are needed. Crewmembers looking to work their way up generally fish on C and B class vessels. These are the boats large enough to require several hands. Many crewman looking to purchase his or her own quota have never fished a pound of D class shares and are looking to purchase quota they can fish on the class of vessel they are currently employed on. Allowing purchases from B, C, and D classes would spread out the impacts of this policy when attempting to address accessibility for existing and new entrants in the commercial fishery. If quota share transfers were restricted from purchasing D class quota, 92.3 percent of the quota available for purchase would be C class (page 84).

While PVOA appreciates the idea of transferring quota back to the commercial sector if the RQE obtains more quota shares than they fish, we are unsure of the practicality of transferring shares back to the commercial sector. The proposed date for estimating IFQ pounds held by the RQE for management measures is October 1. By this time the commercial fishery is close to over for the year and transferring it back would be very difficult. This complication is one of many reasons why the cumulative transfer cap needs to be prudently evaluated and not over estimated.

If this is attempted, PVOA members are opposed to the quota share changing class or block designation. The class and block system was carefully analyzed and formed to encourage owner-operated fishing and limit consolidation when it was implemented. It would be unfair to transfer it back at a different class disrupting the balance.

Since Charter Halibut Permit holders would not be paying for the quota share being obtained from the commercial sector, it seems unjust that any excess should be sold back to the commercial fishery, especially when the policy is expected to inflate quota prices. It would be more fair if the quota were transferred back and added on to the existing quota shares at no cost.

#### **4.8.2.2 Annual Transfer Restrictions**

We believe the annual amount of quota share available for transfer needs to be very carefully considered to

C9 Halibut Charter RQE  
PO Box 232 Petersburg AK, 99833

**Petersburg Vessel Owner's Association**  
(907) 772-9323  
email: pvoa@gci.net

mitigate impacts to the commercial fleets and the economies driven by them. Since quota shares transfer at low rates annually, the RQE limit needs to parallel this and also be set low. Otherwise, the RQE could consume all of the quota transferred in given year. At a 1 percent or less annual cap, based on historical averages, the RQE would consume 13 percent of 2C and 16 percent of 3A transfers (page 85). We urge the Council to set the limit at 1 percent or less.

#### **4.8.1.2.3 Total Cumulative Limits**

As with the annual transfer limit, the total cumulative limit needs to be set with care to avoid overly disrupting the markets and preventing existing and new entrants from accessing quota share. We believe the cumulative limit for transfers should match the current GAF transfer limits. PVOA members believe the cumulative transfer to the RQE and lease of GAF fish should be 10 percent in 2C and 15 percent in 3A. To explain, if 3 percent of the quota in 2C is being leased through GAF, 7 percent should be available for purchase through the RQE, with a 1 percent or less annual transfer cap. The GAF limits were set only two years ago, and the maximum allowable amounts are not being used. This is a sign that the guided sector does not need more quota shares transferred than the Council originally deemed appropriate. Our members believe this would be the best effort to attempt to ensure stability in the commercial fleet. It would also mitigate the ability of the RQE to continually purchase shares since their source of funding is undefined at this time and could be substantial.

#### **4.8.1.5 RQE Board Composition**

In order to have a more balanced Board of Directors for a RQE, we urge the council to allow more than one commercial representative on the Board along side the proposed; one community member, four charter halibut permit holders, and the ADF&G commissioner.

#### **4.8.1.6.2 Cost Recovery**

NMFS anticipates an increase in costs of managing IFQ for an RQE, including restructuring the IFQ transfer database and more transfer restrictions. PVOA believes it is appropriate that these costs be a burden of the RQE and not the commercial fishing participants currently paying IFQ fees. Please remember these fees were increased for 2016.

### **Alternative 3**

PVOA urges the Council to continue to consider Alternative 3 that would allow the RQE to purchase latent permits. In 2C and 3A, 20 to 25 percent of all charter halibut permits were not fished in 2014 and 40 percent of all charter halibut permits were found to be latent or underutilized (page 15). Removing these permits from the fishery would increase the amount of fish allocated between the remaining, active charter permits. It would also make management predictions easier and potentially allow for less restrictive measures.

If there is an additional review or action of this policy, PVOA members would like the size composition of halibut harvested in the commercial and recreational fisheries to be identified and analyzed for consideration. We believe one fish in one sector may not be equal to one fish in another due to variables such as management restrictions, areas fished, and the fishing intensity of different areas. The equivalent of a fish in one sector to another should be considered when calculating the pounds value of a quota share.

C9 Halibut Charter RQE  
PO Box 232 Petersburg AK, 99833

**Petersburg Vessel Owner's Association**  
(907) 772-9323  
email: pvoa@gci.net

PVOA realizes that both the commercial and recreational sectors are important to the economies and lifestyles of coastal communities. Many of the regulatory areas of Alaska are at lower levels of abundance compared to past years. We know most sectors would prefer more fish, but they are not available at this time. When forming this policy, please consider the socio-economic impacts of this policy on communities like Petersburg.

Respectfully,

A handwritten signature in blue ink that reads "Megan O'Neil". The signature is written in a cursive style and is positioned below the word "Respectfully,".

Megan O'Neil  
Executive Director



NPFMC comments - NOAA Service Account &lt;npfmc.comments@noaa.gov&gt;

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## RQE Support Letter from a New Charter Captain of Homer Alaska

1 message

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**jon osteen** <sportsmanjon@gmail.com>

Tue, Mar 29, 2016 at 12:42 PM

To: npfmc.comments@noaa.gov

Hi Chairman Hull and Thank You,

**My name is Jon Osteen, I am 32 years old and I am in the beginning of my Mariner Career as an Alaska resident and I have spent thousands of my own dollars on marine training, certification, and licenses in this state** for the sake of participation in the Alaskan fishing industry. This year will be my first year skippering a halibut charter vessel out of Homer and the charter I will be working for has recently been purchased by new owners. Both me and my charter owners have big dreams of contributing to the continuation of Alaska being a fun and epic destination for adventure and fishing. **We want to keep the Alaskan fishing community strong and we need your help.**

I am writing today **in support of the proposed RQE program** and in response to the recently released program document. I support having a single quota entity with two quota pools. I think that a 5% annual transfer limit and a 15% cumulative limit of all commercial quota shares would be best for our business and local community. I know that most new fishermen enter on C class vessels, so restricting D class vessels is unnecessary, but blocks of 1500lbs or less should be protected. Unallocated RQE IFQs should not be left in the water, but issued back to all shareholders proportionately. Finally, there are latent CHPs which the RQE should be able to purchase over time.

An RQE is the best option for guided sportsfishing and the Alaska economy. For my clients, the size of the fish they can catch is important in making their booking decisions. The less restrictive our fishing conditions, the more happy customers we have frequenting our community. My new business owners cannot afford to take time every year to reassess whether I can lease more IFQs to ensure our clients have a good time. This is a great, voluntary way to use quota shares.

Best and Thank You,

Jon Osteen

Chairman Hull,

My name is Capt. Leslie Anne Pemberton. I am the co-owner of Puffin Fishing Charters in Seward, Alaska along with Dr. Denise Hawks.

I flew to Dutch Harbor in 1975 when I was 19 to make money to go back to college. I never went back to school.

Working on boats and spending years on the water lead me to fall in love with the ocean, fishing and look for my niche' in the industry.

I started out working as a processor for a few years, then started working my way onto the offloading docks, where I got to know the boats, captains and crew.

I took to fishing and then decided that commercial fishing was a means to obtaining sea time for my Captains license.

After obtaining my Captains license a few years later, I started working as a Captain for the military rec camp out of Seward in the summers and commercial fished in the winters out of Dutch Harbor.

After several seasons working for the Military Rec Camp I decided to start my own Charter Fishing Company.

I started Puffin Fishing Charters on my own with one small 6 passenger boat in the early 1990's, with very little working capitool.

It didn't take long to see that there was and still is very little profit operating one six passenger vessel.

I brought on a Business partner, Denise Hawks, in the late 90's and we decided the niche' was to build custom built mid size 10-12 passenger charter fishing vessels. We currently operate 4 charter boats, and hold four 11-18 passenger Charter Halibut Permits.

We employ 5 Captains and 5-6 deckhands during the summer months.

Half my crew, are long time Alaskans and have chosen a career in the commercial and sport fishing industry.

We have deckhands who have worked on deck for several years than now are acquiring their Captains license and running boats.

We take out thousands of people every season.

We feel clients utilizing our business also utilize the local restaurants, bars, shops, grocery stores, b n b's, and hotels.

The one day off restriction of no halibut retention implemented last year and this year has created a tremendous hardship for us.



Our peak operating season is very short. We lose close to \$19,000 each day, once a week for a 2 month peak season...with over \$100,000 of lost revenue for already high expense operation.

Our pre-bookings for the following season starts in September. Every year in late February, after months of pre-bookings the fisheries meetings take place.

After restrictions are determined I end up calling 100's of clients to inform them date they chose is a no halibut retention day.

Their hotels have been booked, their flights already made.

We've always targeted mid-size Halibut for combination trips for this is all we do. We would like our 2 fish limit back.

We have clients that have been out with us over 20 years now and come out on multiple 3-5 day trips.

This forces us to retain one halibut of any size and not retain the smaller fish that we need for a more realistic analysis at the end of the season when sampling reports come in.

We would like our annual limit lifted.

An RQE is the best option for our industry. We support having a single quota entity with two quota pools. A 5% annual transfer limit and a 15% cumulative limit of all commercial quota shares would be best for our business and community. Blocks of 1500lbs or less should be protected. Unallocated RQE needs to be issued back to all IFQ shareholders proportionately.

We also strongly encourage the council to, as soon as possible, address the latent non transferable permits, which are causing a strain on our resource.

We also feel that companies with no history in our industry should not be able to buy their way in to our industry without prior charter/commercial fishing history.

Therefore, a program similar to the commercial IFQ qualifying certificate prior to purchase quota needs to be implemented. So only people that have history in our fisheries can buy CHP's.

I have been extremely fortunate and blessed to been able to have a career in the commercial/sport fisheries.

I would like my long term employees who we wish to pass the business onto to have that opportunity also.

Respectfully,

Capt. Leslie Pemberton/Denise Hawks  
Puffin Fishing Charters/Seward, Alaska

Seward, Alaska



NPFMC comments - NOAA Service Account &lt;npfmc.comments@noaa.gov&gt;

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## C9 Charter halibut RQE

1 message

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**Patricia Phillips** <Pacific@hughes.net>

Tue, Mar 22, 2016 at 9:25 PM

To: npfmc.comments@noaa.gov

I am writing in opposition to the charter reallocation proposal.

1. The Halibut Catch Sharing Plan was intended to settle the allocation dispute and has only been in place for two years. The halibut industry deserves stability.

2. Low abundance is difficult for everyone not just the RQE industry.

It is difficult to watch the unfettered harvest by the sport charter industry; mostly out for the trophy fish – the high-grading to get the biggest fish.

3. The cost of entry to the halibut fishery is already prohibitive for residents of Alaska's fishery dependent communities without adding a new subsidized entity to the quota share market.

4. The CQE program did not get a subsidy, though many of the rural communities would be eligible and it would create year-round sustainability if it was subsidized.

5. The GAF program allows charter clients to lease 10% of a commercial fishermen's quota. Allowing more than a 10% reallocation disregards the 20 years of work and compromise that went into the CSP.

6. Reallocating quota from commercial to charter sectors will contribute to localized depletion and destabilize the commercial, sport, and subsistence sectors. When is this going to stop? This transfer of a resource that many in the IFQ industry are still trying to catch up on their annual payments for a resource that has been cut by 80%

7. Despite requests from commercial halibut fishermen, the current alternatives do not include a cumulative cap on the amount of quota that can move from the commercial to the charter sector (RQE plus GAF). If this amendment moves ahead, both the alternatives and the analysis must be revised. If this proceeds, as is seems railroad to do, there must be a ceiling that x amount of RQE transfers cannot be exceeded

8. The 1 million pounds of Area 2C halibut sought by the charter industry will take 1.6 million meals away from halibut loving Americans-- in return for two more inches of guided sport opportunity (increasing the charter halibut reverse slot limit from 42 to 44 inches). THAT is an unfair trade-off!

9. We live in Pelican, AK and our way of life depends on a sustainable halibut fishery. A healthy halibut resource and fishery is vitally important to our crew, family, and community.

Patricia Phillips

PO Box 109  
Pelican, Alaska 99832

North Pacific Fishery Management Council

Re: RQE/C9

March 28, 2016

Dear Council Members,

I am a halibut charter business owner, with two boats in Area 3A. I support the RQE's intent.

The RQE's intent was and should continue to be an avenue to restore the 2 fish no size restriction limit to the charter fishery. The restrictions/modifications make the RQE much less attractive, however, it is many times more viable than the GAF system, which is totally economically unfeasible.

The State of Alaska sold more than 130,000 LESS fishing licenses to non-residents in 2015 compared to 2007 Halibut fishing restrictions are, in my opinion, clearly part of the reason for this.

According to NOAA, the value to the economy of a sport caught fish\* is worth many times the value of a commercially caught fish\*\*. When you combine the value of the sport caught fish and the loss of sport fishermen, it becomes an incredible economic loss to the economy.

Thank you for reading my letter,

David Pinguoch  
PO Box 623  
Whittier, AK 99693  
907 715-7447

\* The value of each pound of sport caught fish to the economy is over \$150.

\*\* The value of each pound of commercially caught fish to the economy is less than \$2.

***ProFish-n-Sea Charters***

Zernia Enterprises, Inc.

P.O. Box 693

Seward, Alaska 99664

(907) 224-5122

March 28, 2016

North Pacific Fishery Management Council,  
Dan Hull, Chairman  
605 West 4th, Suite 306  
Anchorage, Alaska 99501  
Via email to: [npfmc.comments@noaa.gov](mailto:npfmc.comments@noaa.gov)

Re: Agenda Item C9 - Charter Halibut RQE

Dear Chairman Hull,

My name is Steve Zernia. I am writing in support of forming an RQE under Council Agenda Item C9. My corporation owns and operates ProFish-n-Sea Charters in Seward, Alaska. We operate 3 charter fishing vessels that fish for halibut, salmon, and bottom fish. Halibut fishing is our primary focus and the reason many guests come to fish with us each year.

Over the last few years, as harvest limits in the guided halibut fishing industry have become more restrictive, we have lost clients who feel the changes have made the cost of a halibut charter not worth the price of the trip. This has had a big effect on my clientele who previously fished for 3 days or more. Most of these were people who traveled to Alaska with the primary focus of fishing while they were here. The loss of these anglers not only affects my business but also businesses such as hotels, restaurants, tour companies, car rentals, and sport-fish processors.

I support the proposed RQE program for the charter industry and believe it can increase stability in our industry by smoothing the ups and downs in halibut abundance. I support the creation of a single RQE that holds two pools of quota, one for 2C and one for 3A. I would like to see the RQE funded by a user fee or stamp program for anglers who utilize the halibut resource aboard our vessels. A 5% annual transfer limit and a 15% cumulative holding limit of all quota shares would ensure viability for both the commercial and charter sectors.

Many new entrants into the commercial halibut fishery start with C class vessels, so restricting D class quota may not be necessary. To protect small operations, blocks of 1500lbs or less should be protected. Unallocated RQE IFQs could be issued back to IFQ shareholders on an annual basis. I also believe the RQE should be able to purchase and hold latent CHPs with the intent of reducing potential effort at times of low abundance. These permits could be leased to members of the charter industry at times of high abundance.

I appreciate having the opportunity to comment about this important proposal and hope the council will enact the RQE program.

Sincerely,

Steven R. Zernia  
Zernia Enterprises, Inc.  
ProFish-n-Sea Charters



NPFMC comments - NOAA Service Account <npfmc.comments@noaa.gov>

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## C9 Charter halibutRQE

1 message

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**Marty Remund** <remundmarty@yahoo.com>

Tue, Mar 29, 2016 at 5:04 PM

To: "npfmc.comments@noaa.gov" <npfmc.comments@noaa.gov>

Sent from my iPad I oppose the charter reallocation. The Halibut Catch Sharing Plan took 20 years to implement and has only been in place for 2 years. The halibut industry deserves stability. Low abundance is hard for everyone. The cost of IFQ's is already high for long liners, without adding a new subsidized entity to the IFQ market. Reallocating quota from the commercial to charter sectors will contribute to destabilizing the commercial sport and subsistence sectors. We need a cumulative cap on the amount of quota that can go from commercial to charter of about 10 percent. Thanks Marty Remund, Port Alexander

March 29, 2016

Chairman Dan Hull  
19300 Villages Scenic Pkwy  
Anchorage, AK 99516

RE: Halibut RQE Program

Dear Chairman Hull,

My name is Samantha Weinstein, I am a resident of Juneau, Alaska, and Executive Director of the Southeast Alaska Guides Organization (SEAGO). SEAGO is a non-profit dedicated to the sustainability and profitability of the sport fishing industry in Southeast Alaska. We work to promote the tradition of sport fishing in Southeast Alaska through reasonable regulations that ensure the long-term sustainability of our members' businesses and fish resources. I am writing today to share SEAGO's support of the proposed RQE program and in response to the recently released program document.

As a representative of the Southeast guided fishing community, SEAGO supports an RQE program as the best option for guided sportsfishing and the Alaska economy. For SEAGO members, the size and number of the fish their clients can catch is a key component in making their booking decisions. The large majority of SEAGO member's clients fly directly in to Alaska to engage in guided sportsfishing; if they cannot catch, they do not fly in at all. An RQE program will provide a slow, voluntary process to move allocation and, over time, provide a more marketable catch opportunity for clients. As the guided fishing regulations relax, clients will be more satisfied with their experiences and more likely to fly in and benefit our local communities.

Each year, guided sportsfishing businesses throughout Southeast host tens of thousands of nonresident sportsfishermen. These clients frequent local transportation operations, accommodations, restaurants and bars, and retailers of gifts, souvenirs, clothing, fuel, and fishing gear. In Ketchikan alone, 2008 Visitor Bureau findings show a total economic impact of \$20 million, including spending in the above categories, increased employment in a variety of sectors,<sup>1</sup> and the subsequent spending of industry employees in the community. All of this spending is subject to City and Borough taxes,<sup>2</sup> and will

<sup>1</sup> Local hiring rates were estimated at 87%.

<sup>2</sup> Ketchikan has a City sales tax of 6% and bed tax of 7%; the Borough sales tax is 2% with a bed tax of 4%.



only go up as fishing regulations are slowly adjusted to provide a potential benefit to clients.

In addition to client-centered concerns with the current programs, business owners want to be able to create a more predictable business plan based on advanced bookings. The GAF program requires business owners to reassess their leasing options year after year, creating a varying level of risk for each season. The RQE program creates greater reliability by reducing this variable. It creates a willing-buyer, willing-seller option, which these business owners can plan around. It creates choice in allocations between the sport and commercial sector. Please vote to support this choice.

SEAGO supports:

- A single quota entity with two quota pools;
- A 5% annual transfer limit and a 15% cumulative limit of all commercial quota shares would be best for our business and local community.
- Protecting blocks of 1500lbs or less. Most new fishermen enter on C class vessels, so restricting D class vessels is unnecessary;
- Issuing unallocated RQE IFQs back to all shareholders proportionately;
- Focusing RQE funds on acquiring commercial halibut quota and charter halibut permits, conducting habitat conservation and research, promoting halibut resources, and covering administrative costs. There is no need to use these funds for other purposes;
- RQEs purchasing latent CHPs over time.

Sincerely,

*Samantha Weinstein*

Samantha Weinstein  
Executive Director  
SEAGO



# Southeast Alaska Fishermen's Alliance

9369 North Douglas Highway

Juneau, AK 99801

Phone: 907-586-6652

Email: [seafa@gci.net](mailto:seafa@gci.net)

Fax: 907-523-1168

Website: <http://www.seafa.org>

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March 29, 2016

North Pacific Fishery Management Council

Dan Hull, Chair

605 W 4<sup>th</sup> Ave. Suite 306

Anchorage, AK 99501

Sent via email: [npfmc.comments@noaa.gov](mailto:npfmc.comments@noaa.gov)

RE: C-9 – Charter Halibut RQE – Initial Review

Southeast Alaska Fishermen's Alliance (SEAFA) would like to make the following comments regarding the initial review of the Charter Halibut RQE action. While the present analysis is an improvement over the December version, we are still concerned that throughout the document the comment is made that a future draft could expand or provide more information about aspects of the proposal. We believe that it is important to have all available information prior to any decision being made, therefore we consider this analysis incomplete and not ready for release to the public. In addition, we believe that more decision points are necessary to have a program that is not harmful to the other user groups and Council programs.

First we would like to discuss the various elements and options in the December Council motion.

SEAFA does not support Alternative 2 as presented.

Element 1. Number of entities – either option is fine

Element 2. We support two way transfers with the quota class and block designation retained if sold back to the commercial sector. Unfortunately, how this process would function is not described in the analysis. It does say that the amount of quota held on October 1<sup>st</sup> must be held for the year (element 3). So how or what would be the process in selling quota back to the commercial sector? Our option would be that quota could be sold between February and September 15 as fished quota.

Option 1 – DO NOT SUPPORT

Option 2 – Expand the lower limit of the option for annual limits on transfers to RQE's in each regulatory area to 0.50%. SEAFA supports a limit on annual transfers of .50% in 2C.

Option 3; sub-option 1 & 2 SEAFA supports total cumulative caps of 10% that also includes GAF fish. The inclusion of GAF fish could be structured as described in Appendix B where the difference between the amount of quota held by the RQE and the cap can be used as GAF fish by individual charter operators.

Option 4 – SEAFA does not support either sub-options. By putting restrictions on some quota you create a larger barrier for those fishermen trying to buy the same quota as the RQE and overall increase the quota. The IFQ program works so well because there is a large variety of block sizes and class designations. Many crew start with small blocks of C quota, but then as they earn additional funds they will sell the small block and buy a slightly larger block of QS. Most crew buy C class QS not D because they are crewing on a slightly larger vessel and they want QS to fit the vessel they crew on. There also becomes a time when a crew member will become interested in buying their own boat and getting into some state fisheries. This is the point when they may be more interested in D class because that is the size of the vessel they purchased.

Element 3 – We appreciate the Council adding these additional options. SEAFA does not support an RQE leasing excess quota share. Section 4.8.1.3 provides additional information about this section but the text is confusing or contradictory. Would this option only be available when RQE holdings are greater than necessary to meet the same management measures as prescribed for the unguided recreational fishery? The question is because that section then refers to it being unlikely that 2C will be able to meet a two fish (any size) bag limit but 3A may have excess RQE QS “could occur with a high allocation and low annual limit”. If I understand the intent of this section if there were still annual limits in place the RQE QS would be used in the recreational sector not available to the commercial sector. SEAFA supports unallocated RQE IFQ being left in the water or sub-option 2 equally to all quota share-holders as the most fair of all options. Our preference is that an RQE would not hang on to unnecessary QS and allow it to reenter the commercial sector.

Element 4 – We believe that the ‘promotion of the halibut resource’ should be deleted from this section or more fully explained. It states that the RQE could not use funds to market the charter halibut sector or angler participation in the charter halibut sector so what does “promotion of the halibut resource” actually mean and allow. Our preference is delete the language and make sure that the remaining language is very clear on what a RQE can and can't do. We support the restriction on use of funds to market the charter halibut sector or angler participation in the charter halibut sector.

Element 5 – RQE Board Composition. SEAFAs do believe that the Council needs to look at some issues regarding board composition but that the current options may be too prescriptive. We don't believe that State of Alaska Commissioners (or their delegates) should be appointed to the Board in order to get free advice. Their participation, should be based on their judgement on whether they should be attending the meeting or in response to an invitation. SEAFAs strongly supports the requirement of an annual report from the RQE regarding their activities for the year and that they are in compliance with element 4, the amount and quantity of transfers (whether purchases or sales) of quota share, amount currently held, any changes to Articles of Incorporation and bylaws be registered with NMFS or included in the annual report and current make-up/ change to board of directors. It is fair for the Council to require that the RQE be a non-profit State of Alaska Corporation and that the board make up include representation of all major users (including for example; CHP permit holders, Commercial QS holder, a subsistence user, a non-guided recreational user, and a coastal community or municipal representative) and that a majority of the board members may be CHP holders.

SEAFAs believes the following issues need to be addressed in the Council motion so that the issue is explicitly addressed and a record built for the elements.

4.8.1.6.1 Overage and Underage provisions. While SEAFAs is opposed to an overage or underage provision passing, we believe that it is important that the discussion occurs and is clearly in the record that an RQE QS/IFQ is not eligible for an overage or underage provision.

4.8.1.6.2 Commercial QS cost recovery fees and Observer fee (discussed in Appendix A) needs to be addressed. SEAFAs strongly believes that if the guided halibut charter sector plans on purchasing QS/IFQ as a common pool that a mechanism is necessary that the cost recovery fees and observer fees are paid on the QS held by the RQE. This could be accomplished similar to how the ex-vessel price is determined for GAF fish and charged to the QS holder that leased them.

Section 4.8.1.7 is a section that looks at funding sources considered by Charter Groups. SEAFAs has the following comments about this issue and section of the analysis partly based on the information learned as a participant from the 2007 halibut charter stakeholder process because the CATCH plan and the plan before the Council is not significantly different than what was under consideration as a common pool program during that time frame. First, it is important to understand that SEAFAs is opposed to the use of a halibut charter stamp to fund an RQE program. While we understand that this is not a Council decision point the analysis itself in 4.8.1.7 points out that it is an important component to monitor and add to the analysis as

issues are identified. Based on the information gathered during the 2007 halibut charter stakeholder process, it was determined that it was not legal for the State of Alaska to issue a halibut charter stamp to just guided anglers under the Halibut Act. We are unable to support a common pool approach that has an unending angler source of funding such as a halibut stamp. We believe the more correct option would be a non-profit association formed under State of Alaska laws that self-assesses itself such as the salmon enhancement or marketing associations. Part of our reason for preferring this option is that before self-assessing a tax on an industry (whether the guided halibut charter operators, or salmon fishermen for enhancement etc) they have to vote the self-assessment (tax) into existence. We believe that this is a critical component or it needs to become a component of the Council process in forming an RQE. That the charter operators knowingly take action to self-assess (tax) themselves in order to form and fund an RQE association. A vote of all charter halibut CHP holders in a region (2C and 3A separately) before the formation of the RQE and the Charter Operators own money paid into the RQE (although whether a halibut stamp or paid by the charter operator, we understand that it is ultimately the client who pays the money). This promotes stewardship and ownership into the process. (State of Alaska requires a majority of the permit holders in an election to vote and you must have a majority of those that voted affirmatively for the self-assessment to be implemented in the marketing association requirements.)

SEAFSA supports Alternative 3 although we believe more analysis is necessary, further breaking down effort and harvest information into transferable permits, non-transferable permits and CQE permits.

We noticed that the section on net benefits to the nation states that, "total and annual transfer restrictions may be an important tool of the Council" because unlimited or substantial transfers would produce a negative net benefit to the nation. It is important to remember that the majority of the consumers of halibut get it from purchases in restaurants and grocery stores through the commercial fishery.

Thank you for the opportunity to comment on this issue again.

Sincerely,

A handwritten signature in black ink that reads "Kathy Hansen" followed by a long horizontal line extending to the right.

Kathy Hansen  
Executive Director

Alaskan 4 Star Charters  
11321 Via Appia Anchorage Alaska 99515  
(907) 244 2847

Dear Chairman and other members:

My name is Jody Mason, my wife and I operate a charter fishing business out of Whittier Alaska.

We started Alaskan 4 Star Charters back in 2000

I will make this short, I see no reason in listing the thing that we have done or what organization we belong to, as they have no place here and now. What does is the RQE.

I'm in favor of the RQE; I see it as a must have at this point to try to keep what's left of our business, due to fewer clients booking days as a result of the constant changing of regulations and size requirements. I understand something has to be done, and at this point in time I see the only solution we have in front of us is this one, so with regrets I again say I'm in support of the RQE.

Thank you for your time.

Jody Mason

Alaskan 4 Star Charters

3/29/2016

North Pacific Fisheries Management Council  
Anchorage, AK

**RE: C9 Charter halibut RQE**

Dear Council Members,

We are a fourth generation commercial fishing family, and **we oppose the charter reallocation.**

The charter sector has been around for a small percentage of that time and has nowhere near the investment that we have in our vessels and our purchases of quota for hundreds of thousands of dollars.

The commercial fishing sector supports Alaska communities and puts food on the table of millions of Americans who otherwise do not have access to the halibut resource.

The 1 million pounds of Area 2C sought by the charter industry in return for two more inches of guided sport opportunity (increasing the charter halibut reverse slot limit from 42 to 44 inches) is a POOR Trade-off!

The GAF program allows charter clients to lease 10% of a commercial fishermen's quota. Allowing more than a 10% reallocation negates the 20 years of work and compromise that went into the CSP.

Despite requests from the commercial halibut fishermen, the current alternatives do not include a cumulative cap on the amount of quota that can move from the commercial to the charter sector (RQU plus GAF). If this amendment moves ahead, both the alternatives and the analysis must be revised.

The Halibut Catch Sharing Plan was intended to settle the allocation dispute and has only been in place for two years.

The cost of entry to the halibut fishery is already prohibitive for residents of Alaska's fishery dependent communities without adding a new subsidized entity to the quota share market.

Low abundance is difficult for everyone, it will cost crew jobs, contribute to localized depletion and destabilize the commercial, sport, and subsistence sectors.

Our family has been halibut fishing since the 1920's. High maintenance and operating costs combined with decreasing quotas, huge bank loans, and now the threat of reallocation to the charter industry is creating hardship to our family, our crew's families, and to cannery workers and their families, all of whom support local Alaska businesses.

Please give our halibut industry stability! Say NO to the C9 Halibut Charter RQE Program! And yes to Alaska residents!

Thank you for your time.

Sincerely,

Mark and Karen Severson  
FV Odin Inc.  
fvodin@gci.net  
Petersburg, AK 99833



NPFMC comments - NOAA Service Account &lt;npfmc.comments@noaa.gov&gt;

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## C9 Charter Halibut Recreational Quota Entity (RQE)

1 message

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**jan standaert** <j\_standaert@hotmail.com>

Tue, Mar 29, 2016 at 2:10 PM

To: "npfmc.comments@noaa.gov" &lt;npfmc.comments@noaa.gov&gt;

March 29, 2016

Mr. Dan Hull  
Chair  
North Pacific Fishery Management Council  
604 W 4th Ave, Suite 306  
Anchorage, AK 99501

Dear Chairman Hull and Members of the Council

The Deep Sea Fishermen's Union of the Pacific stands opposed to the RQE. We believe that the entity creates an unfair advantage to a group who may be able to use private and publicly POOLED funds to compete against the commercial fisherman in the purchase of QS/IFQ's. The proposal puts commercial fishermen and RQE's on two different playing fields with a different set of rules. We, the commercial fisherman, can only purchase QS as an individual and must be on board the vessel as a Quota Share owner. The proposed RQE program bypass these rules. RQE Quota Share owners do not have to be on board. The obvious effects of these unfair advantages (pooled funds, no owner on board) will be the increase in the market price of QS, thereby increasing the barriers to entry to commercial fishermen who want to buy QS. Another obvious effect will be the loss of crewmen jobs. Many of us have participated in the IFQ program with a long range plan to increase our IFQ ownership and crewman participation under a set of existent rules. These rules are now being reconsidered midstream and if changed would undermine our long term stability and business plans.

As well, there remains, in the proposed RQE program, a huge uncertainty the effects of these "special rights" have on the individual and vessel caps established under the original IFQ program. From year to year the QS owner will not know, depending on how much QS was transferred to the RQE, if they are over the caps. This creates a high potential to disrupt the long term business model of the existent and highly leveraged QS holder, many of whom are members of our Union.

We also believe the Initial Review Draft lacks content regarding the effects of the proposed RQE program on localized depletion of the halibut resource. This is a significant conservation, as well as, social and economic oversight. The IPHC model of one halibut biomass is still controversial, at least among stakeholders many of whom still question the model's effects on localized depletion.

In conclusion, the Deep Sea Fishermen's Union believes that the RQE program will be detrimental to the commercial fisherman. We are discouraged by the oversight and lack of analysis on a highly complex issue, especially in view of the fact that there are already established programs, CHP's and CSP's, that address the Charter problems.

Thank you for the opportunity to comment.

Sincerely,

Jan Standaert  
Vice President, Deep Sea Fishermen's Union



29 March 2016

Dear Chairman Hull,

My name is Bill Steele. I am user of the halibut charters one to two times a year. I have been using charters since 1998. During this time I have watched the charter businesses change with some very good charter captains getting out of the business due to uncertainty and restrictions.

The 2016 regulations for charter boats further restricts the harvest. Area 3A, where I fish, is the only region that took a reduction. Although a large number of charter clients are non-residents, there are plenty of residents these rules adversely effect.

Each year I host non-residents in Alaska. They all wish to fish for halibut and take some great eating home with them. The 3A limit has been changed to one of any size with the second less than 28 inches. In effect, one fish. With the price charter captains are forced to charge due to fuel, insurance, etc., it is getting to the point people do not want or cannot to spend the money. At first you would think this would decrease the harvest, and it may but the impact this will have on the charter captains and the state as a whole is profound. A number of people that used to come up to visit me no longer do so due to the restrictions on halibut. They usually spend 3000 to 5000 dollars in the state that will no longer happen. Those that do come up, state that if the option to do a halibut charter was off-the-table, they would not return.

As a resident I rely on the charter captains to harvest the halibut I eat all year. The new limit of 4 halibut leaves me a difficult choice. I can either take a less than 28 inch fish on 2 charters for my four fish limit or pay for 4 charters to get four of any size, which is beyond my ability to do.

There has been discussions concerning IFQ and/or RQE which I have to admit I do not fully understand. Categorizing charter captains as commercial fishermen is in itself a problem. What should not happen is an increase in the cost of doing business as a charter captain because that too will discourage people from booking charters. I have seen charters go from \$125 to over \$300 since I have been in Alaska. It has already discouraged many people, both residents and nonresidents, from booking charters. Any more increases will adversely affect the client base.

If an RQE is the best option for guided sport fishing and the Alaska economy, then so be it. An organizational board for RQE should not have commercial fisherman on it, only charter captains and charter users. ADF&G should also be represented, from the sport fishing division. The size of the fish people can catch is important in making their booking decisions, although I do discourage my friends that come up from keeping halibut above 200 pounds. The less restrictive the fishing conditions, the more happy people we will have frequenting our state and booking charters.

Sincerely,

Bill Steele  
Anchorage, AK



# Captain Greg's Charters

Capt. Greg Sutter

**P.O. Box 2202, Homer, Alaska, 99603-2202**

**email: [captgreg@alaska.net](mailto:captgreg@alaska.net) website: [www.CAPTGREG.com](http://www.CAPTGREG.com)**

**Toll free (877) 235-4756 (907) 235-4756 Cell: (907) 399-4856**

March 29, 2016

Chairman Dan Hull and Council Members  
North Pacific Fishery Management Council  
605 West 4th, Suite 306  
Anchorage, Alaska 99501-2252

Re: C9 Charter Halibut RQE/Support for RQE

Dear Mr. Chairman and Members of the Council,

I strongly urge you to support the creation of the Recreational Quota Entity (RQE). I was a member the Halibut Stakeholders Committee where the genesis of this concept arose. This committee was created as a result of the failed Charter IFQ proposal where quota would be traded, with the full support of the commercial sector, between the charter and commercial sectors. As part of that committee's conclusion about any new program moving forward, it was agreed that any transactions that occurred would be between a "willing buyer and seller." The proposed RQE accomplishes that goal as well as increases opportunities for recreational anglers fishing on charter boats.

Since the Catch Sharing Plan (CSP) has been in place with its "lease only" Guided Angler Fish (GAF) provision benefitting a very small fraction of anglers, the vast majority of charter anglers opportunities have diminished--resulting in lost revenues for charter businesses, other related businesses and reductions in sales tax collections for local boroughs and municipalities and decreased fishing related tourism activities in our debt ridden state of Alaska. Without adversely affecting the commercial longline industry, slowly over time, the RQE could provide help to remedy these situations for the benefit of future generations.

My recommendations based on the current options are have single quota entity with two quota pools, a 5% annual transfer limit and a 15% cumulative limit of all commercial quota shares, allow purchase of any available quota based on A, B, C or D vessel class and based on a "willing buyer and seller" concept. In the long term, projected unused RQE quota should be available for commercial use by class designation well before (e.g. September) the end of their season.

I thank you for your consideration in advance.

Sincerely yours,  
Greg Sutter



**NPFMC comments - NOAA Service Account** <npfmc.comments@noaa.gov>

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## RQE program

1 message

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**Diane Svymbersky** <pacsun.svymbersky@gmail.com>

Mon, Mar 28, 2016 at 10:57 AM

To: npfmc.comments@noaa.gov

Dear Chairman Hull,

My name is Joe Svymbersky and I've been the owner/operator of Pacific Sun Charters since 1992. I've seen the halibut charter industry get squeezed and regulated for 32 years. from GHLS and CHPs to CHP I've seen it all. For god sake throw us a bone and support the RQE program . Joe Svymbersky



NPFMC comments - NOAA Service Account <npfmc.comments@noaa.gov>

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## C9 Charter Halibut RQE

1 message

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**Roger Thomas** <rogerkathythomas@yahoo.com>

Tue, Mar 22, 2016 at 10:31 AM

Reply-To: Roger Thomas <rogerkathythomas@yahoo.com>

To: "npfmc.comments@noaa.gov" <npfmc.comments@noaa.gov>

I am writing to oppose any further transfer of halibut quota from the commercial fisherman to the other commercial fishery called the charter fleet. We have seen our quota cut over the years to a point our fishing family now is struggling to make a living. It is time to stabilize the halibut fishery and quit letting the charters keep changing the rules.

This is written by Roger A Thomas, F/V Kathleen Jo



NPFMC comments - NOAA Service Account &lt;npfmc.comments@noaa.gov&gt;

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## Agenda Item C9 - Charter Halibut RQE

1 message

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**Russell Thomas** <russellt@aseresorts.com>

Tue, Mar 29, 2016 at 2:51 PM

To: npfmc.comments@noaa.gov

Chairman Hull &amp; North Council Members:

My name is Russell Thomas and I am the General Manager of Alaska Sportfishing Expeditions in Ketchikan. Our business is a family owned and operated group of three fishing lodge providing both guided and self-guided fishing opportunities for anglers targeting salmon, halibut and other bottom fish species. I am a life-long Alaska resident and am now raising my own children in the community of Ketchikan.

I know other supporters will likely address the need for the RQE program, how it will affect our businesses, and the benefits of providing a willing seller/willing buyer opportunity in the marketplace. Because I feel those points will be adequately addressed by others, I would like to focus my comments on one criticism I have heard often from RQE opponents: The formation of an RQE, and subsequent transfer of IFQ into a guided recreational common pool, will create barriers for new entrants into the commercial IFQ market.

Taken on its face, this assertion may have some validity. There is a limited supply of available halibut, the RQE(s) will have resources available to them to purchase quota share, and this may cause the price of IFQ to rise (at least initially). Any change of this magnitude will always have some negative impact. If the litmus test for making changes was only, "Will **ANY** user be negatively impacted by this decision?" we would never affect change that benefits the group at large. The question instead should be, "Do the positives that affect many outweigh the negatives that affect some?"

To illustrate this point, I would like to highlight the halibut IFQ program itself. There were some who had not fished the entire qualifying period and received less quota than they may have otherwise been eligible for. Some did not fish in the qualifying period at all, but may have fished '91, '92, & '93 prior to the issuance of quota share. Those fishermen received nothing. Additionally, many people used the "barrier to entry" argument as a reason to oppose the rationalization of the fleet. A young man or woman who had previously been able to easily participate in the fishery would now have to buy their way in. These arguments and negative effects were not unique to the commercial fleet. When the Charter Halibut Permits were issued to charter boat operators, similar circumstances presented themselves and similar arguments were made against the program's implementation. In short, some people came out of the change as winners, some didn't.

In spite of some negative consequences to a small group of users, it would be hard to argue that the implementation of the IFQ program has not had huge benefits to many users. The IFQ program eliminated gear conflicts, enhanced safety by expanding the season to 8 months per year and allowing fishermen to decide what kind of weather they wanted to fish in, and provided a steady stream of fresh fish to the marketplace, enhancing the quality of the product and commanding better prices at the dock. Similarly, CHP implementation has not only placed a ceiling on the number of charter boats allowed to harvest the resource, it has also allowed managers to more precisely predict fishing pressure, allowing NMFS to more liberally manage the charter fishery without fear of the fleet exceeding its annual harvest ceiling.

The biggest frustration I have with the "barrier to entry" argument is the priority placed on commercial fishery entrants over those who might like to enter the charter fleet. In my business we hire independent boat operators to do charter work for our company. Of the 7 or 8 boats we use on a regular basis, 5 of the owner/operators graduated from Ketchikan High School. Three of them began charter fishing immediately following high school and now have been running their businesses for 20 years. As we talk about "barriers to entry", the fact that the RQE would eliminate or diminish some barriers to entry into the charter fleet cannot be ignored. Liberalized size-restrictions and daily bag limits would enhance an operator's ability to sell their product, making the business more profitable and enhancing the business's long-term viability. Not surprisingly, many of these charter fishermen are simply fishermen – they love the ocean and spend as much time as possible there. Many make their living in the summer on a charter boat and spend the winter months catching Chinook from a troller or crabbing and halibut fishing. These fishermen deserve the same consideration as entrants who choose to enter the commercial fleet.

In short, the benefits of the RQE program significantly outweigh any potential negative consequences. If for instance, the price of IFQs does increase, current IFQ holders would be the beneficiary of that increase in value. The charter fleet would also benefit by having access to additional fish. An additional buyer in the market may help those IFQ holders who wish to exit the market but have previously been forced to sell at a discount. The countless hours and months and years the Council has spent on trying to referee disputes between the commercial and charter sectors could be redirected to other important issues facing the Council.

I appreciate the Council's willingness to consider this fresh alternative and am pleased that the change is being considered methodically and carefully. I support the following alternatives being considered by the Council:

A single quota entity with two quota pools.

A 5% annual transfer limit and at least a 15% cumulative limit of all commercial quota shares would be best for our business and local community.

Protecting blocks of 1500lbs or less but no restrictions on D Class shares.

Issuing unallocated RQE IFQs back to all shareholders proportionately.

Allowing RQE Funds to be used to acquire commercial halibut quota and charter halibut permits, conduct habitat conservation and research, promote halibut resources, to cover administrative costs, and to purchase latent CHP permits over time.

A lot is riding on this decision for both the commercial fleet and for the charter fleet. It is my strong belief that these preferred alternatives are fair, reasonable, and the benefits achieved far outweigh any potential negatives. I strongly urge you to approve these measures.

Sincerely,

Russell Thomas

Alaska Sportfishing Expeditions

Ketchikan

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Russell Thomas  
General Manager  
(907) 228-2321 - Office  
(907) 617-3619 - Cell

# UNITED FISHERMEN OF ALASKA



**Mailing Address:** PO Box 20229, Juneau AK 99802-0229  
**Physical Address:** 410 Calhoun Ave Ste 101, Juneau AK 99801  
**Phone:** (907)586-2820 **Fax:** (907) 463-2545  
**Email:** ufa@ufa-fish.org **Website:** www.ufa-fish.org

March 29, 2016

North Pacific Fishery Management Council  
 Dan Hull, Chair  
 605 W 4th Ave. Suite 306  
 Anchorage, AK 99501

**RE: C-9 – Charter Halibut RQE – Initial Review**

Dear Chairman Hull and Council members,

United Fishermen of Alaska is the statewide commercial fishing trade association, representing 34 commercial fishing organizations participating in fisheries throughout the state and its offshore federal waters. United Fishermen of Alaska (UFA) provides the following comments on the Charter Halibut RQE analysis:

UFA appreciates the changes made to the analysis in response to public testimony and Council direction in December. In particular, UFA appreciates the addition to the Purpose and Need statement that notes: “The intent is to consider such a mechanism without undermining the goals of the halibut IFQ Program or significant adverse impacts to other halibut sectors.”

That said, there is still considerable opposition to this action by commercial fishing organizations and individual commercial IFQ permit holders.

If the Council continues to move this action forward, UFA prefers the following options and elements:

- Add an explicit option under Alternative 2 Element 3 for a cumulative cap on GAP and RQE transfers, using the information provided in Appendix B, and include sub-options to subdivide the cumulative cap between GAF leases and RQE purchase.
- Relative to annual limits on QS transfers to the RQE, UFA recommends broadening the range under Alternative 2, Element 2, option 2 to include .5% and UFA supports option 3 sub-options 1 and 2 at 10%.
- UFA believes that Alternative 2, Element 4 needs additional clarification by removing the language “promotion of the halibut resource.” The meaning of this is unclear and could be extremely harmful to other users of the resource if funds are used to advocate for additional reallocation. Such advocacy would be in conflict with the Purpose and Need Statement.
- UFA supports Alternative 3 but more analysis on transferable and non-transferable permits and the respective levels of active participation is needed.
- UFA believes that if RQE’s are formed and QS are purchased by the RQE it is imperative that the RQE pay any associated observer fee and NMFS cost recovery fees associated with



the QS purchased by using the average price as was established with the GAF program charging the QS permit holder.

Thank you for consideration of these comments.

Sincerely,

Handwritten signature of Jerry McCune in cursive script.

Jerry McCune  
President

Handwritten signature of Mark Vinsel in cursive script.

Mark Vinsel  
Executive Administrator

Dear Chairman Hall,

My name is Deziree Valdez! I'm 26 years old and I work with a charter company that runs an operation along the Kenai Peninsula and absolutely love working in this industry! My role with the company is to work directly with all tourists visiting Alaska to fish! Our company alone sees more than 5,000 tourists each year who come to Alaska to fish for Halibut. As many state everyday, this is their "Once in a Lifetime" trip and they have traveled long and far just to fish Alaska's pristine waters! As many of us know, Alaska is not cheap to live in, nor is it budget friendly when traveling. This is important because these 5,000+ tourists we see in our office alone, spend hundreds of thousands of dollars that goes directly back into our economy each short season, helping all local businesses and communities throughout South-Central Alaska.

As of today, we are faced with additional restrictions and uncertainty that bring hesitations to guided charter companies. The conservation of halibut is a priority to all charter companies operating in 3A, as it's a revenue source for each operation and for most, the foundation in which most make a living from. With that being said, implementing an RQE to purchase quota would be beneficial to sustaining local businesses operating each season, Alaska's economy, and the conservation of halibut as a whole.

To help sustain the community businesses that rely and mostly depend on a viable charter industry, I support having a single quota with two separate quota pools and restrictions on an annual limit of 3% with a cumulative limit of 15% that will in turn, help economic stability and halibut conservation. To help support small vessel sectors who may have purchased quota, I support the setting of annual managing of all unused allocation to protect all small vessels between 1,500 lbs and 3,000 lbs. Latent CHP's should be available to purchase over time and organizational structure implemented where the composition should be decided by charter representatives from each area. Finally, I support the purchase of CHP's in each area with the purpose of protecting assets and giving proper support to new entrants into the halibut charter sector.

Anyone who knows anything about coastal communities understands that the fishing industry is the bedrock of our coastal economy and it's fueled by tourism. By supporting an RQE, we are helping to support local charter companies, promote economic stability, and helping with the preservation of halibut each season, without the depletion of seasonal profits for local charter companies.

Sincerely,

Deziree Valdez



NPFMC comments - NOAA Service Account <npfmc.comments@noaa.gov>

## RQE

1 message

**Katie Verjinsky** <kverjinsky@gmail.com>

Mon, Mar 28, 2016 at 3:59 PM

To: "npfmc.comments@noaa.gov" <npfmc.comments@noaa.gov>

Dear Chairman Hull,

My name is Katie Martin. I work in the office of North Country Halibut Charters in Homer, Alaska and am a member of the Homer Charter Association. North Country is owned and operated by my mother and father-in-law, Sean and Gerri Martin. My husband, Ben Martin, operates one of their boats. I am originally from Wisconsin. Ben and I met on his charter boat while I was up here on vacation, over 4 years ago. I feel in love with the beautiful fishing town of Homer, and moved up here as soon as I could. Now, having been an Alaskan resident for just over 3 years now, and experiencing the great joy that fishing brings to this town, I am writing this letter in support of the RQE. North Country Charters has been family owned/operated, by the Martins, since 1979 when they developed the business. My husband and I are now looking at the possibility of taking over the business in a few years. We have recently gotten married and plan on starting a family and beginning our own fishing family. Even though I have only been involved in the charter industry for a few short years, I have seen the cuts this sport fishing fleet has taken in the recent years. Originally, from the outside looking in, I see a family that has done very well with their business. They have managed to make a living out of it, provide a great life for their children, and most of all enjoy making their clients happy. The clients that bring an IMMENSE amount of money into this state.

Alaska is known for its fishing, which is the reason I came up here on vacation in the first place. Not only do people spend their money on their fishing trip, but they stay in local bed and breakfasts, eat at the local restaurants, shop at the local gift shops. The majority of these entities are locally owned and operated, providing an income for the families of Alaska. Even if they aren't locally owned, they are still bringing in non-Alaskan residents, to our state where they are spending money, paying taxes, etc. Continuing to take cuts on halibut limits/sizes would place these families and small businesses at risk for failure by decreasing the attraction to even come to our great state. Most importantly, these continuous halibut restrictions put my family at risk, and many families close to us.

We want the halibut to thrive and the population to grow. Which is why I am supporting the RQE. It should be a single entity, with two quota pools. Transfers of quota shares to be 1-5% annual transfer limit and 15% cumulative limit of all commercial QS. Many new fishermen enter on C class vessels now, so no need to restrict D class. In the event of overages, unallocated RQE IFQs should be issued back to all shareholders, proportionally. And most of all, RQE funds should be used to acquire Qs and CHPs, for conservation and research, to promote halibut resources, and to cover administrative costs. This is the best option for guided sport fishing. The size of the fish our clients are able to keep is important to them, and important for us to keep them happy and helps to continue to bring their business to Alaska.

Sincerely,

Katie Martin

North Country Halibut Charters

March, 28, 2016

North Pacific Fishery Management Council,  
Dan Hull, Chairman  
605 West 4th, Suite 306  
Anchorage, Alaska 99501

Agenda Item C9 - Charter Halibut RQE

Dear Chairman:

My name is Jeff Wedekind and I am president of Chinook Shores, Inc. Chinook Shores has been operating a salmon and halibut fishing lodge in Ketchikan Alaska for the last 10 years. Our lodge accommodates 24 anglers and operates two charter boats and six self-guided boats.

I am writing this letter in support a Recreational Quota Entity (RQE) to hold commercial halibut quota share for use by charter halibut anglers.

When Charter Halibut fishermen were forced to share the commercial fishery quota without a means of quota transfer, it created a dysfunctional system. There is an overwhelming need for a mechanism to transfer resource harvest opportunity between these two groups. If charter halibut anglers are forced to share the commercial quota with IFQ fishermen it only makes sense that the quota transfer mechanism is also shared.

**Every Inch Counts.** Any increase in quota for the CHP holders is a huge benefit to our industry. Even if purchasing small percentages of quota only increases the size limit by a couple inches in a given year, this is a huge benefit to our clients and their overall experience. If a guided angler releases multiple halibut that are one or two inches over the limit and is forced to keep a much smaller halibut or none at all on that particular trip, it creates a very negative experience and some anglers will not come back Alaska to fish. This has happened on my vessel, especially during the U37 regulation season when we lost several discouraged halibut anglers. Maybe an extra three inches could have avoided this.

I have not and do not intend to use the GAF feature as a means to increase halibut fishing opportunity at our lodge simply because we cannot afford it. GAF unfairly benefits only the wealthiest lodges with the wealthiest clients. A much better approach to gain opportunity to the resource is the CATCH program that can benefit all CHP holders and charter anglers equally.

I ask the council to please continue the process to allow the formation of an RQE to hold commercial halibut quota share for use by charter halibut anglers. We have been reduced from the catchers of giants to a fishery of minnows and inches and now every inch counts.

Sincerely,

Jeff Wedekind, President Chinook Shores, Inc.

# Sitka Charter Boat Operators Association

PO Box 2422 Sitka Alaska 99835

North Pacific Fishery Management Council  
Dan Hull, Chairman  
605 West 4th, Suite 306  
Anchorage, Alaska 99501-2252

March 28, 2016

Comments: Agenda Item C9 – Charter Halibut RQE

Dear Mr. Hull,

On behalf of the 32 members of the Sitka Charter Boat Operators Association (SCBOA), I wish to submit the following comments pertaining to the Charter Halibut RQE. The SCBOA represents sportfishing lodges and independent charter operators in Sitka, Alaska – a part of Area 2C.

The SCBOA would like to recommend its preferred Alternatives, Elements, Options, and Sub-options discussed in the RIR/IRFA/EA analysis: *To allow a recreational quota entity to hold commercial halibut quota for use by halibut charter anglers.*

**Support: Alternative 2. Establish a Recreational Quota Entity (RQE) as a qualified entity to purchase and hold commercial halibut QS for use by the guided halibut sector.**

The Council analysis has shown, a market-based approach to transfer allocation to the guided angler sector, would help lessen restrictive harvest measures in times of low halibut abundance. The RQE would improve the guided angler experience, resulting in a more stable and predictable business environment for charter businesses and the coastal communities that depend on tourism dollars.

**Support: Element 1, Option 2. One entity with two area quota pools, Area 2C and Area 3A.**

This was a recommendation brought forward by the CATCH Report and supported by charter stakeholders. One RQE organization would provide the benefits of cost savings as well as the ability to jointly address common issues shared by both Regulatory Areas. Separate quota share pools would fulfill the requirement of keeping commercial and recreational allocations separate between areas.

**Support: Element 2. Two-way transfers are allowed. Quota class and block designations are retained if the quota is transferred back to the commercial sector.**

**Element 2, Option 2, Annual limit of transfers to the RQE in each regulatory area (Area 2C and Area 3A) of 3% of commercial QS units in each area (2015).**

This was the annual limit allowed (3%) during the formation of the CQE (Community Quota Entity). They were allowed an annual purchase limit of 3% each year until they reached their total cumulative limit of 21%. The first year 3%, the second year 6%, the

third year 9%, etc. for seven years. This does not mean the RQE would necessarily purchase their annual limit of 3% each year. Much would depend on quota share availability and funding availability. This would just dampen the market prices at the onset of the program and allow for greater flexibility in purchasing if and when more funds are available in the future. The quicker the RQE is able to meet its goals, the quicker it will leave the QS market and reverse any negative impacts it may have contributed.

**Support: Element 2, Option 3. Total (cumulative) limit on amount held by RQE by regulatory area (Area 2C and 3A).**

**Sub-option 1. 15% of any commercial QS based on 2015.**

A 15% limit would ensure closer if not equal harvest measures with unguided sector in times of low abundance. An area would not need to purchase the total limit if goals are met sooner. Excess would be returned to commercial sector for free.

**Do Not Support: Element 2, Option 4. Restriction on RQE quota share (in either or both areas).**

There should be no class restrictions placed on RQE purchases. The least restrictive environment for QS transfers would bring the highest asset value for all QS holders. The RQE would probably buy most of its quota from "C" Class holders as these are the most abundant and are of larger blocks. However, if a "D" Class holder wishes to sell, why shouldn't the RQE be allowed to purchase? The "D" Class category is no longer where most young fishermen enter the fishery. Most enter with experience in other fisheries, deckhand on "C" Class vessels, then purchase "C" Class quota shares. In the future, if the RQE were to divest itself of quota, the "D" shares would more than likely be the first sold as these would probably be smaller units. The same holds true for vessels classes holding more than 1,500 pounds or less than 2,000 pounds.

**Support: Element 3. Setting of annual charter management measures (support as written). Sub-option 1 (If there is excess quota beyond what is necessary for the RQE to equal harvest measures of the unguided sector, NMFS would reallocate IFQ quota) Equally to all catcher vessel QS holders, which hold not more than 1,500 to 3,000 pounds in 2016 pounds (by area, proportional to QS holdings).**

This would support the small quota holders from which some quota may have been purchased.

**Support: Element 4. Limit on use of RQE funds. Use of funds for purchase of QS, charter halibut permits, halibut conservation/research, promotion of the halibut resource, and administrative costs.**

**Do Not Support: Element 5. RQE Board Composition.**

Representatives from each Regulatory Area (2C and 3A) should decide the composition of the RQE board. Once transfer restrictions are in place that protects the interests of the commercial sector, the decisions the RQE will directly impact charter operators and their clients. It is not in the best interest in a private open-market system to have a quasi-governmental organization making decisions. Solely representatives of the charter sector and their clients should thus manage the RQE. Composition of the initial board should be established in bylaws of the founding charter organizations (ACA & SEAGO).

**Support: Alternative 3. Purchase of charter halibut permits.**

The ability to purchase halibut permits would allow the RQE a broader range of assets to manage. It might provide an opportunity to buy low and sell high for a profit and the ability to support new entrants into the charter halibut sector by offering permits to new charter entrants in times of high halibut abundance. As the analysis mentioned, the ability to reduce angler effort by limiting seats available in the charter sector is plagued with many unknowns. However, ensuring an adequate capacity in the future may be a good idea.

The RQE program is a voluntary program, aimed towards unused and sellable halibut quota shares where there would be Willing Buyers and Willing Sellers. Quota Shares cover both the outlying and nearby fishing areas, regardless of where the fishing itself occurs. Local Area Management Plans handle any concerns for localized depletion. In closing, SCBOA supports the RQE program because it would help create a more stable guided halibut sports fishery.

We would like to thank the Council for this opportunity to comment on Charter Halibut RQE.  
Sincerely,

*Theresa Weiser*

Vice President  
Sitka Charterboat Operators Association (SCBOA)



P.O. Box 478 • Homer • Alaska • 99603

*To Preserve and Protect the Rights and Resources of Alaska's Sport Fishermen*

North Pacific Fishery Management Council  
Dan Hull, Chairman  
605 West 4th, Suite 306  
Anchorage, Alaska 99501-2252

March 29, 2016

Comments: Agenda Item C9 – Charter Halibut RQE

Dear Chairman Hull,

The Alaska Charter Association (ACA) represents sportfishing lodges and independent charter operators throughout Alaska. It also has associate members, which consist of community businesses that depend on a viable charter industry.

The ACA would like to recommend its preferred Alternatives, Elements, Options, and Sub-options discussed in the RIR/IRFA/EA analysis: *To allow a recreational quota entity to hold commercial halibut quota for use by halibut charter anglers.*

**Support: Alternative 2. Establish a Recreational Quota Entity (RQE) as a qualified entity to purchase and hold commercial halibut QS for use by the guided halibut sector.**

The Council analysis has shown, a market-based approach to transfer allocation to the guided angler sector, would help lessen restrictive harvest measures in times of low halibut abundance. The RQE would improve the guided angler experience, resulting in a more stable and predictable business environment for charter businesses and the coastal communities that depend on tourism dollars.

**Support: Element 1, Option 2. One entity with two area quota pools, Area 2C and Area 3A.**

This was a recommendation of the CATCH Report and was supported by charter stakeholders. One RQE organization would provide the benefits of cost savings as well as the ability to jointly address common issues shared by both Regulatory Areas. Separate quota share pools would fulfill NMFS requirement of keeping commercial and recreational allocations separate between areas.

**Support: Element 2. Two-way transfers are allowed. Quota class and block designations are retained if the quota is transferred back to the commercial sector.**

**Element 2, Option 2, Annual limit of transfers to the RQE in each regulatory area (Area 2C and Area 3A) of 3% of commercial QS units in each area (2015).**

This was the same annual limit allowed to the CQE (Community Quota Entity) program



when it started. The CQEs were allowed an annual purchase limit of 3% per Regulatory Area, each year until they reached their total cumulative limit of 21%. The first year 3%, the second year 6%, the third year 9%, etc. for seven years. This does not mean the RQE would necessarily purchase their entire annual limit each year. Much would depend on quota share availability and funding availability. This would just dampen the market prices at the onset of the program and allow for greater flexibility in purchasing if and when more funds become available in the future. The quicker the RQE is able to meet its goals, the quicker it would leave the QS market and reverse any negative impacts it may have contributed.

**Support: Element 2, Option 3. Total (cumulative) limit on amount held by RQE by regulatory area (Area 2C and 3A).**

**Sub-option 1. 15% of any commercial QS based on 2015.**

A 15% total cumulative limit would be less than allowed the CQE program, but this amount might be sufficient to ensure closer if not equal harvest measures with the unguided sector in times of low abundance depending on the area. An area would not need to purchase the total limit if goals were met sooner. Excess would be returned to commercial sector for free.

**Do Not Support: Element 2, Option 4. Restriction on RQE quota share (in either or both areas).**

There should be no class restrictions placed on RQE purchases. The least restrictive environment for QS transfers would bring the highest asset value for all QS holders (Davis, Sylvia, Cusack. 2013). The RQE would probably buy most of its quota from "C" Class holders, as these are the most abundant with large blocks. However, if a "D" Class holder wishes to sell, why shouldn't the RQE be allowed to purchase? The "D" Class category is no longer where most young fishermen enter the fishery. Most enter with experience in other fisheries, deckhand on "C" Class vessels, then purchase "C" Class quota shares. In these times of low abundance and the current cost of "D" shares, entering the fishery in this class does not make good business sense. In the future, if the RQE were to divest itself of quota, the "D" shares would more than likely be the first sold as these would be smaller units and a safer means of lowering quota share ownership. The same holds true for vessel classes holding between 1,500 pounds and 2,000 pounds.

**Support: Element 3. Setting of annual charter management measures (support as written). Sub-option 1 (If there is excess quota beyond what is necessary for the RQE to equal harvest measures of the unguided sector, NMFS would reallocate IFQ quota) Equally to all catcher vessel QS holders, which hold not more than 1,500 to 3,000 pounds in 2016 pounds (by area, proportional to QS holdings).**

This would support the small quota holders from which some quota may have been purchased.

**Support: Element 4. Limit on use of RQE funds. Use of funds for purchase of QS, charter halibut permits, halibut conservation/research, promotion of the halibut resource, and administrative costs.**

**Do Not Support: Element 5. RQE Board Composition.**

Representatives from each Regulatory Area (2C and 3A) should decide the composition of the RQE board. Once transfer restrictions are in place that protects the interests of the commercial sector, the decisions the RQE would directly impact charter operators and their clients. It is not in the best interest in a private open-market system to have a quasi-governmental organization making decisions. Solely representatives of the charter sector and their clients should thus manage the RQE. Composition of the initial board should be established in bylaws of the founding charter organizations (ACA & SEAGO).

**Support: Alternative 3. Purchase of charter halibut permits.**

The ability to purchase halibut permits would allow the RQE a broader range of assets to manage. It might provide an opportunity to buy low and sell high for a profit and the ability to support new entrants into the charter halibut sector by offering permits to new charter entrants in times of high halibut abundance. As the analysis mentioned, the ability to reduce angler effort by limiting seats available in the charter sector is plagued with many unknowns. However, ensuring an adequate capacity in the future may be a good idea.

We would like to thank the Council for this opportunity for public comment.

Sincerely,



Richard Yamada  
President