

Subject: Catch proposal, item D-2
From: Greg Streveler <greg.streveler@gmail.com>
Date: 9/29/2014 5:15 PM
To: npfmc.comments@noaa.gov

John Henderschedt, Acting Chair
2014

September 28,

NPFMC

Re: Agenda item D-2, Charter Halibut proposal

Dear Sir:

I am an independent consulting biologist with over 40 years of experience and residence in the Icy Strait area. I oppose this proposal because of the adverse effect it could have on halibut management of our area. In summary, the net effect of CATCH here would likely be to significantly increase the take of halibut in Icy Strait, in an industry sector for which management data is largely anecdotal and enforcement essentially nonexistent.

Icy Strait has received increasing attention from the sport fish industry, both charter and the substantial sub rosa "non-guided" component. Neither has been integrated into a rigorous accounting program by managers; catch data are essentially anecdotal and discretionary. We (and you) have only a vague idea of the magnitude of the take, its composition or loss due to shaking undesirable specimens. Except to know that they all are almost certainly far higher than existing "data" suggest. To increase the take of the guided sector by an estimated 77% as CATCH envisions, is in my view irresponsible, pending overhaul of the accounting system and inclusion of the "non-guided" sector in it. I suggest that your emphasis should be to hold the line on take and place your emphasis on evolving a data retrieval and enforcement system as rigorous as that for the commercial fishery.

Another concern I'd like to raise is protection of large female halibut. Your models assume that this cohort is inconsequential for the population, I presume in consequence of their general scarcity. I greatly doubt the wisdom of that in our region, which is known for the present abundance of large specimens. We have learned from recently published and other research in Glacier Bay that our big female fish tend to show site fidelity and may even stay here during the spawning season. The possibility of a resident subpopulation in the area raises the stakes of their protection substantially. The CATCH charter sport increase would be

substantially expended in targeting these trophy fish, which I think is very ill-advised.

Thank you for this opportunity to comment.

Sincerely,

Gregory P. Streveler

Icy Strait
Environmental Services
Gustavus, Alaska 99826

Comments on CATCH Proposal for NPFMC
Colleen Stansbury / codlips@gmail.com
September 28, 2014 2014

John Henderschedt, Acting Chair
North Pacific Fishery Management Council

Re: October Agenda Item D2, Charter Halibut Catch Proposal

Dear Mr. Henderschedt,

I am writing to encourage you and fellow members of the North Pacific Fisheries Management Council to take no further action on the Alaska charter association proposal; Catch Accountability Through Compensated Halibut (CATCH) (D2). If enacted as written this proposal will have far reaching adverse ramifications for Alaskan coastal communities, non-guided sport fishers, consumers and the commercial halibut fishery.

The Alaska Charter Association and SEAGO have designed a proposal which would shift an additional 587,000 and 785,000 pounds in areas 2A and 3C respectively, from commercial halibut IFQ to the guided sport (charter) industry. We are led to believe this action is necessary in order to safeguard angler access to halibut and eliminate oppressive restrictions placed on the guided angler clients. The proposal presents this shift as a simple, painless and beneficial action for all stakeholders.

I strongly disagree. And your own staff tactfully points to doubtful feasibility and brings to question the proposals fundamental components such as funding and accountability. The staff discussion paper draws a parallel to the struggling Community Entity Program (CQE) and invites the Managers to ask the question "how complicated do we need to get here?"

I am an IFQ holder and halibut sport fisher of over 40 years, living in the coastal community of Gustavus, Alaska in Area 2C. Over these years I have become very familiar with the burgeoning charter fishing businesses in Hoonah, Elfin Cove, Pelican, as well as Gustavus. I did not oppose the initial reallocation of halibut from commercial to sport charter because it was done to protect the resource. But the charter sectors appetite seems insatiable, and the solution they present to you at this time is surprisingly unimaginative and inequitable: their recommendation? Simply take more quota from the commercial side, but this time lets compensate them for their lost investment, (that's considerate). They don't intend to pay for this additional quota out of their pocket, but rather find someone else's pocket, and they don't care to accept any of the cost recovery for administration, management or enforcement of this plan. Sweet deal!

Based on my experience I submit the following comments:

Guided Sport "Charter" Fishing Is A Business.

It is important to keep in mind that charter fishing is first and foremost a business, and the charter associations lobby to increase their potential income behind the veil of providing access for the "sport

angler” is deceiving. The reality is: more quota share whether held in a Recreational Quota Entity (REQ), or by the charter operator translates to direct revenue for the charter owner. If there are more fish to catch, with fewer restrictions, there are more trips to sell. I have no objection to charter owners making a good living, they work hard and provide one avenue for sport fishers to access fish. But the guided charter fishery is not a public service, it is a business, and the captains are professional guides, which is why there are different regulations for guided and non-guided trips. Guided fishing is also not the only option for sport fishers seeking halibut. Bareboat and “self guided” opportunities are available in every community with a significant sport fishery, and when truly not guided, should have less restrictive harvest limits.

Catch Accountability OR Enforcement Nightmare?

As the staff discussion paper points out, the REQ may create a situation where no one is accountable for overages, infractions, or just poor record keeping. This will undermine the highly efficient and effective IFQ system, and create an enforcement and management nightmare.

Who Pays The Bill?

Conspicuously absent in the proposal is any mechanism to have the charter sector offset the costs of management, administration and enforcement incurred by the NPFMC. This cost recovery program has been an accepted part of the annual IFQ assessment to commercial halibut fishers since the beginning of the program.

An REQ Would Shift Halibut Harvest Effort Closer To Coastal Communities. Contrary to what the CATCH proposal states, the REQ would not be good for coastal communities.

Charter businesses tend to be based out of or clustered near coastal communities. These communities will see more intense fishing effort and “competition” between guided sport anglers and local sport and subsistence fishers. Halibut is an important mainstay of coastal Alaskans diet. The REQ program could significantly impact local community food availability.

An REQ Would Harm Stability and Viability of The Commercial Halibut Fishery, and Result In Harm To Local Economies. The REQ program would shift much of the small boat class IFQ into guided sport charter, because “D” class quota is less expensive and often found in smaller increments. This by itself could result in preventing barrier young people from “buying” into the fishery, but combined with the inflated price of IFQ the REQ is likely to trigger, will diminish stability and viability within the halibut fishery. Economies of small coastal communities are tenuous at the best of times. Commercial fishing has historically been among the activities which consistently contribute to employment and therefore the stability of local economies. While the charter industry likes to tout its contribution to small town economies, I can tell you in the communities of my acquaintance this is not the case. The fishing lodges and charter operators are seasonal and self-contained. Few jobs for families are brought to our communities by the charter industry itself, contributing little sustainability.

Seismic Shift or Slow Drift? If the NPFMC decides that taking more commercial IFQ for use by the charter industry is truly in the interest of sustainability of the resource, then I suggest directing that shift to take place slowly, more organically over time. This could be accomplished by allowing the permanent purchase of IFQ by charter vessel owners. A well-funded REQ could artificially inflate quota prices,

and create a rapid shift of economic forces in the fisheries and coastal communities. On the other hand the capitol investment required to purchase IFQ by an individual would naturally slow this shift, dampen the affect on small communities food resources, soften the inflation price of quota, and maintain a stable fair market environment.

A Different Proposal:

I encourage the members of the NPFMC to consider allowing the permanent purchase of IFQ by charter vessel owners. They are after all small business owners. When I wanted to increase my quota I purchased it, at market value. When I am over my quota or keep poor records, I am accountable, and that keeps most of us very honest. The simplicity of this plan is preferable over the CATCH proposal before you for several reasons:

1. Eliminates the problem of how to fund the purchase of quota share (QS) for a Recreational Quota Entity (REQ).
2. Eliminates the problem of how to respond to overages from year to year, and can be adjusted to available biomass in the same way the commercial catch is regulated.
3. As in the commercial fishery the individual QS owner would be responsible for reporting, tracking usage, record keeping, making enforcement more efficient.
4. The guided angler continues to have access to the resource.

One last comment:

“If you can’t measure it, you can’t manage it.” James Mackovajak

Charter halibut catch can and should be reported in pounds NOT AVERAGES. There is no good rational for the practice of averaging halibut weight, and no accurate formula which will transfer “averages” into accurate pounds. The practice is archaic and we can do better. Every tide book, on every boat and every smart phone and tablet has a very accurate table converting a linear measurement to pounds of halibut. I know it’s accurate because it’s what commercial fishers use to be sure they are close to their quota without exceeding it. This is a very important issue to me, and it should be to any fisheries manager. In this day and age everyone can and should be measuring and reporting their catch in actual pounds. Without accurate data we are simply gambling our ocean treasure and future fisheries away. In this same vein, I applaud and anticipate the advent of electronic reporting for all fisheries. The time has come for all sectors of the halibut fishery to be reporting real time, real catch statistics.

Thank you for your time and attention to this matter.

Colleen Stansbury
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Subject: Agenda Item D-2
From: Thomas Ohaus <tomohaus@gmail.com>
Date: 9/30/2014 3:32 PM
To: npfmc.comments@noaa.gov

John Henderschedt, Acting Chair
North Pacific Fishery Management Council
Attn: Chris Oliver, Executive Director
604 West 4th Avenue, Suite 306
Anchorage, AK 99501
re: Comments on agenda item D-2

September 30, 2014

Members of the Council:

I am submitting comments of support for agenda item D-2, the CATCH Project proposal.

As an Alaska charter operator for over 20 years, I have witnessed the harmful effects of management measures that generate chronic regulatory instability for our fleet. I have also seen our sector divided by internal conflicts and unable to provide well thought out and widely supported recommendations for fisheries managers.

The CATCH Project has proven to be a decided departure from the past. For the last 3 years, ACA and SEAGO have worked cooperatively to bring a thorough proposal before the AP and Council for their consideration and further action.

We recognize that there are a number of important questions surrounding the adoption and implementation that have yet to be answered and that all halibut user groups have yet to submit comment and provide direction.

We look forward to an extensive discussion during the October meeting and welcome the opportunity to offer preliminary recommendations to questions that will likely arise.

At the conclusion of this agenda item, it is my hope that the Council will recommend the CATCH proposal be moved forward for formal analysis.

This market-based compensated reallocation mechanism is a bold and innovative approach, similar to others which the North Pacific Fishery Management Council has earned a reputation for considering and ultimately implementing.

I appreciate your time and look forward to meeting with each of you during the October meeting in Anchorage.

Respectfully,

Tom Ohaus
Angling Unlimited
Sitka, Alaska

Subject: Comment on Issue D2, Charter CATCH proposal
From: Judy Brakel <judybrakel@gmail.com>
Date: 9/30/2014 3:10 PM
To: North Pacific Fishery Management Council <npfmc.comments@noaa.gov>

John Henderschedt, Acting Chair

Sept. 28, 2014

North Pacific Fishery Management Council

Dear Mr. Henderschedt:

Agenda Item D2 - Comment on the Charter Halibut CATCH proposal

I oppose the charter sport fishing organizations proposal to transfer of a substantial amount of halibut from the commercial to the charter fishery by permanent purchase of commercial halibut IFQ. This action would have unfortunate impacts on Alaska coastal communities in several ways, potentially cause local depletions, and reduce the halibut available to the American consumer.

Effects on the commercial halibut fleet and halibut market

1. If the proposed transfers were completed the commercial halibut catch in Area 2C would decrease by 17.7% and in Area 3A by 10.7%. As the staff "Discussion Paper on the CATCH Proposal" says, a high proportion of the quota sold would probably be small-boat (D Class) quota because those prices are lower. This would alter the composition of the commercial fleet, contrary to the intent of the IFQ program.
2. Consequently it would become more difficult for new people, including young fishermen, to enter the commercial fishery since the small-boat level is the easiest access. This would exacerbate the problem of "the graying of the fleet" recognized now that many of our fisheries have limited access programs.
3. Taking halibut harvest out of the commercial fishery will mean less halibut available on the consumer market and prices will be higher. On the charter side, more charter clients will leave with multiple 50 lb. fish boxes, increasing the potential for waste.
4. While opportunities to enter the commercial fleet will decrease, there will be no

compensating increase in the charter fleet because that is a limited entry fishery. It will simply mean more income for those holding charter CHP permits.

Effects on residents of coastal communities fishing for their households

1. If the proposed IFQ transfers were completed, the charter allowable catch in Southeast Alaska (halibut Area 2C) would increase by 77% and in Southcentral Alaska (Area 3A) by 44% compared to the charter catch allowed in 2014. The charter fleet does day trips and its fishing effort is located more inshore and closer to communities than the commercial fishing effort. Increased charter harvest will mean a decrease in halibut available to local people fishing for their own food. Only a tiny percentage of charter clients in Area 2C are Alaska residents. Halibut is an important local food; for example a recent study of Kenai Peninsula residents showed halibut to be the most favored fish for local consumption.^[i]
2. In Alaska the state and federal governments have a subsistence priority. Currently there is considerable concern and effort toward improving food security for Alaska communities and having more food produced locally. Examples are Sustainable Southeast, the Alaska Food Policy Council, and USDA grants for small-scale agriculture in Alaska. Making halibut less available to coastal community residents would counter these efforts.
3. Because they have the boats and know-how, locally-based commercial fishermen often help provide subsistence foods (and not only fish) for their communities, as shown in Alaska Subsistence Div. literature. Explaining the decline in substance halibut SHARC card harvests, the Southeast Subsistence head person told me that an important factor is loss of commercial fishing permits in Native villages leading to loss of larger boats and equipment.

Lack of management and data regarding inshore halibut populations

1. All halibut management actions are on the basis of very large areas (the single exception is the Sitka Sound Local Area Management Plan (LAMP) created in the 1990s). Halibut Area 2C is all of Southeast Alaska; Area 3A, from Cape Spencer to the west end of Kodiak Is., 750 miles measured as an offshore arc. No management actions attempt to protect smaller areas from over-fishing. Similarly, halibut abundance data is analyzed only on the basis of these large halibut regulatory areas such as 2C and 3A. I've checked this with IPHC biologists; they do not analyze data on a subarea basis. Most fish species important to coastal communities are managed on far smaller geographical basis. And in Area 2A (US Pacific coast states) the halibut quota is apportioned to six areas which are opened, closed, and opened again if enough allowable catch remains.

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2. For the NPFMC to adopt the CATCH proposal it should have information on the status and trends of inshore halibut populations, especially around communities, but that information is

not currently available. A 2008 statement on local depletions taken from NPFMC documents is this: *“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 migrates on a high geographical resolution are not available to manage small areas.”*^[ii] I suggest that once an area is depleted, continued moderate exploitation can maintain the depletion. In any case, one sees that local depletions are written off. I believe research would show local depletion in many areas, and that even the charter fleet now regularly going farther out for good halibut fishing.

3. “The existence of fine-scale site fidelity for some portions of reproductive females has implications for depletion of mature female fish at local scales.” That’s a quote from an excellent but not yet published paper analyzing acoustic tagging of halibut in Glacier Bay.^[iii] Re-locating tagged halibut within summers, and from one summer to the next over three years showed remarkable levels of site fidelity to small areas within the large bay.

Poor data quality on all types of sport harvests

1. Compared to data on halibut commercial fishing, data on charter harvests and especially on the spin-off of the charter industry, “self-guided” harvests, and private sport harvests is of poor quality. Most data for the “self-guided” and private harvests comes from ADF&G’s Statewide Harvest Survey, mailed to a sample of sport fish license holders each fall, a far less reliable source than commercial fish tickets. How important is this? In our area (Icy Strait plus Glacier Bay and Cross Sound) in 2012 commercial fishing harvests constituted 53% (IPHC commercial catch in statistical areas 181, 182 & 184) and sport fishing (all sectors) constitutes 47% of the halibut harvest in terms of pounds, assuming one trusts the data. Even based on the poor sport fishing data, in our area more than half of all halibut caught are released. Only halibut “kept” are counted in harvest data.

2. The non-charter harvest in our area has ballooned now that so many operators arrange for clients to fish “self-guided.” One unfortunate effect of the “self-guided” phenomenon is to mask the overall impact of the charter take. NPFMC recently acted to close one of the loopholes that these operators exploit by changing the “Definition of a Fishing Guide,” but other loopholes remain open, e.g. “These are just my friends” (they’re not clients). At the very least a means for obtaining accurate data on harvests by these operations.

How much is enough? And would the CATCH plan reduce abuses?

1. If the target purchases of halibut were achieved, how long would that be enough halibut to allow elimination of current size limits, etc? Since halibut in the proposed RQEs would not

belong to specific charter operators, competition to catch the fish and increasing gear efficiency would probably lead to a situation where in order to reach the CATCH objectives more IFQ would need to be bought from the commercial fleet.

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2. There would be even more incentive for charter effort to concentrate in areas having larger fish. In Gustavus we are concerned because the Icy Strait/Glacier Bay/Cross Sound area has considerably larger than average halibut and is already heavily targeted by charters.

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3. Increased charter allocation under the CATCH plan could make it possible to dispense with size limits, potentially reducing sorting and release mortality to some extent. But how much? There is sorting under the new IFQ leasing plan in which some charter clients harvest Guided Angler Fish (GAF) under the private sport regulations (2 fish/day any size). An indication is local fishermen bringing up halibut that have had the ends of their tail fins clipped, as required for GAF – obviously fish thrown overboard after a larger fish was caught. Another way of reducing sorting somewhat, especially in our area of relatively large fish, would be to get rid of the reverse-slot-limits that encourage clients to try for extra-large fish.

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4. If increased charter allocations made it possible to dispense with halibut size limits, would that reduce the incentive for “self-guided” operations? Probably somewhat, but charter CHPs limit the number of rods fished, so a “self-guided” component evades that limitation. And some people did not get CHPs but run entire lodges under the “self-guided” plan.

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Please see the endnotes below signature.

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Yours truly,

Judy Brakel Box 94, Gustavus, Alaska 99826 judybrakel@gmail.com

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[i] Food Security on the Kenai Peninsula, Alaska: A report on local seafood use, consumer preferences, and community needs. Philip Loring, S. Craig Gerlach and Hannah L Harrison 2012. Available on the Alaska Food Policy Council website.

[ii] NPFMC *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 3A*, 1.10 and 1.10.1 Aug. 28, 2008.

[iii] Julie Nielsen, Philip Hooge et al.



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September 30, 2014

Mr. John Henderschedt
Chair (Acting)
North Pacific Fishery Management Council
604 W 4th Ave, Suite 306
Anchorage, AK 99501

Dear Chair Henderschedt and Members of the Council,

RE: D2 – Charter Halibut Common Pool

The Halibut Coalition submits these comments on the CATCH proposal for a Recreational Quota Entity (RQE) in the commercial Halibut IFQ program.

The Halibut Coalition (HC) appreciates the time and effort dedicated to this proposal by the Alaska Charter Association and the Southeast Alaska Guides Organization. We also appreciate the Council and staff work over the years that resulted at long last in the Halibut Catch Sharing Plan (thank you Jane!!) and this more recent discussion paper.

The discussion paper correctly identifies a number of issues and decision points that we hope the Council will carefully evaluate before proceeding with an analysis of further charter management measures. Before reviewing specifics of the proposed CATCH plan, we believe the Council should consider three overarching considerations: 1) the appropriateness at this point of launching any major changes to halibut charter management, given the very recent implementation of the Catch Sharing Plan (CSP) and GAF program; 2) the need to clearly identify a problem the CATCH Plan might correct; and 3) the importance of convening all stakeholders to consider a broader range of alternative solutions to the problem if one is identified.

General considerations

As the Council is aware, 2014 is the first year of halibut charter management under the CSP. The stated goal of the CATCH plan (Appendix 2) is to increase harvesting opportunities for charter clients, a goal that is addressed by the Guided Angler Fish (GAF) provision of the CSP. In this first year of the GAF program, which allows charter operators to lease halibut quota share to increase their clients catch, over 40,000 pounds of QS (roughly \$270K in ex-vessel value) was transferred between sectors with 110 charter operators receiving GAF by transfer. Reports from charter operators indicate satisfaction with the process and enthusiasm for leasing additional GAF in the future. In short, the CATCH program could prove unnecessary to achieving the goal of expanding charter client harvesting opportunities.

Identifying the problem

If the problem CATCH proponents seek to address goes beyond creating a mechanism for transfer between sectors, then that problem should be clearly stated. One interpretation of the CATCH problem statement is that CATCH proponents object to the lack of a mechanism to increase the charter allocation at no cost to charter operators. This is a major difference between the CATCH program and the GAF: CATCH relies on an outside as yet unidentified funding mechanism while the GAF program requires charter operators to individually invest in QS. This aspect of CATCH concerns HC members for two reasons. First, the investment required of commercial QS purchasers creates a long-term commitment to sustainable harvest—“skin in the game” means the QS holders pays attention to safeguarding the resource. Second, the halibut stamp funding mechanisms proposed for CATCH threatens to distort the market, requiring individual commercial fishermen to compete for quota against a purchasing entity (the RQE) that is fed by an external revenue stream. Our concern relative to this aspect of CATCH is heightened by the following statement from page 4 of the discussion paper: “The Council could initiate a simple regulatory amendment to allow an RQE to hold commercial QS, with no other constraints... [f]rom an economic perspective it would allow the market to determine the “correct” allocation between the commercial sector and charter sector. “ In our view, this comment misrepresents the clear inequity of individual fishermen using their own resources to compete for quota against a quota purchasing entity that is funded by an ongoing tax or other outside source. In contrast, the GAF program levels the playing field by requiring both charter and commercial operators to make individual investment in QS to increase harvest. Any further analysis of CATCH should recognize this fundamental difference between CATCH and GAF and the market distortion associated with CATCH.

Evaluating impacts

We note that on page 8 the discussion paper rightly identifies that if the Council chooses to move the CATCH program ahead additional analysis will be needed of the impacts of the RQE purchases on small fishing operations, CQEs and new entrants. We strongly agree with this statement, particularly in light of the quantity of QS the CATCH program seeks to transfer between sectors. Any analysis must also consider the impact of CATCH on the entire industry, including the processing and support sector, as well as on the resource, commercial halibut consumers, communities, and subsistence and sport fishermen. The CATCH plan provides compensation to willing commercial halibut QS sellers, but does not compensate commercial processors, support industries, nor the approximately 13 million Americans who annually purchase and enjoy Area 2C/3A commercially harvested halibut. Shifting one half to one million pounds of halibut to the charter sector can also be expected to further concentrate halibut harvest near towns, causing local depletion and limiting (or eliminating) access for subsistence and non-guided sport harvesters. Concerns relative to these impacts have been expressed for decades, and are intensely expressed now by residents of 2C and 3A sub-Areas that are famous for hosting larger than average halibut. Additionally, the Council must know that true residency of charter permit and lodge owners so that community impacts can be assessed; basing “residency” information on a mail box address is inadequate. Coalition members are aware of these concerns and believe further analysis of CATCH and any amendments to the CSP fully consider these concerns and must guard against these impacts.

Broadening the discussion

Given these concerns, the HC urges the Council to reconvene the charter work group prior to scheduling any additional analysis of the CATCH plan. The work group should include representatives of the subsistence, sport commercial, and charter industry, as well as CQE groups and communities. If the workgroup agrees that additional changes to charter management are necessary, we believe alternatives should include: expanding the GAF program to allow QS purchase as well as lease, CATCH, and a charter IFQ program. If

the workgroup supports additional development of CATCH, the Coalition does not support assigning additional Council time to the GAF until a funding mechanism is identified and secured. In addition, the HC strongly requests that any further analysis of charter management changes also clearly identify the impacts of each alternative on the resource, sport and subsistence harvesters, all components of the commercial industry including harvesters, processors and support businesses, as well as impacts to coastal communities in Areas 2C and 3A.

Conclusion

In closing, the Halibut Coalition appreciates the work dedicated to the CATCH program and that CATCH includes the concept of compensated reallocation between sectors. That said, we believe the recently implemented GAF program addresses the problem CATCH identifies by providing a working mechanism for QS transfer between sectors. Of equal importance, GAF provides that mechanism in a manner that is consistent with the guiding principles of the halibut QS program—i.e., individuals must make personal investments in QS to increase harvest. The HC supports this approach. We believes any further amendment to halibut charter management should only occur after a widely representative work group is convened to clearly identify a problem and a common vision to address that problem, and that analysis of any changes carefully evaluate impacts to the resource, communities, fishermen of all sectors, processors, support industries and consumers.

Thank you for the opportunity to provide our comments.

Sincerely,



Thomas M Gemmell
Executive Director

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

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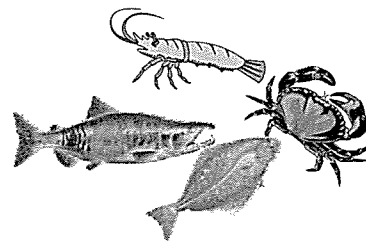
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September 26, 2014

North Pacific Fishery Management Council

Chris Oliver, Executive Director

604 W 4th Ave, Suite 306

Anchorage, AK 99501

RE: D2 - Charter Halibut Common Pool

Dear Council Members,

Thank you for this opportunity to comment on the Discussion Paper on the CATCH proposal for a Recreational Quota Entity in the commercial Halibut IFQ program. Southeast Alaska Fishermen's Alliance (SEAFSA) is a multi-species/multi gear membership based association representing our 300+ members involved in the halibut fishery in all Alaskan IFQ regions as well as salmon, crab, and shrimp in Southeast Alaska.

We appreciate that the CATCH proposal brought forth is for a compensated transfer of halibut from the commercial sector to the recreational sector but there are many outstanding issues that make this discussion paper difficult to comment on. Before looking at a new program, the GAF portion of the CSP needs to be evaluated.

First we believe that if the charter halibut issue for compensated reallocation moves forward that the charter halibut stakeholder group from 2007 should be reformed and the work started in that committee should be reviewed so that all possible options of compensated re-allocation be judged against each other (IFQ's; common pool; adjustment to current CSP program that lets QS be purchased not just leased) not just this current CATCH proposal which is very similar to options that were on the table.

Speaking to the discussion paper, staff questioned on page 5 whether additional staff time should be invested on a reallocation provision prior to or after the charter sector identifies a funding source. The original CATCH proposal executive summary submitted in Feb. and discussion up to this point by this group has the charter sector suggesting the use of a halibut stamp as the funding source. Most any type of funding will take either federal legislation (halibut stamp which the commercial sector is opposed to from previous discussions in 2007-2010) or some type of state legislation. If the CATCH proposal is the only option that the Council is going to pursue, then funding should definitely be pursued prior to more staff time spent on this issue.

When is enough, enough? section suggests that the Council could consider specifying a minimum threshold for commercial QS transfers to the charter sector to warrant the use of staff time and resources - we oppose this idea. The halibut IFQ quotas are at an all-time low and commercial operators are struggling as it is, to require transfer of a set amount even if it is by willing sellers seems inappropriate and not a market based solution.

How much is too much? section of the report discusses that if a two way mechanism occurs, NMFS would need to track QS units and IFQ pounds to ensure that the QS and IFQ could be returned to the commercial QS holder who transferred it to the RQE. This is not true, you would be returning the QS to the person who originally sold the QS, it would be to a new buyer. If you are returning the QS to the original QS holder you are in a lease situation and not a permanent transfer that has the ability to transfer back into the commercial sector. A two way transfer can occur, the only thing NMFS would have to track is the original designation of the QS transferred to the RQE and when sold back into the commercial sector would retain that original designation (category and block or unblocked). This same idea also is repeated on page 8 under monitoring Charter Halibut Landings.

The first sentence on page 8 is a very important consideration particularly when the source of funding is determined. If a halibut stamp or a fee on the charter clients is put in place in perpetuity then the RQE would be able to out-spend CQE's and new entrants into the commercial IFQ program and create an unfair competitive advantage to the charter sector.

How would charter fishery management change? section implies that changes to the current method of setting management measures would likely need to change. We believe that a simple solution would be that only purchases prior to October 1st is considered in the following years calculation and you would know the number of QS units that the RQE holds and that is a simple function of x% of the commercial QS units and would allow the same process to be used that is currently being used.

Appendix 2 contains a possible Problem Statement that says there is not a mechanism to shift allocation between commercial and guided recreational sectors but the GAF program does this, just not in the way some charter operators would prefer.

Our comments on Appendix 3 staff comments/recommendations (in bold text) follows:

1. Non-profit Entities

We believe the halibut charter stakeholder committee's recommendation to have the charter quota that they currently have stays as charter only, a portion of the QS will always remain commercial and a portion that has the ability to move between sectors as the market place determines is better than the staff suggestion of a permanent reallocation.

2. Administrative Oversight

Yes, we believe that consideration should be given to the possibility that you would want an RQE for each area or one for both that might save on administrative costs but the source of funding might lead to different considerations of whether one or two entities would be better. We do believe that it is appropriate that the non-profit entity(s) be approved by the Council/NMFS and that a yearly report be provided.

4. Cumulative Use Caps for All Communities

This is where a joint committee to discuss and negotiate a solution would be better than staff suggesting alternatives. SEAFAs believe that an overall cap is necessary to protect the commercial interests including the processing sector.

Southeast Alaska Fishermen's Alliance strongly believes that before any new charter programs move forward there must be a joint Charter,

Commercial and CQE stakeholder committee formed to make sure that ideas that move forward for staff analysis doesn't unintentionally undermine or harm the other users programs and that a common pool approach is the favored approach when the analysis and options are laid out for consideration.

Sincerely,

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

Kathryn L Hansen
Executive Director



John Henderschedt, Acting Chair
North Pacific Fishery Management Council
Attn: Chris Oliver, Executive Director
604 West 4th Avenue, Suite 306
Anchorage, AK 99501
re: Comments on agenda item D-2

September 29, 2014

Chair Henderschedt and Members of the Council:

I appreciate the opportunity to comment on the Agenda item D-2 "Charter Halibut Common Pool" being considered during the October 2014 Council meeting. I am submitting these comments on behalf of the membership and Board of Directors of SEAGO.

As the Council and Council staff are aware, Alaska's charter halibut fleet has engaged in a lengthy project to develop the proposal before you upon which the staff discussion paper is based. The "Catch Accountability Through Compensated Halibut" (CATCH) project is a joint endeavor by the Alaska Charter Association (ACA) and the SouthEast Alaska Guides Organization (SEAGO), originally funded by the National Fish & Wildlife Foundation (NFWF).

We undertook this effort in anticipation of the Catch Sharing Plan (CSP) adoption and implementation fearing that the CSP would decrease sector allocation below what would provide for traditional bag limits. As we've reiterated, the guided anglers we serve strongly desire a high degree of stability in regulation. It was our hope that we could help develop a transfer mechanism that would allow 2C and 3A to return to a 1 and 2 fish bag limit, respectively.

The work product and included programmatic components are a result of 3 years and approximately \$250,000 in development. During the course of the project, the CATCH board and staff sought out numerous technical resources and engaged a large number of Charter Halibut Permit (CHP) holders in both areas 2C and 3A.

Since providing the Advisory Panel (AP) and Council an executive summary of the CATCH proposal at the February 2014 meeting in Seattle, the CATCH project team and SEAGO have had continuing discussions with Council, NMFS and ADF&G staff in an effort to respond to additional questions arising from this industry proposal.

We are in the process of working on recommendations and suggestions for the AP and Council to questions that have already been highlighted. However, we believe that in order for this proposal to be thoroughly vetted and proven workable, we must solicit and incorporate recommendations from all affected stakeholder groups. Furthermore, additional technical review is also essential.

We believe the CATCH proposal is an innovative market-based compensated reallocation mechanism that has the possibility to be useful to multiple stakeholder groups. We recognize that there are some important questions yet to be answered.



On behalf of SEAGO and the CATCH Project, I am encouraging the AP and Council to initiate an analysis for this proposal to move forward to the next stage of consideration and development.

There will be a number of sector representatives at the Council meeting to provide testimony to the AP and Council. CATCH Board members Tom Ohaus, Russell Thomas and Richard Yamada will be available for relevant portions of the Council agenda. In addition, Andy Mezirow and I will also be available to speak to this proposal.

Thank you for your time.

Sincerely,

A handwritten signature in cursive script, appearing to read "Heath E. Hilyard".

Heath E. Hilyard, Executive Director
SEAGO

Subject: CATCH PROPOSAL for a RECREATIONAL QUOTA ENTITY in the COMMERCIAL HALIBUT IFQ PROGRAM

From: <mikeandkaren@shizendou.net>

Date: 9/29/2014 11:58 AM

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

Comment on: CATCH PROPOSAL for a RECREATIONAL QUOTA ENTITY in the COMMERCIAL HALIBUT IFQ PROGRAM

I recommend the NPFMC take no action on the catch proposal for a recreational quota entry in the commercial halibut IFQ program. I found the discussion paper on the subject posted on the NPFMC webpage for the October meeting to be most informative and I appreciate the opportunity to comment as a resident of Gustavus, Alaska. My wife and I enjoy an occasional day of sport halibut fishing each summer in the Icy Strait/Glacier Bay area. We take only a very few halibut—certainly no large ones—and just what we are confident that we can actually use. We have no connection either to commercial or sport charter interests.

I am concerned about the sustainability and health of North Pacific halibut populations, but I don't have the background to judge how the catch proposal will affect the long term viability of the resource. Unfortunately sustainability of the stocks, which is fundamental to sustainability of both commercial and sport harvest does not seem to be an issue in this proposal. The issue appears to be a more a matter of how the charter fishing industry can make more money from the presently declining stocks, and for at least the short term relieve the constraints and instability caused by its own overexpansion.

I have been considering the proposal based on who actually gets to eat the halibut that is caught, and on the potential for waste of fish in the consumption chain. Halibut is a healthy natural food and it should be available to the widest range of consumers at reasonable cost and with the least possible waste. These concerns lead me to oppose the shift of commercial halibut quota permanently to the sport charter industry.

A shift of halibut quota from the commercial fishery to the sport charter fishery would result a further concentration of the harvested resource into the hands of the relatively small portion of consumers who can afford, and are interested in, a charter fishing trip. It will mean more fish taken home by a relatively few sport charter fishermen and fewer available at higher cost for many more families that want to buy a filet at the fish market to take home for a healthy dinner. A filet purchased for dinner at fish market or restaurant s likely to be much appreciated and very unlikely to be wasted.

My personal observation each summer of charter customers departing Gustavus suggests that they take home a huge amount of fish. The good old boys who come from Texas or Utah to charter fish in our area are here to maximize the amount of meat they can take home, regardless of impacts on the population or of whether mom and the kids at home have any real interest in eating that much halibut. How much of our valuable resource ends up freezer burned and cast away in a Lower 48 landfill?

A shift of quota to the charter fishing industry may also mean fewer fish available to local non-charter sport fishers like many of us in Gustavus. While much of the commercial action is well offshore, the sport charter fishing vessels prowl the same inshore waters as the local guy in his skiff. A shift of quota from commercial to sport charter is likely to mean an unintended shift of catch from the small local sport fisher to the charter guys.

Proponents of the catch proposal suggest that it is necessary to stabilize their industry. I doubt such will be the effect. The sport charter industry is unstable because their business model is unsustainable. If they are allowed a larger share of the halibut quota they will only expand their capacity to the point that they need more share once again to avoid "instability." The current limitations instead force the charter industry to face the fact that they can't continue to expand capacity and catch effort against a limited and declining natural resource.

For these reasons, I hope the NPFMC will decline to shift quota share permanently from the commercial industry to the sport charter industry.

Thank you for giving this important issue your most careful consideration.

Michael S. Taylor, MS, PE, CIH
Gustavus, Alaska

Subject: Catch
From: James Moody <info@southeastportfishing.com>
Date: 9/29/2014 8:13 AM
To: npfmc.comments@noaa.gov

September 28, 2014

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

Anchorage, Alaska 99501-2252

RE: Comments Agenda Item D-2

Dear Chairman:

My name is James Moody and I operate First City Charters.

I am in favor of the CATCH plan as a means to increase charter halibut fishing opportunity, which was taken from me in the Catch Share Plan (CSP).

I will not use the GAF feature in the CSP as costs are too unpredictable.



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
John Henderschedt, Acting Chairman
605 West 4th, Suite 306
Anchorage, Alaska 99501-2252

September 29, 2014

Comments: Agenda Item D-2

Dear Mr. Henderschedt,

The Alaska Charter Association (ACA) represents over 150 charter vessels throughout Alaska. It also has associate members, which consist of community businesses that depend on a viable charter industry.

The ACA is in support of the Problem Statement and Proposal stated in the CATCH Discussion Paper Appendix 2. A Proposal to Establish a Recreational Quota Entity as a Qualified Quota Share Holder in the Alaska Halibut Individual Fishing Quota Program. ACA participated in the development of the CATCH concept over a two-year period. During this time, ACA representatives reached out to all local charter associations, educating them to the concept of CATCH as a market-based solution to returning fishing opportunities to their clients, and losses due to recent declining exploitable halibut stocks and management regime shifts. All charter associations we met with supported the CATCH concept.

The CATCH Discussion Paper raises some questions for the Council to consider. We would like to comment on a few of these.

The chicken and egg scenario. Why should an RQE program be implemented even without a funding mechanism established?

1)The preferred funding mechanism for the RQE is a State of Alaska, halibut sportfishing stamp. A legislative revenue program, that would authorize this stamp, may require that either a funding entity already exists or that assurances be provided that the entity would exist if and when funding became available. 2)The time, effort, and expense of the Council to proceed without a guarantee of funding should be weighed against the potential economic benefit to local coastal communities and advancing a market-based means for the recreational guided sector to regain fishing opportunities lost in recent years. 3)The current Guided Angler Fish (GAF) is not and will not work as a sector wide permanent means for inter-sector transfers of allocation.

Should an RQE be modeled after a CQE?

The CQE Program should provide a precedence, or example, of how the IFQ Program has applied its broader definition of what an "individual" participant could be. The RQE should not necessarily be modeled after the CQE program, which was disadvantaged by geographic isolation and lack of funding resources. The perceived need for transfer restrictions in the CQE Program did not materialize and recent actions of the CQE communities have sought relief from these restrictions.

What impact on the CQE Program would admittance of an RQE have?

This is a subject that the NMFS should analyze. Ultimately, having no history of an RQE established in regulation and the many variables that would need to be considered, the true impact may never be known until tried. We do know that CQE community competition for quota has not been a significant issue or that there has not been much quota purchased in the past ten years of the program. We would anticipate no changes in this trend even after an RQE was established.

How would an RQE fund cost recovery as NMFS cannot collect fees from the sport sector?

NMFS analysis would need to itemize the actual costs of the RQE program. The discussion paper mentions a significant cost in developing a real-time electronic reporting system. The GAF program already utilizes a near real-time electronic accounting system. Would there be a need for anything more elaborate than this, especially if no in-season management is anticipated in the future? In any case, there are grant resources available that might cover the initial expense of developing a more elaborate electronic reporting system. The administrative costs would be covered by the RQE funding mechanism and NMFS could be contracted to provide services for the RQE.

How is the RQE going to be an accountable catch share participant in the IFQ Program?

This will be the first ever, recreational catch share program. The recreational halibut fishery is not managed by weighed removals as in the commercial fishery, but by estimates of removals calculated from numbers of retained halibut, reported in charter logbooks, and the average size of fish derived from regional creel surveys. A recreational catch share program needs this flexibility in catch accounting and should continue to be managed under the accounting methods now in place under the Catch Sharing Plan.

How would the charter fishery management change?

There may not need to be any changes in the time-line of events regarding the setting of annual guided angler management measures. The December Council recommendation to the IPHC already has an element of uncertainty in IFQ pounds available per QS unit and the following year's harvest rate for each Regulatory Area will not be known until the IPHC meeting in January. The Charter Halibut Management Implementation Committee and ultimately the Council, will have to develop a new method of alternatives to deal with an added level of uncertainty. This will not be easy, but it is definitely possible. Once the Regulatory Area allocations are announced at the IPHC meeting in January, the IPHC would select guided angler harvest measures from alternatives based on current year's CSP allocations and IFQ allocations.

What restrictions should be placed on transfers between RQE and commercial sector?

ACA supports the staff comments made several times regarding the consideration of transfer restrictions "...restriction defeats the (compensated) market-based reallocation that is inherent in the approach of letting the market decide the appropriate sector allocations." This comment also supports the CATCH economic study finding, that severely restricting inter-sector transfers reduces the "asset value" of every quota shareholder in the program.

Should the GAF Program be retained?

There was an error in the calculation of estimated cost for GAF for 2015 in the discussion paper. The average size fish in Area 2C was 55 inches, which equates to a 62 lb. fish and in Area 3A, the average size fish was 45 inches, equaling a 32 lb. fish. At \$5/ lb. the cost of this fish would be \$310 for Area 2C and \$160 for Area 3A. At these prices we anticipate little use of GAF in 2015 and anticipate the cost of GAF to escalate in price as the average size of fish used for GAF would have to increase to make retention economically attractive. There may be cost and administrative time savings in rescinding the GAF program if use of the program continues to be unattractive to guided anglers and the CATCH program is implemented.

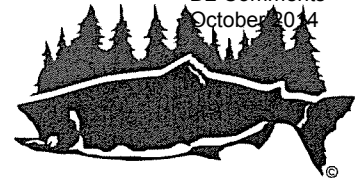
The ACA recommends the CATCH proposal move to analysis as soon as possible.

Thank you for this opportunity to comment on the CATCH Discussion Paper.

Sincerely,



Richard Yamada
Vice-President



Sportsman's Cove Lodge
Alaska's Friendly World-Class Sportfishing

Reservations Office
Box 8500
Ketchikan, AK 99901

Inquiries 1 800-962-7889
Business 907-247-7252
Facsimile 907-247-7255
info@alaskasbestlodge.com

September 28, 2014

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

RE: Comments Agenda Item D2 – CATCH

Dear Chairman and Members of the Council:

My name is Larry "Mac" McQuarrie. I operate Sportsman's Cove Lodge, on Prince of Wales Island in southern Southeast Alaska. I have been continuously in the charter industry in Alaska for 31 years, and am celebrating the conclusion of 25 years at my present location. Our business employs 32 people in-season and contributes over a million dollars annually to the local area economy.

I have been active in charter halibut issues confronting the Council since 1993. I served on the first Charter Halibut GHL Committee, and on the Charter Halibut IFQ Committee, and the Charter Halibut Stakeholders Committee. I have been on the Conference Board at the IPHC many times, and serve on the ADF&G Advisory Committee for the Ketchikan area.

I am strongly in favor of the CATCH project as a market-based vehicle to allow an equitable solution to the allocation of the harvestable halibut resource between commercial IFQ holders and the Charter Halibut sector. Finally, after all the years before the Council, a reasonable solution may be at hand which removes the allocation issue for the most part, away from the Council, and places it into the hands of the two main user groups.

As regards the assumption that some have expressed, that the same result can be obtained by the use of GAF, my experience has been that GAF is not a viable option. As I have testified before the Council several times in the past, GAF is unpredictable in its availability and its cost, which makes it a volatile commodity and thus unreliable year to year. Further, it violates one of the basic tenets of the commercial IFQ program regarding leasing and the principle of "owner on board." It is simply not practical and never was.

Respectfully submitted,

L. G. McQuarrie

Larry McQuarrie,
CEO Southeast Alaska Sportfishing Adventures, Inc.
Db a Sportsman's Cove Lodge

Fax to (907) 271-2817 or mail to arrive by COB Sep 25, 2012

Date: 9-15-2014

Mr. Eric Olson, Chair
North Pacific Fishery Management Council
605 West 4th Ave, Ste 306
Anchorage, AK 99501

Dear Mr. Olson,

Re: Halibut Catch Sharing Plan (CSP)

I SUPPORT the catch sharing plan percentage allocations adopted in 2008 and detailed comments submitted by the Halibut Coalition.

The allocation percentages adopted by the Council in October 2008 are fair and equitable because they protect historic consumer access, the selline fishery, coastal communities, and provide a reasonable level of access for guided anglers at all levels of halibut abundance. It is important for all sectors to share in conservation of halibut, equally, at all abundance levels. The CSP allocations set in 2008 SHOULD NOT be changed because of political interference. The charter fleet was gifted an allocation 25% above their actual harvest on two occasions and is again trying to increase their allocation by obstructing final regulatory action.

When I purchased quota, I did so with the expectation that the NPFMC would not reallocate those investments to another commercial group.

The IPHC should be delegated authority to annually set bag and size limits for charter to maintain the charter harvest at or below their allocation; this is the most effective way. This will correct previous problems with the charter sector frequently exceeding their allocation.

I support the Guided Angler Fish provision that allows charter operators to lease quota if their clients want more fish. Why shouldn't they have to invest if they want more quota??

My family is dependent on income from the halibut selline fishery and uncompensated reallocation to the charter sector hurts both my family and community.

The CSP supplemental analysis establishes that commercial fishermen have LOST money over the past six years while charter operators have MADE money at these low levels of abundance. The charter fleet does not need more halibut at the expense of commercial fishermen and the communities that depend on them.

Thank you for the opportunity to comment.

Sincerely,

Name: Cham Bjertsen

Address: 411 Desjardis St Sitka AK, 99835

Owner, Crackerjack Sportfishing Charters, LLC.

Po Box 2794

Seward, Alaska 99664

(907)362-1600

September 17, 2014

I am writing to you today as an IFQ share holder and a Charter operator to comment on your D agenda item the CATCH discussion paper. I want to convey to you from my perspective, why it is timely and important that you choose to move the concept forward for initial review.

First there has to be a problem that necessitates the time, and effort to find a solution. ***The problem is that under the current CSP the charter sector was given an allocation that under most circumstance will results a highly variable, and reduced bag limit for our clients.*** Our clients love stability so that the great trip they had last time might be repeated. Furthermore different bag limits between private boat anglers and the for-hire sector create a host of problems that really serve to circumvent the conservation goals of the CSP as well as enforcement difficulties. The CATCH proposal will largely fix these problems.

The effectiveness of the CSP is complicated by the fact that here is no reliable way to determine which management measures will keep the charter sector within its allocation and still provide any sort of stability to the product which we sell to our clients. This is because our industry sells most of the trips in the fall and winter and we will never know what our allocation will be until after these trips are sold. There is the option of Guided Angler Fish (GAF) to help ease the burden of this uncertainty but the very analysis we are talking about stated that a single GAF would be at least 225 dollars in 3A. That is about 75% of the cost of a fishing charter on top of the normal fee.

What about easing the GAF restrictions to allow for individual purchase option? Well that might be worth analyzing but it still creates different bag limits within the charter sector, making it confusing for our clients, enforcement and management. Keeping everything the same is much easier in the long run and under the CATCH, there is the possibility that when the charter sector does not need the extra quota, it can go back to the longline sector to insure the maximum sustainable yield is achieved.

As an IFQ share holder who has lost 40% of my quota to conservation measures, I would welcome a change to sell what I have left, for more than the market value, to recover my losses. I am sure I am not alone in that sentiment. As long as there is a willing buyer and seller and consideration is given to limited purchases so as to not permanently disrupt the IFQ market, it is hard to see how this market based idea is not at least worth a closer look from Council Staff.

This Council has never been one to shy away from new, innovative ideas that solve problems in the Alaska's fishing industry and I would urge you to move forward with an initial review at this time. If the Initial review identifies problems that are insurmountable, then our industry can try another approach. For now this is all we have on the table to solve our problem.

Respectfully

Andy Mezirow

Subject: Comment on Issue D-2 (CATCH Proposal)
From: Zachary Brown <zacharywestbrown@gmail.com>
Date: 9/25/2014 12:20 PM
To: npfmc.comments@noaa.gov

Dear NPFMC,

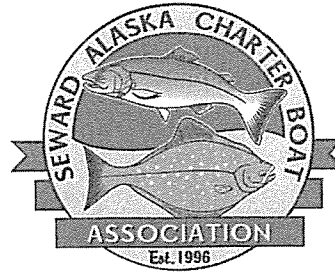
Greetings, my name is Zachary Brown -- I recently completed my PhD in oceanography at Stanford University, and I am now back in my hometown of Gustavus, Alaska.

I would like to voice my opinion about issue D-2, the CATCH Proposal to move more halibut catch from the commercial fishery to the charter fishery.

I believe the CATCH proposal should be rejected. There are several reasons for this, but I would like to focus on the issue of the subsistence harvest among local communities such as Gustavus. Because towns like Gustavus have skilled individuals, generally abundant natural resources, and high costs of fuel and groceries, subsistence harvests are a crucial component of our local livelihood. For these reasons, in theory the federal and state governments have a subsistence priority for fish and game, thus allowing remote residents to supplement their diet through local harvesting. I believe the CATCH proposal threatens the ability of locals to meet their subsistence needs, because while commercial longliners generally fish for halibut in offshore waters, charter boats generally fish inshore nearer the local communities. Thus, transfer of additional quota to the charter fleet will directly impact our ability in remote communities to feed our families. Moreover, data on halibut stocks at the local scale are essentially non-existent, such that the impact of additional charter fishing pressure locally cannot be foreseen. It would be unwise to adopt the CATCH proposal in the face of uncertainty about how local stocks would be affected, and contrary to the subsistence priority.

Thank you for your consideration,
Zachary Brown

Zachary W. Brown
PhD, Stanford University
Founding Director, Inian Islands Institute
<http://inianislandsinstitute.org/>



North Pacific Fishery Management Council

September 23, 2014

Honorable Council Members,

The Seward Alaska Charterboat Association has been representing the local charter fishing fleet since 1996. We currently have 21 member businesses with a total of 41 boats operation from Seward.

After lengthy discussion, our membership has decided to respectfully request that the North Pacific Fishery Management Council move the CATCH discussion paper forward to include a full analysis of possible options for a market based compensated reallocation program. Our organization believes that this is the most equitable long term solution for sharing the halibut resource between directed users.

We have reviewed both the discussion paper and the original CATCH document. Obviously this is a bold, new program. There has been a great deal of time and effort already spent on how it might look. As we have seen before, an independent analysis is not the same as a Council initiated initial review, and our organization would like to see this concept move to the next phase in the Council process, which is an initial review of elements and options for such a program. Relegating this discussion paper to a committee will only serve to stall the process for years and in the mean time we will face certain hardships that may be avoided by moving forward.

Our organization is very supportive of the concept of compensated reallocation as a way to get back to offering our clients a stable bag limit and full season. The sooner we achieve this objective the sooner we will be free from the economic harm and instability that these current harvest regulations have brought us.

The North Pacific Fishery Management Council has not been reluctant to tackle difficult issues and to implement new programs that have served as a template for other Councils in the rest of the Country.

This is a great opportunity to take a new idea and develop it into a program that can and will benefit both sectors and create a net benefit to the nation in the process. Our organization is happy to participate in the development of this program in whatever way the Council wishes

Sincerely

Steven Zernia
President
Seward Alaska Charterboat Association

Owner, Crackerjack Sportfishing Charters, LLC.

Po Box 2794
Seward, Alaska 99664
(907)362-1600
September 17, 2014

I am writing to you today as an IFQ share holder and a Charter operator to comment on your D agenda item the CATCH discussion paper. I want to convey to you from my perspective, why it is timely and important that you choose to move the concept forward for initial review.

First there has to be a problem that necessitates the time, and effort to find a solution. ***The problem is that under the current CSP the charter sector was given an allocation that under most circumstance will results a highly variable, and reduced bag limit for our clients.*** Our clients love stability so that the great trip they had last time might be repeated. Furthermore different bag limits between private boat anglers and the for-hire sector create a host of problems that really serve to circumvent the conservation goals of the CSP as well as enforcement difficulties. The CATCH proposal will largely fix these problems.

The effectiveness of the CSP is complicated by the fact that here is no reliable way to determine which management measures will keep the charter sector within its allocation and still provide any sort of stability to the product which we sell to our clients. This is because our industry sells most of the trips in the fall and winter and we will never know what our allocation will be until after these trips are sold. There is the option of Guided Angler Fish (GAF) to help ease the burden of this uncertainty but the very analysis we are talking about stated that a single GAF would be at least 225 dollars in 3A. That is about 75% of the cost of a fishing charter on top of the normal fee.

What about easing the GAF restrictions to allow for individual purchase option? Well that might be worth analyzing but it still creates different bag limits within the charter sector, making it confusing for our clients, enforcement and management. Keeping everything the same is much easier in the long run and under the CATCH, there is the possibility that when the charter sector does not need the extra quota, it can go back to the longline sector to insure the maximum sustainable yield is achieved.

As an IFQ share holder who has lost 40% of my quota to conservation measures, I would welcome a change to sell what I have left, for more than the market value, to recover my losses. I am sure I am not alone in that sentiment. As long as there is a willing buyer and seller and consideration is given to limited purchases so as to not permanently disrupt the IFQ market, it is hard to see how this market based idea is not at least worth a closer look from Council Staff.

This Council has never been one to shy away from new, innovative ideas that solve problems in the Alaska's fishing industry and I would urge you to move forward with an initial review at this time. If the Initial review identifies problems that are insurmountable, then our industry can try another approach. For now this is all we have on the table to solve our problem.

Respectfully

Andy Mezirow

CHINOOK SHORES LODGE

PO Box 6555 – Ketchikan, Alaska 99901 – (907) 225-6700
Email: info@chinookshores.com

September 28, 2014

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

RE: Comments Agenda Item D-2

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 9 years. Our lodge accommodates up to 24 anglers and operates 6 boats.

I am writing this letter in support of the CATCH project and the proposal to establish a Recreational Quota Entity (RQE) to participate in the Alaska halibut IFQ program.

For the last seven years I have participated in the halibut allocation battle between commercial halibut fishermen and charter halibut fishermen at the NPFMC level and feel frustrated and unsatisfied with the current CSP and the associated GAF leasing feature as does every other Charter Halibut Permit (CHP) holder that I know. There is an overwhelming need for a mechanism to transfer resource harvest opportunity between these two groups and I strongly believe the CATCH program is the best choice as it can operate under the established IFQ program and is fair to all participants.

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 our guests could not afford it. If you look at the "Preliminary report on GAF" in the D2 Catch Discussion Paper, you will notice that the 2014 estimated GAF length of a fish in Area 2C is 55". This is an 82 lb fish per the IPHC length to weight conversion table and at \$5/lb equates to a \$410 fish (not a \$275 fish, which is miscalculated in the discussion paper).

The GAF preliminary report proves what the charter industry has been saying for the last several years. GAF will only benefit a few luxury lodges with the wealthiest clients that fish large halibut, and is a very poor substitution for lost halibut allocation in the CSP. Halibut charter anglers would have to pay more than double the current rates of an all-day fishing charter to catch a single GAF halibut at the estimated \$410/fish in 2015. At that price GAF users will have to continually target larger halibut driving the price higher each year until no one can afford to use it. 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 give the CATCH program a chance and move it to the analysis stage.

Sincerely,

Jeff Wedekind, President Chinook Shores, Inc.

John Henderschedt, Acting Chair

Sept. 25, 2014

North Pacific Fishery Management Council

Dear Mr. Henderschedt:

Re Agenda Item D2, Charter halibut CATCH proposal

We the undersigned are residents of a small coastal Alaska community. Food is expensive in towns like this. Access to natural resources is a key to living in such places and halibut is one of the most valued food resources. Maintaining a small boat commercial fleet is also important to the coastal Alaska way of life.

Inshore halibut stocks are particularly important for local economic, sport and subsistence use. They are also significant components of halibut populations in general. The experience of Sitka residents in the 1990s, when the problem of halibut depletion in Sitka Sound was recognized by NPFMC, is an example of what can happen when local stocks are overstressed.

We oppose the Charter Halibut CATCH (Common Pool) proposal, which would transfer a substantial amount of halibut allowable catch from the commercial fishery to the charter sport fishery through permanent purchase of commercial fishery IFQs. This action would not be in accord with the values stated above, for the following reasons:

1. All halibut management actions are on the basis of large regulatory areas,ⁱ offering no protection from over-fishing in local areas. Especially given indications of substantial site fidelity by adult halibutⁱⁱ, heavy exploitation can deplete a local area, and subsequent heavy or even moderate exploitation may suffice to maintain that depletion. Because the charter fishery generally operates in more inshore waters and closer to communities than the commercial fishery, increased charter harvest may negatively impact the ability of coastal residents to harvest halibut for their households.ⁱⁱⁱ
2. Pressure on our local stock is already increasing. Further increasing pressure on inshore stocks like ours is unwise in the absence of data on the status of local halibut stocks,^{iv} and in the absence of plans to monitor halibut abundance on the basis of geographical units smaller than the large regulatory areas 2C and 3A. Within the present management framework, the additional charter fishing pressure is likely to target the areas with larger fish, leading to local depletion.
3. The halibut IFQ program was designed to maintain a fleet that included a substantial component of small boats, which we strongly support. The NPFMC has repeatedly reinforced its desire to maintain fishing privileges with small operators and coastal communities, most recently by restricting the amount of quota available for harvest by hired skippers. Purchase of commercial IFQ by the charter fleet may substantially decrease the smaller boat quota and fleet, and reduce entry level opportunities in the halibut fishery,^v which directly contradicts the NPFMC's recent actions.

4. Since the halibut charter fishery is now under limited entry, the proposed action would greatly increase its catch quota while not providing additional opportunities to enter that fishery – just more fish boxes leaving town. The result would be a net loss of fisheries jobs: status quo in the charter industry and a loss in the commercial sector.

5. Removing halibut from the commercial fleet will also reduce the amount of halibut on the market available for consumers and increase its price.

6. The type of proposed management action has tended to remain in place for the long term. It won't be easily rescinded if the adverse consequences we foresee do arise.

Thank you for your attention.

ⁱ Halibut Area 3A is from Cape Spencer at the northern end of Southeast Alaska to the west end of Kodiak Is. As an offshore arc, this is a distance of 750 miles

ⁱⁱ IPHC research has shown considerable summer site fidelity (IPHC Power Point 2007); a Glacier Bay acoustic tag study (Nielsen, Hooge et al, not yet published) shows summer fidelity to very small areas.

ⁱⁱⁱ The amount of halibut to be transferred to the charter fisheries, if it were available in 2014, would amount to a 77% increase in allowable charter harvest in Southeast (Area 2C) and a 44% increase in Southcentral (Area 3A).

^{iv} Email from IPHC biologist Tom Kong, 5/28/2014, verified that the IPHC does not treat with data on bases smaller than the large regulatory areas, and "our [IPHC] survey data probably wouldn't be appropriate for analyzing smaller, discrete areas."

^v Compared to the 2014 allowable catch in the commercial fishery, the proposed CATCH purchases of IFQ would result in a 17.7% decrease in commercial IFQ in Southeast (Area 2C) and a 10.7% decrease in Southcentral (Area 3A). The NPFMC's Discussion Paper points out that small-boat IFQs are the least expensive and the most likely to be purchased under the CATCH plan.

Signed by the following Gustavus residents

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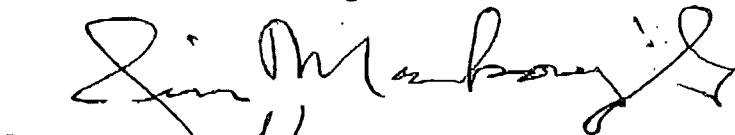

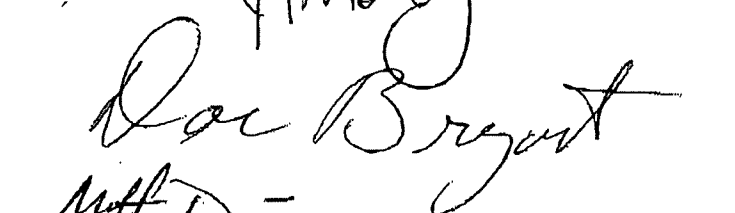
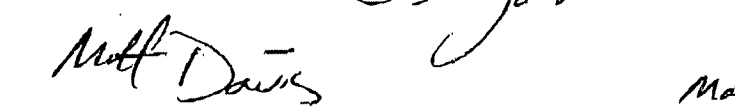
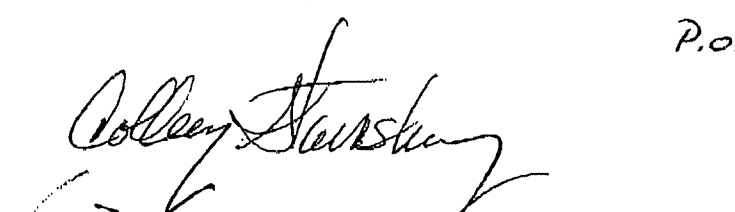
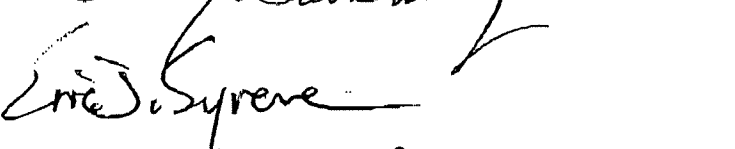
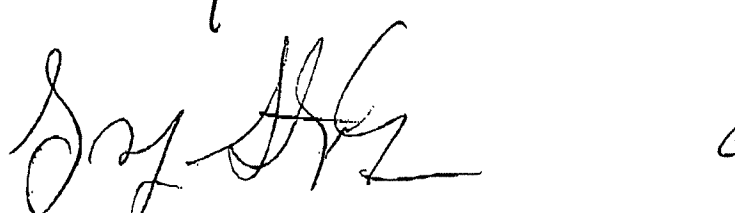
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3

Gustavus Residents' letter on Issue D2

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September 30, 2014

John Henderschedt, Acting Chair
North Pacific Fishery Management Council
Attention: Chris Oliver, Executive Director
604 West 4th Avenue, Suite 306
Anchorage, Alaska 99501-2252

RE: Comments on Agenda Items C-7 & D-2

Dear Chair Henderschedt and Members of the Council:

Kenai River Sportfishing Association (KRSA) is a 501(c) 3 non-profit association of anglers and conservationists dedicated to the sustainability of fisheries resources in Alaska. We would like to provide comment on agenda items C-7: GOA Trawl Bycatch Management and D-2: Charter Halibut Common Pool – Catch Proposal.

Southcentral Alaska supports the state's largest personal use fisheries for salmon and the largest sport fisheries for salmon and halibut. Sport fish license sales in Southcentral Alaska account for more than half of all such sales in Alaska. Angler days for salmon and halibut account for more than 80 percent of the overall angler activity in the region. The socio-economic values associated with these activities are substantial. According to the 2007 Report on Economic Impacts and Contributions of Sportfishing in Alaska by the Alaska Department of Fish and Game (ADFG), the socio-economic values in Southcentral Alaska include:

- ❖ \$989 million in sportfishing expenditures
- ❖ more than 70 percent of all angler activity in Alaska
- ❖ more than 11,000 jobs
- ❖ more than \$380 million in income
- ❖ more than \$180 million in federal, state and local tax revenues

According to visitor surveys, sportfishing is the number one day activity that draws visitors and Alaskan residents to the Kenai Peninsula. In a 2004 survey by *Field and Stream*, the Kenai River king salmon sport fishery was ranked the # 1 sport fishery in North America. Seward and Homer are the largest recreational saltwater fisheries in Alaska. Salmon and halibut are the top draws for anglers. An example

of the substantial economic values generated by anglers in Alaska is that non-residents generate \$744 per day spending for guided, saltwater trips and \$790 per day spending for guided, freshwater trips – while in contrast the average expenditure for a non-resident to Alaska per trip (with an average stay of 8.8 days) is \$760. Maintaining healthy access by anglers to these fishery resources is fundamental in generating healthy socio-economic values in the personal use and sport fisheries of Southcentral Alaska.

C-7 GOA Trawl Bycatch Management

The GOA trawl bycatch management program was established to reduce bycatch – as such the efforts of the NPFMC must keep this program focused on bycatch reductions that achieve meaningful and significant savings of Chinook salmon and halibut beyond just the status quo. Southcentral sport fisheries and their counterparts in the commercial fisheries have seen significantly reduced directed harvests of Chinook salmon and halibut stocks, with sport harvests of kings on the Kenai River reduced by more than 85 percent and commercial halibut catch limits in the GOA reduced by more than 70 percent in the past decade. 2007 was the last year in Cook Inlet that the sport and personal use fisheries did not have restrictions and or closures for king salmon. King salmon emergency closures in 2012 for sport, personal use and commercial fisheries in Cook Inlet resulted in economic losses of more than \$20 million in direct expenditures and more than \$10 million in indirect expenditures. 2014 saw the early-run Kenai River king salmon fishery closed for the first time in 50 years, at an estimated cost of \$7 million in economic expenditures due to lost angler days in our community. King salmon stamp sales for Southcentral have declined by more than 50 percent in the past decade and in 2012 and 2013 were surpassed for the first time by those in Southeast Alaska.

GOA trawl bycatch has not been reduced in a similar manner as we have seen in the directed fisheries for salmon and halibut in Southcentral Alaska. To rebuild the GOA and Southcentral Alaska salmon and halibut stocks, all user groups must share in the burden of conservation, including the trawl fisheries. To bring parity to the burden of conservation among user groups, the Council's Trawl Bycatch Management Action must realize additional bycatch reductions.

D-2 Charter Halibut Common Pool – Catch Proposal

In contrast to the directed commercial fisheries in Alaska that target twenty-plus species for harvest, the number of species that sport, personal use and subsistence fisheries in Alaska target primarily for harvest is more confined to a much smaller handful of species. As noted, salmon and halibut are the two primary preferences for harvest by anglers in Southcentral Alaska and account for 80 percent of angler effort. Providing clear, concise and consistent regulations, and retaining access and opportunity to harvest meaningful numbers of salmon and halibut is important to anglers.

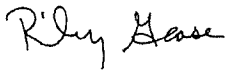
A primary consideration since the adoption and implementation of the Catch Share Plan (CSP) has been the decrease in sector allocation below what provides for traditional bag limits in the guided charter sector. A more permanent and effective transfer mechanism for compensated reallocation between the commercial and charter sectors is desirable, as the current GAF provision has proven ineffective on many fronts. Providing for a high degree of stability in regulation through a return to a one fish and two fish bag limit in Southeast (2C) and Southcentral (3A) Alaska, respectively, is desirable.

KRSA supports the sportfishing charter industry work to develop the "Catch Accountability Through Compensated Halibut" or CATCH proposal. We commend the efforts of the Alaska Charter Association (ASA) and the Southeast Alaska Guides Organization (SEAGO) to generate a more effective and reliable market based approach to the issue of compensated reallocation between sectors.

While still in a preliminary stage of discussion, we think further exploration of a market-based compensated reallocation mechanism is worthwhile. We encourage the NPFMC to move the CATCH proposal forward for further development, consideration, technical analysis and vetting by all impacted stakeholders. We look forward to having this issue move forward for a more robust investigation and scrutiny by all interested parties. While Councils by definition are regional in nature, we note that the issue of compensated reallocation between sectors is a national issue that other Councils are also grappling with. We believe that through further consideration and refinement by the NPFMC, constructive results can be established that can also serve as a template for other regions of the country that are grappling with this very same issue.

Thank you for your time and consideration of these important matters.

Respectfully,



Ricky Gease, Executive Director
Kenai River Sportfishing Association