


MEMORANDUM

TO: Council, AP and SSC Members

FROM: Clarence G. Pautzke   
Executive Director

DATE: June 18, 1990

SUBJECT: Future Management Planning

**ACTION REQUIRED**

Consider the design of alternative systems for halibut and a schedule of events.  
Consider new schedules for limited access for groundfish and crab.

**BACKGROUND**

Halibut Management and Work Schedule

The Council has been developing halibut limited access alternatives during the past two years. At the September, 1989 Council meeting, the Council approved Annual Fishing Allotment, License Limitation, and Individual Fishing Quota alternatives for further consideration. All three of these alternatives mirrored the sablefish decisions being made by the Council at that time. At the January and April, 1990 meetings the Council delayed further consideration of the halibut alternatives until a final decision was made on sablefish. This was done to allow staff to focus on sablefish and, should a limited access alternative be chosen, to reduce the number of alternatives to be considered for halibut. These three alternatives are contained in the Council's supplemental folder. A revised halibut IFQ alternative modeled after the sablefish alternative formulated in January 1990 is provided as item C-5(b)(1).

If the Council chooses IFQs for sablefish, the halibut bycatch problem with the longline fishery could continue after the system is in place and may compromise the effectiveness of IFQs. If you wish to develop IFQs for halibut and implement the system concurrently with sablefish IFQs, a final Council decision is required in December, 1990. This will allow parallel implementation of the systems in early 1992. A tentative schedule showing necessary decision dates is provided as item C-5(b)(2).

Groundfish and Crab Planning Schedules

Last June the Council approved a series of dates when planning schedules for all the fisheries could be reviewed, revised, or abandoned. The first review occurred in September. January and April were also specified but the Council decided to postpone further schedule reviews until after the sablefish decision. Staffing constraints will postpone consideration of groundfish and crab at least until 1991 if BSAI bycatch, the moratorium, and inshore-offshore take precedence. The Council may want to postpone consideration of this schedule until September or December.

## Elements of a Halibut Hook-and-line IFQ Management System

This outline presents the proposed individual fishing quota system (IFQ) for halibut hook-and-line fishing. This outline was modeled after that adapted by the Council for sablefish in January, 1990. Only a few changes have been made including management areas. The **grayed** areas represent options under consideration.

### I. SCOPE OF PROGRAM

- A. **Halibut**
- B. **Hook-and-line vessels**

### II. THE WHO, WHAT, WHEN, WHERE, AND HOW OF IFQS

- A. **What** - Each IFQ would be a set poundage of halibut for a particular year. They would be based on the number of quota shares for each management area. The **amount of weight assigned to each unit would vary yearly** as the total allowable catch (TAC) varied from year to year. **Quota shares (QS)** would be issued during the initial allocation process and would be based upon historical, qualifying landings.
- B. **Where** - **All International Pacific Halibut Commission (IPHC) management areas in the Gulf of Alaska, Bering Sea, and Aleutian Islands: 2C, 3A, 3B, 4A, 4B, 4C, 4D, and 4E.**
- C. **When** - IFQs would be issued yearly to those who owned quota shares. **Initial allocations would be made for the 1992 fishing year.**
- D. **Who** - The person who owned or, possibly, was a lease holder of a vessel that made legal halibut landings.
  - 1. **"Person"** - As defined by the Magnuson Act with the exclusion of non-U.S. citizens. Any individual who is a U.S. citizen, any corporation, partnership, association, or other entity (whether or not organized or existing under the laws of any State but being owned and controlled by a majority of U.S. citizens), and any Federal, State, or local government or any entity of any such government.
  - 2. **Initial allocations** could go to one of three groups. The terms "bareboat contract" and "qualified lease" need to be defined.
    - i. **Vessel owner(s) only.**
    - ii. **Vessel owner(s) except when a qualified lease exists.**
      - a. **The person leasing a vessel (bareboat contract). The lease holder would receive full credit for trips with a qualified lease.**
      - b. **The owner and lease holder would split credit for trips with a qualified lease. The split is not yet specified.**
- E. **How initial allocations will be made**
  - 1. An owner or lease holder must have made landings of halibut in at least one of the years **1984 through 1989.**
  - 2. Initial allocations, **quota shares**, would be based on the recorded landings (**fish tickets**) of all vessels each person owned. **The total of each person's six year landings, by area, would be added together.**
  - 3. More recent participation will be given greater credit using a weighting factor of 3%. Landings will be adjusted upward incrementally by 3% from 1984 to

1989. (Though the 3% increment is the preferred option, 1% and 10% adjustments are being analyzed.) The adjustments at 3% are:

- i. 1984 landings \* 100%.
- ii. 1985 landings \* 103%.
- iii. 1986 landings \* 106%.
- iv. 1987 landings \* 109%.
- v. 1988 landings \* 112%.
- vi. 1989 landings \* 115%.

4. IFQs might be denoted by vessel size class:

- i. Each person would receive IFQs for the size class of their most recent halibut landings. The size classes are:
  - a. Less than 50' length over all.
  - b. 50' to 100' length over all.
  - c. Over 100' length over all.
- ii. There would not be vessel size classes.

- F. Hook-and-line caught halibut could not be landed without IFQs. There would be no open access portion to the halibut fishery.
- G. IFQs would not be valid for halibut caught with other gears.

### III. TRANSFERABILITY

- A. All IFQs would be saleable and leasable, however, leasing of IFQs would not be allowed during the first 2 years of the program. Qs would be saleable during the first two years of the program along with their respective IFQs.
- B. All IFQ and QS transfers would have to be approved by NMFS based on findings of eligibility criteria prior to fishing.
- C. Persons must control IFQs for the amount to be caught before a trip begins.
- D. IFQs and Qs are management area specific and may not be transferred between areas.
- E. IFQs and Qs are vessel size specific (if vessel sizes are used) and may not be transferred between vessel size categories.
- F. A limit of 3% of the combined area TACs would exist on the amount of IFQs one person could own or control.
- G. Any person, as defined above, may control Qs or IFQs. Proof of citizenship or majority ownership and control may be required.

### IV. DURATION OF IFQ HARVEST PRIVILEGES

- A. No specified ending date. Harvesting privileges may be subject to periodic change, including revocation, in accordance with appropriate management procedures as defined in the Magnuson Act. (The privileges are good for an indefinite period of time.)
- B. The harvesting privileges may remain in effect in perpetuity.
- C. Harvesting privileges may remain in effect for a specified period of time, for example 5 or 10 years.

### V. COASTAL COMMUNITIES - The issue of allocations to economically disadvantaged coastal communities is being considered by the Council in concept.

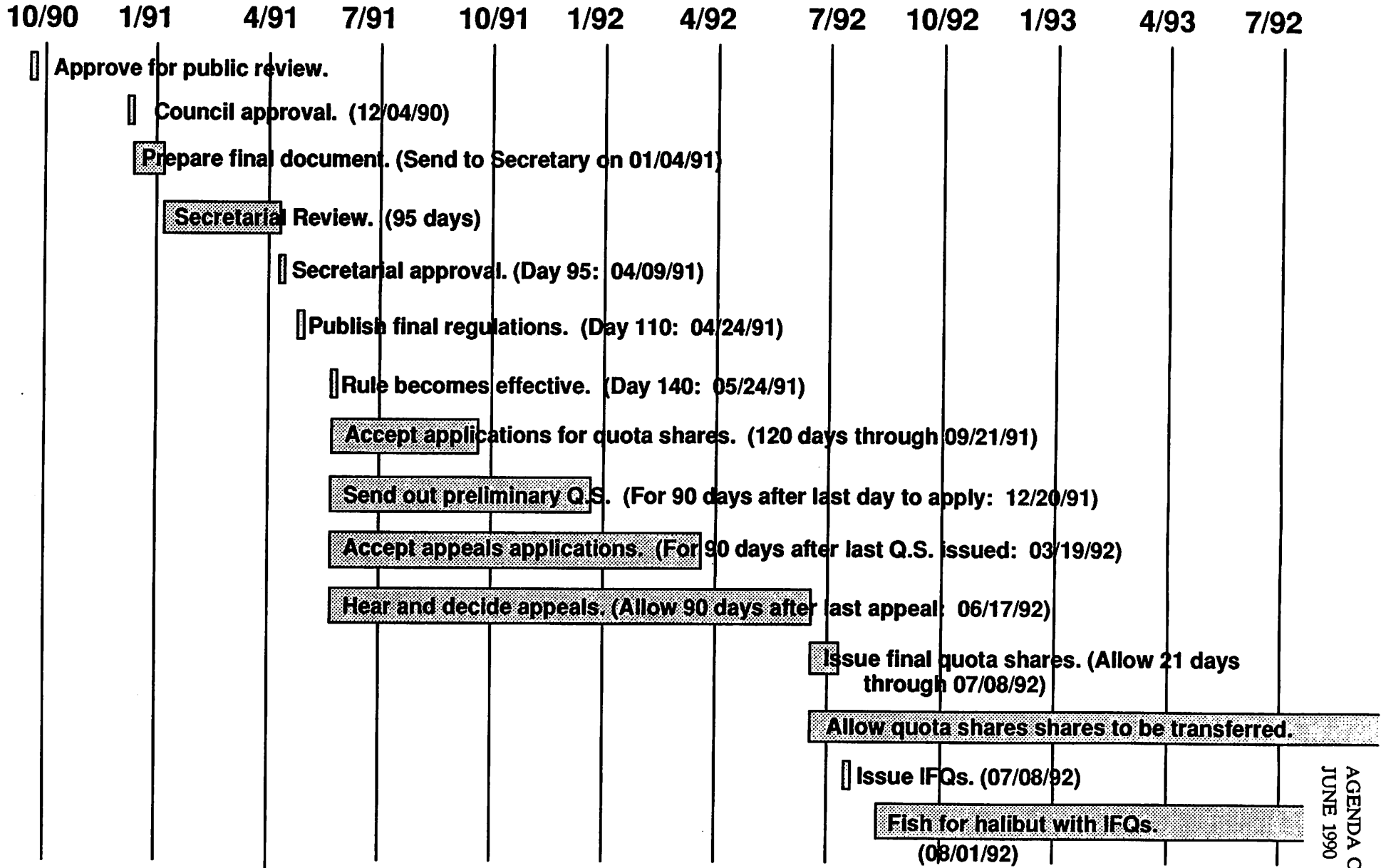
- A. Communities must be on the coastline, unlikely to be able to attract other economic activity, and not previously have developed sufficient harvesting or processing capacity due to a lack of sufficient funds.
- B. A fishery development plan for each community must be developed including arrangements to: use U.S. harvesters and processors, provide local employment, contribute to local economic fishery development, and provide sufficient funding.

- C. The Governor, in consultation with the Council, would develop recommendations to the Secretary of Commerce.
- D. A Secretary may approve the recommendations provided the community meets the criteria and the State assures sufficient funding is available.
- E. No community may be designated for more than 10 years.
- F. No more than 8% of the combined area fixed gear TACs could be used for this purpose. The maximum percentages would vary by area: Aleutian Islands, Bering Sea, and Western Gulf of Alaska - 10%; Central Gulf - 5%; Eastern Gulf - 1%.
- G. The set aside for community development would be subtracted from the halibut TAC before calculation of IFQ poundages.

## VI. ADMINISTRATION

- A. **NMFS Alaska regional office would administer the IFQ system** although the function could be contracted to the State of Alaska or the IPHC.
- B. Settlement of appeals disputes during the allocation process.
  - 1. **The basis of judgement for use in appeals will be fact.** That is, unsubstantiated testimony will not be considered. Lease holders would have to come to the Appeals Board with certified records and agreement of the owner of record of the vessel. If such agreement cannot be reached, judicial proceedings outside of the Appeals Board would be required. Appeals could be brought forth based on **four criteria**:
    - a. **Errors in fish landing ticket information.**
    - b. **Documented lease holder qualification.**
    - c. **Total vessel loss due to burning, sinking, or shipwreck.** Adjustments might be made to the landings for the year the occurrence happened.
    - d. **Those persons who can document that they were prohibited from longlining for halibut due to the Exxon oil spill.**
  - 2. **Initial appeals would be heard by an Appeals Board composed of government employees rather than industry members.** Subsequent appeals would go to NMFS Alaska Regional Director followed by appeals to the Secretary of Commerce and then the court system.

## Halibut IFQ Implementation Schedule



## Decision Points for Halibut Longline Annual Fishing Allotment System

This outline presents the proposed annual fishing allotment (AFA) system for longlining halibut. The grayed areas represent options under consideration.

### I. SCOPE OF PROGRAM: Halibut longline vessels

### II. THE WHO, WHAT, WHEN, WHERE, AND HOW OF ANNUAL FISHING ALLOTMENTS

- A. **What** - Each qualified person would have the option of fishing in the derby open access fishery or with individual allotments. The amount of weight assigned to each allotment would vary yearly as the TAC varied from year to year.
- B. **Where** - Each IPHC management area in the Gulf of Alaska, Bering Sea, and Aleutian Islands: 2C, 3A, 3B, 4A, 4B, 4C, 4D, and 4E.
- C. **When** - Allotments would be available yearly to those who qualified for them. Initial allotments would be made for the 1991 fishing year.
- D. **Who** - The person who owned or was a lease holder of a vessel that made halibut longline landings.
  1. **"Person"** - As defined by the Magnuson Act with the exclusion of non U.S. citizens. Any individual who is a U.S. citizen, any corporation, partnership, association, or other entity (whether or not organized or existing under the laws of any State but being controlled by U.S. citizens), and any Federal, State, or local government or any entity of any such government.
  2. **Person leasing a vessel (lease holder)** - Qualified by a written bareboat contract. Evidence of a qualified lease would include paying the crew shares and supplying the fishing gear.
- E. **How** allotments would be made.
  1. The vessel must have made longline landings of halibut in the years 1986 or 1988 through 1990.
  2. Allotments would be based on the recorded landings of the vessels (fish tickets). These landings could be in the derby or allotment fisheries. The recorded landings would be either:
    - i. Average of the 3 preceding years, 1988 through 1990 for initial allotments. Landings could have been made in any of the three years. Each vessel's average catch, by area, would be divided by the overall average catch for that area. This ratio would be multiplied by the projected average catch per vessel for the upcoming year.
    - ii. Average of 3 of the 5 preceding years, 1988 through 1990 for initial allotments. Landings must have been made in one area for 3 of the 5 years. Each individual vessel would have their average divided by the total of all averages for each area. The total of averages would be divided by the best 3 TACs, by area, resulting in a percentage of the TAC for the IFQ fishery. Individual allotments would be determined by multiplying these percentages by the new area TAC.

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3. The allotments would be based on the most recent landings. For example, the 1992 fishing year allotments would be based on either 1989 through 1991 landings or the average of 3 of the years 1987 through 1991 (depending on which option is chosen in II(E)(2)).

**F. Annual choice**

1. An open access derby fishery would exist in each area.
  - i. An initial and minimum amount of 10-20% of the TAC, by area, would be allocated to the derby fishery each year.
  - ii. The allotment weight of those wishing to use allotments would be subtracted from each adjusted TAC, by area.
2. Each year each eligible vessel owner or lease holder would have the option of fishing in the derby fishery or with allotments.
  - i. Eligible people would have to notify NMFS by a specified date if they wished to fish allotments.
  - ii. Any vessel could fish either the derby fishery or allotments but must do the same in all areas.
  - iii. Owners of multiple vessels could share allotments among qualified vessels but not among non-qualified vessels.
3. **Any vessel which was not eligible for allotments could fish in the derby fishery.**
4. Allotments are IPHC management area specific and may not be transferred between areas.

**III. ADMINISTRATION**

**A. NOAA Fisheries regional office would administer the system** although the duty could be contracted to the State of Alaska.

**B. Settlement of appeals disputes during the yearly allotment process.**

1. The basis of judgement for use in appeals will be fact. That is, errors on fish ticket records will be considered. Lease holders would have to come to the Appeals Board with certified records and agreement of the owner of record of the vessel. If such agreement can not be reached, judicial proceedings outside of the Appeals Board would be required.
2. The Appeals Board would hear initial appeals. Subsequent appeals would go to NOAA Fisheries Regional Director followed by appeals to the Secretary of Commerce and then the court system.

**C. Other considerations**

1. The system could be designed with a built in review period in three years. The system would not automatically sunset but major structural changes could occur if required.
2. New regulations would be required.
3. New penalties would be required.

## Decision Points for Halibut Longline IFQ Management System

This outline presents the proposed individual fishing quota system (IFQ) for longlining halibut. The **grayed** areas represent options under consideration. This series of choices was approved by the Council at its September meeting.

### I. SCOPE OF PROGRAM

- A. **Halibut**
- B. **Longline boats**

### II. THE WHO, WHAT, WHEN, WHERE, AND HOW OF IFQS

- A. **What** - Each IFQ would be a **percentage of the total allowable catch (TAC)** for each management area. These percentages would be defined as "units" which could be subdivided into smaller units. The amount of weight assigned to each unit would vary yearly as the TAC varied from year to year.
- B. **Where** - All IPHC management areas in the Gulf of Alaska, Bering Sea, and Aleutian Islands: 2C, 3A, 3B, 4A, 4B, 4C, 4D, and 4E.
- C. **When** - IFQs would be issued yearly to those who owned them. Initial allocations would be made in 1990 for the 1991 fishing year.
- D. **Who** - The person who owned or was a lease holder of a vessel that made halibut longline landings.
  - 1. **"Person"** - As defined by the Magnuson Act with the exclusion of non U.S. citizens. Any individual who is a U.S. citizen, any corporation, partnership, association, or other entity (whether or not organized or existing under the laws of any State but being controlled by U.S. citizens), and any Federal, State, or local government or any entity of any such government.
  - 2. Initial allocations to:
    - i. **Vessel owner(s)** except when a qualified lease exists.
    - ii. **Person leasing a vessel (lease holder)** - Qualified by a written bareboat contract. Evidence of a qualified lease would include paying the crew shares and supplying the fishing gear.
- E. **How** initial allocations will be made
  - 1. The vessel must have made longline landings of halibut in the years 1984 through 1988.
  - 2. Participation in the halibut fishery within 12 months prior to final Council action:
    - i. **The person must have been a qualified participant.**
    - ii. **The person need not have been a qualified participant.**
  - 3. Initial allocations would be based on the recorded landings of the vessels (fish tickets). The recorded landings would be either:
    - i. **Best years landings during the period.**
    - ii. **Average of the two best years landings during the period.**
    - iii. **Initial landings in 1987 and subsequent years weighted at 75% in combination with 1 or 2 above.**
    - iv. **Initial landings in 1988 weighted at 75% in combination with 1 or 2 above.**
- F. **Appeals** could be brought forth based on disability or extreme extending circumstances such as vessel sinking. Consideration might be given to those involved in oilspill cleanup in 1989.

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**G. Leave a portion of the fishery open access**

1. Retain a portion of the TAC for bycatch as is done now. This bycatch amount will be removed from the overall TAC before the TAC for IFQs is finalized. No IFQ would be needed to land this bycatch halibut.
2. A portion of the TAC, 5%-10%, would be set aside for a directed fishery for those persons who do not control any halibut IFQs in any area. This is designed to allow new entrants to the fishery with no entry cost.

**III. TRANSFERABILITY**

- A. All IFQs would be totally transferable, that is both sale and lease would be allowed.
- B. All IFQ transfers would have to be approved by NMFS prior to landing.
- C. Persons must control IFQs for amount to be caught before a trip begins.
- D. IFQs are management area specific and may not be transferred between areas.
- E. No specific limits would exist on the amount of IFQs one person could control. Excessive ownership would be subject to U.S. Department of Treasury anti-trust enforcement.
- F. In order to control IFQs, a person would have to be a U.S. citizen (proof of citizenship may be required) and:
  1. Be the owner or lease holder of the vessel using the IFQs.
  2. Be an experienced participant in the halibut fishery (documentation to include income dependency, duration of experience, and/or other criteria).

**IV. DURATION OF IFQ HARVEST RIGHTS**

- A. No specified ending date so that the IFQs would be good for an indefinite period of time.
- B. Allow for review of the system in 5 years. The system would not sunset but major structural changes could occur if required.

**V. COASTAL COMMUNITIES**

- A. Determining how coastal communities could gain access to halibut harvest rights for use by their members:
  1. Allocated IFQs would go only to communities with no history of resident participation or to a government agency(s) for those communities. This may require changes to the Magnuson Fishery Conservation and Management Act.
  2. Allowed for communities to acquire IFQs by means of special regulations to buy, sell, and control them.
- B. Specific regulations which may be necessary if one of the above options are chosen. The following are a list of some questions which would have to be answered should that occur.
  1. Who receives or is allowed exceptions for IFQ control? Possible examples include individuals, coastal development organizations, communities, corporations, etc.
  2. What delineates those groups (above) eligible for these exceptions?
  3. What other definitions of persons and organizations are necessary?
  4. Would these entities be required to use the IFQs or could they lease them?
  5. Would these entities be required to be vessel owners or lease holders?
  6. If there are other transferability restrictions would these entities have exceptions?
  7. Would a special administrative panel be established to remove local conflicts and provide cohesion?
  8. Would limits be placed on the amounts each entity would be allowed to control?
  9. Would a total number or percentage be established for overall IFQ control by these entities?

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VI. ADMINISTRATION

- A. **NOAA Fisheries regional office would administer the IFQs** although the duty could be contracted to the State of Alaska.
- B. **Settlement of appeals disputes during the allocation process.**
  - 1. **The basis of judgement for use in appeals will be fact.** That is, errors on fish ticket records will be considered. **Extreme hardship** concerning participation in the 12 months prior to final Council action would be considered including oilspill cleanup work. Lease holders would have to come to the Appeals Board with certified records and agreement of the owner of record of the vessel. If such agreement cannot be reached, judicial proceedings outside of the Appeals Board would be required.
  - 2. **The Appeals Board would hear initial appeals.** Subsequent appeals would go to NOAA Fisheries Regional Director followed by appeals to the Secretary of Commerce and then the court system.

The Council is aware of the following items but the Council and NOAA Fisheries staffs will deal with the specifics.

- C. **Enforcement**
  - 1. **Nature of harvest right.** - This must be defined (property, lease, harvest, etc) including its use as collateral and the ability of the government to censure the right.
  - 2. **Establishing a system to accurately account for catch** including reporting, observer, and monitoring systems.
  - 3. **Adequate enforcement procedures need to be established.** A new system might require new methods of enforcement including enforcement agents which have accountant type duties.
  - 4. **New regulations would be required.**
  - 5. **New penalties would be required.**

## Decision Points for Longline Halibut License Management System

This outline presents the proposed license limitation system for longlining halibut. The grayed areas represent options requiring choices. This series of choices was approved by the Council at its September meeting.

### I. SCOPE OF PROGRAM

- A. Halibut
- B. Longline boats

### II. THE WHO, WHAT, WHEN, WHERE, AND HOW OF IFQS

- A. **What** - Each License would be vessel size specific. The length would be overall length as recorded in Coast Guard files. There would be **eight vessel classes**:
  - 1. Class A - 25 ft. or less
  - 2. Class B - 26 to 30 ft.
  - 3. Class C - 31 to 35 ft.
  - 4. Class D - 36 to 40 ft.
  - 5. Class E - 41 to 45 ft.
  - 6. Class F - 46 to 50 ft.
  - 7. Class G - 51 to 55 ft.
  - 8. Class H - over 55 ft.
- B. **Where** - Four IPHC management areas: 2C, 3A, and 3B; 4A, 4B and 4D; 4C; 4E.
- C. **When** - Licenses would be issued yearly to those who owned them. Initial allocations would be made in 1990 for the 1991 fishing year.
- D. **Who** - The person who owned or was a lease holder of a vessel that made halibut longline landings.
  - 1. **"Person"** - As defined by the Magnuson Act with the exclusion of non U.S. citizens. Any individual who is a U.S. citizen, any corporation, partnership, association, or other entity (whether or not organized or existing under the laws of any State but being controlled by U.S. citizens), and any Federal, State, or local government or any entity of any such government.
  - 2. Initial allocations to:
    - i. **Vessel owner(s)** except when a qualified lease exists.
    - ii. **Person leasing a vessel (lease holder)** - Qualified by a written bareboat contract. Evidence of a qualified lease would include paying the crew shares and supplying the fishing gear.
- E. **How** licenses would be initially allocated
  - 1. The vessel must have made longline landings of halibut in the years 1984 through 1988.
  - 2. Participation in the halibut fishery within 12 months prior to final Council action:
    - i. The person must have been a qualified participant.
    - ii. The person need not have been a qualified participant.
  - 3. Initial license allocations would be based on the recorded landings of the vessels (fish tickets). The recorded landings would be either:
    - i. Best years landings during the period.
    - ii. Average of the two best years landings during the period.
  - 4. A minimum poundage may be required in order to be allocated a license (see E(3), above). Five choices of minimum poundage are under consideration. These minimums could apply differently to different vessel size classes.
    - i. 1,000 lbs.
    - ii. 5,000 lbs.
    - iii. 10,000 lbs.
    - iv. 25,000 lbs for vessels over 50 ft.
    - v. 50,000 lbs for vessels over 50 ft.

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- F. **Appeals** could be brought forth based on disability or extreme extenuating circumstances such as sinking of a vessel. Consideration might be given to those involved in oilspill cleanup in 1989.
- G. **Leave a portion of the fishery open access**
  - 1. **Retain a portion of the TAC for bycatch as is done now.** This bycatch amount will be removed from the overall TAC before the TAC for licenses is finalized. No license would be needed to land this bycatch halibut.
  - 2. **A portion of the TAC, 5%-10%, would be set aside for a directed fishery for those persons who do not control any halibut licenses.** This is designed to allow new entrants to the fishery with no harvest right entry cost.

### III. TRANSFERABILITY

- A. License could be transferable in one of two ways:
  - 1. **Leasable but non-saleable.**
  - 2. **Both leasable and saleable.**
- B. **Combinative - Allow upgrades in vessel size class by tendering two licenses of a class for one license of the next larger class (one vessel class upgrade).**
- C. **A system incorporating transferable and non-transferable licenses based on initial participation in 1987 and/or 1988:**
  - 1. **Persons whose vessel made initial landings in 1987 and subsequent years would be issued non-transferable licenses.**
  - 2. **Persons whose vessel made initial landings in 1988 would be issued non-transferable licenses.**
- D. **Non-transferable license could be:**
  - 1. **Valid for an indefinite period of time**
  - 2. **Valid for only a set number of years (perhaps 2 or 5)**

### IV. MISCELLANEOUS

- A. **All license transfers would have to be approved by NMFS prior to use.**
- B. **Licenses are management area specific and may not be transferred between areas.**
- C. **No specific limits would exist on the number of licenses one person could control.** Excessive ownership would be subject to U.S. Department of Treasury anti-trust enforcement.
- D. **In order to control a license, a person would have to be a U.S. citizen (proof of citizenship may be required) and:**
  - 1. **Be the owner or lease holder of the vessel using the license.**
  - 2. **Be an experienced participant in the halibut fishery (documentation to include income dependency, duration of experience, and/or other criteria).**
- E. **Any buyback program to reduce the number of licenses would be industry sponsored and funded.**

### V. DURATION OF LICENSE LIMITATION HARVEST RIGHTS

- A. **No specified ending date so that the licenses would be good for an indefinite period of time.**
- B. **Allow for review of the system in 6 years. The system would not sunset but major structural changes could occur if required.**

### VI. COASTAL COMMUNITIES

- A. **Determining how coastal communities could gain access to halibut harvest rights for use by their members:**
  - 1. **Allocated - Licenses would go only to communities with no history of resident participation or to a government agency(s) for those communities. This may require changes to the Magnuson Fishery Conservation and Management Act.**

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2. **Allowed for communities to acquire licenses by means of special regulations to buy, sell, and control them.**

B. **Specific regulations which may be necessary if one of the above options are chosen. The following are a list of some questions which would have to be answered should that occur.**

1. Who receives or is allowed exceptions for license control? Possible examples include individuals, coastal development organizations, communities, corporations, etc.
2. What delineates those groups (above) eligible for these exceptions?
3. What other definitions of persons and organizations are necessary?
4. Would these entities be required to use the licenses or could they lease them?
5. Would these entities be required to be vessel owners or lease holders?
6. If there are other transferability restrictions would these entities have exceptions?
7. Would a special administrative panel be established to remove local conflicts and provide cohesion?
8. Would limits be placed on the amounts each entity would be allowed to control?
9. Would a total number or percentage be established for overall license control by these entities?

#### VII. ADMINISTRATION

A. **NOAA Fisheries regional office would administer the licenses** although the duty could be contracted to the State of Alaska.

B. **Settlement of appeals disputes during the allocation process.**

1. **The basis of judgement for use in appeals will be fact.** That is, errors on fish ticket records will be considered. **Extreme hardship** concerning participation in the 12 months prior to final Council action would be considered including oilspill cleanup work. Lease holders would have to come to the Appeals Board with certified records and agreement of the owner of record of the vessel. If such agreement can not be reached, **judicial proceedings outside of the Appeals Board would be required.**
2. **The Appeals Board would hear initial appeals.** Subsequent appeals would go to NOAA Fisheries Regional Director followed by appeals to the Secretary of Commerce and then the court system.

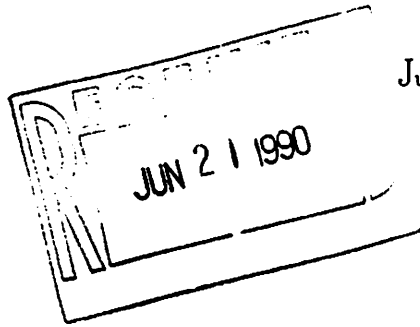
The Council is aware of the following items but the Council and NOAA Fisheries staffs will deal with the specifics.

C. **Enforcement**

1. **Nature of harvest right.** - This must be defined (property, lease, harvest, etc) including its use as collateral and the ability of the government to censure the right.
2. **Adequate enforcement procedures may need to be established.** A new system might require new methods of enforcement.
3. **New regulations would be required.**
4. **New penalties would be required.**

Louise Shattuck  
301 Seward St  
Juneau, Alaska 99801

June 17, 1990



ACTION	ROUTE TO
	Exec. Dir.
	Dep. Dir.
	Asst. Dir.
	Adm. Serv.
	Ext. Aff.
	Finance
	Gen. Inv.
	Ident. & Rec.
	Int. Aff.
	Lab.
	Legal Coun.
	Plan. & Insp.
	Rec. Mgmt.
	Tech. Serv.
	Training
	Off. of Cong. & Public Affairs

Mr. Don Collinsworth, Chairman  
North Pacific Fisheries Management Council  
P.O. Box 103136  
Anchorage, AK 99510

Dear Mr. Collinsworth:

I was just reading in the San Francisco Chronicle that you might make it possible for me to enjoy fresh halibut more than three times a year.

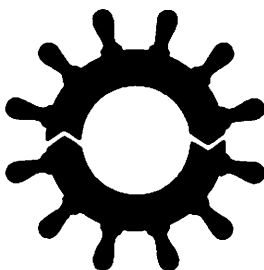
As a 51-year resident of Alaska, I can remember the good old days when we were able to buy--or catch--halibut all summer long. Halibut is my favorite fish but I do not like it after it has been frozen.

Now that fishermen are allowed to catch halibut for only 24 hours three times a year, we have to eat it often during the week that follows the opening, then not again until the next opening.

I do hope that your Council will be able to regulate the fishing hours so that halibut can be bought in the market for a longer period by not having so much caught at the open times but that you can arrange to have more openings.

Sincerely,

*Louise Shattuck*



U.S. MARINE  
CORPORATION

June 18, 1990

Don Collinsworth  
Chairman, NPFMC  
P.O. Box 103136  
Anchorage, AK 99510

Dear Mr. Collinsworth

On or about March 3, 1989 the F/V Ocean Hope 2 was lost at sea. Since that time I have been searching diligently for a replacement vessel of similar size and capability. I have just recently made an earnest money agreement and am presently in the process of inspecting the vessel I wish to purchase to replace the Ocean Hope 2. This is the second vessel that U.S. Marine has actually put money down on to replace the Ocean Hope 2. The first did not pass the minimum stability requirements I wish to maintain.

I have read the draft for review dated June 11, 1990 and it appears that the council will allow replacement of lost vessels. It is and has been my intent to replace Ocean Hope 2 since its loss. I believe that U.S. Marine has the right to replace the vessel and wish to claim such right.

I request a written response to this letter since my plan is to close the deal before July 20, 1990. Thank you for your time.

Sincerely,

A handwritten signature in black ink, appearing to read "Matthew J. Doherty". The signature is written in a cursive style and is enclosed within a hand-drawn oval or loop.

Matthew J. Doherty  
Vice-President of Operations  
Fleet Manager