

MEMORANDUM

TO: Council, SSC and AP Members

FROM: Chris Oliver *CO*
Executive Director

DATE: May 25, 2007

SUBJECT: Charter Halibut Management

ESTIMATED TIME 12 HOURS all C-1 items

ACTION REQUIRED

Final action on Area 2C Guideline Harvest Level Measures

BACKGROUND

In December 2006, the Council rescinded its April 2006 preferred alternative for a 5-fish annual charter halibut limit in Area 2C to reduce harvests to the guideline harvest level of (GHL) of 1.432 million pounds, after receiving a recommendation from NMFS to rescind its action based on high implementation costs. In 2006, harvests exceeded the Area 2C GHL by more than 40 percent. Since then, the State of Alaska has implemented a prohibition on the retention of halibut by crew and amended state law to remove data sharing restrictions, and NMFS has proposed a regulation for 2007 for a 2-fish bag limit with one of the two fish required to be 32 inches or less.

The Council requested that its earlier analysis be augmented by adding several proposed management measures. The intent is that one or more of the measures listed below would achieve the needed level of harvest reduction.

1. No more than one trip per vessel per day
2. No harvest by skipper and crew and line limits
3. Annual limits of four, five, or six fish per angler
4. Reduced bag limits of one fish per day in May, June, July, August, September, or for the entire season
5. A one-fish bag limit with the option to harvest a second fish larger than 45 inches or 50 inches
6. A two-fish bag limit with one fish of any size and one fish 32 inches or less in length
7. A two-fish bag limit with one fish of any size and one fish 32 inches or less in length or larger than 45 inches or 50 inches
8. Combination of Options 1, 2, and 5
9. Combination of Options 1, 2, and 6
10. Combination of Options 1, 2, and 7
11. Combination of Options 1, 2, 3, and 5
12. Combination of Options 1, 2, 3, and 6
13. Combination of Options 1, 2, 3, and 7

The analysis was mailed to the Council on May 4, 2007. The executive summary is attached as Item C-1(b). At this meeting, the Council will select a preferred alternative.

ERRATA SHEET
**Environmental Assessment/Regulatory Impact Review/
Initial Regulatory Flexibility Analysis for a Regulatory Amendment to
Implement Guideline Harvest Level Measures in the Halibut Charter Fisheries in
IPHC Regulatory Areas 2C**

The authors of the public review draft discovered a repetitive error within the document. Each table showing the effect of the analyzed options compares the effect of the option to NMFS preferred alternative for 2007. The estimated effect of NMFS preferred alternative for 2007 does not change between the analyzed options or between sub-options. Several tables in the document show variation in estimated effect of the NMFS preferred alternative for 2007 between options and sub-options. The effect of the preferred alternative should always read as follows:

NMFS Preferred Alternative for 2007		
2006 Harvest with Option (Mlb)	As a Portion of the 1.432Mlb GHL (%)	As a Portion of the 1.217Mlb GHL (%)
1.519	106.1%	124.8%

The tables below show an example of the uncorrected and the corrected version of Table 1.

Table 1 Summary Effect of No More than One Trip per Day (Uncorrected)

Estimate Level	Effects of 1 Trip per Day		Alt. 1. 2-fish Bag Limit			NMFS Preferred Alternative for 2007		
	Harvest Reduction (Mlb)	Harvest Reduction (%)	2006 Harvest with Option (Mlb)	As a Portion of the 1.432Mlb GHL (%)	As a Portion of the 1.217Mlb GHL (%)	2006 Harvest with Option (Mlb)	As a Portion of the 1.432Mlb GHL (%)	As a Portion of the 1.217Mlb GHL (%)
Lower	0.038	1.8%	1.997	139.5%	164.1%	1.481	103.42%	121.7%
Upper	0.049	2.4%	1.986	138.7%	163.2%	1.470	102.63%	120.8%

Source: Northern Economics, Inc. estimates based ADF&G Logbook and Statewide Harvest Survey Data.

Table 1 Summary Effect of No More than One Trip per Day (Corrected)

Estimate Level	Effects of 1 Trip per Day		Alt. 1. 2-fish Bag Limit			NMFS Preferred Alternative for 2007		
	Harvest Reduction (Mlb)	Harvest Reduction (%)	2006 Harvest with Option (Mlb)	As a Portion of the 1.432Mlb GHL (%)	As a Portion of the 1.217Mlb GHL (%)	2006 Harvest with Option (Mlb)	As a Portion of the 1.432Mlb GHL (%)	As a Portion of the 1.217Mlb GHL (%)
Lower	0.038	1.8%	1.997	139.5%	164.1%	1.519	106.1%	124.8%
Upper	0.049	2.4%	1.986	138.7%	163.2%	1.519	106.1%	124.8%

Source: Northern Economics, Inc. estimates based ADF&G Logbook and Statewide Harvest Survey Data.

This error affected Tables 1, 2, 9, 10, 11, 12, 13, 49, 50, 51, 52 and 53. The error does not change the results of the analysis discussed in any of the affected tables.

EXECUTIVE SUMMARY

This analysis assesses the potential biological, social, and economic impacts of implementing regulations to control harvests in the charter halibut fisheries in International Pacific Halibut Commission (IPHC) Area 2C. The proposed action was initiated in October 2005, when the Council first reviewed Alaska Department of Fish and Game (ADF&G) data that indicated that the 2004 guideline harvest level (GHL) had been exceeded. In response, the Council developed an analysis of alternatives for implementing management options to reduce harvests to below the GHL. The Council selected a five-fish annual limit as its preferred alternative in April 2006. The Council subsequently rescinded its preferred alternative, upon request by NMFS due to its high implementation and enforcement costs. At the same meeting, the ADF&G estimate for 2005 and post-season projection for 2006 indicated that the GHL also had been exceeded in those two years. The Council added several management options to Alternative 2 during its initial review of this analysis in April 2007, which resulted in this revised analysis.

In January 2007, the IPHC recommended a reduction in the charter fishing bag limit for halibut in Area 2C from two fish to one fish between June 15 and July 30, 2007. The IPHC's action was a response to increasing harvests from the charter sector has experienced a substantial increase in capacity and catch during the last 10 years. Moreover, the IPHC believed it needed to take action because alternatives under consideration by the Council in this analysis would not be in place prior to 2008. The IPHC traditionally decreased the commercial harvest to account for non-commercial removals, including the charter harvest.

In March 2007, the Secretary of State in consultation with the Secretary of Commerce rejected the IPHC's recommendation for a bag limit reduction. The Secretaries cited concerns about the potential economic impact to the charter fishery and wanted NMFS to analyze a suite of alternatives that would reduce harvest to level comparable to the IPHC's action while minimizing the economic impacts on the charter sector. On April 6, 2007, NMFS proposed regulations (72 FR 17072) that would restrict the harvest of halibut by persons fishing on a guided sport charter vessel in Area 2C. The current sport fishing catch or bag limit of two halibut per day is proposed to be changed for a person sport fishing on a charter vessel in Area 2C to require that at least one of the two fish taken in a day be no more than 32 inches in length. This proposed regulatory change is necessary to reduce the halibut harvest in the charter vessel sector while minimizing negative impacts on this sector, its sport fishing clients, and the coastal communities that serve as home ports for the fishery. Upon implementation, the NMFS preferred alternative would become the new status quo.

The analysis employs the best information available. The goal of any restrictive measures would be to reduce sport fishing mortality of halibut in the charter fishery sector in Area 2C to its GHL in a manner that minimizes adverse impacts on the charter fishery, its sport fishing clients, the coastal communities that serve as home port for this fishery, and on fisheries for other species. In addition to the no action alternative, the Council is considering 13 options to reduce halibut harvests to the GHL of 1.432 Mlb in Area 2C. At the request of the Council, the analysis also compares these options relative to a reduced Area 2C GHL, which may be triggered in 2008 as a result of a potentially reduced constant exploitation yield (CEY). At final action, the Council may select a preferred alternative to achieve a harvest up to the current GHL and a different preferred alternative under a reduced GHL. The proposed rule would notice the public of these two CEY scenarios, and the final rule would implement the measures associated with the Area 2C 2008 CEY set by the IPHC at its January 2008 meeting.

The Council developed the following suite of alternatives to reduce harvest for anglers fishing from a charter vessel in regulatory Area 2C:

Alternative 1. No action

Alternative 2. Implement one or more measures to restrict charter halibut harvest to the Area 2C GHL

- Option 1. No more than one trip per vessel per day
- Option 2. No harvest by skipper and crew and line limits
- Option 3. Annual limits of four, five, or six fish per angler
- Option 4. Reduced bag limits of one fish per day in May, June, July, August, September or for the entire season
- Option 5. A one-fish bag limit with the option to harvest a second fish larger than 45 inches or 50 inches
- Option 6. A two-fish bag limit with one fish of any size and one fish 32 inches or less in length
- Option 7. A two-fish bag limit with one fish of any size and one fish 32 inches or less in length or larger than 45 inches or 50 inches
- Option 8. Combination of Options 1, 2, and 5
- Option 9. Combination of Options 1, 2, and 6
- Option 10. Combination of Options 1, 2, and 7
- Option 11. Combination of Options 1, 2, 3, and 5
- Option 12. Combination of Options 1, 2, 3, and 6
- Option 13. Combination of Options 1, 2, 3, and 7

Environmental Assessment

The potential effects of the alternatives on the resources would be caused by increased harvest of groundfish species, incidental catch of groundfish species, and an increase in halibut mortality. Negative impacts on salmon stocks are not expected, because current ADF&G management under the Pacific Salmon Treaty closely monitors stock health and sets escapements accordingly. The socioeconomic environment may be affected through changes in angler demand for charter halibut trips which may decrease total revenue, both over the short and long run. The socioeconomic environment for the charter and commercial sector may also be affected by allocation conflicts over fully utilized species such as halibut, rockfish, and salmon.

The environmental analysis concluded that none of the alternatives would affect the health of the halibut stock. Regardless of the amount of halibut biomass taken by a sector, no adverse impacts to the halibut resource would be expected because the IPHC factors in most resource removals in the halibut stock assessment when setting annual catch limits. Additionally release mortality for the sport fishery is not expected to substantially increase above status quo under any of the alternatives.

The analysis also looked at groundfish species that may be targeted or incidentally caught in the charter halibut fisheries. Demersal shelf rockfish (DSR, e.g., yelloweye rockfish) and lingcod are two species commonly harvested in the sport fishery. Commercial and sport catch limits are set for these species and none of the catches for these species exceeded their respective ABC or OFL in 2006. DSR harvest in 2006 was well under the OFL, ABC, TAC for the commercial and sport fisheries combined. Harvest levels for lingcod in recent years have remained constant under strict sport fishery slot limits and season regulations, and commercial catch limits. A small increase in lingcod harvest would likely not significantly impact the stock because of ADF&G regulations for the sport and commercial sectors. Moreover, the magnitude of the harvest increase from the preferred alternative would likely be small

given the strict sport harvest measures currently in place for lingcod. For these reasons, the impact of the alternatives on these species is expected to be insignificant.

Cumulative effects are linked to incremental policy changes that individually may have small outcomes, but that in the aggregate and in combination with other factors can result in major resource trends. This action would not interact synergistically with other actions or with natural trends to significantly affect the halibut resource of the Gulf of Alaska. The proposed alternatives will not have any effect on the halibut resource. No reasonably foreseeable future actions would have impacts that would cause significant cumulative effects when combined with the effects from this action.

Possible future actions currently under consideration by the Council include annual changes to the guideline harvest level (GHL) policy, limited entry, setting an allocation (rather than a GHL) to the charter sector, and the development of a share-based allocation program to individual charter operators or to the charter sector. ADF&G has received authority to limit the number of lines being fished on a charter vessel to the number of paying clients (already in effect in Southeast Alaska) and prohibit retention of halibut by the skipper and crew, while charter fishing. ADF&G has exercised this authority in Area 2C in 2006 and 2007 to prohibit retention of crew caught fish and to limit the lines to the number of paying passengers, but not to exceed six lines. The State Legislature is considering a bill to allow the State to share otherwise confidential charter boat fishery data with Federal managers, which would facilitate implementation of the limited entry (moratorium) program and GHL management measures. A delegation of authority to the State to manage halibut is being sought by the State of Alaska.

Regulatory Impact Review

Expected Effect of Alternative 1

Alternative 1 (No Action) would result in no changes to Federal regulations to reduce charter halibut harvests to the Area 2C GHL. Taking no action could leave current regulations on the 2-fish bag limit unchanged. However, the No Action alternative includes pending action by NMFS for implementation in 2007. The NMFS preferred alternative would require that at least one of the two halibut in a Federal bag limit could be no longer than 32 inches with the head on (72 FR 17071). The NMFS analysis (NMFS 2007) predicts that its preferred alternative would reduce harvest by 0.516 Milb, or 25.4 percent, under 2006 conditions. A reduction of this magnitude would have reduced harvest to 106.1 percent of the 1.432 Milb GHL.

Because the NMFS preferred alternative is expected to be implemented prior to final action in June 2007, the "status quo" may be different between the release of this draft to the public in May 2007 and final action scheduled to be taken by the Council in June 2007. The effect of "taking no action" depends on the status of the federal regulations. If the Secretary implements its preferred alternative prior to Council action, then the Council could take no action and those regulations would remain in effect. Under that scenario, Action 1 is the same as Alternative 2, Option 6.

The status quo also includes actions taken by the State of Alaska to limit charter halibut harvests. Emergency orders were issued by ADF&G in 2006 and 2007 to prohibit a sport fishing guide and sport fishing crew member on a charter vessel in Southeast Alaska from retaining fish while clients are onboard the vessel from May 1, 2007, through December 31, 2007 (E.O. 1-R-02-07). State regulations for Southeast Alaska also limit the number of lines in the water to the number of paying clients. These two measures (prohibition on skipper and crew halibut and line limits) are also included under Alternative 2, Option 2, but would be implemented under Federal regulations.

Expected Effect of Alternative 2

Instead of taking no action, the Council could recommend that a different management measure or measures be implemented for 2008 and beyond, since the goals of the NMFS and Council actions are not the same (selection of Alternative 2, Option 6 is the same as taking no action.) The problem statement in this analysis is focused on reducing halibut harvest in Area 2C to the GHL rather than a harvest reduction of a comparable level to the IPHC's recommendation. The NMFS analysis reported that IPHC's action was expected to reduce charter halibut harvest by about 397,000 to 432,000 lb in Area 2C. However, revised ADF&G data now projects that the NMFS preferred alternative will reduce harvests by 516,000 Mlb.

This analysis estimates that while the management options under Alternative 2 would result in reduced charter industry halibut harvest, the amount of the reduction varies widely between the options. The sections below briefly summarize the estimated effect of each option compared to the current GHL and the GHL that would exist if step-down provisions are triggered by falling CEY estimates. More detailed discussions of each option are included in Section **Error! Reference source not found.**

Option 1 – Effect of No More than One Trip per Day

Option 1, a limit on vessels of no more than one trip per day, would have reduced harvest in 2006 between 0.038 and 0.049 Mlb (between 1.8 and 2.4 percent). With this option, the GHL overage would have been between 138.7 percent and 139.5 percent of the GHL, instead of 142.1 percent (Table 1). The analysis showed that “second trips” of the day for halibut are increasing as a percentage of overall trips, but still represent a relatively small portion of overall effort (Section **Error! Reference source not found.**). Key informant interviews indicated that a very small portion of the charter fleet in Area 2C relies on this business model. More interviewees viewed this option as the least painful for the industry.

Table 1 Summary Effect of No More than One Trip per Day

Estimate Level	Effects of 1 Trip per Day		Alt. 1. 2-fish Bag Limit			NMFS Preferred Alternative for 2007		
	Harvest Reduction (Mlb)	Harvest Reduction (%)	2006 Harvest with Option (Mlb)	As a Portion of the 1.432Mlb GHL (%)	As a Portion of the 1.217Mlb GHL (%)	2006 Harvest with Option (Mlb)	As a Portion of the 1.432Mlb GHL (%)	As a Portion of the 1.217Mlb GHL (%)
Lower	0.038	1.8%	1.997	139.5%	164.1%	1.481	103.42%	121.7%
Upper	0.049	2.4%	1.986	138.7%	163.2%	1.470	102.63%	120.8%

Source: Northern Economics, Inc. estimates based ADF&G Logbook and Statewide Harvest Survey Data.

Option 2 – Effect of No Harvest by Skipper and Crew and Line Limits

Effective May 26, 2006, ADF&G banned harvest by skipper and crew while paying clients are on a charter vessel by emergency order. This order was enacted again on May 1, 2007. Data from previous years' logbooks indicate that the prohibition saved between 3.8 and 4.2 percent of the harvest (Table 2). (NPFMC 2006). The analysis expects that continuation of the prohibition, either under an EO or as a change in federal regulation, would extend this benefit into the future. This estimate is included in the modeled effects under the no action alternative. Combination options (i.e., Options 8, 9, 10, 11, 12, and 13) which include this option do not derive additional benefit beyond that already included under the status quo.

Line limits were implemented in State regulations at 5 AAC 47.030(b) and (g) since about 1997. Charter vessels have a 6-line limit and the number of lines fished cannot exceed the number of paying clients (except when jigging for herring or smelt for bait). There would be no expected halibut harvest reduction from line limits because it is part of the status quo.

Table 2 Summary Effect of a No Harvest by Skipper and Crew

Estimate Level	Effects of No Crew Harvest		Alt. 1. 2-fish Bag Limit			NMFS Preferred Alternative for 2007		
	Harvest Reduction (Mlb)	Harvest Reduction (%)	2006 Harvest with Option (Mlb)	As a Portion of the 1.432Mlb GHL (%)	As a Portion of the 1.217Mlb GHL (%)	2006 Harvest with Option (Mlb)	As a Portion of the 1.432Mlb GHL (%)	As a Portion of the 1.217Mlb GHL (%)
Lower	0.078	3.8%	1.957	136.7%	160.8%	1.441	100.60%	118.4%
Upper	0.086	4.2%	1.949	136.1%	160.1%	1.433	100.04%	117.7%

Source: Northern Economics, Inc. estimates based ADF&G Logbook and Statewide Harvest Survey Data.

Option 3 – Effect of an Annual Limit

Option 3, an annual limit of either four or five fish, would have reduced harvest in 2006 by 0.088 Mlb (six-fish limit), 0.190 Mlb (five-fish limit) or 0.335 Mlb (four-fish limit). These amounts are equal to between 4.3 percent, 9.3 percent and 16.3 percent of the 2006 harvest, respectively. With these options, the GHL overage would have stood at between 118.7 and 135.9 percent instead of the estimated 142.1 percent (Table 3). While key informant interviewees reported that this option would disproportionately affect operators of lodges and multi-day packages, lodge operators indicated that this option is preferable to other options. The four-fish limit is the only option, aside from a change in the bag limit, that results in a more than a 20 percent decline in the GHL overage. NMFS has expressed concerns about the enforcement costs of this option. However, the analysis notes that the 2006 logbooks have lowered enforcement costs because they track angler harvest by sport fishing license number.

Table 3 Summary Effect of an Annual Limit

Sub-Option	Effect of Annual Catch Limit		Alt. 1. 2-fish Bag Limit			NMFS Preferred Alternative for 2007		
	Harvest Reduction (Mlb)	Harvest Reduction (%)	2006 Harvest with Option (Mlb)	As a Portion of the 1.432Mlb GHL (%)	As a Portion of the 1.217Mlb GHL (%)	2006 Harvest with Option (Mlb)	As a Portion of the 1.432Mlb GHL (%)	As a Portion of the 1.217Mlb GHL (%)
Four Fish	0.335	16.4%	1.700	118.7%	139.7%	1.519	106.05%	124.8%
Five Fish	0.190	9.3%	1.845	128.8%	151.6%	1.519	106.05%	124.8%
Six Fish	0.088	4.3%	1.947	135.9%	160.0%	1.519	106.05%	124.8%

Source: Northern Economics, Inc. estimates based Alaska Department of Fish & Game Logbook Data, 2005.

Option 4 – Effect of Lower Bag Limits

Option 4 would lower the daily bag limit from two halibut to one halibut in June, July, August, or for the entire season. This option could reduce demand for charter halibut trips. Key informant interviews and a review of the peer-review literature indicate that the expected demand reduction could be as high as 30 percent. Two estimates are presented for each sub-option (Table 4). These address: (1) the effect of the option without any demand reduction, and (2) the effect of the option with a 30 percent demand reduction. For the full season bag limit reduction, the demand reduction is likely to be within these two points. The month-long bag limit reductions are more complicated, as anglers can transfer effort to other months. Data are not available to help predict the magnitude of these transfers. However, key informant interviews suggest that the demand reduction and demand transfers may cancel each other out, and that the base estimate of no demand decline may stand as the best estimate of the option’s overall effect.

The analysis estimates that:

- A reduction in bag limit in May 2006 would have reduced total season harvest between 0.037 and 0.059 Mlb, which is equivalent to between 2.6 percent and 3.7 percent of the total 2006 harvest.
- A reduction in bag limit in June 2006 would have reduced total season harvest between 0.204 and 0.297 Mlb, which is equivalent to between 10.0 percent and 14.6 percent of the total 2006 harvest.
- A reduction in bag limit in July 2006 would have reduced total season harvest between 0.295 and 0.430 Mlb, which is equivalent to between 14.5 percent and 21.1 percent of the total 2006 harvest.
- A reduction in bag limit in August 2006 would have reduced total season harvest between 0.244 and 0.356 Mlb, which is equivalent to between 12.0 percent and 17.5 percent of the total 2006 harvest.
- A reduction in bag limit in September 2006 would have reduced total season harvest between 0.028 and 0.042 Mlb, which is equivalent to between 2.0 percent and 2.9 percent of the total 2006 harvest.
- The full-season bag limit reduction would have reduced total season harvest between 0.808 and 1.178 Mlb, which is equivalent to between a 39.7 and 57.9 percent reduction in the harvest. This level of reduction would have reduced the GHL overage from 142.1 percent of the GHL to between 59.9 and 85.7 percent of the GHL.

These results do not include changes in discard mortality, because discard mortality is not currently estimated, is not included as part of the charter fleet removals, and is not deducted from the overall CEY when setting the commercial catch limit. However, the full discussion of this analysis in Section **Error! Reference source not found.** discusses this effect on these estimates. Additionally, these estimates do not include a shift towards higher average weight. As discussed in Section **Error! Reference source not found.**, there is not enough information about angler behavior to make reliable estimates of this type of shift.

Key informant interviewees indicated that a May, June, August, or September bag limit reduction would be preferable to a July or full-season reduction because many operators depend on halibut between the king and coho salmon seasons. Operators indicated a full-season reduction would be highly detrimental to their businesses and rated this option toward the bottom of the eight considered here. Conversely, a full season bag limit reduction has the highest benefit for the commercial fleet.

Table 4 Summary Effect of Lower Bag Limits

Sub-Option	Demand Reduction	Effect of Reduced Bag Limit		Alt 1. 2-fish Bag Limit			Alt 2. Option 6 2-fish Bag Limit w/1-fish < 32		
		Harvest Reduction (Mlb)	Harvest Reduction (%)	2006 Harvest with Option (Mlb)	As a Portion of the 1.432Mlb GHL (%)	As a Portion of the 1.217Mlb GHL (%)	2006 Harvest with Option (Mlb)	As a Portion of the 1.432Mlb GHL (%)	As a Portion of the 1.217Mlb GHL (%)
May	None	0.037	2.6%	1.998	139.6%	164.2%	1.519	106.05%	124.8%
	30 Percent	0.053	3.7%	1.982	138.4%	162.8%	1.519	106.05%	124.8%
June	None	0.204	14.2%	1.832	127.9%	150.5%	1.519	106.05%	124.8%
	30 Percent	0.297	20.7%	1.738	121.4%	142.8%	1.519	106.05%	124.8%
July	None	0.295	20.6%	1.740	121.5%	143.0%	1.519	106.05%	124.8%
	30 Percent	0.430	30.0%	1.605	112.1%	131.9%	1.519	106.05%	124.8%
August	None	0.244	17.1%	1.791	125.1%	147.1%	1.519	106.05%	124.8%
	30 Percent	0.356	24.9%	1.679	117.2%	138.0%	1.519	106.05%	124.8%
September	None	0.028	2.0%	2.007	140.1%	164.9%	1.519	106.05%	124.8%
	30 Percent	0.042	2.9%	1.993	139.2%	163.8%	1.519	106.05%	124.8%
Entire Season	None	0.808	56.4%	1.227	85.7%	100.8%	1.519	106.05%	124.8%
	30 Percent	1.178	82.2%	0.857	59.9%	70.4%	1.519	106.05%	124.8%

Source: NEI Estimates based on Alaska Department of Fish and Game 2006 Logbook Data, 2007.

Option 5 – Effect of Size Limits for Second Fish

Option 5 would establish a one-fish bag limit, with an option to harvest one of two fish above a minimum length. It includes two sub-options of establishing a 45 inch or 50 inch minimum length for one of their two fish bag limit. As with Option 4, it may reduce angler demand for charter trips. However, key informant interviewees indicated that this option would likely lead to a much smaller reduction in demand than a full-season bag limit reduction. They estimated demand reductions could be about 10 percent. This summary presents the no demand decline and 10-percent demand decline scenarios as low and high estimates of the potential effects of these options. The analysis estimates that:

- A 45 inch minimum length on one of two fish would have reduced 2006 harvest in Area 2C between 0.391 and 0.559 Mlb. These amounts are equivalent to between a 19.2 and 27.4 percent decline in 2006 harvest. The GHL overage would have declined from 142.1 percent of the GHL to between 103.1 percent and 114.8 percent of the GHL.
- A 50 inch minimum length on one of two fish would have reduced 2006 harvest in Area 2C between 0.478 and 0.637 Mlb. These amounts are equivalent to between a 23.5 and 31.3 percent decline in 2006 harvest. The GHL overage would have declined from 142.1 percent of the GHL to between 97.7 percent and 108.7 percent of the GHL.

As with Option 4, these results do not include changes in discard mortality. However, the full discussion of this analysis in Section **Error! Reference source not found.** discusses the effect of discard mortality on these estimates.

Table 5 Summary Effect of a 1-Fish Bag Limit with the Opportunity to Harvest a Second Fish

Sub-Option	Demand Reduction	Effect of 2 nd Fish Size Min.		Alt. 1. Current 2-fish Bag Limit			Alt 2. Option 6 2-fish Bag Limit w/1-fish < 32		
		Harvest Reduction (Mlb)	Harvest Reduction (%)	2006 Harvest with Option (Mlb)	As a Portion of the 1.432Mlb GHL (%)	As a Portion of the 1.217Mlb GHL (%)	2006 Harvest with Option (Mlb)	As a Portion of the 1.432Mlb GHL (%)	As a Portion of the 1.217Mlb GHL (%)
45*	None	0.391	19.2%	1.644	114.8%	135.1%	1.519	106.05%	124.8%
	10 Percent	0.559	27.4%	1.476	103.1%	121.3%	1.519	106.05%	124.8%
50*	None	0.478	23.5%	1.557	108.7%	127.9%	1.519	106.05%	124.8%
	10 Percent	0.637	31.3%	1.398	97.7%	114.9%	1.519	106.05%	124.8%

Source: NEI Estimates based on Alaska Department of Fish and Game 2006 Logbook Data, 2007.

Option 6 – Effect of One Fish 32" or Less

Option 6 duplicates the current NMFS preferred alternative for 2007, which allows one fish of any size and requires one of two fish be equal to or smaller than 32 inches. The analysis predicts that this measure would reduce harvest by 0.516 Mlb or 25.4 percent under 2006 conditions. A reduction of this magnitude would have reduced harvest to 106.1 percent of the 1.432 Mlb GHL. A demand reduction is not expected with this option given that 48 percent of the current harvest measures 32 inches or less, but it is a possibility amongst anglers who target larger halibut specifically. A 10 percent demand reduction combined with the option itself would result in harvest reductions of 0.737 Mlb.

Table 6 Summary Effect of a Two-Fish Bag Limit with One Fish of Any Size and One Fish 32 inches or less in Length

Demand Reduction	Effect of 2-fish Bag Limit w/1-fish < 32				
	Harvest Reduction (Mlb)	Harvest Reduction (%)	2006 Harvest with Option (Mlb)	As a Portion of the 1.432Mlb GHl (%)	As a Portion of the 1.217Mlb GHl (%)
None	0.516	25.4%	1.519	106.05%	124.8%
10 Percent	0.737	36.2%	1.298	90.63%	106.6%

Source: NEI Estimates based on Alaska Department of Fish and Game 2006 Logbook Data, 2007.

Option 7 – Effect of One Fish of Any Size with a Reverse Slot Limit for the Second Fish

Option 7 would allow one fish of any size while establishing a reverse slot limit for allowing the retention of a second fish if the fish is below 32 inches or above 45 or 55 inches. The analysis estimates that the 45 inch reverse slot limit has the potential to actually increase harvest weight as some fish between 32 and 45 inches will be replaced with fish above 45 inches. The analysis estimates that the particular combination of 32/45-inch reverse slot limit would result in an increase of average harvest weight to 20.39 lb from the 2006 average harvest weight of 18.98 lb. The 32/50-inch reverse slot is more effective, resulting in a slight harvest saving of 5,000 lb. However, the analysis is unable to conclude that a reverse slot limit at these lengths would result in any harvest savings areawide. The potential for increased harvest weight was also an issue for the minimum size option rejected by the Council in April 2007. The same dynamics that drove the potential for increased harvest weight in that option also drive the potential for increased harvest weight in this option.

Table 7 Summary Effect of a Reverse Slot Limit

Sub-Option	Demand Reduction	Effects of No Crew Harvest		Alt. 1. 2-fish Bag Limit			NMFS Preferred Alternative for 2007*		
		Harvest Reduction (Mlb)	Harvest Reduction (%)	2006 Harvest with Option (Mlb)	As a Portion of the 1.432Mlb GHl (%)	As a Portion of the 1.217Mlb GHl (%)	2006 Harvest with Option (Mlb)	As a Portion of the 1.432Mlb GHl (%)	As a Portion of the 1.217Mlb GHl (%)
45"	None	-0.060	19.2%	2.095	146.3%	172.2%	1.519	106.05%	124.8%
	10 Percent	0.153	27.4%	1.882	131.4%	154.7%	1.519	106.05%	124.8%
50"	None	0.005	23.5%	2.030	141.8%	166.8%	1.519	106.05%	124.8%
	10 Percent	0.211	31.3%	1.824	127.3%	149.8%	1.519	106.05%	124.8%

Source: NEI Estimates based on Alaska Department of Fish and Game 2006 Logbook Data, 2007.

There is no a priori expectation with this option of significant demand changes. However, the potential for demand reductions should not be ignored as the option effectively eliminates half of the opportunity the charter clients have to harvest fish in the 15 to 40 lb range. Anglers often consider fish in this size range to be the superior eating halibut. As noted in prior options, operators have noted the potential for difficulty in measuring fish and increased mortality for fish that unexpectedly do not meet length requirements.

Option 8 – Effect of Combination of Options 1, 2, & 5

Option 8 would limit vessels to one trip per day, ban harvest by skipper and crew, and establish a minimum size limit of 45 inches or 50 inches on one of two fish in an angler's bag limit. The analysis estimates that the 45-inch minimum size limit would have reduced harvest in 2006 between 0.429 and 0.608 Mlb, a reduction which would have reduced harvest to between 99.7 and 112.2 percent of the

GHL.¹ This range bounds the estimated effect of the NMFS preferred alternative for 2007. A 50-inch minimum size limit sub-option would have reduced harvest between 0.516 and 0.686 Mlb and lowered the harvest to between 110.9 and 124.8 percent of the GHL. Both the lower and upper estimates for this sub-option exceed the harvest reductions associated with the NMFS preferred alternative for 2007.

Table 8 Summary Effect of a One Trip per Day, No Harvest by Skipper and Crew, and a Minimum Size Limit on the Second Fish

Sub-Option	Estimate	Combined Effect		Alt. 1. Unaltered 2-fish Bag Limit			NMFS Preferred Alternative for 2007		
		Harvest Reduction (Mlb)	Harvest Reduction (%)	2006 Harvest with Option (Mlb)	As a Portion of the 1.432Mlb GHL (%)	As a Portion of the 1.217Mlb GHL (%)	2006 Harvest with Option (Mlb)	As a Portion of the 1.432Mlb GHL (%)	As a Portion of the 1.217Mlb GHL (%)
45"	Lower	0.429	21.1%	1.606	112.2%	132.0%	1.519	106.05%	124.8%
	Upper	0.608	29.9%	1.427	99.7%	117.3%	1.519	106.05%	124.8%
50"	Lower	0.516	25.3%	1.519	106.1%	124.8%	1.519	106.05%	124.8%
	Upper	0.686	33.7%	1.349	94.2%	110.9%	1.519	106.05%	124.8%

Source: NEI Estimates based on Alaska Department of Fish and Game 2006 Logbook Data, 2007.

Option 9 – Effect of Combination of Options 1, 2, & 6

Option 9 limits vessels to one trip per day, bans harvest by skipper and crew, and places a length limit on one of two fish in an angler's daily bag of 32 inches or less. The analysis estimates that this option would have reduced harvest in 2006 between 0.554 and 0.565 Mlb, a reduction which would have reduced harvest to between 102.6 and 103.4 percent of the GHL. Both the lower and upper estimates for this sub-option exceed the harvest reductions associated with the NMFS preferred alternative for 2007.

Table 9 Summary Effect of a One Trip per Day, No Harvest by Skipper and Crew, and the Second Fish 32 inches or less

Estimate	Combined Effect		Alt. 1. Unaltered 2-fish Bag Limit			NMFS Preferred Alternative for 2007		
	Harvest Reduction (Mlb)	Harvest Reduction (%)	2006 Harvest with Option (Mlb)	As a Portion of the 1.432Mlb GHL (%)	As a Portion of the 1.217Mlb GHL (%)	2006 Harvest with Option (Mlb)	As a Portion of the 1.432Mlb GHL (%)	As a Portion of the 1.217Mlb GHL (%)
Lower	0.554	27.2%	1.481	103.4%	121.7%	1.481	103.42%	121.7%
Upper	0.565	27.8%	1.470	102.6%	120.8%	1.470	102.63%	120.8%

Source: NEI Estimates based on Alaska Department of Fish and Game 2006 Logbook Data, 2007.

Option 10 – Effect of Combination of Options 1, 2, & 7

Option 10 limits vessels to one trip per day, bans harvest by skipper and crew, and establishes a reverse slot limit between 32 inches and 45 or 50 inches on one of two fish in an angler's bag limit. The analysis estimates that the 45-inch sub-option could result in a slight increase in harvest or a reduction of up to 0.202 Mlb. A 50-inch minimum size limit sub-option would have reduced harvest between 0.042 and

¹ For Option 8-13 lower estimates include the lowest estimate from each individual option and no estimated reduction in demand while upper estimates include the highest estimate from each individual option including expected demand reductions if applicable.

0.260 Mlb and lowered the harvest to between 123.9 and 139.1 percent of the GHL. The authors note that the large differences between the lower and upper estimates for both sub-options are driven entirely by the inclusion of a 10 percent reduction in demand for the upper estimates. Given that there is currently no expectation for the demand reduction to be that high, the authors believe that the lower estimate is a better predictor of the potential effects of these sub-options.

Table 10 Summary Effect of a One Trip per Day, No Harvest by Skipper and Crew, and the Reverse Slot Limit

Sub-Option	Estimate	Combined Effect		Alt. 1. Unaltered 2-fish Bag Limit			NMFS Preferred Alternative for 2007		
		Harvest Reduction (Mlb)	Harvest Reduction (%)	2006 Harvest with Option (Mlb)	As a Portion of the 1.432Mlb GHL (%)	As a Portion of the 1.217Mlb GHL (%)	2006 Harvest with Option (Mlb)	As a Portion of the 1.432Mlb GHL (%)	As a Portion of the 1.217Mlb GHL (%)
45"	Lower	-0.023	-1.1%	2.058	143.7%	169.1%	1.934	135.07%	158.9%
	Upper	0.202	9.9%	1.833	128.0%	150.6%	1.938	135.31%	159.2%
50"	Lower	0.042	2.1%	1.993	139.1%	163.7%	1.999	139.62%	164.3%
	Upper	0.260	12.8%	1.775	123.9%	145.8%	2.003	139.86%	164.6%

Source: NEI Estimates based on Alaska Department of Fish and Game 2006 Logbook Data, 2007.

Option 11 – Effect of Combination of Options 1, 2, 3, & 5

Option 11 limits vessels to one trip per day, bans harvest by skipper and crew, establishes an annual limit of four fish, five fish, or six fish, and places a minimum size limit of 45 inches or 50 inches on an angler's second fish in their daily bag. These combinations result in six different sub-options; all but one of which would result in more harvest savings than the NMFS preferred alternative for 2007. Additionally, all but one of the sub-options would have reduced 2006 harvest to a level slightly greater or lower than the GHL. The sub-option with the smallest effect is the 45 inch minimum size on one of two fish combined with a six fish annual limit. This sub-option would reduce harvest between 0.498 and 0.502 Mlb and have resulted in a harvest between 1.533 and 1.542 Mlb. These levels are above the GHL and equivalent to 107.0 percent to 107.7 percent of the GHL. The remaining sub-options would reduce harvest below the GHL. The most effective sub-option is the 50 inch minimum size on one of two fish combined with a four fish annual limit. This sub-option would have reduced harvest between 0.815 and 0.843 Mlb, a harvest equivalent to 83.2 to 85.2 percent of the GHL. The effects of the remaining sub-options are:

- The 45 inch minimum with a 4 fish annual limit would have reduced harvest between 0.692 and 0.701 Mlb, a harvest equivalent to 93.1 to 93.8 percent of the GHL.
- The 45 inch minimum with a 5 fish annual limit would have reduced harvest between 0.575 and 0.584 Mlb, a harvest equivalent to 101.3 to 101.9 percent of the GHL.
- The 50 inch minimum with a 5 fish annual limit would have reduced harvest between 0.704 and 0.733 Mlb, a harvest equivalent to 90.9 to 93.0 percent of the GHL.
- The 50 inch minimum with a 6 fish annual limit would have reduced harvest between 0.626 and 0.655 Mlb, a harvest equivalent to 96.4 to 98.4 percent of the GHL.

Table 11 Summary Effect of a One Trip per Day, No Harvest by Skipper and Crew, Annual Limits, and a Minimum Size Limit on the Second Fish

Sub-Option	Estimate	Base Effect of Combined Options		Alt. 1. Unaltered 2-fish Bag Limit			NMFS Preferred Alternative for 2007		
		Harvest Reduction (Mlb)	Harvest Reduction (%)	2006 Harvest with Option (Mlb)	As a Portion of the 1.432Mlb GHl (%)	As a Portion of the 1.217Mlb GHl (%)	2006 Harvest with Option (Mlb)	As a Portion of the 1.432Mlb GHl (%)	As a Portion of the 1.217Mlb GHl (%)
45" & 4 Fish	Lower	0.692	34.0%	1.343	93.8%	110.4%	1.635	114.18%	134.4%
	Upper	0.701	34.5%	1.334	93.1%	109.6%	1.402	97.94%	115.2%
45" & 5 Fish	Lower	0.575	28.3%	1.460	101.9%	120.0%	1.784	124.59%	146.6%
	Upper	0.584	28.7%	1.451	101.3%	119.2%	1.551	108.34%	127.5%
45" & 6 Fish	Lower	0.493	24.2%	1.542	107.7%	126.7%	1.889	131.90%	155.2%
	Upper	0.502	24.7%	1.533	107.0%	126.0%	1.656	115.66%	136.1%
50" & 4 Fish	Lower	0.843	41.4%	1.192	83.2%	97.9%	1.581	110.38%	129.9%
	Upper	0.815	40.0%	1.220	85.2%	100.3%	1.568	109.46%	128.8%
50" & 5 Fish	Lower	0.733	36.0%	1.302	90.9%	107.0%	1.725	120.47%	141.7%
	Upper	0.704	34.6%	1.331	93.0%	109.4%	1.634	114.11%	134.3%
50" & 6 Fish	Lower	0.626	30.8%	1.409	98.4%	115.8%	1.736	121.20%	142.6%
	Upper	0.655	32.2%	1.380	96.4%	113.4%	1.827	127.55%	150.1%

Source: NEI Estimates based on Alaska Department of Fish and Game 2006 Logbook Data, 2007.

Option 12 – Effect of Combination of Options 1, 2, 3, & 6

Option 12 limits vessels to one trip per day, bans harvest by skipper and crew, establishes an annual limit of four, five, or six fish, and places a maximum size limit of 32 inches on an angler's second fish in their daily bag. All sub-options except the six fish sub-option are more effective at reducing harvest than the NMFS preferred alternative for 2007. They have the following results:

- The four-fish annual limit would reduce annual harvests .574 to .794 Mlb, resulting in a harvest of 86.6 to 102.0 percent of the current GHl.
- The five-fish annual limit would reduce annual harvests .551 to .603 Mlb, resulting in a harvest of 100.0 to 103.7 percent of the current GHl.
- The six-fish annual limit would reduce annual harvests .449 to .502 Mlb, resulting in a harvest of 107.1 to 110.8 percent of the current GHl.

Table 12 Summary Effect of a One Trip per Day, No Harvest by Skipper and Crew, Annual Limits, and the Second Fish 32 inches or less

Sub-Option	Estimate	Combined Effect		Alt. 1. Unaltered 2-fish Bag Limit			NMFS Preferred Alternative for 2007		
		Harvest Reduction (Mlb)	Harvest Reduction (%)	2006 Harvest with Option (Mlb)	As a Portion of the 1.432Mlb GHL (%)	As a Portion of the 1.217Mlb GHL (%)	2006 Harvest with Option (Mlb)	As a Portion of the 1.432Mlb GHL (%)	As a Portion of the 1.217Mlb GHL (%)
Four Fish	Lower	0.574	28.2%	1.461	102.0%	120.0%	1.461	102.02%	120.0%
	Upper	0.794	39.0%	1.241	86.6%	102.0%	1.241	86.65%	102.0%
Five Fish	Lower	0.551	27.1%	1.484	103.7%	122.0%	1.484	103.66%	122.0%
	Upper	0.603	29.7%	1.432	100.0%	117.6%	1.432	99.97%	117.6%
Six Fish	Lower	0.449	22.1%	1.586	110.8%	130.3%	1.586	110.77%	130.3%
	Upper	0.502	24.7%	1.533	107.1%	126.0%	1.533	107.08%	126.0%

Source: NEI Estimates based on Alaska Department of Fish and Game 2006 Logbook Data, 2007.

Option 13 – Effect of Combination of Options 1, 2, 3, & 7

Option 13 limits vessels to one trip per day, bans harvest by skipper and crew, establishes an annual limit of four, five, or six fish, and places a reverse slot limit between 32 and 45 or 50 inches on an angler's second fish in their daily bag. These combinations result in six different sub-options. The sub-option with the smallest effect is the 45 inch minimum size on one of two fish combined with a six fish annual limit. This sub-option would reduce harvest between 0.069 and 0.294 Mlb and have resulted in a harvest between 1.741 and 1.966 Mlb. These levels are well above the GHL and equivalent to 121.6 to 137.3 percent of the GHL. The most effective sub-option is the 50 inch minimum size on one of two fish combined with a four fish annual limit. This sub-option would have reduced harvest between 0.376 and 0.467 Mlb, a harvest equivalent to 109.5 percent to 115.8 percent of the GHL. The effects of the remaining sub-options are:

- The 45 inch minimum with a 4 fish annual limit would have reduced harvest between 0.323 and 0.548 Mlb, a harvest equivalent to 103.8 to 119.6 percent of the GHL.
- The 45 inch minimum with a 5 fish annual limit would have reduced harvest between 0.174 and 0.399 Mlb, a harvest equivalent to 114.2 to 130.0 percent of the GHL.
- The 50 inch minimum with a 5 fish annual limit would have reduced harvest between 0.232 and 0.401 Mlb, a harvest equivalent to 114.1 to 125.9 percent of the GHL.
- The 50 inch minimum with a 6 fish annual limit would have reduced harvest between 0.130 and 0.299 Mlb, a harvest equivalent to 121.2 to 133.0 percent of the GHL.

Table 13 Summary Effect of a One Trip per Day, No Harvest by Skipper and Crew, Annual Limits and the Reverse Slot Limit

Sub-Option	Estimate	Combined Effect		Alt. 1. Unaltered 2-fish Bag Limit			NMFS Preferred Alternative for 2007		
		Harvest Reduction (Mlb)	Harvest Reduction (%)	2006 Harvest with Option (Mlb)	As a Portion of the 1.432Mlb GHl (%)	As a Portion of the 1.217Mlb GHl (%)	2006 Harvest with Option (Mlb)	As a Portion of the 1.432Mlb GHl (%)	As a Portion of the 1.217Mlb GHl (%)
45° & 4 Fish	Lower	0.323	15.9%	1.712	119.6%	140.7%	1.712	119.55%	140.7%
	Upper	0.548	26.9%	1.487	103.8%	122.2%	1.487	103.84%	122.2%
45° & 5 Fish	Lower	0.174	8.5%	1.861	130.0%	152.9%	1.861	129.96%	152.9%
	Upper	0.399	19.6%	1.636	114.2%	134.4%	1.636	114.25%	134.4%
45° & 6 Fish	Lower	0.069	3.4%	1.966	137.3%	161.5%	1.966	137.27%	161.5%
	Upper	0.294	14.5%	1.741	121.6%	143.0%	1.741	121.56%	143.0%
50° & 4 Fish	Lower	0.376	18.5%	1.659	115.8%	136.3%	1.659	115.84%	136.3%
	Upper	0.467	23.0%	1.568	109.5%	128.8%	1.568	109.46%	128.8%
50° & 5 Fish	Lower	0.232	11.4%	1.803	125.9%	148.2%	1.803	125.92%	148.2%
	Upper	0.401	19.7%	1.634	114.1%	134.3%	1.634	114.11%	134.3%
50° & 6 Fish	Lower	0.130	6.4%	1.905	133.0%	156.5%	1.905	133.01%	156.5%
	Upper	0.299	14.7%	1.736	121.2%	142.6%	1.736	121.20%	142.6%

Source: NEI Estimates based on Alaska Department of Fish and Game 2006 Logbook Data, 2007.

Summary Effects

For quick reference, Table 14 shows the estimated affect all of the options as if they had been in place in 2006.

Table 14 Summary Effect of Options of Charter Industry Halibut Harvest (2006) in Area 2C

Management Option	Sub-Option	Expected Reduction (Mlb)		Expected Reduction (% of Current Harvest)		Expected Post-Option Harvest as a Portion of the GHL (%)	
		Lower	Upper	Lower	Upper	Lower	Upper
Option 1. One Trip per Day	None	0.038	0.049	1.8%	2.4%	139.5%	138.7%
Option 2. No Harvest by Skipper & Crew and Line Limits	None	0.078	0.086	3.8%	4.2%	136.7%	136.1%
Option 3. Annual Limit	4 Fish	0.335	0.335	16.4%	16.4%	118.7%	118.7%
	5 Fish	0.190	0.190	9.3%	9.3%	128.8%	128.8%
	6 Fish	0.088	0.088	4.3%	4.3%	135.9%	135.9%
Option 4. One Fish Bag Limit	May	0.037	0.053	1.8%	2.6%	139.6%	138.4%
	June	0.204	0.297	10.0%	14.6%	127.9%	121.4%
	July	0.295	0.430	14.5%	21.1%	121.5%	112.1%
	August	0.244	0.356	12.0%	17.5%	125.1%	117.2%
	September	0.028	0.042	1.4%	2.0%	140.1%	139.2%
	Full Season	0.808	1.178	39.7%	57.9%	85.7%	59.9%
Option 5. Minimum Size on the Second Fish	45"	0.391	0.559	19.2%	27.4%	114.8%	103.1%
	50"	0.478	0.637	23.5%	31.3%	108.7%	97.7%
Option 6. Second Fish Below 32"	None	0.516	0.737	25.4%	36.2%	106.0%	90.6%
Option 7. Reverse Slot Limit	32"/45"	-0.060	0.153	-3.0%	7.5%	146.3%	131.4%
	32"/50"	0.005	0.211	0.2%	10.4%	141.8%	127.3%
Option 8. Combine Options 1, 2, and 5.	45"	0.429	0.608	21.1%	29.9%	112.2%	99.7%
	50"	0.516	0.686	25.3%	33.7%	106.1%	94.2%
Option 9. Combine Options 1, 2, and 6.	None	0.554	0.565	27.2%	27.8%	103.4%	102.6%
Option 10. Combine Options 1, 2, and 7.	32"/45"	-0.023	0.202	-1.1%	9.9%	143.7%	128.0%
	32"/50"	0.042	0.260	2.1%	12.8%	139.1%	123.9%
Option 11. Combine Options 1, 2, 3, and 5.	45" & 4 Fish	0.692	0.701	34.0%	34.5%	93.8%	93.1%
	45" & 5 Fish	0.575	0.584	28.3%	28.7%	101.9%	101.3%
	45" & 6 Fish	0.493	0.502	24.2%	24.7%	107.7%	107.0%
	50" & 4 Fish	0.843	0.815	41.4%	40.0%	83.2%	85.2%
	50" & 5 Fish	0.733	0.704	36.0%	34.6%	90.9%	93.0%
	50" & 6 Fish	0.655	0.626	32.2%	30.8%	96.4%	98.4%
Option 12. Combine Options 1, 2, 3, and 6.	4 Fish	0.574	0.794	28.2%	39.0%	102.0%	86.6%
	5 Fish	0.551	0.603	27.1%	29.7%	103.7%	100.0%
	6 Fish	0.449	0.502	22.1%	24.7%	110.8%	107.1%
Option 13. Combine Options 1, 2, 3, and 7.	32"/45" & 4 Fish	0.323	0.548	15.9%	26.9%	119.6%	103.8%
	32"/45" & 5 Fish	0.174	0.399	8.5%	19.6%	130.0%	114.2%
	32"/45" & 6 Fish	0.069	0.294	3.4%	14.5%	137.3%	121.6%
	32"/50" & 4 Fish	0.376	0.467	18.5%	23.0%	115.8%	109.5%
	32"/50" & 5 Fish	0.232	0.401	11.4%	19.7%	125.9%	114.1%
	32"/50" & 6 Fish	0.130	0.299	6.4%	14.7%	133.0%	121.2%

Source: Northern Economics, Inc. estimates based ADF&G Logbook and Statewide Harvest Survey Data.

Table 15 shows all of the sub-options ordered by their lower-end estimated effect on the GHL. The table orders results by lower estimates because there is greater confidence in these estimates as they do not include the highly variable demand reductions. However, the table shows both lower and upper estimates. The most effective options are Option 11 and Option 4 while the least effective are those involving the 32/45" reverse slot limit.

Table 15 Summary Effect of Options Ordered by Lower End Estimate of Reduction in the GHL

Management Option	Sub-Option	Expected Reduction (Mlb)		Expected Post-Option Harvest as a Portion of the GHL (%)	
		Lower	Upper	Lower	Upper
Option 11. Combine Options 1, 2, 3, and 5.	50" & 4 Fish	0.843	0.815	41.4%	40.0%
Option 4. One Fish Bag Limit	Full Season	0.808	1.178	39.7%	57.9%
Option 11. Combine Options 1, 2, 3, and 5.	50" & 5 Fish	0.733	0.704	36.0%	34.6%
Option 11. Combine Options 1, 2, 3, and 5.	45" & 4 Fish	0.692	0.701	34.0%	34.5%
Option 11. Combine Options 1, 2, 3, and 5.	50" & 6 Fish	0.655	0.626	32.2%	30.8%
Option 11. Combine Options 1, 2, 3, and 5.	45" & 5 Fish	0.575	0.584	28.3%	28.7%
Option 12. Combine Options 1, 2, 3, and 6.	4 Fish	0.574	0.794	28.2%	39.0%
Option 9. Combine Options 1, 2, and 6.	None	0.554	0.565	27.2%	27.8%
Option 12. Combine Options 1, 2, 3, and 6.	5 Fish	0.551	0.603	27.1%	29.7%
Option 6. Second Fish Below 32"	None	0.516	0.737	25.4%	36.2%
Option 8. Combine Options 1, 2, and 5.	50"	0.516	0.686	25.3%	33.7%
Option 11. Combine Options 1, 2, 3, and 5.	45" & 6 Fish	0.493	0.502	24.2%	24.7%
Option 5. Minimum Size on the Second Fish	50"	0.478	0.637	23.5%	31.3%
Option 12. Combine Options 1, 2, 3, and 6.	6 Fish	0.449	0.502	22.1%	24.7%
Option 8. Combine Options 1, 2, and 5.	45"	0.429	0.608	21.1%	29.9%
Option 5. Minimum Size on the Second Fish	45"	0.391	0.559	19.2%	27.4%
Option 13. Combine Options 1, 2, 3, and 7.	32"/50" & 4 Fish	0.376	0.467	18.5%	23.0%
Option 3. Annual Limit	4 Fish	0.335	0.335	16.4%	16.4%
Option 13. Combine Options 1, 2, 3, and 7.	32"/45" & 4 Fish	0.323	0.548	15.9%	26.9%
Option 4. One Fish Bag Limit	July	0.295	0.430	14.5%	21.1%
Option 4. One Fish Bag Limit	August	0.244	0.356	12.0%	17.5%
Option 13. Combine Options 1, 2, 3, and 7.	32"/50" & 5 Fish	0.232	0.401	11.4%	19.7%
Option 4. One Fish Bag Limit	June	0.204	0.297	10.0%	14.6%
Option 3. Annual Limit	5 Fish	0.190	0.190	9.3%	9.3%
Option 13. Combine Options 1, 2, 3, and 7.	32"/45" & 5 Fish	0.174	0.399	8.5%	19.6%
Option 13. Combine Options 1, 2, 3, and 7.	32"/50" & 6 Fish	0.130	0.299	6.4%	14.7%
Option 3. Annual Limit	6 Fish	0.088	0.088	4.3%	4.3%
Option 2. No Harvest by Skipper & Crew and Line Limits	None	0.078	0.086	3.8%	4.2%
Option 13. Combine Options 1, 2, 3, and 7.	32"/45" & 6 Fish	0.069	0.294	3.4%	14.5%
Option 10. Combine Options 1, 2, and 7.	32"/50"	0.042	0.260	2.1%	12.8%
Option 1. One Trip per Day	None	0.038	0.049	1.8%	2.4%
Option 4. One Fish Bag Limit	May	0.037	0.053	1.8%	2.6%
Option 4. One Fish Bag Limit	September	0.028	0.042	1.4%	2.0%
Option 7. Reverse Slot Limit	32"/50"	0.005	0.211	0.2%	10.4%
Option 10. Combine Options 1, 2, and 7.	32"/45"	-0.023	0.202	-1.1%	9.9%
Option 7. Reverse Slot Limit	32"/45"	-0.060	0.153	-3.0%	7.5%

Source: Northern Economics, Inc. estimates based ADF&G Logbook and Statewide Harvest Survey Data.

Table 16 provides a qualitative summary of the effects by option, including charter industry preference based on key informant interviews and qualitative estimates on the benefits of each option to the commercial sector. Generally, charter operators preferred options that provided the least disruption of current business models, while commercial benefits are directly tied to the magnitude and durability of the harvest reductions that the options provide. Key informant interviews indicated that charter operators may prefer no retention by skipper and crew, second fish of a specified minimum size, and annual limit options. Interviewees rate the one-fish bag limit as the most disruptive option. From a commercial perspective, the best options are Option 11 and the one-fish bag limit.

Table 16 Qualitative Summary of Effects by Option for Area 2C

Option	Expected Size and Durability of Reductions	Effects on Industry	Effect on State Managed Fisheries
1. One Trip per Vessel per Day	1.8 to 2.4% reduction in harvest. Anglers will likely adapt rapidly.	Relatively minor effects on the charter industry excepting those businesses that focus on multiple trips per day. Minor benefits for the commercial industry.	State managers expect a concurrent minor reduction in the harvest of some associated species.
2. No Retention by Skipper and Crew and Line Limits	3.8 to 4.2% reduction. Skipper and crew demand shifts to non-guided recreational sector	Most preferred option for the charter industry with modest benefits for the commercial industry.	State managers expect a concurrent minor reduction in the harvest of some associated species.
3. Annual Limit	4.3 to 16.4% reduction depending on the annual limit. Reductions are likely durable.	Generally, the second most preferred option by the charter industry. Commercial industry would receive sizable benefits.	State managers expect a modest to significant increase in the charter harvest of available salmon species, lingcod, and rockfish.
4. One-fish bag limit	Reductions between 1.4 % and 58% depending on the temporal length of the bag limit reduction. Reductions are likely more durable.	Highest economic effect on the charter industry with the highest benefits for the commercial fleet. Least preferred option for the charter industry.	State managers expect a significant increase in the charter harvest of available salmon species, lingcod, and rockfish.
5. Option for a Second Fish with a Minimum Length	Reductions between 19.2% percent and 31.3% percent depending on the minimum length for one of two fish in the bag limit. Reductions are likely more durable.	Minor demand reductions expected, but a generally acceptable option for much of the charter fleet particularly at the lower minimum lengths. Modest to high benefits for the commercial fleet.	Charter harvest of state managed species would likely increase by modest amounts.
6. Second Fish Below 32"	25.4% to 36.2% reduction in harvest. Reductions are likely durable.	Large demand reductions are unlikely given that many fish below 32" already represent 48% of harvest. Repeat anglers targeting larger fish may be turned off or may take more trips to equalize their halibut take. Modest to high benefits for the commercial fleet.	Charter harvest of state managed species could increase by modest amounts.
7. Reverse Slot Limit	3.0% increase in harvest to 10.4% decline depending on the slot size and the size of effects	Large demand reductions are unlikely as are large benefits to the commercial fleet.	Charter harvest of state managed species could increase by modest amounts. However, such an increase is not certain.
8. Combine 1, 2 & 5	21.1% to 33.7% harvest reductions depending on the minimum size on one of two fish in the bag limit. Reductions are likely more durable.	Minor demand reductions expected, but a generally acceptable option for much of the charter fleet particularly at the lower minimum lengths. Moderate to high benefits for the commercial fleet.	Individual options have confounding effects on the harvest of state managed species. Overall effects are unclear.
9. Combine 1, 2 & 6	27.2% to 27.8% harvest reductions. Reductions are likely durable.	Large demand reductions are unlikely given that many fish below 32" already represent 48% of harvest. Modest to high benefits for the commercial fleet.	Individual options have confounding effects on the harvest of state managed species. Overall effects are unclear.
10. Combine 1, 2 & 7	1.1 percent increase to 12.8% harvest reduction depending on the slot size and the size of demand effects.	Large demand reductions are unlikely as are large benefits to the commercial fleet.	Individual options have confounding effects on the harvest of state managed species. Overall effects are unclear.
11. Combine 1, 2, 3 & 5	24.2% to 41.4% harvest reductions depending on the annual limit and minimum size on one of two fish. Reductions are likely more durable than some other options.	Demand reductions expected from anglers sensitive annual catch limits. Moderate to high benefits for the commercial fleet.	Individual options have confounding effects on the harvest of state managed species. Overall effects are unclear.

Option	Expected Size and Durability of Reductions	Effects on Industry	Effect on State Managed Fisheries
12. Combine 1, 2, 3 & 6	22.1% to 39.0% harvest reductions depending on the annual limit. Selected.	Demand reductions expected from anglers sensitive annual catch limits. Moderate to high benefits for the commercial fleet. Moderate to high benefits for the commercial fleet.	Individual options have confounding effects on the harvest of state managed species. Overall effects are unclear.
13. Combine 1, 2, 3 & 7	3.4% to 26.9% harvest reduction depending on the slot size and the size of demand effects.	Demand reductions expected from anglers sensitive annual catch limits. Likely minor to modest benefits to the commercial fleet.	Individual options have confounding effects on the harvest of state managed species. Overall effects are unclear.

Overall and Long-Term Efficacy of the Options and Management Options

The analysis notes that the long-term efficacy of each of the options is likely to be limited by strategic responses to the proposed management options. For example, lowering bag limits during one portion of the season will shift demand to other times of the year. Similarly, season closure dates and closure of specific days of the week will also shift effort. Thus, the estimates for these options should be seen as short-term maximum effects rather than long-term estimates. The efficacy of annual limits is likely to be limited by the substitution of bare-boat charters and other self-guided activities because charter-based trips could become less attractive with the annual limit. Again, the harvest resulting from this behavior would not count against the GHL, but would be counted in the IPHC's deductions for total sport catch from Total CEY. Finally, it should be anticipated that a response to restrictive bag limits in Area 2C may be a shift in pressure to Area 3A where no bag limit is currently being discussed.

Sitka Charter Boat Operators Association

PO Box 2422 Sitka Alaska 99835

June 6, 2007

Ms. Stephanie Madsen, Chair
North Pacific Fisheries Management Council
605 West 4th, Suite 306
Anchorage, AK 99501-2252

Re: Halibut Charter Issues/GHL Measures

Dear Madame Chair,

Thank you for the opportunity to provide testimony on the management of Halibut as a fully utilized resource. My name is Theresa Weiser and I have been in this industry as a guide and lodge owner in Sitka for 18 years now. I am here today to represent the 50 members of the Sitka Charter Boat Operators Association (SCBOA). We are honored to have the NPFMC meet in Sitka, in June. We are an industry that makes a \$31 million annual contribution to the Sitka economy (Reference the McDowell report, January 2005 submitted May 29th).

I offer the following comments about the AP motion. Arriving at the current GHL can be done in a simpler and less costly approach. Table 14 indicates that combining Option 2 of no harvest by Skipper and Crew and Option 6 of retaining 1 fish under 32" and 1 fish any size will accomplish a reduction in the total fish (pounds) harvested to bring the charter catch in under the current GHL. These two options combined will surely bring our industry future incremental pain that we can hopefully weather and survive. However, the current AP recommendation will cut us off at the knees...! As it stands, the AP motion has strong potential to cause irreversible damage. Why manage us down to a 1 fish bag limit as a result of policy implementation issues? The AP motion puts us at significant risk of a one fish bag limit for the wrong reasons. It will also cause demand to significantly shift from Area 2C to Area 3A thereby triggering the same problems to come back before you for Area 3A down the road. This now becomes a compounded problem.

Also, be aware that Option 4 – one halibut daily limit – is a tourism and local economy killer. We know this from extensive polling of our customers. According to the American Sportfishing Association, Halibut is one of the most important recreational species in the United States. To Quote the National Association of Charter Boat Operators: "...Recreational fishing is all about perception. In order for these anglers to continue to make major contributions to the economy they need bag limits that justify these expenditures. We believe the drop dead number to be a 2 fish bag limit, anything lower will negatively impact the economic contribution from the recreational sector to

Sitka Charter Boat Operators Association

PO Box 2422 Sitka Alaska 99835

Area 2C..." We have to ask: Where is the analysis to reflect what the Economic Impacts on the state, the charter operator, and/or the communities that will be affected by a one fish bag limit or annual limits for halibut in S.E. Alaska?

We encourage the NPFMC to withhold final action on Area 2C GHM measures until October, when the 2006 catch numbers are finalized. Currently, the NPFMC is using numbers derived from a linear trend projection based on the State's mail out survey data from 2000-2005 and a logbook program that has not been ground truthed. The creel survey data for 2006, indicates a drop in harvest in the three main ports of Southeast Alaska (Area 2C) – Ketchikan, Juneau, and Sitka. The IPHC catch per unit information for the commercial fishery and the experience of SCBOA's members also indicates a downward trend for Area 2C in 2006. (See attached Lestelle Memorandum Report to Tom Ohaus, Feb. 3, 2007)

Deciding GHM measures based on a linear trend projection that ignores measurable indexes, like creel survey numbers...IS counterproductive and potentially destructive given the impacts of those measures on individual businesses, tourism, and the economies of towns and villages throughout Area 2C. Also, it is likely that NMFS will enact GHM measures for 2007, which will generate measurable results by October, including better information on the average size of halibut harvested. We recommend waiting until October 2007, when real data on 2006, preliminary data on 2007, results of the NMFS measures now in place, and higher levels of public participation are obtainable.

We are aware of the Council's sense of urgency to act on these issues. Still given the gains we'll see in consistent catch data and public participation, it is our hope that these decisions that will weigh heavily on charter businesses and local economies can be finalized in October. We also encourage the Council to encircle all sport fishers - guided and non-guided – in any final solution. In Area 2C, we are already seeing an increase in bare-boat charters and non-registered boat operators that seem to have new groups of "friends" to take fishing every few days.

Thank you for your consideration,



Theresa Weiser
President

Jonathan King C-1(b)

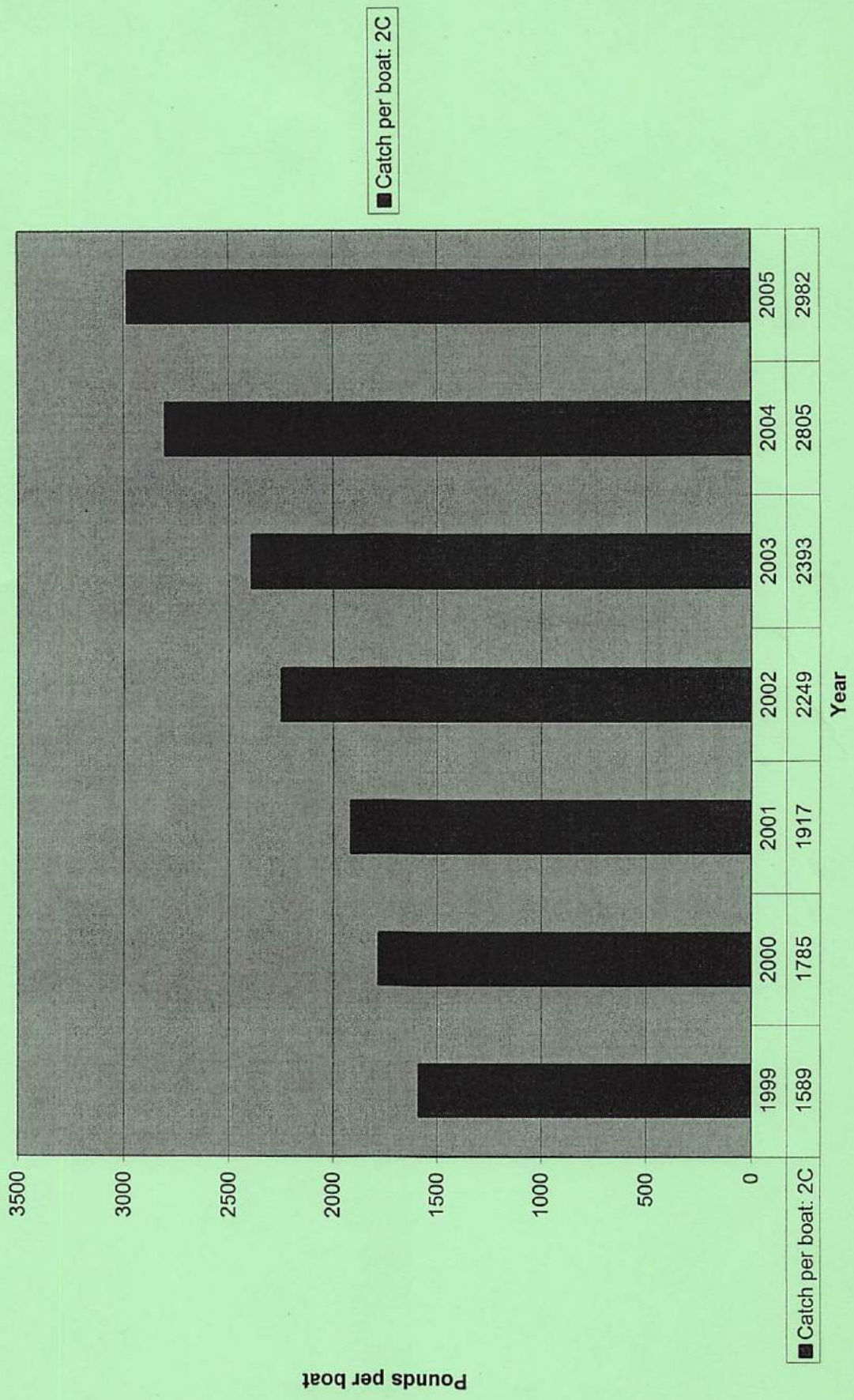
Refined Combination of Option 2 and Option 3 with the Status Quo Two Fish Bag Limit.

- Council discussions and public testimony have referenced accounting for the natural growth trend in the charter industry. The four fish annual limit sub-option provides the best opportunity to account for growth and keep the charter industry near or under the GHL in the next several years.
- The five and six fish annual limits would start the sector near the GHL, but even below average growth could push the sector over the GHL.

Sub-Option	Combined Effect		Options 2, 3 and Status Quo		
	Harvest Reduction (Mlbs)	Harvest Reduction (%)	2006 Harvest with Option (Mlbs)	As a Portion of the 1.432Mlbs GHL (%)	As a Portion of the 1.217Mlbs GHL (%)
Four	0.730	35.9%	1.305	91.1%	107.2%
Five	0.638	31.3%	1.397	97.6%	114.8%
Six	0.573	28.1%	1.462	102.1%	120.2%

Linda Behr
0-1

2-C Halibut Catch Per Active Charter Vessel



Alaska Entry Permit Prices

(as of 5-7-07)

Species	Fishery	Asking Price*	Offer*	State Value*
Salmon	SE DRIFT	60-	60+	58.2+
S	PWS DRIFT	53	52	51.4+
S	COOK INLET DRIFT	29	28.5+	26.3+
S	AREA M DRIFT	85	80	69+
S	BRISTOL BAY DRIFT	79+	79+	76.7-
S	SE SEINE	78	62+	57.6+
S	PWS SEINE	35+	30+	27.9+
S	COOK INLET SEINE	N/A	12	13
S	KODIAK SEINE	25+	22+	20+
S	CHIGNIK SEINE	164	150	146.5
S	AREA M SEINE	40	27	29.7-
S	YAKUTAT SET NET	16	N/A	15.4+
S	PWS SET NET	N/A	N/A	61.5
S	COOK INLET SET	N/A	12	14.7+
S	KODIAK SET NET	N/A	40	45.5
S	AREA M SET NET	60	N/A	54.9-
S	BRISTOL SET NET	25	23	22.4+
S	KUSKOKWIN GILLNET	5	N/A	7
S	LOWER YUKON	9	8	10
S	POWER TROLL	38-	38	35.9+
S	HAND TROLL	9.5	9.5	9.5+
Herring	SAN FRANCISCO	15	N/A	N/A
H	SE GILLNET	7-	N/A	8.8-
H	PWS GILLNET	N/A	N/A	69.4
H	KODIAK GILLNET	10	N/A	6.3
H	NORTON SOUND	4.5	4	1.9
H	SITKA SEINE	275	N/A	283.8
H	PWS SEINE	N/A	12	12.8
H	COOK INLET SEINE	15	5	11-
H	KODIAK SEINE	20	N/A	20.3
H	SE POUND SOUTH	9	N/A	9.9-
H	SE POUND NORTH	38	35	34.4+
H	PWS POUND	N/A	4	14.6
Shellfish	SE DUNGY 75 POT	13	12.5+	14+
S	SE DUNGY 150 POT	30	28	29.1-
S	SE DUNGY 225 POT	45	N/A	42.6-
S	SE DUNGY 300 POT	62.5	60	63.9
S	SE TANNER	65	45	61.3-
S	SE RED KING	85+	N/A	55.3
S	SE RED KING/TANNER	150	100	146.4
S	SE BROWN KING/TANNER	180	N/A	N/A
S	SE RED/BRN KING/TANNER	250	N/A	199.5
S	SE BROWN KING	125	N/A	N/A
S	SE POT SHRIMP	21	NA	21.6-
S	KODIAK TANNER	40+	30	30-
Longline	CHATHAM	N/A	290	302.5+
Longline	CLARENCE	270	240	256.8+
Longline	PWS <35'	31	N/A	25.7
Dive	URCHIN	4	N/A	5
Dive	CUCUMBER	9+	9+	7.9-
Dive	GEODUCK	92-	85	76.3+

Prices JUNE vary in accordance with market conditions.* in thousands
 + denotes an increase from last month. N/A denotes No Activity.
 — denotes a decrease from last month.

By Mike Painter and the Permit Master

The asking price for SE drift permits dropped to \$60k and a few permits have traded, but interest has lowered again. Interest in Bay permits is still pretty high, with recent sales pushing \$80k. Activity in Cook Inlet permits has quieted down. The PWS drift market remained quiet with new listings in the low \$20s.

SE seine permits are miles apart with sellers asking in the high \$70s and buyers offering in the low \$60s. Recent sales of PWS seine permits have been @ \$30k plus. Kodiak seine prices have moved to the mid \$20s, but offers are still in the low \$20s. Power Troll permits slipped to \$38k. Hand troll permits are trading steady @ \$9.5-10k.

Recent activity in the SE dive fisheries has seen sales of Cucumber permits in the \$9k range.

K. Wurm 0-1

PACIFIC FISHING classifieds

Halibut & Sablefish IFQ Prices

Recent market activity in halibut and sablefish quota shares

Species	Regulatory Area	Vessel Category*	Poundage (thousands)	Status blocked/unblocked	Ask (per pound) Low High	Offer (per pound) Low High
HALIBUT	2C	D	1-10	B	16.00-19.00	15.00-17.00
H	2C	C/B	1-3	B	17.50-18.00	16.00-17.00
H	2C	C/B	4-10	B	18.00-20.00	17.00-18.50
H	2C	C/B	>10	B	20.00-21.00	18.00-20.00
H	2C	C/B	>10	U	20.00-22.00	20.00-21.00
H	2C	A	B/U	N/A	20.00	
H	3A	D		B/U	18.00-22.00	17.00-20.00
H	3A	C/B	1-5	B	19.00-21.00	18.00-20.00
H	3A	C/B	5-10	B	21.00-23.00	20.00-22.00
H	3A	C/B	>10	B	23.00-24.00	22.00-23.00
H	3A	C/B	>10	U	25.50-26.50	25.25-25.50
H	3A	A		B/U	25.00	22.00
H	3B	D		B	10.00-12.00	10.00-12.00
H	3B	C/B	1-10	B	15.00-18.00	14.00-17.00
H	3B	C/B	>10	B	18.00-21.00	17.00-20.00
H	3B	C/B	>10	U	21.00-22.00	15.50-16.50
H	3B	A		B/U	N/A	15.00
H	4A	D		B/U	10.00-14.00	10-12.50
H	4A	C/B	1-10	B	10.00-12.00	9.00-11.50
H	4A	C/B	>10	B	12.50-14.00	12.00-13.00
H	4A	C/B	>10	U	15.00-16.00	14.00-15.00
H	4B/C/D	C/B	1-10	B	4.50-8.00	5.00-7.00
H	4B/C/D	C/B	>10	B/U	7.00-10.00	5.00-7.00
SABLEFISH	SE	C/B	1-10	B	12.00-14.00	11.00-13.00
S	SE	C/B	>10	U	14.00-15.00	14.00-15.00
S	SE	A	B/U	N/A	13.00-14.00	
S	WY	C/B	1-10	B	12.00-14.00	11.00-13.00
S	WY	C/B	>10	U	15.00-16.00	14.50-15.75
S	WY	A		B/U	15.00-16.00	15.00
S	CG	C/B	1-10	B	11.00-13.00	10.00-12.00
S	CG	C/B	>10	B/U	13.00-14.50	12.00-14.25
S	CG	A		B/U	13.00-14.00	12.00-13.00
S	WG	C/B	1-10	B	6.50-7.50	5.00-7.25
S	WG	C/B	>10	B	7.50-8.00	6.50-7.50
S	WG	C/B	>10	U	9.00	8.00-8.50
S	AI	C/B/A		B/U	1.25-5.00	1.00-1.80
S	BS	C/B		B/U	2.00-5.00	2.00-4.00
S	BS	A		B/U	5.50-6.00	4.00

*Vessel Categories: A = freezer boats B = over 60' C = 35'-60' D = < 35'
 NOTE: Halibut prices reflect net weight, sablefish round weight. Pricing for leased shares is expressed as a percentage of gross proceeds. ** Too few to characterize.

By Mike Painter and the Permit Master



3A quota continues to set the pace of the market with recent sales of unblocked topping out at \$25.50. Asking prices have moved to \$26.50. With recent ex-vessel prices in the \$4.50-\$5.00 range, buyers are still looking for quota in all areas. There is a strong demand for 3B. And 4A offers are @ \$15 now, with nothing available. Anything new that comes on the market now is going to be sky high. Unblocked WY is the leader for cod prices, topping out @ \$15.75 so far. SE is not far behind @ \$15 for recent sales and even CG has moved up to \$14-\$14.50. No changes in the market are expected at this time. Prices will stay up and any new listings will go for top dollar.

The case of the disappearing halibut quota

Changes in assessment methods for halibut — and differences between staff recommendations for catch limits and what was eventually approved — continue to raise questions, particularly in Dutch Harbor.

Halibut fishermen in region 4A are still struggling to understand why the 3.98 million pound allotment they thought they had suddenly shrank to 2.89 million pounds. Staff members recommended the first number. The International Pacific Halibut commission approved the latter.

At \$3 a pound, the loss in catch amounted to \$3.27 million — a sizable sum that sparked several angry calls and e-mails to *Pacific Fishing*.

At its annual meeting in January, the IPHC took the unusual step of making catch limit decisions contrary to some of the staff recommendations.

"If it was for purely scientific reasons, I'd be prepared to go along with it," says Dutch Harbor halibut fisherman Pete Hendricks. "We believe in long-term sustainability, but when you get a cut like this that doesn't seem to be based on science, it is starting to sound more like a political decision rather than a stock decision. I was trusting in the science, and it seems to have deviated."

Something else that further vexed Area 4A fishermen was the 8.5 million pounds catch limit set in January for 2C (Southeast Alaska) by the commission after the December prediction of a catch limit of only 7.5 million pounds.

To some fishermen, it was viewed as pure reallocation from one area to the other.

Here's what the commission said: New tagging information, combined with other research, indicated that some migratory patterns of halibut had been inadequately understood in the past.

At the annual meeting, commission senior assessment scientist Dr. Bill Clark said staff scientists realized that, in the past, they had been underestimating abundance in Areas 3 and 4 and overestimating in area 2. They suggested increasing the catch in the former and reducing it in the latter.

But the commission thought the change was too drastic.

The commission released a document in January explaining some of its reasons for the final 2007 catch limit. The document said that the IPHC had introduced a new method

of assessing the biomass of halibut in 2006, which involved estimating halibut abundance as a single coastwide unit, rather than the established method of independently estimating the biomass in each regulatory area, a method called the closed-area assessment.

According to the commission, the main reason for the difference between original staff recommendations and the final limits adopted by the IPHC was this: Staff members initially used the new assessment method and based first recommendations on those numbers, but the IPHC decided to use the closed-area-assessment method again to determine final catch limits.

Clark said catch limits the commission chose are based on the area-specific assessments reported in the summary to the IPHC annual meeting.

Clark pointed out that staff members did not endorse the area-specific numbers.

"Overall, it's certainly true that the new coastwide assessment procedure shows less fish in Area 2 and more in Areas 3B and 4 than the old area-specific assessments, so moving to a proportional harvest would mean substantially lower catch limits in Area 2 and somewhat higher catch limits in Areas 3B and 4. The commission chose not to make any radical changes for 2007," Clark said.

James Balsiger, representing the United States on the commission, said that the IPHC scientific staff developed the new model between the 2006 and 2007 annual meetings of the commission.

"The new model had not been reviewed by the commissioners or the science advisors for either Canada or the United States," he said. "The new model is very interesting but is based on different parameters and assumptions than the model used for the last few years."

Balsiger said he recalls that all six commissioners were interested in exploring the new

model and continuing its development. All six commissioners agreed that, while exploration and development of the new model continued, the best model to use for 2007 quotas was the old model.

"That is what was used as the basis for the catch recommendations," he said. "I believe that the decision by the commissioners was the most responsible path they could have chosen, and it was taken without bias towards a desired end, but rather to be sure the new model could be vetted to all concerned."

The commission instructed staff members to examine additional methods of biomass partitioning for the next stock assessment, along with beginning greater dialogue with industry and other stock assessment experts. ■



Brother and sister crew Matthew and Kayleigh Short watch from the galley door as the Norquest Seafoods fleet manager/dock boss steadies a tote of halibut being lifted from the hold of the F/V Kayleigh Ann at the Petersburg seafood processing plant. The Shorts took spring break from college to catch their shares of IFQs.

C-1

Hello Council Members, Staff Members, and all those otherwise drawn into the spinning torrent of fisheries politics. Welcome to my home Sitka and thank you for your service to public process. My name is Bert Bergman.

My family and I own one of the commercial fishing boats in Sitka's many harbors. My boat is down among the clusters of trolling poles that are so common around town. I own slightly less than 5000 lbs of 2C halibut.

I am also a proud SPC member. Perhaps you will notice our 100% American owned value-added processing facility down the street. SPC is an import part of Sitka's economy.

As a deckhand in the derbies I wasn't real excited when IFQ's came along. But eventually I got tired of whining and bucked up and bought in. As a salmon troller, I had clashed with charters before over King salmon. So I had a pretty fair idea what would happen with halibut. But charter IFQ's were coming and the fish war would have a free market solution.

I love IFQ fishing. I can fish when it is convenient to me. I have time to deliver the highest quality product to the market. The fish market after all is the most affordable access to the national resource for most people.

Now that I can buy three blocks, I would like to buy more halibut shares. However the ever expanding charter harvest has made me reexamine the numbers of this very expensive investment. Does anyone know how much I'm going to lose to the charter fleet? I guess I had better buy more just to stay where I'm at. There are lots of guys in Southeast just like me facing the same dilemma.

Of course if the charter fleet was managed to their allocation the problem would be solved. I read the proposed management plan and it looks great. There are plenty of tools in the bag to manage the fleet. The only problem is that apparently the political will does not exist to use any variation of the one fish a day restriction. That is the essential tool needed to keeping the SE Alaska harvest even close to the allocation. Just look at what happened last winter with the IPHC's plan to manage halibut. The charter fleets behind the seen lobbying stopped the plan. As a salmon troller I remember the political firestorm that happened when king salmon was briefly managed on a one fish a day plan. That was before the state adopted annual limits for non residents containing the charter harvest to within allocation. If this board and its managers have the courage to follow this management plan I'm behind you all the way. You will have to forgive me for being skeptical.

So what would I do? Find a free market solution. Charter IFQ's would be fine. There is always debate about who gets what initially. IFQ's on voluntary logs books does sound like writing your own check from the government, but it could work. I am doubtful the old IFQ plan is coming back.

Another way Charter IFQ's may work is if past participation is considered but only as a basis to buy quota initially from the government. Management and enforcement could each get their cut and the quota could still be cheaper than the open market, with better financing available to everyone equally. I understand the politics behind giving quota away, like 9th circuit judges said "you had to do something". Does it still make sense three generations later why we gave away those 40 acres?

The IFQ leasing is an interesting thought. But why should local charters lease my quota when they can just take it. I would want to make as much leasing quota to charters

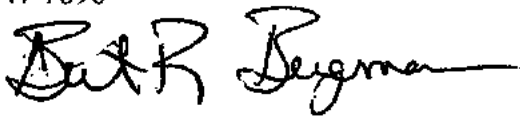
as fishing it on my own boat. Do charters really want to pay \$3.00 per pound or more to catch the fish for one year when they could buy the quota and catch the fish every year? I have to believe any one fish a day restriction will happen to make this leasing idea realistic.

I like the idea of the fish stamp to buy commercial allocation to be held jointly by some kind of non-profit for the purpose of increasing the charter catch. There are risks for commercial fishermen under this scheme, but in general is better than just losing money to reallocation. I understand it is harder to do, but could offer a comprehensive solution that goes beyond halibut. However all parties invested would have to work towards that goal. It is not impossible. However the charter fleet would have to face restrictions to have a reason to pursue this course of action.

Of course another option is turning halibut over to the state to manage. The non-resident annual limit option is then on the table. This would solve the allocation problem and would be best for charter clients. However fishermen and charters would still have to go to Board of Fish every three years to fight over allocation numbers. This too is fine with me, but not the free market solution I had hoped for.

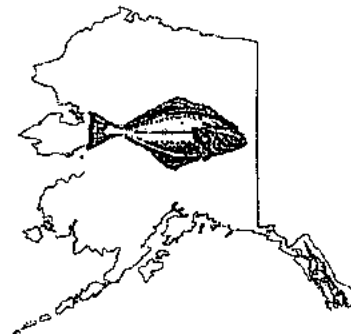
In the larger picture it is not about me or any one interest group, just about the halibut and our shared responsibility to protect it. Without a comprehensive plan and the will to implement it, halibut management will be like an old wooden boat that someone did not cork the seam just below the waterline. Right now the commercial fishermen are the only hands manning the pumps.

Bert Bergman
801 Charles St.
Sitka, Ak. 99835
907 747 7890



Halibut Charter Coalition of Alaska

Uniting Alaska's Most Experienced Charter Fishermen



June 6, 2007

North Pacific Fishery Management Council
Stephanie Madsen, Chair
605 W 4th Avenue, Suite 306
Anchorage, AK 99501-2252

Dear Madame Chair and Members of the Council,

Thank you for this opportunity to provide testimony on the Halibut Charter GHL. My name is Kimberly Tebrugge, and I'm representing the Halibut Charter Coalition of Alaska. As introduction, while this may be the first time you've heard of our newly-formed state-wide organization, you're already familiar with our members. We represent established halibut charter operators throughout South Central and Southeast Alaska in nine ports and operating areas. Our members average 20 years in business. Currently, three members on our board of directors, Bob Candopoulos, Larry McQuarrie and John Goodhand, serve on the Charter Halibut Stakeholders Committee and director Bob Ward served on the Advisory Panel many years.

The HCCA upholds the need to wisely manage the halibut resource for the future. Our seasoned members have seen the mismanagement of fisheries in the past and recognize that in those scenarios, everyone loses. Many of our members have been involved in the Charter Halibut issue at the North Council since the early 1990s and have advocated for moratoriums limiting growth of the charter industry in 1993, 1995, 1997 and 2001. We appreciate the efforts that went into the recent moratorium and will continue to show our support for it back in Washington, D.C.

HCCA advocates for the Council to proceed as rapidly as possible toward a long-term, permanent solution, recognizing compensated reallocation as part of the solution to the charter halibut issue which has destabilized both the commercial and the charter halibut industries and caused havoc in communities.

However, we respect the council process cannot be rushed, and know any necessary interim or permanent solutions must be based on the most accurate data and facts available. We recognize it is difficult to make decisions facing the charter halibut industry without adequate data on how potential solutions will adversely affect demand, and thus the Alaskan tourism dollars. It is in Alaska's best interest to avoid any unrecoverable damage to the established charter operations state-wide, as part of the tourism industry that makes up Alaska's third largest employer. What a delicate balance to consider this, and the economic impact on the commercial IFQ holders, while wisely managing a precious, fully-utilized natural resource.

Thank you for allowing a somewhat lengthy introduction as the basis for credibility for our testimony; this is my first council meeting so I'm a new face to you. I've grown up in the charter industry, my family has been in charters since before I was born; and while my primary goal for attending the council meetings was to listen and learn in order to better understand the various perspectives and issues surrounding halibut stakeholders, I would also like to read a testimony statement on behalf of HCCA concerning current GHL options.

Halibut Charter Coalition of Alaska

Uniting Alaska's Most Experienced Charter Fishermen

The HCCA joins the Advisory Panel in recognizing the immediate need for action regarding the implementation of measures that keep charter harvest within the GHL, while continuing to work aggressively toward finding a fair and equitable long-term solution to manage a fully-utilized halibut resource. However, the HCCA urges the council to consider striking the motion offered by the Advisory Panel for two main reasons.



First, there are better options to get to the GHL that are less complicated and less costly to enforce. According to Table 14 of the Summary Effect of Options, combining Options 2 and 6 results in an expected current harvest reduction over 40%, and meets the goal of reducing charter harvests to the guideline harvest level. This can be done without diving into the unknowns surrounding Option 12's annual angler limit implementation and enforcement.

Second, while Option 12 may be reasonable on its own merit, the current motion tacks on a 1-fish limit as fallback if Option 12, in any of its various elements, cannot be fully implemented. **This places the charter industry only a precarious step away from a 1-fish bag limit as a result of policy implementation issues regardless of harvest levels.** HCCA advocated heavily for House Bill 186 to pass, only to find out recently there may be other factors limiting the sharing of data between state and federal entities. Further, we recognize the costs involved in enforcing annual bag limits, and prefer that every dollar can be spent on enforcing the regulations already in place. These are only two of any number of unforeseen reasons why Option 12 may not be implemented.

HCCA does not wish to be-labor testimony knowing the council is already familiar with the detriments of a 1-fish limit to Alaska commerce if a majority of the public opts for a more highly-valued fishing trip in another state or Canada. However HCCA wishes to highlight that issues we're facing today in Area 2c could potentially shift to Area 3a, and we could be back here dealing with similar issues for a different area. We would also like to highlight if a 1-fish limit came as a result of Option 12 implementation issues, there may be stakeholders who feel there is no longer a need for a permanent solution. HCCA advocates for a speedy permanent solution based on the council's trusted systematic process, including testimony and research, not by default.

In summary, restrictions proposed by Options 2 and 6 are not easy options for us; they will affect the marketable expectations we offer the American public to an undetermined degree. However, HCCA feels they are the most viable options, and appreciates the creative approach NMFS proposed by restricting the second fish to under 32", as it is a more marketable option that allows our industry to quickly meet the GHL.

Thank you for your time and consideration on this crucial matter.

Respectfully,

Kimberly Tebrugge

Kimberly Tebrugge
Halibut Charter Coalition of Alaska



May 30, 2007

Stephanie Madsen, Chair
North Pacific Management Council
605 W 4th Avenue, Suite 306
Anchorage, AK 99501-2252

Dear Ms Madsen:

The Alaska Travel Industry Association (ATIA) represents over 1,100 member Alaskan tourism interests and many of these are reliant on sports fishing in coastal waters of Alaska, including halibut. The long-term health of the tourism industry in these areas in large part relies on your Council's actions regarding the sports charter halibut fishery

ATIA has long supported a moratorium on the sports charter halibut fishery and other long term actions that will sustain a 2 fish per day limit per angler. Your Council is again grappling with several concepts to control the total take of halibut by the guided sector, including a new concept of controlling angler days rather than fish caught, revisiting the IFQ concept and an allocation shift using the "Rasmussen" buyout concept as well as other options.

ATIA requests that the NPFMC approach the 2008 season and a final solution in two ways.

First, the options currently outlined in the list of 13 individual and combined options before the Council should be instituted on an interim basis only. The option or options selected should be mindful that anything less than 2 fish per day would be devastating for the charter halibut fleet given that the expectation of clients. Research on proposed options should continue during 2007 to assure the NPFMC has a clear vision of their effects.

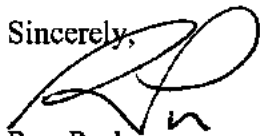
The NPFMC should move rapidly on a long term solution by analyzing the current concepts for practicality and acceptance, ability to sustain fisheries at current or expanded levels and to permit a fair allocation with potential for growth in all sectors.

2600 Cordova Street, Suite 201
Anchorage, AK 99503-2745
Tel (907) 646-3319
Fax (907) 561-5727
ATIA@alaskatia.org
www.alaskatia.org

ATIA appreciates the continuing deliberations of the NPFMC in seeking a solution to the halibut fishery allocation issues.

Thank you for the opportunity to comment. If you have further questions, please feel free to contact me or Mark Miller of the ATIA staff.

Sincerely,

A handwritten signature in black ink, appearing to be 'Ron Peck', written over a faint horizontal line.

Ron Peck
President & COO

*Phil Wyman
c-1*

2007 IPHC BLUEBOOK USING THE NEW COASTWIDE ASSESSMENT

Table 1. 2006 fishery catch limits, 2007 constant exploitation yield (CEY) values, and staff recommended catch limits for 2007, by IPHC regulatory area (million lbs, net weight). Removal data are preliminary. Assumes adherence to recreational fishery limits in Areas 2A, 2B, 2C, and 3A (reflected in reduced 2006 Other Removals).

Reg Area	Exploitable biomass	Harvest Rate	Total CEY	2006 Other Removals	2006 Catch Limit	2007 Fishery CEY	2007 Catch Limit Recommendation	
2A	3.70	25.0%	0.93	0.27	1.38	0.66	1.02	1,4
2B	27.00	25.0%	6.75	0.53	13.22	6.22	9.72	2,4
2C	33.00	25.0%	8.25	3.27	10.63	4.98	7.81	4
3A	176.00	20.0%	35.20	7.57	25.20	27.63	26.01	3
3B	86.00	20.0%	17.20	0.43	10.86	16.77	12.83	3
4A	29.00	20.0%	5.80	0.57	3.35	5.23	3.98	3
4B	19.00	15.0%	2.85	0.29	1.67	2.56	1.97	3
4CDE	41.00	15.0%	6.15	2.30	3.55	3.85	3.65	3
Total	414.70	20.0%	83.13	15.23	69.86	67.90	66.97	

NOTE: Exploitable biomass from coastwide assessment, survey partitioning to regulatory area

¹ Catch limits and Fishery CEY for 2A includes commercial, sport, and treaty subsistence catches

² Catch limits and Fishery CEY for 2B includes commercial and sport catch

³ Calculated as 2006 catch limit plus 1/3 of the difference between
2007 Fishery CEY and 2006 Catch Limit

⁴ Calculated as 2006 Catch Limit minus 50% of the difference between
2007 Fishery CEY and 2006 Catch Limit

2C HALIBUT SEASON

YEAR 2C EXPLOITABLE BIOMASS

2004 80.00 MILLION

2005 66.00 MILLION

2006 61.00 MILLION

2007* 46.00 MILLION (NEW COASTWIDE ASSESSMENT IS 33.00 MILLION FOR 2007 BUT WASN'T USED)

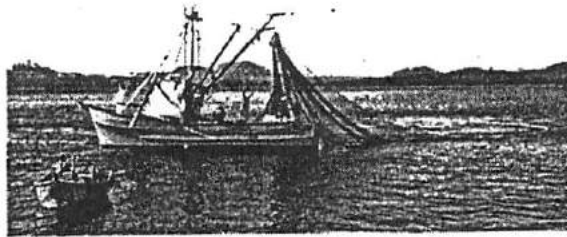
2008 36.50 MILLION (IPHC ESTIMATE USING NEW COASTWIDE ASSESSMENT)

IF YOU USED THE PREFERRED IPHC COASTWIDE ASSESMENT FOR THIS YEAR OF 33.00 MILLION AND FACTORING IN THE 2007 TAKEOUTS: YOU WOULD BE HARVESTING AT A 36% RATE AND EXPLOITABLE RESOURCE WOULD BE DOWN TO 21.00 MILLION. IN ORDER FOR THE HALIBUT RESOURCE TO RETURN TO 2008 EXPLOITABLE BIOMASS OF 36.50 MILLION USING THE NEW COASTWIDE ASSESSMENT IT WOULD HAVE TO INCREASE 72% THRU: 1) POSITIVE IMMIGRATION VERSUS OUTMIGRATION IN 2C. 2) RAPID GROWTH OF REMAINING 21.00 MILLION. 3) RAPID RECRUITMENT INTO THE FISHERY.

F/V ARCHANGEL

PHILLIP R WYMAN

907-747-5568



P.O. BOX 2507

SITKA, ALASKA 99835

HONORABLE DAVID BENTON
NPFMC
605 WEST 4th Ave. Ste 306
ANCHORAGE, AK 99501

DEAR CHAIRMAN BENTON,

I AM WRITING CONCERNING THE PROPOSAL BEFORE THE NPFMC THAT DEALS WITH THE ALLOCATION OF HALIBUT TO THE CHARTER BOAT FLEET. I STRONGLY FAVOR THE OPTION THAT PROVIDES AN ALLOCATION TO THE CHARTER FLEET BASED ON 100% OF THE 1995-99 CHARTER FLEET'S AVERAGE HARVEST. I ALSO SUPPORT THE TRANSFER OF IFQS BETWEEN CHARTER AND COMMERCIAL SECTORS.

AS A FISHERMAN WHO HAS BOUGHT 2/3 OF HIS IFQS WITH ALL OF HIS EARNINGS FROM THE EARLY 90'S AND WITH SEVERAL LARGE LOANS; IT IS VERY DISHEARTENING SEEING MY FAMILY'S INVESTMENT IN STABILITY BEING ERODED BY THE UNCHECKED GROWTH OF THE CHARTER INDUSTRY. MY CREWMEN AND THEIR FAMILIES WHO HAVE ALL INVESTED LIKE MYSELF FEEL THE SAME WAY. WITH THE DEMISE OF THE SALMON INDUSTRY AND THE DOWNTURN OF MANY OTHER FISHERIES; THE HALIBUT FISHERY HAS BECOME OUR MAINSTAY TO CONTINUING TO LIVE IN SITKA YEAR-ROUND.

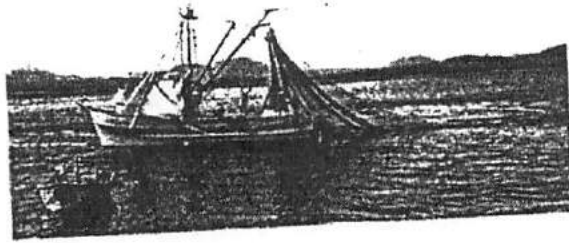
THE MESSAGE IS SIMPLE; HALIBUT IFQS PROVIDE STABILITY FOR MY FAMILY AND MY CREW'S FAMILIES AND TO OUR COMMUNITY OF SITKA. WE DO NOT NEED ANY FURTHER EXPANSION OF THE CHARTER INDUSTRY. WE NEED YOUR BODY TO STOP THE CHARTER FLEET'S GROWTH AND LIMIT THEIR HALIBUT TAKE TO 95-99 AVERAGE LEVELS. THIS ISSUE HAS BEEN GOING ON FOR ALMOST A DECADE AND I WOULD REALLY LIKE SOME CLOSURE ON THIS MATTER.

THANK YOU

PHIL WYMAN
F/V ARCHANGEL
BOX 2507
SITKA, ALASKA 99835

F/V ARCHANGEL

PHILLIP R WYMAN
907-747-5568



P.O. BOX 2507
SITKA, ALASKA 99835

HONORABLE RICK LAUBER, CHAIRMAN
NPFMC
605 WEST 4th AVENUE, Ste 306
ANCHORAGE, AK 99501

DEAR CHAIRMAN LAUBER,

I AM WRITING CONCERNING THE PROPOSAL BEFORE THE NPFMC THAT DEALS WITH THE ALLOCATION OF HALIBUT TO THE CHARTER BOAT FLEET. I STRONGLY FAVOR THE OPTION THAT PROVIDES AN ALLOCATION BASED ON 125% OF THE 1995 CHARTER FLEET'S HARVEST.

AS A PERSON WHO HAS BOUGHT 2/3 OF HIS IFQ'S WITH ALL OF HIS EARNINGS FROM THE EARLY 90'S AND WITH SEVERABLE LARGE LOANS, IT IS VERY DISHEARTENING SEEING MY FAMILY'S INVESTMENT IN STABILITY BEING TAKEN AWAY. MY CREWMEN AND THEIR FAMILIES WHO HAVE ALL INVESTED LIKE MYSELF&FEEL THE SAME WAY.

AS A LIFE-LONG ALASKANN OF 49 YEARS, I AM DISGUSTED WITH THE ADF&G'S POSITION ON REALLOCATION. THEIR ONLY REAL CONCERNS ON THIS ISSUE SHOULD BE PROVIDING RESIDENT ALASKA SPORT FISHERMEN THEIR FAIR SHARE AND GOOD DATA TO YOUR BODY. IT IS OBVIOUS TO ME, THEY ARE DOING NEITHER. IT LOOKS LIKE THE ADF&G'S SPORT FISH DIVISION SHOULD BE FILING IN JUNEAU AS A LOBBYING GROUP REPRESENTING THE CHARTER INDUSTRY.

AS I LOOK AROUND SITKA LATE IN JANUARY, IT IS EASY TO SEE THAT THIS IS NOT THE SAME ECONOMICALLY THRIVING TOWN OF 10 YEARS AGO; TIMBER IS COMPLETELY GONE, REPLACED BY CLINTON'S MILLIONS IN TONGASS STEVEN'S MONEY THAT IS BEING SPENT FOOLISHLY ON ATTEMPTS TO CREATE JOBS THAT AREN'T ECOMOMICALLY VIABLE. THE NATIVE CORPORATIONS THROUGHOUT THE REGION ARE, FOR THE MOST PART, OUT OF OF TIMBER TO HARVEST AND ARE GOING BROKE CAUSING JOB LOSS AND INSTABILITY IN THE NATIVE COMMUNITY. THE LOCAL COLLEGE IS GOING UNDER CAUSING A 60 JOB LOSS. THE LOCAL SALMON FISHERIES ARE ON A ROOLER-COASTER RIDE CAUSED BY A FLOOD OF FARMED SALMON AND OUTDATED PROCESSING TECHNOLOGY.

I CAN GO ON AND ON, BUT THE MESSAGE IS SIMPLE, HALIBUT IFQ'S PROVIDE STABILITY MY FAMILY AND MY CREW'S FAMILIES AND TO OUR COMMUNITY OF SITKA. WE DO NOT NEED IN 5 YEARS FROM NOW A JOB'S PROGRAM TO RETRAIN MY DISPLACED LONGLINE CREWMEN. WE DO NOT NEED A ONE-TIME FEDERAL DISASTER FUNDING PROGRAM TO PHASE US OUT LIKE THEY ARE DOING TO US IN GLACIER BAY. WE NEED YOUR BODY TO STOP THE CHARTER FLEET'S GROWTH AND LIMIT THEIR HALIBUT TAKE TO THE 1995 LEVELS.

THANK YOU,
Phil Wyman
PHIL WYMAN
F/V ARCHANGEL
BOX 2507
SITKA, ALASKA 99835

C.H. C-1

Good afternoon Madam Chair and members of the North Pacific Fisheries Management Council: Thank you all for this opportunity to testify again on the halibut allocation issue; an issue that has been under discussion for so long. My name is Carter Hughes and I am a troller that has purchased halibut quota shares during the past 12 years. I am a member of SPC, ALFA, UFA, the Halibut Coalition and AMCC. I am also a member of ATA and have sat on the board of directors for that organization for 12 years. A significant portion of the troll fleet holds halibut IFQs, some of which is caught incidentally in the salmon troll fishery, and thus this issue is of concern to ATA. I speak on behalf of the organization today.

There has been a lot of hostile rhetoric from both sides of the fence on this issue. Everything from headlines and articles in sport fishing magazines that willfully purvey misinformation about trollers to outright lies and derogatory bumper stickers that direct obscene and hateful epithets at charter operators. ATA finds these actions distasteful and unhelpful to the discussion of the halibut issue. The majority of those that "commercially" fish or charter fish for halibut in S.E. AK are cottage industries providing a form of public access. We are both small businesses with loans, expenses and markets to serve. We are neighbors, and there should be room for the two of us to coexist. The primary difference between the commercial and charter groups are that the latter is not capped for growth. Hopefully something can be worked out for this season at this meeting, while long-term solutions continue to be developed.

The charter GHL overage in 2006 in combination with the CEY being exceeded requires that constraints be put on the harvest capacity of the charter fleet in area 2C. The policy of using the commercial fleet as a slush fund for the growth of another industry applies a double standard to the two different business groups. This is especially true of the conservation burden, which is

entirely placed upon the IFQ permit holders, who like the charter fleet, pay taxes, have business associated loans and contribute greatly to the local economy. ATA has not had taken a specific position on the options you are considering, because most of our board members are busy fishing or preparing for the season. However, Option 12, as endorsed by the AP, does the best job at reducing the charter harvest to the GHL without going to a one fish bag limit, the most contentious, if effective method of constraining the charter harvest to the GHL.

Ultimately, we would like to see a hard-line allocation, such as the one that currently exists in the king salmon management plan for S.E. AK. The baseline for the halibut allocation should be a percentage that corresponds to the current GHL. Any overage that is deemed necessary to promote the growth of the charter fishery, or sustain it, as we go through these coming years of decreasing abundance, should be purchased on the open IFQ market through willing transactions by all parties concerned. In the past ATA has supported the charter IFQ proposal. We have no official position on other methods of compensated reallocation for halibut at the current time.

Personally, I think the group that will be acquiring access to the fish (i.e. income) at the expense of another group should foot the bill, maybe through a tax assessed to charter operators that is based on quantity harvested. I realize that there is a current discussion of compensated reallocation and I support it. It really doesn't matter to ATA as long as any reallocation is compensated through willing transactions and, preferably, funded by the growth industry. Meanwhile we would like to see constraints placed on the charter harvest this year that will reduce the likelihood of the serious overages that occurred last year.

Thank you all again. I appreciate your time and effort on this issue.

Sitka Charter Boat Operators Association

PO Box 2422 Sitka Alaska 99835

June 6, 2007

Ms. Stephanie Madsen, Chair
North Pacific Fisheries Management Council
605 West 4th, Suite 306
Anchorage, AK 99501-2252

Re: Halibut Charter Issues/GHL Measures

Dear Madame Chair,

Thank you for the opportunity to provide testimony on the management of Halibut as a fully utilized resource. My name is Theresa Weiser and I have been in this industry as a guide and lodge owner in Sitka for 18 years now. I am here today to represent the 50 members of the Sitka Charter Boat Operators Association (SCBOA). We are honored to have the NPFMC meet in Sitka, in June. We are an industry that makes a \$31 million annual contribution to the Sitka economy (Reference the McDowell report, January 2005 submitted May 29th).

I offer the following comments about the AP motion. Arriving at the current GHL can be done in a simpler and less costly approach. Table 14 indicates that combining Option 2 of no harvest by Skipper and Crew and Option 6 of retaining 1 fish under 32" and 1 fish any size will accomplish a reduction in the total fish (pounds) harvested to bring the charter catch in under the current GHL. These two options combined will surely bring our industry future incremental pain that we can hopefully weather and survive. However, the current AP recommendation will cut us off at the knees...! As it stands, the AP motion has strong potential to cause irreversible damage. Why manage us down to a 1 fish bag limit as a result of policy implementation issues? The AP motion puts us at significant risk of a one fish bag limit for the wrong reasons. It will also cause demand to significantly shift from Area 2C to Area 3A thereby triggering the same problems to come back before you for Area 3A down the road. This now becomes a compounded problem.

Also, be aware that Option 4 – one halibut daily limit – is a tourism and local economy killer. We know this from extensive polling of our customers. According to the American Sportfishing Association, Halibut is one of the most important recreational species in the United States. To Quote the National Association of Charter Boat Operators: "...Recreational fishing is all about perception. In order for these anglers to continue to make major contributions to the economy they need bag limits that justify these expenditures. We believe the drop dead number to be a 2 fish bag limit, anything lower will negatively impact the economic contribution from the recreational sector to

1

Sitka Charter Boat Operators Association

PO Box 2422 Sitka Alaska 99835

Area 2C..." We have to ask: Where is the analysis to reflect what the Economic Impacts on the state, the charter operator, and/or the communities that will be affected by a one fish bag limit or annual limits for halibut in S.E. Alaska?

We encourage the NPFMC to withhold final action on Area 2C GHM measures until October, when the 2006 catch numbers are finalized. Currently, the NPFMC is using numbers derived from a linear trend projection based on the State's mail out survey data from 2000-2005 and a logbook program that has not been ground truthed. The creel survey data for 2006, indicates a drop in harvest in the three main ports of Southeast Alaska (Area 2C) – Ketchikan, Juneau, and Sitka. The IPHC catch per unit information for the commercial fishery and the experience of SCBOA's members also indicates a downward trend for Area 2C in 2006. (See attached Lestelle Memorandum Report to Tom Ohaus, Feb. 3, 2007)

Deciding GHM measures based on a linear trend projection that ignores measurable indexes, like creel survey numbers... IS counterproductive and potentially destructive given the impacts of those measures on individual businesses, tourism, and the economies of towns and villages throughout Area 2C. Also, it is likely that NMFS will enact GHM measures for 2007, which will generate measurable results by October, including better information on the average size of halibut harvested. We recommend waiting until October 2007, when real data on 2006, preliminary data on 2007, results of the NMFS measures now in place, and higher levels of public participation are obtainable.

We are aware of the Council's sense of urgency to act on these issues. Still given the gains we'll see in consistent catch data and public participation, it is our hope that these decisions that will weigh heavily on charter businesses and local economies can be finalized in October. We also encourage the Council to encircle all sport fishers - guided and non-guided – in any final solution. In Area 2C, we are already seeing an increase in bare-boat charters and non-registered boat operators that seem to have new groups of "friends" to take fishing every few days.

Thank you for your consideration,



Theresa Weiser
President

Canadian King 2-16

Refined Combination of Option 2 and Option 3 with the Status Quo Two Fish Bag Limit.

- Council discussions and public testimony have referenced accounting for the natural growth trend in the charter industry. The four fish annual limit sub-option provides the best opportunity to account for growth and keep the charter industry near or under the GHL in the next several years.
- The five and six fish annual limits would start the sector near the GHL, but even below average growth could push the sector over the GHL.

Sub-Option	Combined Effect		Options 2, 3 and Status Quo		
	Harvest Reduction (Mlbs)	Harvest Reduction (%)	2006 Harvest with Option (Mlbs)	As a Portion of the 1.432Mlbs GHL (%)	As a Portion of the 1.217Mlbs GHL (%)
Four	0.730	35.9%	1.305	91.1%	107.2%
Five	0.638	31.3%	1.397	97.6%	114.8%
Six	0.573	28.1%	1.462	102.1%	120.2%

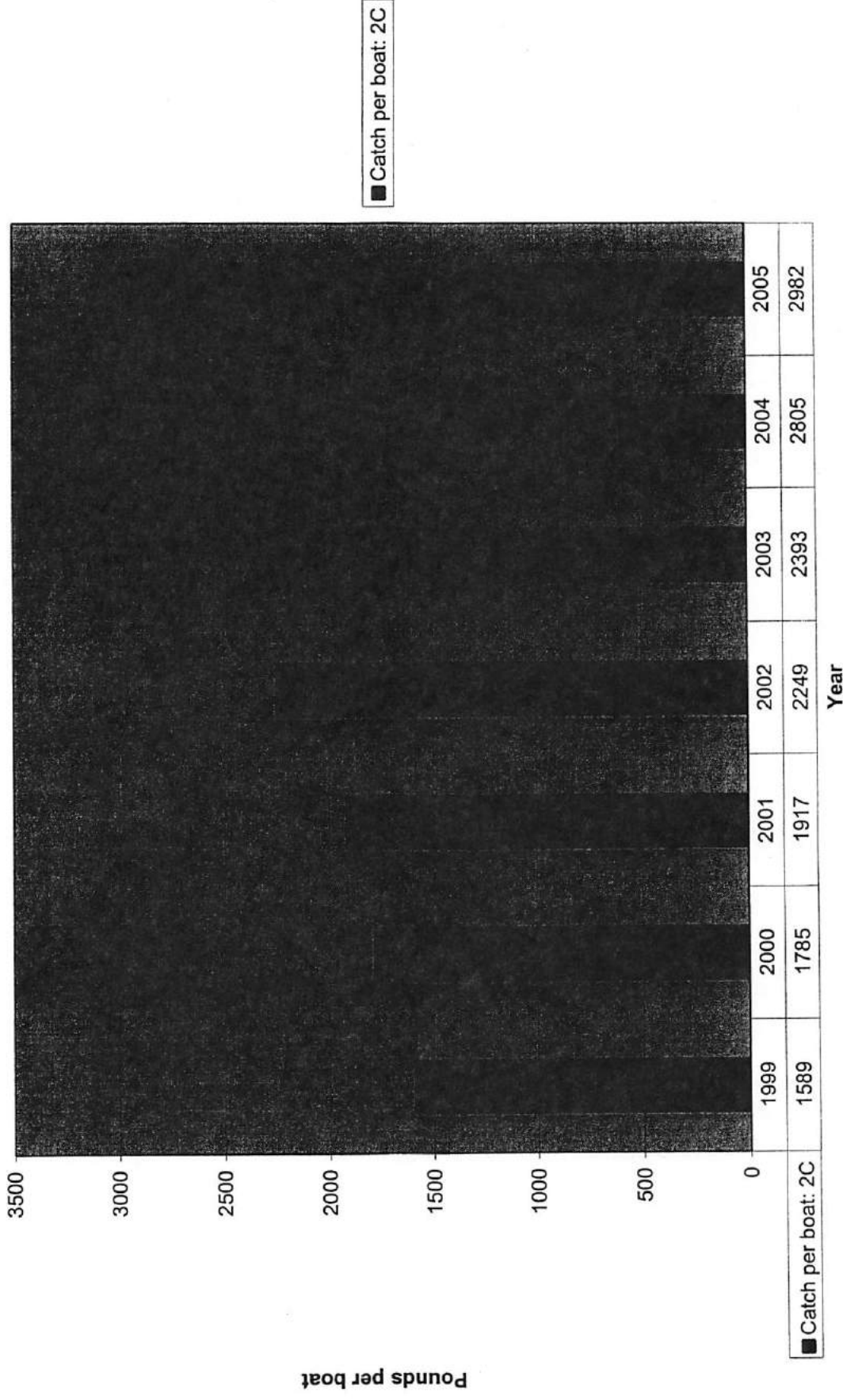
Summary- Four Tiers of Options

- **The options can be broken into four tiers:**
 - Tier 1-The options would bring harvest below the GHL under 2006 conditions.
 - Tier 2-The options are at least as effective as the NMFS 2007 regulations, but are not “guaranteed” to bring harvest all the way down to the GHL.
 - Tier 3- These options may conceivably be as effective as the NMFS 2007 regulations, but are likely to be less effective than the current NMFS regulations.
 - Tier 4- These options are clearly much less effective than the NMFS 2007 regulations.

Management Option	Sub-Option	Expected Reduction (Mlbs)		Expected Reduction (% of Current Harvest)		Post-Option Harvest as a Portion of the GHL (%)	
		Lower	Upper	Lower	Upper	Lower	Upper
Option 11. Combine Options 1, 2, 3, and 5.	50" & 4 Fish	0.815	0.843	40.0%	41.4%	85.2%	83.2%
Option 4. One Fish Bag Limit	Full Season	0.808	1.178	39.7%	57.9%	85.7%	59.9%
Option 11. Combine Options 1, 2, 3, and 5.	50" & 5 Fish	0.704	0.733	34.6%	36.0%	93.0%	90.9%
Option 11. Combine Options 1, 2, 3, and 5.	45" & 4 Fish	0.692	0.701	34.0%	34.5%	93.8%	93.1%
Option 11. Combine Options 1, 2, 3, and 5.	50" & 6 Fish	0.626	0.655	30.8%	32.0%	98.4%	96.4%
Option 11. Combine Options 1, 2, 3, and 5.	45" & 5 Fish	0.575	0.584	28.3%	28.7%	101.9%	101.3%
Option 9. Combine Options 1, 2, and 6.	None	0.574	0.794	28.2%	39.0%	102.0%	86.6%
Option 12. Combine Options 1, 2, 3, and 6.	5 Fish	0.554	0.565	27.2%	27.8%	103.4%	102.6%
Option 6. Second Fish Below 32"	None	0.551	0.603	27.1%	29.7%	103.7%	100.0%
Option 8. Combine Options 1, 2, and 5.	50"	0.516	0.737	25.4%	36.2%	106.0%	90.6%
Option 11. Combine Options 1, 2, 3, and 5.	45" & 6 Fish	0.493	0.686	24.2%	33.7%	106.1%	94.2%
Option 5. Minimum Size on the Second Fish	50"	0.478	0.502	23.5%	24.7%	107.7%	107.0%
Option 12. Combine Options 1, 2, 3, and 6.	6 Fish	0.449	0.637	22.1%	31.3%	108.7%	97.7%
Option 8. Combine Options 1, 2, and 5.	45"	0.429	0.502	21.1%	24.7%	110.8%	107.1%
Option 5. Minimum Size on the Second Fish	45"	0.391	0.608	19.2%	29.9%	112.2%	99.7%
Option 13. Combine Options 1, 2, 3, and 7.	32"/50" & 4 Fish	0.376	0.559	18.6%	27.4%	114.8%	103.1%
Option 3. Annual Limit	4 Fish	0.335	0.467	16.4%	23.0%	115.8%	109.5%
Option 13. Combine Options 1, 2, 3, and 7.	32"/45" & 4 Fish	0.323	0.548	15.9%	16.4%	118.7%	118.7%
Option 4. One Fish Bag Limit	July	0.295	0.430	14.5%	26.9%	119.6%	103.8%
Option 4. One Fish Bag Limit	August	0.244	0.356	12.0%	21.1%	121.5%	112.1%
Option 13. Combine Options 1, 2, 3, and 7.	32"/50" & 5 Fish	0.232	0.356	11.4%	17.5%	125.1%	117.2%
Option 4. One Fish Bag Limit	June	0.204	0.401	10.0%	19.7%	125.9%	114.1%
Option 3. Annual Limit	5 Fish	0.190	0.297	9.3%	14.6%	127.9%	121.4%
Option 13. Combine Options 1, 2, 3, and 7.	32"/45" & 5 Fish	0.174	0.399	8.5%	9.3%	128.8%	128.8%
Option 13. Combine Options 1, 2, 3, and 7.	32"/50" & 6 Fish	0.130	0.299	6.4%	14.7%	133.0%	114.2%
Option 3. Annual Limit	6 Fish	0.088	0.088	4.3%	14.7%	135.9%	121.2%
Option 2. No Harvest by Skipper & Crew	None	0.078	0.086	3.8%	4.3%	135.9%	135.9%
Option 13. Combine Options 1, 2, 3, and 7.	32"/45" & 6 Fish	0.069	0.086	3.4%	4.2%	136.7%	136.1%
Option 10. Combine Options 1, 2, and 7.	32"/50"	0.042	0.294	2.1%	14.5%	139.1%	123.9%
Option 1. One Trip per Day	None	0.038	0.049	1.8%	2.4%	139.5%	138.7%
Option 4. One Fish Bag Limit	May	0.037	0.053	1.8%	2.6%	139.6%	138.4%
Option 4. One Fish Bag Limit	September	0.028	0.042	1.4%	2.0%	140.1%	139.2%
Option 3. Reverse Slot Limit	32"/50"	0.005	0.211	0.2%	10.4%	141.8%	127.3%
Option 10. Combine Options 1, 2, and 7.	32"/45"	-0.023	0.202	-1.1%	9.9%	143.7%	128.0%
Option 7. Reverse Slot Limit	32"/45"	-0.060	0.153	-3.0%	7.5%	146.3%	131.4%

Linda Behrns 2-1

2-C Halibut Catch Per Active Charter Vessel



Pounds per boat

Summary- Four Tiers of Options

- **The options can be broken into four tiers:**
 - Tier 1-The options would bring harvest below the GHL under 2006 conditions.
 - Tier 2-The options are at least as effective as the NMFS 2007 regulations, but are not “guaranteed” to bring harvest all the way down to the GHL.
 - Tier 3- These options may conceivably be as effective as the NMFS 2007 regulations, but are likely to be less effective than the current NMFS regulations.
 - Tier 4- These options are clearly much less effective than the NFMS 2007 regulations.

Management Option	Sub-Option	Expected Reduction (Mlbs)		Expected Reduction (% of Current Harvest)		Post-Option Harvest as a Portion of the GH L (%)	
		Lower	Upper	Lower	Upper	Lower	Upper
Option 11. Combine Options 1, 2, 3, and 5.	50" & 4 Fish	0.815	0.843	40.0%	41.4%	85.2%	83.2%
Option 4. One Fish Bag Limit	Full Season	0.808	1.178	39.7%	57.9%	85.7%	59.9%
Option 11. Combine Options 1, 2, 3, and 5.	50" & 5 Fish	0.704	0.733	34.6%	36.0%	93.0%	90.9%
Option 11. Combine Options 1, 2, 3, and 5.	45" & 4 Fish	0.692	0.701	34.0%	34.5%	93.8%	93.1%
Option 11. Combine Options 1, 2, 3, and 5.	50" & 6 Fish	0.626	0.655	30.8%	32.0%	98.4%	96.4%
Option 11. Combine Options 1, 2, 3, and 5.	45" & 5 Fish	0.575	0.584	28.3%	28.7%	101.9%	101.3%
Option 9. Combine Options 1, 2, and 6.	4 Fish	0.574	0.794	28.2%	39.0%	102.0%	86.6%
Option 12. Combine Options 1, 2, 3, and 6.	None	0.554	0.565	27.2%	27.8%	103.4%	102.6%
Option 12. Combine Options 1, 2, 3, and 6.	5 Fish	0.551	0.603	27.1%	29.7%	103.7%	100.0%
Option 8. Combine Options 1, 2, and 5.	None	0.516	0.737	25.4%	36.2%	106.0%	90.6%
Option 8. Combine Options 1, 2, and 5.	50"	0.516	0.686	25.3%	33.7%	106.1%	94.2%
Option 11. Combine Options 1, 2, 3, and 5.	45" & 6 Fish	0.493	0.502	24.2%	24.7%	107.7%	107.0%
Option 5. Minimum Size on the Second Fish	50"	0.478	0.637	23.5%	31.3%	108.7%	97.7%
Option 12. Combine Options 1, 2, 3, and 6.	6 Fish	0.449	0.502	22.1%	24.7%	110.8%	107.1%
Option 8. Combine Options 1, 2, and 5.	45"	0.429	0.608	21.1%	29.9%	112.2%	99.7%
Option 5. Minimum Size on the Second Fish	45"	0.391	0.559	19.2%	27.4%	114.8%	103.1%
Option 13. Combine Options 1, 2, 3, and 7.	32"/50" & 4 Fish	0.376	0.467	18.5%	23.0%	115.8%	109.5%
Option 3. Annual Limit	4 Fish	0.335	0.335	16.4%	16.4%	118.7%	118.7%
Option 13. Combine Options 1, 2, 3, and 7.	32"/45" & 4 Fish	0.323	0.548	15.9%	26.9%	119.6%	103.8%
Option 4. One Fish Bag Limit	July	0.295	0.430	14.5%	21.1%	121.5%	112.1%
Option 13. Combine Options 1, 2, 3, and 7.	August	0.244	0.356	12.0%	17.5%	125.1%	117.2%
Option 4. One Fish Bag Limit	32"/50" & 5 Fish	0.232	0.401	11.4%	19.7%	125.9%	114.1%
Option 3. Annual Limit	June	0.204	0.297	10.0%	14.6%	127.9%	121.4%
Option 13. Combine Options 1, 2, 3, and 7.	5 Fish	0.190	0.190	9.3%	9.3%	128.8%	128.8%
Option 13. Combine Options 1, 2, 3, and 7.	32"/45" & 5 Fish	0.174	0.399	8.5%	19.6%	130.0%	114.2%
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Option 10. Combine Options 1, 2, and 7.	32"/50"	0.042	0.260	2.1%	12.8%	139.1%	123.9%
Option 1. One Trip per Day	None	0.038	0.049	1.8%	2.4%	139.5%	138.7%
Option 4. One Fish Bag Limit	May	0.037	0.053	1.8%	2.6%	139.6%	138.4%
Option 4. One Fish Bag Limit	September	0.028	0.042	1.4%	2.0%	140.1%	139.2%
Option 7. Reverse Slot Limit	32"/50"	0.005	0.211	0.2%	10.4%	141.8%	127.3%
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Option 7. Reverse Slot Limit	32"/45"	-0.060	0.153	-3.0%	7.5%	146.3%	131.4%

Alaska Entry Permit Prices

(as of 5-7-07)

Species	Fishery	Asking Price*	Offer*	State Value*
Salmon	SE DRIFT	60-	60+	58.2+
S	PWS DRIFT	53	52	51.4+
S	COOK INLET DRIFT	29	28.5+	26.3+
S	AREA M DRIFT	85	80	69+
S	BRISTOL BAY DRIFT	79+	79+	76.7-
S	SE SEINE	78	62+	57.6+
S	PWS SEINE	35+	30+	27.9+
S	COOK INLET SEINE	N/A	12	13
S	KODIAK SEINE	25+	22+	20+
S	CHIGNIK SEINE	164	150	146.5
S	AREA M SEINE	40	27	29.7-
S	YAKUTAT SET NET	16	N/A	15.4+
S	PWS SET NET	N/A	N/A	61.5
S	COOK INLET SET	N/A	12	14.7+
S	KODIAK SET NET	N/A	40	45.5
S	AREA M SET NET	60	N/A	54.9-
S	BRISTOL SET NET	25	23	22.4+
S	KUSKOKWIN GILLNET	5	N/A	7
S	LOWER YUKON	9	8	10
S	POWER TROLL	38-	38	35.9+
S	HAND TROLL	9.5	9.5	9.5+
Herring	SAN FRANCISCO	15	N/A	N/A
H	SE GILLNET	7-	N/A	8.8-
H	PWS GILLNET	N/A	N/A	69.4
H	KODIAK GILLNET	10	N/A	6.3
H	NORTON SOUND	4.5	4	1.9
	SITKA SEINE	275	N/A	283.8
	PWS SEINE	N/A	12	12.8
H	COOK INLET SEINE	15	5	11-
H	KODIAK SEINE	20	N/A	20.3
H	SE POUND SOUTH	9	N/A	9.9-
H	SE POUND NORTH	38	35	34.4+
H	PWS POUND	N/A	4	14.6
Shellfish	SE DUNGY 75 POT	13	12.5+	14+
S	SE DUNGY 150 POT	30	28	29.1-
S	SE DUNGY 225 POT	45	N/A	42.6-
S	SE DUNGY 300 POT	62.5	60	63.9
S	SE TANNER	65	45	61.3-
S	SE RED KING	85+	N/A	55.3
S	SE RED KING/TANNER	150	100	146.4
S	SE BROWN KING/TANNER	180	N/A	N/A
S	SE RED/BRN KING/TANNER	250	N/A	199.5
S	SE BROWN KING	125	N/A	N/A
S	SE POT SHRIMP	21	NA	21.6-
S	KODIAK TANNER	40+	30	30-
Longline	CHATHAM	N/A	290	302.5+
Longline	CLARENCE	270	240	256.8+
Longline	PWS <35'	31	N/A	25.7
Dive	URCHIN	4	N/A	5
Dive	CUCUMBER	9+	9+	7.9-
Dive	GEODUCK	92-	85	76.3+

Prices JUNE vary in accordance with market conditions. * in thousands
+ denotes an increase from last month. N/A denotes No Activity.
- denotes a decrease from last month.

By Mike Painter and the Permit Master

The asking price for SE drift permits dropped to \$60 and a few permits have traded for interest has followed. Interest in Bay permits is still pretty high with recent sales reaching \$80. Activity in PWS permits has quieted down. The PWS drift market remained quiet with new listings in the low \$70s. SE seine permits are miles apart with sellers asking in the high \$20s and buyers offering in the low \$10s. Recent sales of PWS seine permits have been in the \$30 plus Kodiak seine prices have moved to the mid \$20s but offers are still in the low \$20s. Power Troll permits slipped to \$38. Hand troll permits are trading steady @ \$9.5-10k.

Recent activity in the SE dive fisheries has seen sales of Cucumber permits in the \$9k range.

Halibut & Sablefish IFQ Prices

Recent market activity in halibut and sablefish quota shares

Species	Regulatory Area	Vessel Category*	Poundage (thousands)	Status blocked/unblocked)	Ask (per pound) Low High	Offer (per pound) Low High
HALIBUT	2C	D	1-10	B	16.00-19.00	15.00-17.00
H	2C	C/B	1-3	B	17.50-18.00	16.00-17.00
H	2C	C/B	4-10	B	18.00-20.00	17.00-18.50
H	2C	C/B	>10	B	20.00-21.00	18.00-20.00
H	2C	C/B	>10	U	20.00-22.00	20.00-21.00
H	2C	A	B/U	N/A	20.00	
H	3A	D		B	18.00-22.00	17.00-20.00
H	3A	C/B	1-5	B	19.00-21.00	18.00-20.00
H	3A	C/B	5-10	B	21.00-23.00	20.00-22.00
H	3A	C/B	>10	B	23.00-24.00	22.00-23.00
H	3A	C/B	>10	U	25.50-26.50	25.25-25.50
H	3A	A		B/U	25.00	22.00
H	3B	D		B	10.00-12.00	10.00-12.00
H	3B	C/B	1-10	B	15.00-18.00	14.00-17.00
H	3B	C/B	>10	B	18.00-21.00	17.00-20.00
H	3B	C/B	>10	U	21.00-22.00	15.50-16.50
H	3B	A		B/U	N/A	15.00
H	4A	D		B/U	10.00-14.00	10-12.50
H	4A	C/B	1-10	B	10.00-12.00	9.00-11.50
H	4A	C/B	>10	B	12.50-14.00	12.00-13.00
H	4A	C/B	>10	U	15.00-16.00	14.00-15.00
H	4B/C/D	C/B	1-10	B	4.50-8.00	5.00-7.00
H	4B/C/D	C/B	>10	B/U	7.00-10.00	5.00-7.00
SABLEFISH	SE	C/B	1-10	B	12.00-14.00	11.00-13.00
S	SE	C/B	>10	U	14.00-15.00	14.00-15.00
S	SE	A	B/U	N/A	13.00-14.00	
S	WY	C/B	1-10	B	12.00-14.00	11.00-13.00
S	WY	C/B	>10	U	15.00-16.00	14.50-15.75
S	WY	A		B/U	15.00-16.00	15.00
S	CG	C/B	1-10	B	11.00-13.00	10.00-12.00
S	CG	C/B	>10	B/U	13.00-14.50	12.00-14.25
S	CG	A		B/U	13.00-14.00	12.00-13.00
S	WG	C/B	1-10	B	6.50-7.50	5.00-7.25
S	WG	C/B	>10	B	7.50-8.00	6.50-7.50
S	WG	C/B	>10	U	9.00	8.00-8.50
S	AI	C/B/A		B/U	1.25-5.00	1.00-1.80
S	BS	C/B		B/U	2.00-5.00	2.00-4.00
S	BS	A		B/U	5.50-6.00	4.00

*Vessel Categories: A = freezer boats B = over 60' C = 35'-60' D = < 35'

NOTE: Halibut prices reflect net weight, sablefish round weight. Pricing for leased shares is expressed as a percentage of gross proceeds. **Too few to characterize.

By Mike Painter and the Permit Master



Activity continues to be quiet in the market with recent sales in halibut and sablefish in the \$25-30 asking price range. There are a few permits available in the \$40-50 range but there are still looking for quality permits. There is a strong demand for 10-15 permits are a steady flow with nothing available. Activity in the 15-20 range is still quiet with a few permits available. Unblocked WY's are the most popular with asking prices in the \$15-20 range. There is a lot of activity in the 15-20 range with asking prices in the \$15-20 range. There is a lot of activity in the 15-20 range with asking prices in the \$15-20 range. There is a lot of activity in the 15-20 range with asking prices in the \$15-20 range.

The case of the disappearing halibut quota

Changes in assessment methods for halibut – and differences between staff recommendations for catch limits and what was eventually approved – continue to raise questions, particularly in Dutch Harbor.

Halibut fishermen in region 4A are still struggling to understand why the 3.98 million pound allotment they thought they had suddenly shrank to 2.89 million pounds. Staff members recommended the first number. The International Pacific Halibut commission approved the latter.

At \$3 a pound, the loss in catch amounted to \$3.27 million – a sizable sum that sparked several angry calls and e-mails to *Pacific Fishing*.

At its annual meeting in January, the IPHC took the unusual step of making catch limit decisions contrary to some of the staff recommendations.

"If it was for purely scientific reasons, I'd be prepared to go along with it," says Dutch Harbor halibut fisherman Pete Hendricks. "We believe in long-term sustainability, but when you get a cut like this that doesn't seem to be based on science, it is starting to sound more like a political decision rather than a stock decision. I was trusting in the science, and it seems to have deviated."

Something else that further vexed Area 4A fishermen was the 8.5 million pounds catch limit set in January for 2C (Southeast Alaska) by the commission after the December prediction of a catch limit of only 7.5 million pounds.

To some fishermen, it was viewed as pure reallocation from one area to the other.

Here's what the commission said: New tagging information, combined with other research, indicated that some migratory patterns of halibut had been inadequately understood in the past.

At the annual meeting, commission senior assessment scientist Dr. Bill Clark said staff scientists realized that, in the past, they had been underestimating abundance in Areas 3 and 4 and overestimating in area 2. They suggested increasing the catch in the former and reducing it in the latter.

But the commission thought the change was too drastic.

The commission released a document in early February explaining some of its reasons for the final 2007 catch limit. The document said that the IPHC had introduced a new method

of assessing the biomass of halibut in 2006, which involved estimating halibut abundance as a single coastwide unit, rather than the established method of independently estimating the biomass in each regulatory area, a method called the closed-area assessment.

According to the commission, the main reason for the difference between original staff recommendations and the final limits adopted by the IPHC was this: Staff members initially used the new assessment method and based first recommendations on those numbers, but the IPHC decided to use the closed-area-assessment method again to determine final catch limits.

Clark said catch limits the commission chose are based on the area-specific assessments reported in the summary to the IPHC annual meeting.

Clark pointed out that staff members did not endorse the area-specific numbers.

"Overall, it's certainly true that the new coastwide assessment procedure shows less fish in Area 2 and more in Areas 3B and 4 than the old area-specific assessments, so moving to a proportional harvest would mean substantially lower catch limits in Area 2 and somewhat higher catch limits in Areas 3B and 4. The commission chose not to make any radical changes for 2007," Clark said.

James Balsiger, representing the United States on the commission, said that the IPHC scientific staff developed the new model between the 2006 and 2007 annual meetings of the commission.

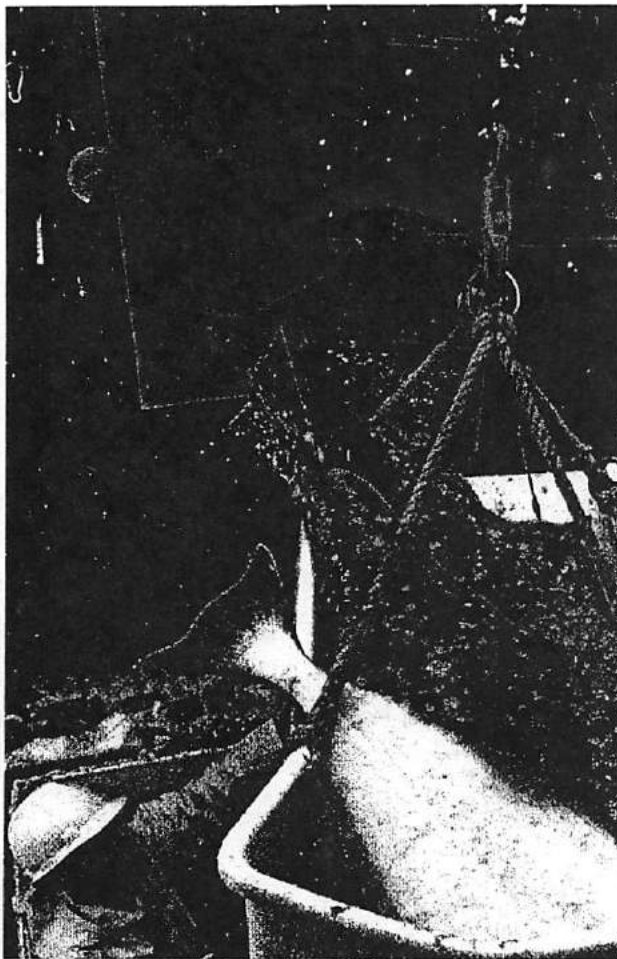
"The new model had not been reviewed by the commissioners or the science advisors for either Canada or the United States," he said. "The new model is very interesting but is based on different parameters and assumptions than the model used for the last few years."

Balsiger said he recalls that all six commissioners were interested in exploring the new

model and continuing its development. All six commissioners agreed that, while exploration and development of the new model continued, the best model to use for 2007 quotas was the old model.

"That is what was used as the basis for the catch recommendations," he said. "I believe that the decision by the commissioners was the most responsible path they could have chosen, and it was taken without bias towards a desired end, but rather to be sure the new model could be vetted to all concerned."

The commission instructed staff members to examine additional methods of biomass partitioning for the next stock assessment, along with beginning greater dialogue with industry and other stock assessment experts. ■



Brother and sister crew Matthew and Kayleigh Short watch from the galley door as the *Norquest Seafoods* fleet manager/dock boss steadies a tote of halibut being lifted from the hold of the *F/V Kayleigh Ann* at the Petersburg seafood processing plant. The Shorts took spring break from college to catch their shares of IFQs.

Hello Council Members, Staff Members, and all those otherwise drawn into the spinning torrent of fisheries politics. Welcome to my home Sitka and thank you for your service to public process. My name is Ber Bergman.

My family and I own one of the commercial fishing boats in Sitka's many harbors. My boat is down among the clusters of trolling poles that are so common around town. I own slightly less than 5000 lbs of 2C halibut.

I am also a proud SPC member. Perhaps you will notice our 100% American owned value-added processing facility down the street. SPC is an import part of Sitka's economy.

As a deckhand in the derbies I wasn't real excited when IFQ's came along. But eventually I got tired of whining and bucked up and bought in. As a salmon troller, I had clashed with charters before over King salmon. So I had a pretty fair idea what would happen with halibut. But charter IFQ's were coming and the fish war would have a free market solution.

I love IFQ fishing. I can fish when it is convenient to me. I have time to deliver the highest quality product to the market. The fish market after all is the most affordable access to the national resource for most people.

Now that I can buy three blocks, I would like to buy more halibut shares. However the ever expanding charter harvest has made me reexamine the numbers of this very expensive investment. Does anyone know how much I'm going to lose to the charter fleet? I guess I had better buy more just to stay where I'm at. There are lots of guys in Southeast just like me facing the same dilemma.

Of course if the charter fleet was managed to their allocation the problem would be solved. I read the proposed management plan and it looks great. There are plenty of tools in the bag to manage the fleet. The only problem is that apparently the political will does not exist to use any variation of the one fish a day restriction. That is the essential tool needed to keeping the SE Alaska harvest even close to the allocation. Just look at what happened last winter with the IPHC's plan to manage halibut. The charter fleets behind the seen lobbying stopped the plan. As a salmon troller I remember the political firestorm that happened when king salmon was briefly managed on a one fish a day plan. That was before the state adopted annual limits for non residents containing the charter harvest to within allocation. If this board and its managers have the courage to follow this management plan I'm behind you all the way. You will have to forgive me for being skeptical.

So what would I do? Find a free market solution. Charter IFQ's would be fine. There is always debate about who gets what initially. IFQ's on voluntary logs books does sound like writing your own check from the government, but it could work. I am doubtful the old IFQ plan is coming back.

Another way Charter IFQ's may work is if past participation is considered but only as a basis to buy quota initially from the government. Management and enforcement could each get their cut and the quota could still be cheaper than the open market, with better financing available to everyone equally. I understand the politics behind giving quota away, like 9th circuit judges said "you had to do something". Does it still make sense three generations later why we gave away those 40 acres?

The IFQ leasing is an interesting thought. But why should local charters lease my quota when they can just take it. I would want to make as much leasing quota to charters


as fishing it on my own boat. Do charters really want to pay \$3.00 per pound or more to catch the fish for one year when they could buy the quota and catch the fish every year? I have to believe any one fish a day restriction will happen to make this leasing idea realistic.

I like the idea of the fish stamp to buy commercial allocation to be held jointly by some kind of non-profit for the purpose of increasing the charter catch. There are risks for commercial fishermen under this scheme, but in general is better than just losing money to reallocation. I understand it is harder to do, but could offer a comprehensive solution that goes beyond halibut. However all parties invested would have to work towards that goal. It is not impossible. However the charter fleet would have to face restrictions to have a reason to pursue this course of action.

Of course another option is turning halibut over to the state to manage. The non-resident annual limit option is then on the table. This would solve the allocation problem and would be best for charter clients. However fishermen and charters would still have to go to Board of Fish every three years to fight over allocation numbers. This too is fine with me, but not the free market solution I had hoped for.

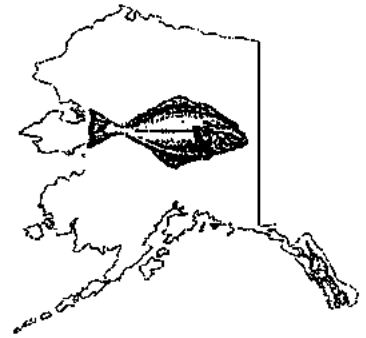
In the larger picture it is not about me or any one interest group, just about the halibut and our shared responsibility to protect it. Without a comprehensive plan and the will to implement it, halibut management will be like an old wooden boat that someone did not cork the seam just below the waterline. Right now the commercial fishermen are the only hands manning the pumps.

Bert Bergman
801 Charles St.
Sitka, Ak. 99835
907 747 7890



Halibut Charter Coalition of Alaska

Uniting Alaska's Most Experienced Charter Fishermen



June 6, 2007

North Pacific Fishery Management Council
Stephanie Madsen, Chair
605 W 4th Avenue, Suite 306
Anchorage, AK 99501-2252

Dear Madame Chair and Members of the Council,

Thank you for this opportunity to provide testimony on the Halibut Charter GHL. My name is Kimberly Tebrugge, and I'm representing the Halibut Charter Coalition of Alaska. As introduction, while this may be the first time you've heard of our newly-formed state-wide organization, you're already familiar with our members. We represent established halibut charter operators throughout South Central and Southeast Alaska in nine ports and operating areas. Our members average 20 years in business. Currently, three members on our board of directors, Bob Candopoulos, Larry McQuarrie and John Goodhand, serve on the Charter Halibut Stakeholders Committee and director Bob Ward served on the Advisory Panel many years.

The HCCA upholds the need to wisely manage the halibut resource for the future. Our seasoned members have seen the mismanagement of fisheries in the past and recognize that in those scenarios, everyone loses. Many of our members have been involved in the Charter Halibut issue at the North Council since the early 1990s and have advocated for moratoriums limiting growth of the charter industry in 1993, 1995, 1997 and 2001. We appreciate the efforts that went into the recent moratorium and will continue to show our support for it back in Washington, D.C.

HCCA advocates for the Council to proceed as rapidly as possible toward a long-term, permanent solution, recognizing compensated reallocation as part of the solution to the charter halibut issue which has destabilized both the commercial and the charter halibut industries and caused havoc in communities.

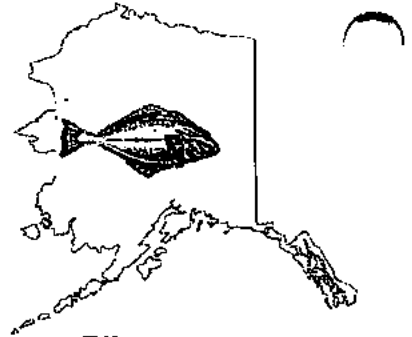
However, we respect the council process cannot be rushed, and know any necessary interim or permanent solutions must be based on the most accurate data and facts available. We recognize it is difficult to make decisions facing the charter halibut industry without adequate data on how potential solutions will adversely affect demand, and thus the Alaskan tourism dollars. It is in Alaska's best interest to avoid any unrecoverable damage to the established charter operations state-wide, as part of the tourism industry that makes up Alaska's third largest employer. What a delicate balance to consider this, and the economic impact on the commercial IFQ holders, while wisely managing a precious, fully-utilized natural resource.

Thank you for allowing a somewhat lengthy introduction as the basis for credibility for our testimony; this is my first council meeting so I'm a new face to you. I've grown up in the charter industry, my family has been in charters since before I was born; and while my primary goal for attending the council meetings was to listen and learn in order to better understand the various perspectives and issues surrounding halibut stakeholders, I would also like to read a testimony statement on behalf of HCCA concerning current GHL options.

Halibut Charter Coalition of Alaska

Uniting Alaska's Most Experienced Charter Fishermen

The HCCA joins the Advisory Panel in recognizing the immediate need for action regarding the implementation of measures that keep charter harvest within the GHL, while continuing to work aggressively toward finding a fair and equitable long-term solution to manage a fully-utilized halibut resource. However, the HCCA urges the council to consider striking the motion offered by the Advisory Panel for two main reasons.



First, there are better options to get to the GHL that are less complicated and less costly to enforce. According to Table 14 of the Summary Effect of Options, combining Options 2 and 6 results in an expected current harvest reduction over 40%, and meets the goal of reducing charter harvests to the guideline harvest level. This can be done without diving into the unknowns surrounding Option 12's annual angler limit implementation and enforcement.

Second, while Option 12 may be reasonable on its own merit, the current motion tacks on a 1-fish limit as fallback if Option 12, in any of its various elements, cannot be fully implemented. **This places the charter industry only a precarious step away from a 1-fish bag limit as a result of policy implementation issues regardless of harvest levels.** HCCA advocated heavily for House Bill 186 to pass, only to find out recently there may be other factors limiting the sharing of data between state and federal entities. Further, we recognize the costs involved in enforcing annual bag limits, and prefer that every dollar can be spent on enforcing the regulations already in place. These are only two of any number of unforeseen reasons why Option 12 may not be implemented.

HCCA does not wish to be-labor testimony knowing the council is already familiar with the detriments of a 1-fish limit to Alaska commerce if a majority of the public opts for a more highly-valued fishing trip in another state or Canada. However HCCA wishes to highlight that issues we're facing today in Area 2c could potentially shift to Area 3a, and we could be back here dealing with similar issues for a different area. We would also like to highlight if a 1-fish limit came as a result of Option 12 implementation issues, there may be stakeholders who feel there is no longer a need for a permanent solution. HCCA advocates for a speedy permanent solution based on the council's trusted systematic process, including testimony and research, not by default.

In summary, restrictions proposed by Options 2 and 6 are not easy options for us; they will affect the marketable expectations we offer the American public to an undetermined degree. However, HCCA feels they are the most viable options, and appreciates the creative approach NMFS proposed by restricting the second fish to under 32", as it is a more marketable option that allows our industry to quickly meet the GHL.

Thank you for your time and consideration on this crucial matter.

Respectfully,

Kimberly Tebrugge

Kimberly Tebrugge
Halibut Charter Coalition of Alaska



May 30, 2007

Stephanie Madsen, Chair
North Pacific Management Council
605 W 4th Avenue, Suite 306
Anchorage, AK 99501-2252

Dear Ms Madsen:

The Alaska Travel Industry Association (ATIA) represents over 1,100 member Alaskan tourism interests and many of these are reliant on sports fishing in coastal waters of Alaska, including halibut. The long-term health of the tourism industry in these areas in large part relies on your Council's actions regarding the sports charter halibut fishery

ATIA has long supported a moratorium on the sports charter halibut fishery and other long term actions that will sustain a 2 fish per day limit per angler. Your Council is again grappling with several concepts to control the total take of halibut by the guided sector, including a new concept of controlling angler days rather than fish caught, revisiting the IFQ concept and an allocation shift using the "Rasmussen" buyout concept as well as other options.

ATIA requests that the NPFMC approach the 2008 season and a final solution in two ways.

First, the options currently outlined in the list of 13 individual and combined options before the Council should be instituted on an interim basis only. The option or options selected should be mindful that anything less than 2 fish per day would be devastating for the charter halibut fleet given that the expectation of clients. Research on proposed options should continue during 2007 to assure the NPFMC has a clear vision of their effects.

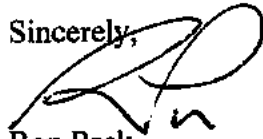
The NPFMC should move rapidly on a long term solution by analyzing the current concepts for practicality and acceptance, ability to sustain fisheries at current or expanded levels and to permit a fair allocation with potential for growth in all sectors.

2600 Cordova Street, Suite 201
Anchorage, AK 99503-2745
Tel (907) 646-3319
Fax (907) 561-5727
ATIA@alaskatia.org
www.alaskatia.org

ATIA appreciates the continuing deliberations of the NPFMC in seeking a solution to the halibut fishery allocation issues.

Thank you for the opportunity to comment. If you have further questions, please feel free to contact me or Mark Miller of the ATIA staff.

Sincerely,

A handwritten signature in black ink, appearing to read 'Ron Peck', with a stylized flourish at the end.

Ron Peck
President & COO

Phil Wyman
C-1

2007 IPHC BLUEBOOK USING THE NEW COASTWIDE ASSESSMENT

Table 1. 2006 fishery catch limits, 2007 constant exploitation yield (CEY) values, and staff recommended catch limits for 2007, by IPHC regulatory area (million lbs, net weight). Removal data are preliminary. Assumes adherence to recreational fishery limits in Areas 2A, 2B, 2C, and 3A (reflected in reduced 2006 Other Removals).

Reg Area	Exploitable biomass	Harvest Rate	Total CEY	2006 Other Removals	2006 Catch Limit	2007 Fishery CEY	2007 Catch Limit Recommendation	
2A	3.70	25.0%	0.93	0.27	1.38	0.66	1.02	1,4
2B	27.00	25.0%	6.75	0.53	13.22	6.22	9.72	2,4
2C	33.00	25.0%	8.25	3.27	10.63	4.98	7.81	4
3A	176.00	20.0%	35.20	7.57	25.20	27.63	26.01	3
3B	86.00	20.0%	17.20	0.43	10.86	16.77	12.83	3
4A	29.00	20.0%	5.80	0.57	3.35	5.23	3.98	3
4B	19.00	15.0%	2.85	0.29	1.67	2.56	1.97	3
4CDE	41.00	15.0%	6.15	2.30	3.55	3.85	3.65	3
Total	414.70	20.0%	83.13	15.23	69.86	67.90	66.97	

NOTE: Exploitable biomass from coastwide assessment, survey partitioning to regulatory area

¹ Catch limits and Fishery CEY for 2A includes commercial, sport, and treaty subsistence catches

² Catch limits and Fishery CEY for 2B includes commercial and sport catch

³ Calculated as 2006 catch limit plus 1/3 of the difference between
2007 Fishery CEY and 2006 Catch Limit

⁴ Calculated as 2006 Catch Limit minus 50% of the difference between
2007 Fishery CEY and 2006 Catch Limit

2C HALIBUT SEASON

YEAR 2C EXPLOITABLE BIOMASS

2004 80.00 MILLION

2005 66.00 MILLION

2006 61.00 MILLION

2007* 46.00 MILLION (NEW COASTWIDE ASSESSMENT IS 33.00 MILLION FOR 2007 BUT WASN'T USED)

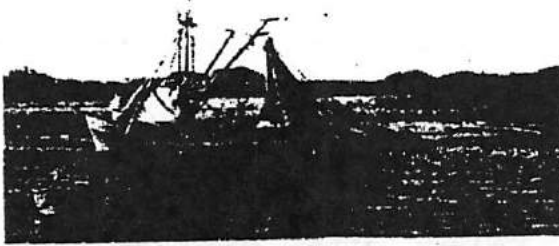
2008 36.50 MILLION (IPHC ESTIMATE USING NEW COASTWIDE ASSESSMENT)

IF YOU USED THE PREFERRED IPHC COASTWIDE ASSESSMENT FOR THIS YEAR OF 33.00 MILLION AND FACTORING IN THE 2007 TAKEOUTS: YOU WOULD BE HARVESTING AT A 36% RATE AND EXPLOITABLE RESOURCE WOULD BE DOWN TO 21.00 MILLION. IN ORDER FOR THE HALIBUT RESOURCE TO RETURN TO 2008 EXPLOITABLE BIOMASS OF 36.50 MILLION USING THE NEW COASTWIDE ASSESSMENT IT WOULD HAVE TO INCREASE 72% THRU: 1) POSITIVE IMMIGRATION VERSUS OUTMIGRATION IN 2C. 2) RAPID GROWTH OF REMAINING 21.00 MILLION. 3) RAPID RECRUITMENT INTO THE FISHERY.

F/V ARCHANGEL

PHILLIP R WYMAN

907-747-5568



P.O. BOX 2507

SITKA, ALASKA 99835

HONORABLE DAVID BENTON
NPFMC
605 WEST 4th Ave. Ste 306
ANCHORAGE, AK 99501

DEAR CHAIRMAN BENTON,

I AM WRITING CONCERNING THE PROPOSAL BEFORE THE NPFMC THAT DEALS WITH THE ALLOCATION OF HALIBUT TO THE CHARTER BOAT FLEET. I STRONGLY FAVOR THE OPTION THAT PROVIDES AN ALLOCATION TO THE CHARTER FLEET BASED ON 100% OF THE 1995-99 CHARTER FLEET'S AVERAGE HARVEST. I ALSO SUPPORT THE TRANSFER OF IFQS BETWEEN CHARTER AND COMMERCIAL SECTORS.

AS A FISHERMAN WHO HAS BOUGHT 2/3 OF HIS IFQS WITH ALL OF HIS EARNINGS FROM THE EARLY 90's AND WITH SEVERAL LARGE LOANS; IT IS VERY DISHEARTENING SEEING MY FAMILY'S INVESTMENT IN STABILITY BEING ERODED BY THE UNCHECKED GROWTH OF THE CHARTER INDUSTRY. MY CREWMEN AND THEIR FAMILIES WHO HAVE ALL INVESTED LIKE MYSELF FEEL THE SAME WAY. WITH THE DEMISE OF THE SALMON INDUSTRY AND THE DOWNTURN OF MANY OTHER FISHERIES; THE HALIBUT FISHERY HAS BECOME OUR MAINSTAY TO CONTINUING TO LIVE IN SITKA YEAR-ROUND.

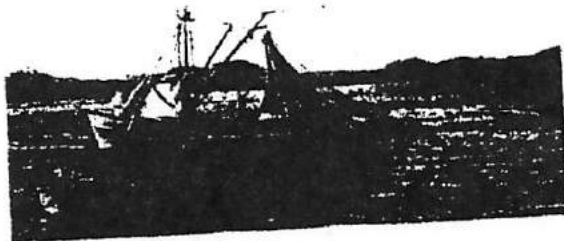
THE MESSAGE IS SIMPLE; HALIBUT IFQS PROVIDE STABILITY FOR MY FAMILY AND MY CREW'S FAMILIES AND TO OUR COMMUNITY OF SITKA. WE DO NOT NEED ANY FURTHER EXPANSION OF THE CHARTER INDUSTRY. WE NEED YOUR BODY TO STOP THE CHARTER FLEET'S GROWTH AND LIMIT THEIR HALIBUT TAKE TO 95-99 AVERAGE LEVELS. THIS ISSUE HAS BEEN GOING ON FOR ALMOST A DECADE AND I WOULD REALLY LIKE SOME CLOSURE ON THIS MATTER.

THANK YOU

PHIL WYMAN
F/V ARCHANGEL
BOX 2507
SITKA, ALASKA 99835

F/V ARCHANGEL

PHILLIP R WYMAN
907-747-5568



P.O. BOX 2507
SITKA, ALASKA 99835

HONORABLE RICK LAUBER, CHAIRMAN
NPFMC
605 WEST 4th AVENUE, Ste 306
ANCHORAGE, AK 99501

DEAR CHAIRMAN LAUBER,

I AM WRITING CONCERNING THE PROPOSAL BEFORE THE NPFMC THAT DEALS WITH THE ALLOCATION OF HALIBUT TO THE CHARTER BOAT FLEET. I STRONGLY FAVOR THE OPTION THAT PROVIDES AN ALLOCATION BASED ON 125% OF THE 1995 CHARTER FLEET'S HARVEST.

AS A PERSON WHO HAS BOUGHT 2/3 OF HIS IFQ'S WITH ALL OF HIS EARNINGS FROM THE EARLY 90'S AND WITH SEVERABLE LARGE LOANS, IT IS VERY DISHEARTENING SEEING MY FAMILY'S INVESTMENT IN STABILITY BEING TAKEN AWAY. MY CREWMEN AND THEIR FAMILIES WHO HAVE ALL INVESTED LIKE MYSELF&FEEL THE SAME WAY.

AS A LIFE-LONG ALASKANN OF 49 YEARS, I AM DISGUSTED WITH THE ADF&G'S POSITION ON REALLOCATION. THEIR ONLY REAL CONCERNS ON THIS ISSUE SHOULD BE PROVIDING RESIDENT ALASKA SPORT FISHERMEN THEIR FAIR SHARE AND GOOD DATA TO YOUR BODY. IT IS OBVIOUS TO ME, THEY ARE DOING NEITHER. IT LOOKS LIKE THE ADF&G'S SPORT FISH DIVISION SHOULD BE FILING IN JUNEAU AS A LOBBYING GROUP REPRESENTING THE CHARTER INDUSTRY.

AS I LOOK AROUND SITKA LATE IN JANUARY, IT IS EASY TO SEE THAT THIS IS NOT THE SAME ECONOMICALLY THRIVING TOWN OF 10 YEARS AGO; TIMBER IS COMPLETELY GONE, REPLACED BY CLINTON'S MILLIONS IN TONGASS STEVEN'S MONEY THAT IS BEING SPENT FOOLISHLY ON ATTEMPTS TO CREATE JOBS THAT AREN'T ECOMOMICALLY VIABLE. THE NATIVE CORPORATIONS THROUGHOUT THE REGION ARE, FOR THE MOST PART, OUT OF OF TIMBER TO HARVEST AND ARE GOING BROKE CAUSING JOB LOSS AND INSTABILITY IN THE NATIVE COMMUNITY. THE LOCAL COLLEGE IS GOING UNDER CAUSING A 60 JOB LOSS. THE LOCAL SALMON FISHERIES ARE ON A ROOLER-COASTER RIDE CAUSED BY A FLOOD OF FARMED SALMON AND OUTDATED PROCESSING TECHNOLOGY.

I CAN GO ON AND ON, BUT THE MESSAGE IS SIMPLE, HALIBUT IFQ'S PROVIDE STABILIT' MY FAMILY AND MY CREW'S FAMILIES AND TO OUR COMMUNITY OF SITKA. WE DO NOT NEE IN 5 YEARS FROM NOW A JOB'S PROGRAM TO RETRAIN MY DISPLACED LONGLINE CREWMEN. WE DO NOT NEED A ONE-TIME FEDERAL DISASTER FUNDING PROGRAM TO PHASE US OUT LIKE THEY ARE DOING TO US IN GLACIER BAY. WE NEED YOUR BODY TO STOP THE CHART FLEET'S GROWTH AND LIMIT THEIR HALIBUT TAKE TO THE 1995 LEVELS.

THANK YOU,

Phil Wyman
PHIL WYMAN

F/V ARCHANGEL
BOX 2507
SITKA, ALASKA 99835

C.F. C-1

Good afternoon Madam Chair and members of the North Pacific Fisheries Management Council:
Thank you all for this opportunity to testify again on the halibut allocation issue; an issue that has been under discussion for so long. My name is Carter Hughes and I am a troller that has purchased halibut quota shares during the past 12 years. I am a member of SPC, ALFA, UFA, the Halibut Coalition and AMCC. I am also a member of ATA and have sat on the board of directors for that organization for 12 years. A significant portion of the troll fleet holds halibut IFQs, some of which is caught incidentally in the salmon troll fishery, and thus this issue is of concern to ATA. I speak on behalf of the organization today.

There has been a lot of hostile rhetoric from both sides of the fence on this issue. Everything from headlines and articles in sport fishing magazines that willfully purvey misinformation about trollers to ~~outright lies~~ and derogatory bumper stickers that direct obscene and hateful epithets at charter operators. ATA finds these actions distasteful and unhelpful to the discussion of the halibut issue. The majority of those that "commercially" fish or charter fish for halibut in S.E. AK are cottage industries providing a form of public access. We are both small businesses with loans, expenses and markets to serve. We are neighbors, and there should be room for the two of us to coexist. The primary difference between the commercial and charter groups are that the latter is not capped for growth. Hopefully something can be worked out for this season at this meeting, while long-term solutions continue to be developed.

The charter GHL overage in 2006 in combination with the CEY being exceeded requires that constraints be put on the harvest capacity of the charter fleet in area 2C. The policy of using the commercial fleet as a slush fund for the growth of another industry applies a double standard to the two different business groups. This is especially true of the conservation burden, which is

entirely placed upon the IFQ permit holders, who like the charter fleet, pay taxes, have business associated loans and contribute greatly to the local economy. ATA has not had taken a specific position on the options you are considering, because most of our board members are busy fishing or preparing for the season. However, Option 12, as endorsed by the AP, does the best job at reducing the charter harvest to the GHL without going to a one fish bag limit, the most contentious, if effective method of constraining the charter harvest to the GHL.

Ultimately, we would like to see a hard-line allocation, such as the one that currently exists in the king salmon management plan for S.E. AK. The baseline for the halibut allocation should be a percentage that corresponds to the current GHL. Any overage that is deemed necessary to promote the growth of the charter fishery, or sustain it, as we go through these coming years of decreasing abundance, should be purchased on the open IFQ market through willing transactions by all parties concerned. In the past ATA has supported the charter IFQ proposal. We have no official position on other methods of compensated reallocation for halibut at the current time. Personally, I think the group that will be acquiring access to the fish (i.e. income) at the expense of another group should foot the bill, maybe through a tax assessed to charter operators that is based on quantity harvested. I realize that there is a current discussion of compensated reallocation and I support it. It really doesn't matter to ATA as long as any reallocation is compensated through willing transactions and, preferably, funded by the growth industry. Meanwhile we would like to see constraints placed on the charter harvest this year that will reduce the likelihood of the serious overages that occurred last year.

Thank you all again. I appreciate your time and effort on this issue.

FAX (907) 271-2817

Ms Stephanie Madsen
Chair
North Pacific Fishery Management Council
605 West 4th Ave, Ste 306
Anchorage, AK 99501

RECEIVED

MAY 24 2007

N.P.F.M.C.

I am writing to urge you to adopt effective management measures to control charter harvest in Area 2C to the GHL and to ensure that these measures are implemented in time for the 2008 charter season. I would also urge you to move forward as quickly as possible with similarly effective measures in Area 3A. Commercial fishermen have asked the Council for the past 14 years to stop the open-ended reallocation of halibut from the commercial to the charter sector. Fourteen years is a long time to wait. In April 2006, the Council committed by unanimous vote to manage the halibut charter sector to the GHL until superseded by a long-term management strategy. Please keep that commitment. Each sector needs to live within its allocation until a mechanism for compensated reallocation is established.

I further request that the Council convert the GHL to a percentage-based allocation that fluctuates with abundance and implement a mechanism that allows compensated transfer between the commercial and charter sectors. The percentage must be derived from the existing GHL and all subsequent transfers must be between willing buyers and willing sellers. Finally, I oppose any permanent revenue streams to the charter sector that would subsidize charter purchase of quota share. Charter operators that want to increase their halibut harvest should pay more for that opportunity.

I have invested in the halibut quota share program and fishery with the expectation that the resource will continue to be well managed and that the Council will fairly balance the needs of all who depend on the halibut resource, from consumers through fishermen and processors. I respectfully request that the Council live up to that expectation.

Sincerely,

Charlotte Boddington

Address 1911 8th St

Anacortes, WA 98221

Date: 5/15/07

Additional comments like
this form letter can be
reviewed at the secretary's desk

RECEIVED
MAY 20, 2007
MAY 24 2007

Ms Stephanie Madsen
Chair

N.P.F.M.C.

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

I am a 2C halibut fisherman and live in Ketchikan, Alaska. I hire 3 local trollers as crew. The wages they earn are very important to their overall livelihood.

When IFQ's were established, I was issued around 14,000 lbs. That was about 80% of what I had been catching during the derbies.

My wife and I made a business decision to purchase more Quota. We bought 16,000 lbs of unblocked and later bought another 6,000 lbs of

unblocked. I mortgaged our home and the Quota was also used as collateral on the loans to purchase the IFQ's.

The main reason for the decision to purchase additional Quota was the decline of salmon prices due to fish farming production. We felt this would be a stable and safe way to go for the future.

I feel the charter fleet has to be held to an allocation that goes up and down with IPHC recommended catch for area 2C.

I felt the need to have more Quota. Other friends ~~and~~ felt differently and sold theirs. I feel the same will happen within the charter fleet, if they need to expand, they should

be allowed to buy Quota on the open market.

I hope you can find a workable solution to the charter boat issue. It is the same issue we had with them over the king salmon.

Thank you for all your work.

Sincerely,

Len Leach

Leonard Leach
P.O. Box 6017
Ketchikan, Alaska
99901

May 20, 2007

RECEIVED

MAY 24 2007

N.P.F.M.C.

North Pacific Fishery Management Council
Stephanie Madsen, Chair
605 W 4th Avenue, Suite 306
Anchorage, AK 99501-2252

Dear Ms. Madsen and Council Members:

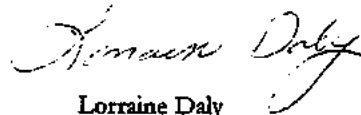
My name is Lorraine Daly and I have been associated with commercial fishing for over 20 years. I along with my husband and many other IFQ holders were never originally allocated IFQ's and therefore we all have secured funding in order to purchase all of our quota shares. I personally went through a financial institution, my husband received funding through the NMFS loan program and others have secured their funding through the same sources or through the State of Alaska Dept. of Investments. My husband and I have had to use our IFQ and our fishing vessel as collateral for the loans.

I am asking the council to not to consider a forced reallocation of IFQ from the commercial fleet to the charter fleet. A forced reallocation does not make sense when one considers the impact it makes on those of us whom have loans out on these IFQ's that may be forcefully reallocated. We would literally be paying for another user group's fish. And as our quota decreases our payments would remain the same and to make the payments would become increasing difficult. (This decrease is on top of any GHIL decrease-, which for our 2007 season was 20%) Forced Reallocation would have an impact on our quota markets. No one would consider purchasing IFQ if the possibility of a forced reallocation is set.

If the council must consider a reallocation of IFQ's I would be supportive of a Volunteer Compensated Reallocation. There are many pieces of IFQ on the market and I know a few charter boat operators whom have done just what many others and I have, and secured loans to purchase IFQ so they too could commercially catch Halibut before or after their charter season.

I would also like to mention that I am in support of converting the GHIL for the Charter fleet into a percentage that floats with the combined fishery CEY. I would like to see the NPFMC commit to managing the GHIL of the Charter fleet until a long-term solution is developed. But please keep in mind a forced reallocation is NOT a long-term final solution.

Sincerely,


Lorraine Daly

C-1 Comments

May 16, 2007

Ms. Stephanie Madsen
Chairman
North Pacific Fishery Management Council
605 West 4th Street Suite 306
Anchorage, AK 99501

RECEIVED

MAY 21 2007

N.P.F.M.C.

Dear Chair Madsen,

I am writing you once again to comment about the halibut charter issue. I am hopeful that since this is your last meeting as Chair, and since the meeting takes place in Sitka that you will guide the Council to take firm and effective action to ensure that management measures are in place for the 2008 fishing season that will finally hold the charter fleet to their current allocation. This is the only fair and reasonable outcome of over a decade of struggle for us in Sitka. In southeast over 90% of the charter clients are non-resident and the continued expansion of the charter harvest and effort severely impacts local access to the resource.

I would like to remind the Council members that there has been a huge breakdown in public process throughout this experience and I, like many others, have spent countless hours and thousands of dollars trying to participate just to have an end-run made around the public at almost every junction:

Since 1993, the North Pacific Fishery Management Council (Council) has been concerned about the unchecked growth of the charter halibut fishery. In particular, the Council's concerns have been directed toward "local depletion" of halibut in waters near population centers and the open-ended reallocation of the resource from the commercial sector to the charter sector. To address these issues, the Council took the following actions. In:

- 1993, the Council established a Working Group, comprised of representatives of various sectors, to help define the problem and to propose possible management measures. The Council also recommended a "control date" of September 23, 1993 (which was not implemented by NOAA Fisheries.);
- 1995, the Council accomplished a preliminary review of possible management measures;
- 1997, the Council proposed another "control date" of April 1997 for new entrants into the charter fishery (but the control date was again not implemented by NOAA Fisheries).
- 1997, the Council recommended establishing a Guideline Harvest Level (GHL) for the charter sector, based on a percentage of commercial/charter harvests; (which was also not implemented by NOAA Fisheries because it lacked management measures to limit catch)

- 1997, (as required by NOAA Fisheries) the Council began to develop specific harvest restriction measures if the charter sector harvests exceeded the GHL;
- 1998, Council recommends a third "control date" of June 24, 1998.
- 2000, the Council approved a second GHL program, including measures to restrict harvest if the harvest exceeded the GHL levels.
- 2000, the Council directed "fast track" development of other options to effectively address the problem, including a moratorium on new entrants to the charter sector and an IFQ system.
- 2001, in April, after considerable discussion and public input, the Council approved an IFQ option (choosing not to implement a moratorium). The action was approved on reconsideration in October.
 - The IFQ option, which was supported by most charter operators and by the commercial fleet, allocated 125% of the average estimated charter harvest (between 1995 and 1999) to the charter sector and, with appropriate checks and balances, allowed the quota to be transferred across sectors. The State of Alaska did not support the program, nor did national sport fishing organizations.
- 2002, Alaska Department of Fish and Game (ADFG) indicated concern with accuracy of logbook data, and discontinued its use.
- 2003, the Council reviewed the adequacy of logbook data for initial issuance decisions, reviewed an ADFG report and accepted the Scientific and Statistical Committee's determination that the data were adequate to determine initial issuance under the IFQ option; the Council then submitted its analysis to NOAA Fisheries.
- 2003, NOAA Fisheries contracted for recommendations on a new reporting system for the charter sector (including new logbooks); the resulting recommendation was an electronic system that allowed for real-time reporting.
- 2003 (Aug 8), NOAA Fisheries approved (published) the second GHL levels, but rejected the harvest restriction measures meant to accompany them.
- 2004, NOAA Fisheries began development of Proposed Rule to implement the IFQ option.
- 2005(Aug), the NMFS Alaska Region submitted the proposed IFQ rule to NOAA Fisheries for review and publication as a proposed rule.
- 2005 (Dec), prompted by NMFS Assistant Administrator Bill Hogarth, the Council voted to rescind its recommendation of an IFQ system, opting instead to commit the development of two long term alternatives for the management of the charter fishery. Council recommends a fourth control date of December 9th 2005.
- 2006, the ADFG re-imposed the logbook requirement for halibut charter operators.
- 2007 (Jan), noting that the charter halibut harvest had caused their Constant Exploitable Yield (CEY) levels to be exceeded, and absent effective action by the Council or NOAA Fisheries to constrain the harvest, the International Pacific Halibut Commission (IPHC) voted to lower the daily bag limit for charter fishermen during certain periods of time.
- 2007, the Secretaries of State and Commerce opted not to implement the reduced bag limit.

Curran 3

Now, with the recent passage of HB186 the Council can implement annual limits and have these be part of an effective management package for 2008. Given the analysis, it seems to me that 4 is the maximum annual limit that should be considered and it will need to be combined with other tools including prohibition of retention by skipper and crew. A one fish a day bag limit is the most sensible solution but there is not the political will to impose that regulation and that is unfortunate indeed. All regulations require a degree of trust that fishermen will follow the rules – annual limits are no less enforceable and no more expensive than the current federal bag and possession regulations, which I will remind the Council NMFS has the responsibility to currently enforce.

I support converting the GHL to a percentage that moves with abundance but the percentage must stay tied to the initial allocation. An expanding charter fleet restricts opportunities for subsistence and local fishermen who rely on halibut distributed close to town. All users, including charter operators must share in the cost and benefits of conservation.

A long term solution is obviously a market-based solution. Since the Council voted twice in favor of charter IFQs this approach obviously has merit. An IFQ type program allows for a market-based solution without a government hand-out – those that are interested will participate and balance will be achieved. Any growth in the charter catch must come at a cost to their industry, otherwise there is no motivation to control growth and share the resource. I run a very efficient business and I am weary of being penalized for unregulated growth in the charter industry. I think you will find the environmental costs in terms of carbon footprints, to be much greater for a charter caught halibut than for a longline caught fish for the consumer.

Sincerely,



Dick Curran
F/V Cherokee
Sitka, Alaska

Ms Stephanie Madsen, Chair
North Pacific Fishery Management Council
605 West 4th, Suite 306
Anchorage, AK 99501-2252

RECEIVED
MAY 23 2007

N.P.F.M.C.

Fax 907 271-2817

May 22, 2007

Dear Ms. Madsen:

I am a commercial fisherman in Alaska. I troll and have about 5,000 pounds of longline halibut quota. I am very concerned about the continuing problem of the area 2C & 3A charter boats exceeding their GHL by a large amount, year after year.

I would really like to see measures adopted to control the charter harvest in these areas until a long term strategy is implemented which will protect both the fish and the investment I have made over the years in this fishery.

In particular, I would really like to see the EXISTING GHL amount converted into a hard allocation for the charter fleet. To use a greater amount than the existing GHL would reward the charter industry for over-fishing. Instead, it seems to make sense to set up a market based method for transferring between voluntary sellers and buyers. However this is accomplished, clearly both commercial quota holders and charter sector must have their poundage tied to abundance so we all work to preserve this resource. We are strongly opposed to any process that would force us to sell our quota to the charter industry.

My wife and I have long participated in the Alaska fisheries, for many years as residents of Alaska and now living in Washington state. As fishermen, we have no pension plans or anything like that and so are counting on fishing in senior years to supplement our social security income. We have been proud to be part of the Alaska fisheries which are some of the few that have been managed by science and not politics. But it has been impossible to watch the charter group exceed their GHL year after year without thinking that politics has been trumping science in this area.

Sincerely,



Daniel W. Miner
1406 34th St
Anacortes, WA 98221

May 22, 2007

Ms Stephanie Madsen, Chair
North Pacific Fishery Management Council
605 West 4th, Suite 306
Anchorage, AK 99501-2252

RECEIVED
MAY 23 2007

N.P.F.M.C.

Dear Ms. Madsen:

My husband and I have been fishing in Alaska for many years. We are smaller scale family fisherman, grossing about \$32,000/year from our fishing which includes about 4,000 pounds of halibut quota in Area 2C.

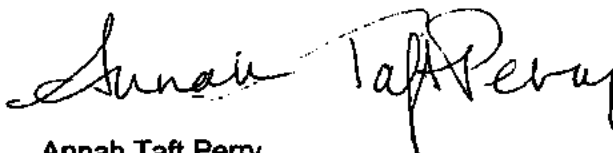
I understand that your committee is considering various plans that will manage the charter halibut boats. We have been watching the charter industry exceed their GHIL every year for years now and are glad that perhaps finally this problem will have a resolution.

However, we have invested a lot in our small fishing operation and want to protect that investment. It seems obvious that there will have to be a hard allocation for the charter fleet, just as the commercial halibut fishers have a hard allocation. I think this allocation amount should be based on the existing GHIL and not using their excess as a starting point for their share. It would be really unfair to have the charter industry benefit from their overfishing.

I think a plan that is market-based and would allow charter and commercial fishers to buy quota from one another would make sense. That way we would all have an interest in conserving the halibut resource.

We depend on the income we get from halibut fishing and hope that our concerns will be taken into account.

Thank you,



Annah Taft Perry
121 M L King Jr Way East
Seattle, WA 98112-4850

P.O. Box 545
Craig, Alaska 99921

North Pacific Fishery Management Council
Stephanie Madsen, Chair
605 W. 4th Ave., Suite 306
Anchorage, Alaska 99501-2252

May 23, 2007

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MAY 24 2007
N.P.F.M.C.

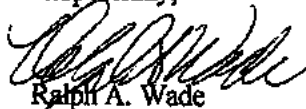
Dear Madam Chair:

I have been an Alaska resident since 1974 and involved in commercial fishing since the early 1980s. I started crewing on longline vessels fishing for halibut. Like every other crewmember, I was left out when the IFQ system was initiated. In order for me to get back into the halibut fishery my wife and I work a 40 hr week job, hand-trolled for several years, and presently power troll. **We had to buy our way into the halibut fishery by using our own cash; we financed 3 blocks of 2C Quota using Wells Fargo Home Equity Financing and personal lines of credit. We still owe some money on a personal line of credit to Wells Fargo.** This has been a very expensive investment for us but one we have been able to accomplish. I am getting ready to retire my 40 hr a week job and fish fulltime if there is anything left.

Through the years I have seen the Charter Industry grow from almost nothing to the politically powerful monster it has become. I feel that the Charter Industry should have to buy its way into the halibut fishery by using their own money and they should have to pay for the maintenance of their fishery.

Don't take quota from me and give it to the charter fleet.

Respectfully,



Ralph A. Wade

A hard copy is in the mail.

May 16, 2007

Ms. Stephanie Madsen
Chairman
North Pacific Fishery Management Council
605 West 4th Street Suite 306
Anchorage, AK 99501

RECORDED

MAY 24 2007

N.P.F.M.C.

Dear Chair Madsen and Council members,

I am once again writing to urge you to take action to control the charter fleet to within their guideline harvest level by putting in place management measures that will achieve this goal for the 2008 fishery, based on the current allocation. I wrote you in March to express not only my deep concern but also my disgust at the evolution of the halibut fishery over the last 10 years. The implementation of IFQ's was supposed to effectively manage the fishery in Alaska and has worked well for the longline fishery, however charter IFQs were politically derailed and the charter industry is being grossly mismanaged. It's upsetting to me that while my fellow deck hands and I are investing hundreds of thousands of dollars in a federal management program NMFS and the Council have been willfully reallocating halibut to the charter industry. I don't understand how up and coming deck hands can buy IFQs (fishing rights) just to have them taken away due to reallocation.

As a group the Alaska charter industry has been unwilling to take on any conservation responsibility or management measures and instead keeps asking for more and more of the resource having already taken 47% over their allocation. These overages also affect locals who can no longer count on catching a fish in Sitka Sound for their dinner. This means that locals have to go further in their skiffs increasing costs and risks just to provide for their family.

Please support separable accountability with a percent that moves down when abundance moves down based on the current GHL. Please adopt management measures for 2008 that hold the charter fleet to their current GHL. This means imposing tools that will reduce this catch to the GHL. There must be some combination of annual limits (no more than 4) with other tools to achieve this goal. This is possible with the recent passage of Alaska HB 186.

The commercial fishery would like to be able to expand as well. I am young and have worked hard on the ocean for many years - why should the charter industry be given special opportunities to grow when this resource is already fully utilized, and if they are, why aren't commercial deckhands given similar opportunity? NPFMC and NMFS should have equal responsibility to the commercial fishery - right now it seems that you have gone to great lengths to minimize impacts to the charter industry while clearly hurting the commercial fishery and now the resource. Please get back on track and hold the charter industry to their allocation, and require enforcement and accountability as you do for longliners.

Madame Chair, this is your last full meeting as Chair of the Council: It is time to do the right thing.

Sincerely,



Jacob Skutbe
Sitka, Alaska

Ms. Stephanie Madsen
Chairman
North Pacific Fishery Management Council
605 West 4th Street Suite 306
Anchorage, AK 99501

RECEIVED

MAY 24 2007

N.P.F.M.C.

Dear Chair Madsen,


I just bought into the halibut fishery three years ago when I purchased my first quota, and I have been fishing halibut on our family boat since I was 12 years old. This is a fishery that I enjoy and I want to see this fishery maintained for the future. I want to continue fishing halibut and be sure there is halibut available for future fishermen.

I feel that the charter fleet needs to do their part in helping to keep this fishery sustainable, which at this time; I don't believe they are doing. They should be held to their GHL. This means that management measures must be in place that actually reduces their harvest so that they stay within their GHL. I personally think that a one-fish bag limit is a very good management tool for controlling harvest, but since NMFS decided that this wasn't such a good idea, we now need to come up with another one. Other ways that would be good for controlling the halibut harvest would be; size restrictions, an annual bag limit, or a combination of all of these control measures. What ever is done towards controlling the harvest level of the charter industry, sitting back and doing nothing is not an option. This is a valuable resource and must be taken care of, or you will find that it will someday no longer be available.

As it stands now, the charter fishery, when they go over their GHL, has their overage taken off the commercial fishery quota. This negatively impacts every commercial fishermen and is particularly hard on young fishermen, such as myself, who just bought into this fishery at a great expense. The Council should impose some type of control measures rather than continuing to throw out all the ideas that come along for some reason or another. If some type of control measure put into place it can be improved upon in the future. This way the charter industry will have some type of control measure placed upon them to start controlling their harvest.

I follow fishery management regulations to be sure that our resource stays healthy. I expect the Council to be sure that the charter fishery is regulated to share the conservation burden and ensure a healthy resource as well.

Sincerely,



Ryan Nichols
F/V Nekton
Sitka, Alaska

May 21, 2007

To: NPFMC
Ms Stephanie Madsen
Chair NPFMC
605 West 4th Ave. Ste 306
Anchorage AK 99501
Fax 907-271-2817

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MAY 23 2007

N.P.F.M.C.

I am very concerned about the upcoming decisions about the charter halibut problems. I strongly feel that some of the ideas being considered are very bad ideas. The worst one is the idea that the commercial halibut fleet should be forced to sell IFQ's to the charter fleet at a price that is the last five years average. This is the same thing as subsidizing the charter fleet at the commercial fleet expense. Why do that? The charter fleet has pushed and grabbed without care for all the other users and the health of the resource at every turn in this mess. Why should the longline fleet now be forced to give up IFQ's to them at a loss? What about people paying off loans on last years prices? Are you going to pay the for the loss as a five year average will leave them without their livelihood as well as being in debt with no way to repay their loan and the price they paid is higher than an average one? If you want the charter fleet to have access to the longline IFQ's then pass a rule allowing them to be bought and sold between user groups and then let economics settle who ends up with them. Don't force it. Forcing it will cause problems. Many charter operators have said that if they had to buy IFQ's at the cost that they are trading at today that they would catch and sell them instead of using them in their charter fishery as that is what would make economic sense. Now that tells me where the value in the fishery is! Longlining is certainly a more efficient way to catch the fish which is defiantly a consideration is our world today of high fuel prices and environmental concerns.

I feel the only way to control the charter halibut catch is to give them a set amount- the amount ALREADY in as GHl and then put some management measures in place to control the harvest to that limit. The only ways I see to do so effectively is to make a one fish limit or an annual limit. All other methods do not do enough. People will still come to fish- they do not have to pay for their trip in fish they take home. It is supposed to be a pleasure trip not a meat trip. Charter operators need to not advertise as maximum yield- but as a fun fishing trip with some fish to take home. Sport fishing is the opportunity to TRY to catch a fish. It is not a guarantee that they will!! The people that come up to go sport fishing need to do just that- go sport fishing. It is not a guarantee to take home any fish- only the chance to go fishing and try to catch their own.

I feel that the NPFMC has placed the longline fleet in the mode of being the villain in this mess for reasons that seem to escape everyone. The charter halibut fleet has impacted every user of the halibut resource: non guided sport, subsistence and longliners as well as adversely impacting the health of the resource. They have refused to agree any management methods. IFQ's got voted in several times only to have politics throw it out. I feel it is past time to do something to control this problem. The Council has been promising for 13 years that they will do something to control this mess and NOTHING has

been done yet. The credibility of the NPFMC, NOAA & ADF&G is definitely on the line. The only management group to have even tried to do something is the IPHC and politics took care of that too. IF the Council does not put effective controls in place immediately than this Council can go down in history as the one that caused the demise of the halibut resource and should be accountable for that!

I also feel that something needs to be done about charter operators catching a lot of halibut via subsistence and then selling and giving them to their clients so they can take home more fish. I think a rule that no charter operator or crew member can give or sell any halibut to a paying client is needed.

I understand the pressure being put on the Council to let the charter fleet have more and more and more. The greed of the charter fleet as a whole is astounding. This is a growing industry in an already fully utilized fishery. If they want more than the already established GHL then let them buy in at market prices. If it is too expensive for them then that shows it is worth more caught and sold by the longline fleet. After all Joe Public is who needs access to this resource and the majority of the public will never be able to afford to get their halibut any way except the grocery store or a restaurant.

Thank You
Carolyn Nichols
305 Islander Drive
Sitka, AK 99835



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MAY 22 2007

Ms. Stephanie Madsen,

N.P.F.M.C.

I am concerned. Most of the time I don't deal in politics but this issue affects my family and way of life. This is important and this is some thing that should have been taken care of before.

We have worked hard for our IFQ and everything is managed very well up to this point and we hope it will stay managed well.

We do not want the charter boats to have a fixed quota and the commercial/tribal fisherman quota will go down but there will not. We cannot let this happen.

Wanda P. Fournier
Sandia Fournier

May 20, 2007

North Pacific Fishery Management Council
Stephanie Madsen, Chair
605 W 4th Avenue, Suite 306
Anchorage, AK 99501-2252

Dear Ms. Madsen and Council Members:

My name is Lorraine Daly and I have been associated with commercial fishing for over 20 years. I along with my husband and many other IFQ holders were never originally allocated IFQ's and therefore we all have secured funding in order to purchase all of our quota shares. I personally went through a financial institution, my husband received funding through the NMFS loan program and others have secured their funding through the same sources or through the State of Alaska Dept. of Investments. My husband and I have had to use our IFQ and our fishing vessel as collateral for the loans.

I am asking the council to not to consider a forced reallocation of IFQ from the commercial fleet to the charter fleet. A forced reallocation does not make sense when one considers the impact it makes on those of us whom have loans out on these IFQ's that may be forcefully reallocated. We would literally be paying for another user group's fish. And as our quota decreases our payments would remain the same and to make the payments would become increasing difficult. (This decrease is on top of any GHL decrease, which for our 2007 season was 20%) Forced Reallocation would have an impact on our quota markets. No one would consider purchasing IFQ if the possibility of a forced reallocation is set.

If the council must consider a reallocation of IFQ's I would be supportive of a Volunteer Compensated Reallocation. There are many pieces of IFQ on the market and I know a few charter boat operators whom have done just what many others and I have, and secured loans to purchase IFQ so they too could commercially catch Halibut before or after their charter season.

I would also like to mention that I am in support of converting the GHL for the Charter fleet into a percentage that floats with the combined fishery CRY. I would like to see the NPFMC commit to managing the GHL of the Charter fleet until a long-term solution is developed. But please keep in mind a forced reallocation is NOT a long-term final solution.

Sincerely,


Lorraine Daly

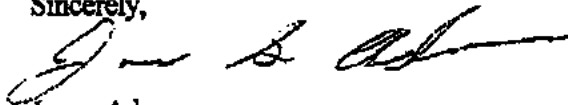
Ms Stephanie Madsen
Chair
North Pacific Fishery Management Council
605 West 4th Ave, Ste 306
Anchorage, AK 99501
FAX (907) 271-2817

This letter is to urge you to move as quickly as possible to put controls on the charter fleet in 2B and 3A to keep them within their GHL. Please keep your commitment you made in 2006 to manage the halibut charter sector. Being in the longline fisheries for the past 33 years we've seen our quotas go up and down. The charter sector should be no different.

During all the qualifying years for IFQ's, I was a partner and captain for Clipper Seafood's. All the Q's went into David Little and his kid's names even though they never went on the boat. Because of this my wife and I have purchased all the Q's in my name. I feel that the charter sector should receive an allocation, but not at the over inflated numbers some have put in their logbooks. After the allocation has been made, charter people should have to purchase Q's the same as myself. With that in place I might get some political help in competing with the tax-free \$\$\$ the CDQ groups use to buy Q's.

Here is one more snivel if you're still reading. I testified in front of the council for IFQ's. With the promise from my brother (Dean Adams F/V Quest) to run the boat with Q's over the cap "he the crew and myself would all be able to retire nicely". Well, he sold out for \$7-8 million this winter. The crew and myself are still trying to find new jobs.

Sincerely,



Jon s. Adams
10019 N. Davies Rd.
Lake Stevens, WA 98258

5/21/07

Ms. Stephanie Madsen
Chairman
North Pacific Fishery Management Council
605 West 4th Street Suite 306
Anchorage AK. 99501

Dear Chair Madsen,

I am writing to ask the NPFMC to enact effective regulations to keep the charter halibut industry within their GHL in area 2C and 3A. The commercial industry has asked the council for some 14 years to stop the reallocation of halibut from the commercial to the charter industry. In April 2006 the council committed to manage the charter industry to an established GHL. In the past few years the charter industry has exceeded this GHL particularly in area 2C. There needs to be effective harvest control measures put into place to keep the charter harvest within the GHL. Doing nothing is not an option.

The charter harvest of halibut needs to be on a set percentage of the overall halibut quota, and the annual charter harvest needs to be tied in with the fluctuation of the halibut quota as it goes up and down. This set percentage should be derived from the current GHL, and not increased. Any further increase in the charter harvest should come from the selling of halibut quota from willing sellers to willing buyers. Not from the forced sales of commercial halibut quota.

I have participated in the commercial halibut industry for twenty four years and it has been an important part of my livelihood. I and the commercial fleet have continually kept our harvest levels within our allotted share of the halibut resource, and I feel that the charters need to do the same. By continually exceeding their GHL the charter fishery is putting excessive strain on the resource. The council needs to put control measures in place that will accomplish this task or there wont be any halibut for future generations.

Sincerely,
Randy Nichols



305 Islander Dr.
Sitka AK 99835
5/18/07

May 17, 2007

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MAY 22 2007

N.P.M.C.

Mrs. Stephanie Madsen, Chair

I live in Cordova, Alaska and
and operate a 42' longliner
own and operate a 42' longliner
Bridg's Bed. I make my living
solely by fishing hilibut. I fish
with my oldest son and my
wife.

I am very concerned with the

haribut charter fleets unregulated
The charter hard allocation to
harvest of hilibut. A current GHL to
fleet needs. A hard allocation to
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in the harvest of charter caught

haribut. The charter fleet need
to be tied to stock abundance
And they should share for the
costs of stock assessment. We
also need a market between
based method for transfer
willing buyers and sellers. Need to
show haribut charter operators need to
show responsibility toward this very
important renewable resource as we
the commercial longliners do.

Thank you,

Michael P. McCarthy
P.O. Box 1685
Cordova, Alaska 99571

Letters to the

Box Tax Initiative

Dear Editor: I am not surprised to read that local guides are unhappy with the recent Sitka box tax initiative. Alaska guides are coming off a 10-year drunk on political power exercised beyond the scope of public process.

It was a sharp slap in the face for them when Sitka voters put through the initiative by a two-to-one margin. Tough love for a group accustomed to special treatment in the subterranean world of fishery politics.

I remember Anchorage developer and lodge owner Bob Penney giving Ted Stevens an interest in a Colorado subdivision, for 10 cents on the dollar. Then last year I saw Ted deliver the crucial dividing vote against charter IFQ, from the Dillingham representative on the North Pacific Fishery Management Council. That was at the same time Ted was rewriting "community development quotas," for Dillingham, and other westward villages.

Decisions being made in the federal council process have lost any relationship to public testimony presented to the council. I think it is important for local guides to recognize that the tide of public opinion has turned. Voters are tired of crooked fish politics, and its negative impact upon traditional, thriving fisheries.

There is no reason to assume charter fishing would fail with some minimal restraints to promote conservation and tolerance toward existing economies. Fishery management has become a farcical spectacle, the exercise of raw behind-the-scenes political power. Management has lost sight of conservation, in a misguided effort to outpopulate existing elements of the fishing community.

I'm proud to live in a community like Sitka, where the voters will simply say, "enough." I'm proud of the young people making the bumper stickers that disparage the disgraceful treatment of strong and viable commercial fisheries, and all the fine people involved in them.

It's time for fishermen to get loud and be proud. If the city Assembly moves to kill the box tax, we will simply pass another one, doubling the rate. If they do it again, we can double it again, too.

Sigurd D. Rutter, Sitka

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MAY 22 2007

N.P.F.M.C.

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MAY 18 2007

Ms Stephanie Madson:

N.P.F.C.

Hello, my name is Vernon KASII
I am born and raised in Alaska, I
have been commercial fishing since I was
13 years old, I am now 33 yrs of age,
long ago I made my mind up to be a
commercial fisherman, of course against
my father's wish that I go to college.
Having said this I followed my dad into
long line fishing for Halibut and Blackcod
today I own my own 50 foot wooden fishing
vessel and Halibut IFO shares, last year
my IFO's were back almost to the level
I originally had earned, which was 21,000 lbs.
This year my 2nd Halibut Quota Shares have
dropped to 16,000 lbs. This is largely put
to the over fishing of the unregulated Charter
Fleet. There are a few points I would
like to clarify.

- ① The Halibut that I fish is my livelihood and
my only resource to feed family and to support
my community.
- ② The Charter's fleets resource are their eastern
customers, which come back yr after yr. Are the
cruise lines selling Halibut to take home from
Alaska, are they selling an adventure in
Alaska?
- ③ The difference is if they are selling Halibut to take
home, they are stealing my livelihood! If they
are selling an adventure, then fine. Hook and
release, the Charter fleets resource will have their
adventure, and the commercial fisherman can make
their livelihoods!

④ If my resource is stolen from me by unreasonable political influence by the Charter and Cruise Industry, I have no where to turn and I'm to ~~the~~ old to learn new tricks, where as if the Charter Fleet has to Hook and release, they still give their owners I.E. Resource an adventure, also the hook Steadman Charters are rock fishing - to turn too.

⑤ I feel the action that NMFS has taken so far this spring ~~of~~, to ~~at~~ curb the overfishing of the Charter Fleet amounts to a call out to special interest groups, your action so far in your own statements say that it will cut the charter catch by 498,000 lbs, they want almost 2 millions pounds over their allowable catch in 06, so the way I see it you are about, about 1/4 of the way to protecting my resource.

⑥ At this point even though I favor Hook and release, for the health of the Halibut Here In Icy Straits, even if you go by "6th" that was set, would be better than ~~the~~ the ~~inaction~~ inaction that has been taken in the last 6 years. Here in Icy Straits the Halibut are being ~~the~~ ~~first~~ ~~over~~ overfished because of inaction, we have Doc Workers¹⁾ in Excursion Inlet with Bore Boot Charters growing larger year after year, they should be on Hook & Release for Halibut. Unless they buy I.F.O.²⁾ through the system that is in place.

We Have Unregulated Skiptons and Ashby lodges be built here in Noonah, that our own City Council ~~and~~ does nothing to regulate. In short I am in fear of killing off ~~the~~ the resource, which is my only means of a

livelyhood!

In closing I would like to
thank you for your service on the AA NMFS
and I would like you to know just how
important your decisions are!

Sincerely,
Ann V. [Signature]
F/U Shirley
+poro, AK
907 945 3641
423 5732

Eric V. Parker
PO Box 1424
Sitka, AK 99835

May 15, 2007

Ms Stephanie Madsen
Chair
North Pacific Fishery Management Council
605 West 4th Ave, Ste 306
Anchorage, AK 99501
Fax (907)271-2817

Dear Ms Madsen:

I chose to be a commercial fisherman thirty years ago. I crewed on longline vessels during the moratorium years, while supporting a growing family. As a crew member, I earned the right to purchase halibut IFQs when they were finally implemented. Rather than purchasing a more comfortable home, I chose to reside in trailer with my family, and invested my life savings into IFQs. This enabled me to fish near my home in Sitka, rather than spending months away from my family crewing out of Kodiak. I am proud to be the owner of IFQs, but it has come at much sacrifice and extreme hard work.

I feel a keen sense of injustice and betrayal as I watch an over growing charter fleet continue to siphon away halibut quota that I have invested greatly in. I hope soon that effective management measures will control charter harvests in areas 2C and 3A. It is my expectation that the resource will be managed fairly by the Council with fisherman like myself, processors, consumers and the health of the fishery kept foremost in mind.

Sincerely,



Eric V. Parker

North Pac Mgmt Council
605 West 4th Suite 306
Anchorage, AK
99501 - 2352

Ms Madson Chair
NPMC

Sitka trolling was the only game in S.E. this winter. I went walking in ~~Sitka~~ new "10 mile harbor". I saw friends and acquaintances from all over the state, some I've known for 30 yr. They hardly resembled the caricatures of longline moguls Craig Medved describes in his diatribes in the Daily News. Most of them seemed a struggling lot, mirroring my own experience over those three decades.

Ironically, my own career went nowhere until implementation of IFQs in 1995. Initially, I vociferously opposed the plan. Like charter guides, today, I thought it was discriminatory. However, as I gradually accumulated ~~more~~ quota share, I came to recognize that those with more QS, by and large, earned what they have. Today 66% of all quota share is held by fishermen who bought their pounds. I believe IFQ management would work as well for guides, as it has for me.

I want you to know how much I admire the real stroke of Machiavellian ^{evil} genius it was to schedule a June council meeting in Sitka. June is the month a giant horde of carpetbagging charter guides descends on Sitka. A June meeting in Sitka will result in large numbers of out-of-state guides, their crew, and clients packing the meeting to drown-out the voices of commercial fishermen, local guides, and anglers who oppose open-ended reallocation of resources from traditional and established fisheries.

Charter fishing in Alaska is the nations last free for all, unfettered commercial fishery. Shoot the buffalo from the train.

Last year I watched the most corrupt political spectacle

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MAY 19 2007

NPMC

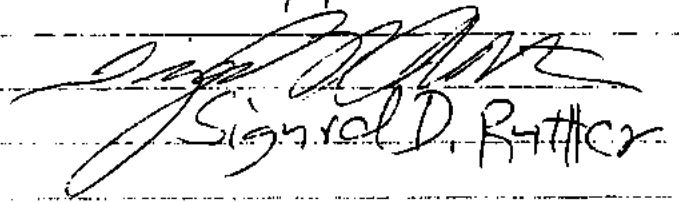
I ever saw. For three days I watched guides, and fishermen implore the council to end allocation ceremony by incorporating guides into IFC mgmt. When the council voted against it, I cringed to think of ~~the~~ the young people's impassioned testimony all for naught. It didn't seem to matter what public testimony revealed. It seems fishery issues are decided on some subterranean level. Tenre gives Stevens an interest in a Colorado subdivision. Stevens delivers the swing vote from Dillingham, because he controls "community development quotas." Hogarth, ~~at~~ NMFS wrote Gov. Palin a letter decrying, "the balance of power is slanted too heavily in favor of commercial fishing." Asking her to appoint more charter-Nazis to the council. This, at a time when only one fisherman was seated on the council.

Do you know how disillusioning this is to all the people who pour their guts out to you in public testimony? It's as if it doesn't matter at all what people say. Decisions are made somewhere outside the public process. This process is so vile, because there is no evidence at all to substantiate claims that guides would lose any business with a one fish limit. Or, that anyone seriously determined couldn't prevail by purchasing quota shares.

This council is now pursuing a bunch of water-down solutions with no hope of meeting the conservation, and social goals it should be striving to affect. The unspoken goal of this council is demolition of ~~the~~ historically well managed ~~and~~ fisheries, and coastal economics they support.

The pity of it all is that the Council is dismantling property rights a previous NPMC council created. The diminishment of these property rights, takings, if you will, without compensation, casts the whole process under a cloud of legal suspicion, corruption, lies, ^{and} bribery, at the federal level. In Washington further undermine the actions of this Council. I can only hope the federal judiciary is not as morally bankrupt as the members of this Council.

Sincerely,


Sigurd D. Rattner

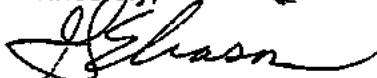
Ms Stephanie Madsen
Chair
North Pacific Fishery Management Council
605 West 4th Ave, Ste 306
Anchorage, AK 99501

I am writing to urge you to adopt effective management measures to control charter harvest in Area 2C to the GHL and to ensure that these measures are implemented in time for the 2008 charter season. I would also urge you to move forward as quickly as possible with similarly effective measures in Area 3A. Commercial fishermen have asked the Council for the past 14 years to stop the open-ended reallocation of halibut from the commercial to the charter sector. Fourteen years is a long time to wait. In April 2006, the Council committed by unanimous vote to manage the halibut charter sector to the GHL until superseded by a long-term management strategy. Please keep that commitment. Each sector needs to live within its allocation until a mechanism for compensated reallocation is established.

I further request that the Council convert the GHL to a percentage-based allocation that fluctuates with abundance and implement a mechanism that allows compensated transfer between the commercial and charter sectors. The percentage must be derived from the existing GHL and all subsequent transfers must be between willing buyers and willing sellers. Finally, I oppose any permanent revenue streams to the charter sector that would subsidize charter purchase of quota share. Charter operators that want to increase their halibut harvest should pay more for that opportunity.

I have invested in the halibut quota share program and fishery with the expectation that the resource will continue to be well managed and that the Council will fairly balance the needs of all who depend on the halibut resource, from consumers through fishermen and processors. I respectfully request that the Council live up to that expectation.

Sincerely,



George Eliason
102 Kuhnle Dr.
Sitka, AK 99835

May 6, 2007

MS Stephanie Madsen
Chair
NPFMC
605 West 4th Ave .Ste 306
Anchorage, AK
98501

RECEIVED
MAY 10 2007

N.P.F.M.C.

Stephanie I write urging you to adopt an effective measure to control the commercial charter harvest in area 2C to the GHL and to ensure that these measures are implemented in time for 2008. I would also urge you to move forward as quickly as possible with the same measure for area 3A. We commercial fishermen of the Connor family have asked the council for 14 years to stop the open ended reallocation of halibut from the commercial to the charter sector. Fourteen years is a very long time to wait, and my kids are now investing at age 20 and 16 are in the IFQ system and need the stability of a Council approved and passed measure that stops the charter allocation at there now current GHL. In 2006, the Council committed by unanimous vote to manage the charter section GHL until superseded by a long-term management strategy. Please keep that commitment so my business and my kid's investment are not jeopardized by the reallocation to the charter industry. Each sector needs to live within its allocation until a mechanism for compensated reallocation is established.

I further request with all the Connor family, and the crew of 5 that fish on my vessel, that the council convert the GHL to a percentage-based allocation that fluctuates with abundance and implement a mechanism that allows compensated transfers between the commercial and charter section. Demand for either sector will then dictate how the halibut will be caught. The percentage used must be derived from the existing GHL and all subsequent transfers must be between willing buyers and willing sellers. Finally, I oppose along with my crew of 5 and my two children entering the fishery any perminte revenue streams to the charter sector that would subsidize charter purchase of quota share, which is just a welfare program. Charter operators that want to increase their halibut harvest should pay,(just as my 16 and 20 year old are doing,) more for that opportunity.

I have invested as my kids in the halibut quota share program and fishery with the expectation that the resource will continue to be managed and that the Council will fairly balance the needs of all who depend on the halibut resource, from the aging baby boomers that are home bound and in walkers through the fishermen and processor. I respectfully request the Council to live up to that expectation.

Sincerely,
William Connor
Tori Connor
PRFC Dustin Connor
Po 1124
PETERSBURG AK 99833
And the crew of the Cape Reliant, Po 61, Petersburg AK 99833

W Connor 5-07-07

Gerry Merrigan
Prowler Fisheries
PO Box 1364
Petersburg, AK 99833

5/9/07

Dear Mr. Merrigan,

I have been a halibut charter operator/charter business owner in Homer, Alaska for the past 28 years. I have owned several different six passenger and inspected vessels. Ours is a family owned and operated business including my wife and our two teenaged sons. I am a founding member and have served twice as the president of the Homer Charter Association. I have represented HCA at IPHC and NPFMC meetings concerning all aspects of our fishery. I know my industry inside and out and am actively involved in the current problems.

The charter industry is fractured along two different lines. On the one hand is the Alaska Charter Association and its' relatively new members. Their philosophy originally was to fight against the original charter IFQ plan and try to force more allocation from commercial fishermen. They did win the IFQ fight because of government foot dragging which allowed too many more fishermen in who would have been disenfranchised. Now the ACA is focusing on reallocation between the sectors. This is causing friction in small communities between commercial and charter users. Also they view the moratorium as an interim measure to be rescinded as soon as more fish can be taken from commercials. As soon as a reallocation can be engineered they want to reopen the fishery up to anyone so the sport fishing public won't be denied access to halibut. This will come at the expense of commercial fishermen and their retail buying clients. The ACA philosophy is that commercial fishermen should give up quota fish to satisfy an ever growing number of sportfishers.

The other faction, to which I subscribe, is made up of long time charter operators whose businesses are mostly very busy. We stand to gain nothing by expanding the fleet or by gaining more allocation. Reallocation without a moratorium carved in stone is a recipe for even more near shore depletion than we already have. We could have 1 million more pounds of fish allocated to us in Lower Cook Inlet but they would not magically come up out of the Gulf and enter our waters. There is only so far a charter boat can go from Homer. About 50 miles max. So most of the pressure is within a few miles of shore. I have heard that all we have to do is restrict commercials from lower Cook Inlet and it will solve the problem. I have been chartering out of Homer for 28 years and I can say that the commercial pressure in lower Cook Inlet is very small in comparison to our impact. More allocation to me means more depletion which will result in ADF&G EO restrictions to protect the resource.

The pool plan is a terrible idea.

1. It requires businesses like mine to charge our clients a tax so that the fleet can buy any quota needed above the GHL to operate a season of historic length and still catch two fish per person per day. Businesses like mine which already operate more than 100 days per year will be paying for businesses who fish say 25 trips per year to be able to expand to over 100 trips using my success. Those beginning businesses also undercut our prices until they have built their up businesses. That is not right. Why should my business be used to build up my competition's business? There is no benefit to me and I am forced to participate in the program.

2. The best time to buy quota is in the fall after it has been fished. The TAC is decided in January. Under the pool plan we might have to re-evaluate how much quota we need based on the TAC. If we had to buy large blocks of quota in the spring, the price (if we can find it available) will sky rocket.

What will work for my business:

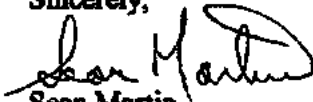
1. Carve the moratorium in stone.
2. Settle on a final GHL allocation based on 2006 log books. These are the only log books with verifiable data as the clients' sport fish license and catch was recorded.
3. Use that figure to develop an IFQ using 2006 log book participation for initial quota plus consideration for previous history.
4. Initial quota share allocations should be able to be sold only within the charter fleet. Thereby maintaining a healthy sized fleet.
5. Additional quota needed by individuals within the charter fleet for expansion or a cushion in the face of a declining TAC could be bought or leased from commercials. It could be sold between charters and only this quota could be sold or returned back into the commercial fishery. Small purchases over a period of years should not have an adverse impact on price.
6. Any left over quota in the fall could be commercial fished or leased back to long liners.
7. Low interest state and/or federal loans should be made available to the charter fleet for purchase of more shares.
8. Keep it simple. The less government intervention the better.

This will weed out the hobby charter boat operators. Serious business people will finally be able to make necessary decisions about their businesses in a stable environment. And we will not be building our competition's businesses on our backs. It will also end the bitterness between fishing sectors and allow us to be trading partners.

Stakeholder committee concerns:

The Homer Charter Association's membership represents more than 450 charter fishing seats per day which translates into about \$9 million in charter income in Homer every season. Homer has two seats on the stakeholders committee, both of which are represented by the Alaska Charter Association's Greg Sutter and Rex Murphy. The ACA fishes about 340 charter seats per day in Homer. The HCA wants to see an end to the allocation debate and an IFQ plan put in place that allows the individual charter business owner to make timely decisions for the future. The ACA wants to reallocate fish from the commercial to the charter sector. This will come at the expense of commercial fishermen and will lead to greater near shore depletion which will lead to ADF&G restrictions to protect the resource. I understand that ACA should have a Homer seat. I don't think they need two. How about spreading Homer's representation more evenly by eliminating one of ACA's seats and giving one to HCA.

Sincerely,



Sean Martin

North Country Halibut Charters
1-800-770-7620

May 24, 2007

Fax: 907-271-2817

Ms. Stephanie Madsen, Chair
National Pacific Fisheries Management Council
605 West 4th, Suite 306
Anchorage, AK 99501-2252

RECEIVED
MAY 24 2007

Dear Chair and all Council Members:

N.P.F.M.C.

I am writing today to comment on the effects of the halibut charter industry on the commercial IFQ halibut fishery.

I am a lifetime (40+ years) commercial fisherman in Alaska, Washington and Oregon. I am currently losing my Alaska salmon gillnet fishery (Cook Inlet) to sport and commercial guides. This effort from the guided sport fish sector is headed up by Mr. Bob Penney. Mr. Penney, not being satisfied with that victory, is now a key player in supporting taking halibut from the commercial IFQ sector (already fully allocated) and giving it to the expanding halibut charter sport fishery. As I near retirement, with the demise of Cook Inlet salmon gillnetting, I can't afford to lose my small halibut IFQ in Area 3A.

Thank you for putting a moratorium on the charter fleet at your March meeting, but that does nothing to control charter halibut harvest. I risked my life several times during the "derby days" to earn my small poundage, and it simply is not fair to give it to a late-entrant halibut charter skipper through reallocation.

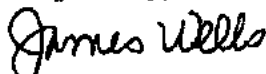
I am asking you and your council to be reasonable and :

1. Adopt measures to control charter harvest to the GHL in 2C and 3A.
2. Put the current charter fleet GHL into a hard allocation and set up a market-based transfer system between charter and commercial if need be to let the charter fleet buy more fish if they wish. We had to buy ours at \$8-24/lb.
3. Make sure that growth in the sport charter and commercial halibut fishery is tied to abundance of the resource so all groups put conservation first.

Please consider the investment I have made in the commercial halibut fishery with both the cost of IFQ, some hard-earned and some purchased to make the fishery viable, and the cost of my 36' boat which is good only for halibut now that the Cook Inlet salmon fishery has been reallocated to sport and guided charter fisheries. My family depends on revenue from 3A halibut and I really can't afford to unfairly lose this fishery, too.

Thank you for your consideration.

Respectfully,



James Wells
40969 Grand View Lane
Astoria, OR 97103

CLOVER BAY LODGE

P.O. Box 8944
Ketchikan, AK 99901
907-247-8555
Fax: 907-247-0724
angela@kpunet.net
www.cloverbay.com

RECEIVED

APR - 6 2007

N.P.F.M.C.

March 27, 2007

North Pacific Fishery Management Council
Stephanie Madsen, Chair
605 West 4th Avenue, Ste 308
Anchorage, AK 99501-2252

Dear Council,

My name is Ryan Morin; I am the manager of Clover Bay Lodge located on the eastern shore of Prince of Wales Island near Ketchikan. Clover Bay Lodge was founded in 1984. That is 23 years of participation here in Southeast Alaska. Our business's future is largely dependent on our right to access the same fisheries that we have historically participated in all these years. We are concerned that using a control date that only consist of 2004 or 2005 is not giving enough credit to those of us who are among the first to start this type of business here in SE Alaska and will continue to be here for years to come if we get credit were credit is do.

Although we do support some sort of limited entry system for this industry we do not deserve to have our business penalized by the people who are part of the growth problem. These people could have possibly only been in the business for less than 3 years and would get more credit towards inclusion to the fishery and transferability of their fishing rights compared to someone like us who has been in the business for 23 years. We do feel historical participation is proof of a traditional use and need to access this resource or have the rights to be transferable when the time comes.

Sincerely,



Ryan Morin/Clover Bay Lodge



Joseph E Simpson

Thursday, May 17, 2007

11231 Via Appia
Anchorage, AK
99515

907/222-7712
907/868-2602
(Fax) 907/344-2199
(Cell) 907/317-1362

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

It has come to our attention that you may be doing a grave injustice to others that are not as fortunate as yourself. We are writing to propose several changes that we believe will rectify said injustice.

We have decided that you have no need for a house as you do not need all that space which can be used by other people less fortunate. The fact that you may have spent years sacrificing and saving to earn said house was taken into consideration, but ultimately rejected. Your property will be sold on a fair 5 year average of what other similar properties in your are were sold for between 1940-1945.

We have also decided that your vehicle is too large for you. Since you are a public servant we demand that you make use of the public transportation system we generously provide.

We will be reviewing any and all personal bank accounts and/or savings and if it is deemed that you are living above what we consider fair and equitable we will redistribute it to others that, for lack of a better term, feel they are entitled to it.

Sincerely,

Your Elected Official

PLEASE PAY YOUR ATTENTION!

Please adopt effective management for the charter boat industry. Commercial fisherman have been towing the line for the last 14 years.

I am not a faceless corporation.

I am but one of many simple, honest fisherman who have worked, sacrificed and saved to give my family a decent life. Please don't take away what I have earned.

With the utmost respect,

Joseph E. Simpson
Operations Manager
F/V Lady Simpson



FAX (907) 271-2817

Ms Stephanie Madsen
Chair
North Pacific Fishery Management Council
605 West 4th Ave, Ste 306
Anchorage, AK 99501

RECEIVED

MAY 25 2007

N.P.F.M.C.

I am writing to urge you to adopt effective management measures to control charter harvest in Area 2C to the GHL and to ensure that these measures are implemented in time for the 2008 charter season. I would also urge you to move forward as quickly as possible with similarly effective measures in Area 3A. Commercial fishermen have asked the Council for the past 14 years to stop the open-ended reallocation of halibut from the commercial to the charter sector. Fourteen years is a long time to wait. In April 2006, the Council committed by unanimous vote to manage the halibut charter sector to the GHL until superseded by a long-term management strategy. Please keep that commitment. Each sector needs to live within its allocation until a mechanism for compensated reallocation is established.

I further request that the Council convert the GHL to a percentage-based allocation that fluctuates with abundance and implement a mechanism that allows compensated transfer between the commercial and charter sectors. The percentage must be derived from the existing GHL and all subsequent transfers must be between willing buyers and willing sellers. Finally, I oppose any permanent revenue streams to the charter sector that would subsidize charter purchase of quota share. Charter operators that want to increase their halibut harvest should pay more for that opportunity.

I have invested in the halibut quota share program and fishery with the expectation that the resource will continue to be well managed and that the Council will fairly balance the needs of all who depend on the halibut resource, from consumers through fishermen and processors. I respectfully request that the Council live up to that expectation.

Sincerely,

Jim Dunbar (Jim Dunbar)

Address: Box 299

Craig, AK, 99921

Date: May 24, 2007

25/MAY/07

FAX (907) 271-2817

Ms Stephanie Madsen
Chair
North Pacific Fishery Management Council
605 West 4th Ave, Ste 306
Anchorage, AK 99501

RECEIVED
MAY 25 2007
N.P.F.M.C.

I am writing to urge you to adopt effective management measures to control charter harvest in Area 2C to the GHL and to ensure that these measures are implemented in time for the 2008 charter season. I would also urge you to move forward as quickly as possible with similarly effective measures in Area 3A. Commercial fishermen have asked the Council for the past 14 years to stop the open-ended reallocation of halibut from the commercial to the charter sector. Fourteen years is a long time to wait. In April 2006, the Council committed by unanimous vote to manage the halibut charter sector to the GHL until superseded by a long-term management strategy. Please keep that commitment. Each sector needs to live within its allocation until a mechanism for compensated reallocation is established.

I further request that the Council convert the GHL to a percentage-based allocation that fluctuates with abundance and implement a mechanism that allows compensated transfer between the commercial and charter sectors. The percentage must be derived from the existing GHL and all subsequent transfers must be between willing buyers and willing sellers. Finally, I oppose any permanent revenue streams to the charter sector that would subsidize charter purchase of quota share. Charter operators that want to increase their halibut harvest should pay more for that opportunity.

I have invested in the halibut quota share program and fishery with the expectation that the resource will continue to be well managed and that the Council will fairly balance the needs of all who depend on the halibut resource, from consumers through fishermen and processors. I respectfully request that the Council live up to that expectation.

Sincerely,

J.C. POWELL II F/V SILVER WIND

Address P.O.B 124
STERLING AK. 99672

Date: 25 MAY 07

I DON'T THINK SPORT HALIBUT FISHERMEN ARE A PROBLEM. GUIDED SPORT FISHING HAS GROWN EXPONENTIALLY SINCE I FIRST STARTED FISHING IN 1970. IT WILL CONTINUE.

MS. STEPHANIE MADSEN
CHAIR
NORTH PACIFIC FISHERY MANAGEMENT COUNCIL
505 WEST 4TH AVE., STE. 306
ANCHORAGE, AK. 99501

MAY. 25, 2007

RECEIVED
MAY 25 2007

N.P.F.M.C.

IS. MADSEN

I AM A RESIDENT OF SITKA, AK., A HALIBUT IFQ HOLDER, AND
HAVE BEEN FISHING HALIBUT OVER 20 YRS. MY QUOTA SHARE IS IN
CLASS WHICH THIS YEAR IS ABOUT 2100 LBS.

OBVIOUSLY, I AM NOT A "BIG" PLAYER IN THE SCHEME OF THE IFQ
PROGRAM AND RELY ON OTHER SOURCES OF INCOME AS WELL.
HOWEVER, I STILL CONSIDER HALIBUT FISHING AN IMPORTANT ASPECT OF
THAT INCOME. IT ALLOWS ME TO PARTAKE IN A TRADITIONAL FISHING
ACTIVITY THAT IS AN INTEGRAL PART OF SOUTHEAST ALASKA'S LIFESTYLE.

I URGE YOU AND THE COUNCIL TO IMPLEMENT, AS QUICKLY AS POSSIBLE,
MEASURES TO CONTROL CHARTER HARVEST IN 20 TO THE GHL.

PROPOSALS TO CONVERT THE GHL TO A PERCENTAGE-BASED ALLOCATION
THAT CHANGES WITH ABUNDANCE AND ALLOWING TRANSFER BETWEEN
COMMERCIAL AND CHARTER FISHERS WITH A PERCENTAGE FROM THE EXIST-
ING GHL. COULD BE AN EQUITABLE WAY TO ALLOW ME TO KEEP THE QUOTA
I HAVE AND GIVE CHARTER FISHERS AN OPPORTUNITY TO OBTAIN QUOTA,
IN AN UNSUBSIDIZED PROGRAM.

THANK YOU MS. MADSEN FOR THIS CHANCE TO EXPRESS MY VIEWS.
WE, IN SITKA LOOK FORWARD TO HAVING THE COUNCIL CONVENE
IN OUR BEAUTIFUL TOWN.

SINCERELY,

Joseph D'Arionzo

JOSEPH D'ARIONZO

2219 SAWMILL CREEK RD.

SITKA, ALASKA 99835

Ms Stephanie Madsen
Chair
North Pacific Management Council
605 West 4th Ave, Ste306
Anchorage, Alaska 99501

May 21, 2007

RECEIVED

MAY 25 2007

N.P.M.C.

Dear Ms. Madsen,

I'm writing to ask that you adopt measures for area 2C that would manage the charter fishery harvest of halibut. I would respectfully request that these measures would follow the GHL as it is currently written. As you know the charter industry has repeatedly exceeded the GHL in recent years and it appears that they now want to receive an even greater share of a limited resource. I have put in many years fishing for halibut, through good times and bad and I feel it is exceptionally unfair to allocate more fish to the charter fleet at my expense.

As you are aware, in years that the resource is depleted, the commercial fleet is given a smaller quota. This year I've suffered a 29% loss over last year. The charter fleet should share in the pain; after all, I believe they are a major cause of the decline in the number of fish available. I would ask that the charter GHL be adjusted yearly according to stock numbers, even as the commercial fleet is. The unfair allocation of the resource in favor of the commercial charter fleet is unacceptable. Please keep the commitment to manage the halibut charter fleet to the GHL as was unanimously passed by the Council in April of 2006. Thank you.

Sincerely,
Tom Botts



Thomas B. Botts
P.O. Box 424
Hoonah, Alaska
99829

P.O. Box 545
Craig, Alaska 99921

May 23, 2007

North Pacific Fishery Management Council
Stephanie Madsen, Chair
605 W. 4th Ave., Suite 306
Anchorage, Alaska 99501-2252

RECEIVED
MAY 25 2007

N.P.F.M.C.


Dear Madam Chair:

I have been an Alaska resident since 1974 and involved in commercial fishing since the early 1980s. I started crewing on longline vessels fishing for halibut. Like every other crewmember, I was left out when the IFQ system was initiated. In order for me to get back into the halibut fishery my wife and I work a 40 hr week job, hand-trolled for several years, and presently power troll. **We had to buy our way into the halibut fishery by using our own cash; we financed 3 blocks of 2C Quota using Wells Fargo Home Equity Financing and personal lines of credit. We still owe some money on a personal line of credit to Wells Fargo.** This has been a very expensive investment for us but one we have been able to accomplish. I am getting ready to retire my 40 hr a week job and fish fulltime if there is anything left.

Through the years I have seen the Charter Industry grow from almost nothing to the politically powerful monster it has become. I feel that the Charter Industry should have to buy its way into the halibut fishery by using their own money and they should have to pay for the maintenance of their fishery.

Don't take quota from me and give it to the charter fleet.

Respectfully,



Ralph A. Wade

May 23, 2007
Steve Jangaard
5017 168th Pl. N.W.
Stanwood, WA 98292
Phone/Fax: (360) 652 7280
SeJd@verizon.net

Ms Stephanie Madsen
Chair
North Pacific Fishery Management Council
605 West 4th Ave, Ste 306
Anchorage, AK 99501

RECEIVED
MAY 25 2007

NPFMC Members

N.P.F.M.C.

RE: Halibut Charter Management Plan

I urge you and the rest of the council members to adopt not only short term GHIL measures but long term measures, as well, to effectively address the multiple and diverse issues that pertain to the halibut charter problem.

The GHIL must not be exceeded. This can only be done by implementing the most restrictive measures. There needs to be separate accountability between the commercial fleet and the charter fleet to stop the unfair re-allocation between the two. The commercial fleet took it upon themselves to create a system that works (IFQ's); now it's about time the charter fleet is regulated so the commercial fishermen don't have to keep giving them the fish that we earned. A hard allocation percentage based on the yearly quota is the only true, fair way to accomplish this. By allocating quota based on a fair control date (of say 2005) and allowing them to buy further quota should be more than fair and put an end to this battle.

This re-allocation problem is serious as it impacts not only the fishermen, but processors, consumers and coastal communities as well.

It is imperative that the council moves quickly on this matter.

Thank you,


Steve Jangaard

Ms Stephanie Madsen
Chair
North Pacific Fishery Management Council
605 West 4th Ave Ste 306
Anchorage AK. 99501

The charter fleet could cost us our fisheries. By them being unenforced in the amount of halibut they take, we could lose all of our IFQs. I understand that the charter fleet went 650,000 lbs. over the OHL level.

If the commercial halibut fishermen went over 10% we would be fined, lose our fish and would be taken off our next year's quota. Why should the charter fleet be treated any different? I think they should catch and release all halibut until that number of 650,000 is put back into the system.

I feel if they do not join limited entry that we as halibut fishermen need to form a class action law suit and protect our IFQs. I have payments to make on quotas that I bought. I do not feel it's right that I should lose quotas because of the charter fleet. (Maybe this would help our future.)

James Whitehorn

RECEIVED
MAY 28 2007

N.P.F.M.C

Sincerely

JAMES D SCARJA Whitehorn

Box 94

PETERSBURG ALASKA 99833

5/28/07

May 28, 2007

Stephanie Madsen
Chair
North Pacific Fishery Management Council
605 West 4th Avenue Suite 306
Anchorage, Alaska 99501



Council Members,

I am a commercial halibut fisher with an investment in the halibut quota share program. When making the business decision of investing in halibut quota I expected that the resource would be managed fairly and consistently. I would like to encourage the council to consider the following suggestions.

The Guideline Harvest Level (GHL) previously included growth for charter fishing was set and unanimously agreed upon in the past. This previously agreed upon GHL value was set to manage and control the harvest. The Council needs to apply the GHL now in Area 2C and 3A, in order for it to be in place and put into action by the 2008 season.

Charter fishing and commercial fishing are both commercial enterprises. Both are businesses that provide fish to the customer, income for the owner and those employed by the endeavor. When IFQ's for commercial fishing were implemented, fishers with historic catch records in the fishery were then allowed a certain number of pounds of quota based on their past involvement in the fishery. The quota could be sold and more could be purchased depending on what the fisher felt best for the business. This same pattern should be used for the Commercial Charter Industry, using the already established GHL. The management needs to be implemented now without further harvest level increases or delay.

Sincerely,

Natasha Casciano

Natasha Casciano
P.O. Box 584
Cordova, Alaska 99574

NORTHERN KETA

ALASKA'S FRESHEST CAVIAR

2601 Channel Drive
Juneau, Alaska 99801

PH (907) 586-6095

FAX (907) 586-6094

E-mail: caviar@alaska.net<http://www.alaska.net/~caviar/>

Ms Stephanie Madsen
North Pacific Fishery Management Council
605 West 4th Ave, Ste 306
Anchorage, AK 99501

5.27.2007

Hi Stephanie,
greetings from Juneau.

RECEIVED
MAY 29 2007
N.P.F.M.C.

My husband, my son and just got back from halibut fishing in 2-C yesterday.

It was fun and scratchy, the price was high.

I have been halibut fishing since the mid seventies, because I missed some years I received very little quota when the IFQ's were implemented. So whenever our finances allowed, we bought more over the years. Most recently my husband purchased some and paid a very high price. This year our quota poundage was reduced significantly while the charter fishing industry carries on as usually.

This is why I am writing to you.

We need to have some standards where all the commercial harvesters carry the burden of allocation evenly. We cannot hold one segment of the industry responsible and policed them right down to every pound they catch, not even allow them to eat a piece of halibut while at sea, while the other one can go over their limit year after year without any repercussions.

I am urging you to adopt effective management measures to control charter harvest in Area 2C to the GHL and to ensure that these measures are implemented in time for the 2008 charter season.

I would also urge you to move forward as quickly as possible with similarly effective measures in Area 3A. Commercial fishermen have asked the Council for the past 14 years to stop the open-ended reallocation of halibut from the commercial to the charter sector. Fourteen years is a long time to wait. In April 2006, the Council committed by unanimous vote to manage the halibut charter sector to the GHL until superseded by a long-term management strategy. Please keep that commitment. Each sector needs to live within its allocation until a mechanism for compensated reallocation is established.



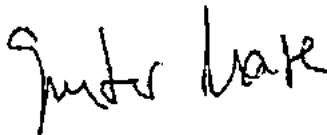
I further request that the Council convert the GHL to a percentage-based allocation that fluctuates with abundance and implement a mechanism that allows compensated transfer between the commercial and charter sectors. The percentage must be derived from the existing GHL and all subsequent transfers must be between willing buyers and willing sellers. Finally, I oppose any permanent revenue streams to the charter sector that would subsidize charter purchase of quota share. Charter operators that want to increase their halibut harvest should pay more for that opportunity.

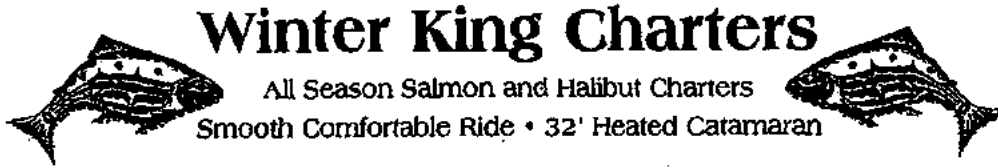
I have invested in the halibut quota share program and fishery with the expectation that the resource will continue to be well managed and that the Council will fairly balance the needs of all who depend on the halibut resource, from consumers through fishermen and processors. I respectfully request that the Council live up to that expectation and I don't think this request is unreasonable.

Best regards



Elisabeth Babich
F/V Keta





North Pacific Fisheries Management Council
605 W 4th Avenue, Suite 306
Anchorage AK 99501-2252
Fax (907) 271-2817

RECEIVED
MAY 29 2007
N.P.F.M.C.

May 29, 2007

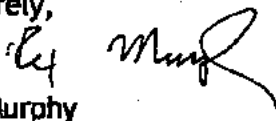
Members of the North Council,

I own and operate Winter King Charters in Homer and would like to comment on long term Halibut Charter management. In 2005, the Council voted to rescind the Charter IFQ motion and formed a stakeholder committee to consider long term management options. As a committee member, I came in with an open mind and actively contributed to discussions of both privatized and non-privatized solutions. Unfortunately, other members came in less open minded than I, and the only proposals in the pipe from the stakeholders meetings privatize the resource. The Council rescinded the original IFQ motion for a variety of reasons; most if not all of those problems are shared by the privatized solution proposals now circulating (IFQ/GAF/Angler Days, etc.).

I am enclosing a non-privatized solution, consisting of the compensated allocation shift mechanism currently under review, two management options to be exercised in the event of inadequate funding or available IFQ/QS, and adequate data collection to ensure that the charter sector remains within its allocation. In terms of simplicity the management components speak for themselves: either the season is closed by EO or distribution of harvest tickets is ceased when the allocation is met. Neither mechanism should require Council action once implemented, and assuming adequate funding and availability of QS/IFQ, the need to invoke an EO or cease ticket distribution would be minimized.

I urge each of you to please take a few minutes and review this proposal. Please consider advancing it for analysis. You owe it to the owners of the resource to at least consider a proposal that doesn't give it away.

Sincerely,



Rex Murphy

Encl: Non-Private Solutions Summary

Rex Murphy owner/operator

P.O. Box 3309 • Homer, AK 99603 • 907-235-9113 • www.winterking.com

Problem Statement:

Halibut is a fully utilized resource whose harvest must be actively managed to preserve long term sustainability of the resource. The recreational charter harvest is not currently controlled. As recreational charter catches increase, the commercial share of the catch is reduced in an effort to keep the overall catch within sustainable levels. This results in economic uncertainty in the commercial sector while still leaving open the possibility of over-harvesting due to uncontrolled harvest by the recreational charter sector.

A successful long term solution to these problems should:

- Allow for recreational charter allocation growth while compensating the commercial sector for its corresponding allocation decrease.
- Fairly manage the recreational charter harvest within its allocation.
- Account for the recreational charter harvest in a timely and accurate manner.

Here is a plan with two management options that satisfies the above requirements.

Allocation Growth:

A holding entity is created to purchase quota share (QS) or lease IFQs on behalf of the recreational charter sector. Funding could be from halibut stamp or harvest ticket purchase, donations, grants, bequests, bond sales, etc. QS could be purchased for permanent growth of the sector allocation. In season IFQ leasing would allow the recreational charter sector to catch more than its allocation in a managed and compensated manner. At the end of the season, any unfished recreational charter allocation could be leased back to the commercial sector for an end of season cleanup. (This entity is the same as proposed by (KACO/Rasmuson/Kathy Hansen)

Harvest Management:

Option 1: Each year, the recreational charter allocation in fish is determined using harvest data from the previous year and the fishery allocation policy. This allocation is divided into a finite number of Harvest Tickets, each good for a limit of fish for one person on any single day of the season. Harvest Tickets are made available to the public on a first come, first served basis via the internet or retail vendors, and are non-transferable to prevent hoarding or scalping. Harvest Ticket distribution stops when all available tickets have been dispensed, essentially pre-reserving the allocation. Harvest Ticket distribution could continue if fish become available through in-season IFQ leasing.

Option 2: Each year, the recreational charter allocation in fish is determined using harvest data from the previous year and the fishery allocation policy. ADF&G monitors the charter harvest by compiling harvest data from charter logbooks on a weekly basis. When it appears that the allocation is about to be met, ADF&G notifies the holding entity which if possible, commences purchase of IFQ (really a one time lease of QS) to dynamically extend the season in a compensated manner. If no IFQ are available or no money is available to purchase IFQ, the holding entity notifies the responsible authority (options: ADF&G/NMFS) who then issues an EO closing charter harvest of halibut.

Accountability:

Charter logbooks currently track the number of halibut caught by charter clients and the data is reported weekly. Assuming the information could be available in-season for management purposes, it is sufficient for deciding when to commence leasing of commercial IFQ to supplement the allocation, when to release more tickets or when to terminate ticket distribution.

Advantages:

- This proposal provides for a permanent, compensated allocation shift via QS purchase. The allocation growth entity allows for controlled in-season growth of the recreational charter allocation via IFQ leasing, as well as end of season mop up of unfished recreational charter allocation by the longline sector.
- This proposal does not privatize a public trust resource.
- This proposal does not increase the cost of entry to aspiring charter operators.
- This proposal works with any size allocation and any allocation model.
- This proposal would work with or without a moratorium.
- This proposal would work with either the entire recreational sector or the charter recreational sector.
- The Harvest Ticket proposal fairly distributes a limited resource to recreational charter anglers in a way we all understand, since virtually all goods and services are distributed first come, first served.
- The Harvest Ticket proposal manages the recreational charter harvest within an allocation, with no in-season or post season management actions required; its single operating premise is that ticket distribution stops when the allocation is fully pre-reserved.
- The EO management proposal is simple, and dependent only on timely harvest data collection.
- Assuming adequate funding and available IFQ/QS for transfer to the recreational charter sector, the need to cease ticket distribution, or issue an EO closing the season is minimized.

Winter King Charters



All Season Salmon and Halibut Charters
Smooth Comfortable Ride • 32' Heated Catamaran



North Pacific Fisheries Management Council
605 W 4th Avenue, Suite 306
Anchorage AK 99501-2252
Fax (907) 271-2817

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MAY 29 2007

May 29, 2007

N.P.F.M.C.

Members of the North Council,

I own and operate Winter King Charters in Homer. I request postponement of all charter issues until October of 2007. My charter season has begun and I am not able to attend the June 2007 North Council meeting in Sitka. I am commenting on the compensated reallocation report (C-1a) and Area 2C GHL measures (C-1b) as they pertain to Charter Halibut Management.

Regarding GHL measures for 2008, I must point out that final harvest numbers for 2006 will not be reported until fall of 2007. The effects of 2007 NFMS GHL action for area 2C are unknown at present, but will much be clearer by the October North Council meeting. Charter operators are presently in the middle of their season, and most do not have the time or financial ability to give up valuable charter days to write comments or attend the Sitka meeting. June Council action on the 2008 harvest restrictions in the absence of current harvest data and the results from the previous year's harvest restriction measures would be premature. I urge the Council to postpone 2008 action on 2C and 3A until the October meeting at the soonest, when data, results and charter participation in the process will all be available.

I applaud the Council for initiating analysis of a compensated reallocation mechanism. *I favor a mechanism that buys back commercial allocation and holds it in trust for the use of the recreational fishing public on the charter boat of their choosing.* I do not favor individual charter business ownership of QS, as this privatizes a resource which is the property of the American Public, discourages competition which is the foundation of capitalism and creates financial barriers to entry and exit from the business.

Finally, I would like to thank Stephanie Madsen and Doug Hoedel for their efforts supporting the majority of the charter industry in rescinding the Charter IFQ in 2005.

Thank you for your careful consideration of these matters. I look forward to seeing you in October.

Sincerely,

Rex Murphy

Rex Murphy owner/operator

P.O. Box 3309 • Homer, AK 99603 • 907-235-9113 • www.winterking.com

JASON & VANESSA MILLER

PO Box 1473

Petersburg, AK 99833

Phone: (907) 772-2988

Fax: (907) 772-2989

Email: jlmiller1@gci.net

May 29, 2007

Ms. Stephanie Madsen, Chair
North Pacific Fishery Management Council
605 W 4th Avenue, Suite 306
Anchorage, AK 99501-2252
Fax: (907) 271-2817

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MAY 29 2007

N.P.F.M.C.

Dear Ms. Madsen,

As a young couple living in Alaska, my wife Vanessa, a 1st Grade Elementary School Teacher, and I, a fourth generation commercial halibut fisher, have invested heavily in 2C Halibut IFQ'S. We are writing to urge you to adopt effective management measures to control charter harvest in Area 2C to the GHL and to ensure that these measures are implemented in time for the 2008 charter season. We also urge you to move forward as quickly as possible with similarly effective measures in Area 3A. Commercial fishermen and our families have asked the Council for the past 14 years to stop the open-ended reallocation of halibut from the commercial sector to the charter sector. Fourteen years is a long time to wait, that's half of our lifetime. In April 2006, the Council committed by unanimous vote to manage the halibut charter sector to the GHL until superseded by a long-term management strategy. Please keep that commitment. Each sector needs to live within its allocation until a mechanism for compensated reallocation is established.

We further request that the Council convert the GHL to a percentage-based allocation that fluctuates with abundance and implement a mechanism that allows compensated transfer between the commercial and charter sectors. The percentage must be derived from the existing GHL and all subsequent transfers must be between willing buyers and willing sellers. Finally, we oppose any permanent revenue streams to the charter sector that would subsidize charter purchase of quota share. Charter operators that want to increase their halibut harvest should pay more for that opportunity as Vanessa and I have in the commercial sector.

My wife Vanessa and I have invested nearly \$300,000.00 in the halibut quota share program and fishery with the expectation that the resource will continue to be well managed and that the Council will fairly balance the needs of all who depend on the halibut resource, from consumers through fishermen like our family, processors like Trident Seafoods, and our community in Petersburg. We respectfully request that the Council live up to that expectation.

Please take our comments into consideration when you make your decisions.

Best Regards,


Jason & Vanessa Miller



May 30, 2007

Stephanie Madsen, Chair
North Pacific Management Council
605 W 4th Avenue, Suite 306
Anchorage, AK 99501-2252

RECEIVED
MAY 29 2007

N.P.F.M.C.

Dear Ms Madsen:

The Alaska Travel Industry Association (ATIA) represents over 1,100 member Alaskan tourism interests and many of these are reliant on sports fishing in coastal waters of Alaska, including halibut. The long-term health of the tourism industry in these areas in large part relies on your Council's actions regarding the sports charter halibut fishery

ATIA has long supported a moratorium on the sports charter halibut fishery and other long term actions that will sustain a 2 fish per day limit per angler. Your Council is again grappling with several concepts to control the total take of halibut by the guided sector, including a new concept of controlling angler days rather than fish caught, revisiting the IFQ concept and an allocation shift using the "Rasmussen" buyout concept as well as other options.

ATIA requests that the NPFMC approach the 2008 season and a final solution in two ways.

First, the options currently outlined in the list of 13 individual and combined options before the Council should be instituted on an interim basis only. The option or options selected should be mindful that anything less than 2 fish per day would be devastating for the charter halibut fleet given that the expectation of clients. Research on proposed options should continue during 2007 to assure the NPFMC has a clear vision of their effects.

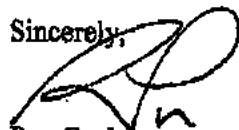
The NPFMC should move rapidly on a long term solution by analyzing the current concepts for practicality and acceptance, ability to sustain fisheries at current or expanded levels and to permit a fair allocation with potential for growth in all sectors.

2600 Cordova Street, Suite 201
Anchorage, AK 99503-2745
Tel (907) 646-3319
Fax (907) 561-5727
ATIA@alaskatia.org
www.alaskatia.org

ATIA appreciates the continuing deliberations of the NPFMC in seeking a solution to the halibut fishery allocation issues.

Thank you for the opportunity to comment. If you have further questions, please feel free to contact me or Mark Miller of the ATIA staff.

Sincerely,



Ron Peck
President & COO

May 29, 2007
North Pacific Fisheries Management Council
605 W 4th Avenue, Suite 306
Anchorage AK 99501-2252
Fax (907) 271-2817

RECEIVED
MAY 29 2007

N.P.F.M.C.

Dear Council Members,

I own and operate Prince William Sound Eco-Charters and have been in business since 2000. I request postponement of all charter issues until this coming October. I will not be able to attend the June, 2007 council meeting.

I truly believe the reallocation report and final action for Area 2C GHM measures are premature, at this time. I request postponement of discussion on compensated reallocation until the October meeting.

We will not have final harvest data for 2006 until the fall, 2007. Final action should be based on fact, not projections. Furthermore, the Council's premature actions are encouraging the rapid expansion of bare-boat rentals and unguided sport harvests by non-residents of Alaska. Going back to C-1a, I am against the individual buy back option. I am more inclined toward an aggregate buy back option and recommend the Council research a government buy back provision.

For C-1b, Area 2C GHM Management Measures, I am for Alternative 1, No Action. There are problems with all of Alternative 2 options because of the diversity of private businesses within the guided sport industry. The risk of negatively impacting Alaska's tourism industry is profound. I am strongly opposed to Option 4, which will reduce the bag limit to one fish per day. The sport angler will not tolerate a daily bag limit of one halibut. Bottom line - final action should not be taken until final numbers for 2006 are confirmed.

Between the Moratorium, a raise in allocation and a method to purchase commercial halibut needed to stay within the allocation, GHM Management measures may not be necessary. Therefore, I encourage the Council to take no action because none is needed at this time. Thanks again for your attention.

Sincerely,

David B. Goldstein
P.O. Box 735
Whittier, Alaska 99693
(907) 472-2582 or (907) 244-0234

RECEIVED
MAY 2 2007

Ms. Stephanie Madsen
Chair
North Pacific Fishery Management Council
605 West 4th Ave. Suite 306
Anchorage, Ak. 99501

N.P.F.M.C.

I am a longtime commercial halibut fisherman, starting in 1974 and finally buying and operating my own boat in 1984. I was an initial issuee in the IFQ program, but bought considerable additional shares by borrowing from our local bank. The reason for this was that I was issued fewer quota shares than I had been producing during the derby years.

I strongly urge the NPFMC to develop management restrictions that will hold the 2C charter harvest to the federally published GHL. The strength of this resource is due to the commercial fleets initiating and always accepting CONSERVATION as the guiding management principle. The charter fleet must due the same!!

Please stop the open-ended reallocation of halibut from the commercial to the charter sector. Each fleet needs to live within its own allocation.

Sincerely,



William Flor, F/V Baranof
P.O. Box 262
Petersburg, Ak. 99833

MAY 29, 2007

RECEIVED

MAY 29 2007

M.P.F.M.C.

May 29, 2007
North Pacific Fisheries Management Council
605 W 4th Avenue, Suite 306
Anchorage AK 99501-2252
Fax (907) 271-2817

Dear Council Member,

I own and operate Magnum Charters in Kodiak and have been in business since 1992; I request postponement of all charter issues until October. Our short fishing season has begun so I am not able to attend the June, 2007 council meeting. I am commenting on the compensated reallocation report (C-1a) and Area 2C GHM measures (C-1b) as they pertain to Charter Halibut Management.

I truly believe the reallocation report and final action for Area 2C GHM measures are premature, at this time. The Council has passed final action for the moratorium-this is the first step in limiting charter fishing. In October 2007, the Council will take up the topic of equitable allocation. Only after this has been determined should there be any discussion on compensated reallocation elements. I request postponement of discussion on compensated reallocation until the October meeting.

We will not have final harvest data for 2006 until the fall, 2007. Currently the Council is working with trends, and not real numbers - final action should not be based on projections. Furthermore, the Council's premature actions are encouraging the rapid expansion of bare-boat rentals and unguided sport harvests by non-residents of Alaska. Going back to C-1a, I am against the individual buy back option. I am more inclined toward an aggregate buy back option and recommend the Council research a government buy back provision.

For C-1b, Area 2C GHM Management Measures, I am for Alternative 1, No Action. There are problems with all of Alternative 2 options because of the diversity of private businesses within the guided sport industry. The risk of negatively impacting Alaska's tourism industry is profound. I am definitely strongly opposed to Option 4, which will reduce the bag limit to one fish per day. The sport angler will not tolerate a daily bag limit of one halibut. Bottom line - final action should not be taken until final numbers for 2006 are confirmed. Between the Moratorium, a raise in allocation and a method to purchase commercial halibut needed to stay within the allocation, GHM Management measures may not be necessary. Therefore, I encourage the Council to take no action because none is needed at this time. Thanks again for your attention.

Sincerely,

Gary Salter
P.O. Box 2423
Kodiak, AK 99615

May 29, 2007
North Pacific Fisheries Management Council
605 W 4th Avenue, Suite 306
Anchorage AK 99501-2252
Fax (907) 271-2817

RECEIVED
MAY 29 2007
N.P.F.M.C.

Dear Council Member,

I own and operate Woodland Charters & Lodging of Kodiak. I have been in business since 2002; I request postponement of all charter issues until October. Our fishing season has begun, and as the owner/operator, I am not able to attend the June, 2007 council meeting. I am commenting on the compensated reallocation report (C-1a) & Area 2C GHM measures (C-1b) as they pertain to Charter halibut Management.

I truly believe the reallocation report and final action for Area 2C GHM measures are premature, at this time. The Council has passed final action for the moratorium-this is the first step in limiting charter fishing. In October 2007, the Council will take up the topic of equitable allocation. Only after this has been determined should there be any discussion on compensated reallocation elements. I request postponement of discussion on compensated reallocation until the October meeting.

We will not have final harvest data for 2006 until the fall, 2007. Currently the Council is working with trends, and not real numbers - final action should not be based on projections. Furthermore, the Council's premature actions are encouraging the rapid expansion of bare-boat rentals and unguided sport harvests by non-residents of Alaska. Going back to C-1a, I am against the individual buy back option. I am more inclined toward an aggregate buy back option and recommend the Council research a government buy back provision.

For C-1b, Area 2C GHM Management Measures, I am for Alternative 1, No Action. There are problems with all of Alternative 2 options because of the diversity of private businesses within the guided sport industry. The risk of negatively impacting Alaska's tourism industry is profound. I am definitely strongly opposed to Option 4, which will reduce the bag limit to one fish per day. The sport angler will not tolerate a daily bag limit of one halibut. Bottom line - final action should not be taken until final numbers for 2006 are confirmed. Between the Moratorium, a raise in allocation and a method to purchase commercial halibut needed to stay within the allocation, GHM Management measures may not be necessary. Therefore, I encourage the Council to take no action because none is needed at this time. Thanks again for your attention.

Sincerely,

Shaw Patterson,
Woodland Charters & Lodging (www.woodlandcharters.com)
PO Box 8975
Kodiak, Alaska. -99615 Daytime phone: 907-486-8429

May 28, 2007

Harry C. Sinz
P.O. Box 110985
Anchorage, AK 99511

RECEIVED
MAY 28 2007
N.P.F.M.C.

VIA FACIMILE

Ms. Stephanie Madsen
Chair
North Pacific Fishery Management Council
605 West 4th Ave., Suite #306
Anchorage, AK 99501
907-271-2817 (fax)

Re: Request for Action on GHL Management/Halibut Charter Fleet.

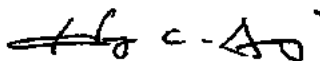
Dear Ms. Madsen,

I am writing to express my continued concern over the contentious struggle surrounding the continued unabated growth in the charter sector's annual halibut harvests, and to strongly urge you to move quickly to adopt effective management measures to control charter harvest in Area 2C and 3A to the GHL. With effectively 14 years of effort behind us....it is way past the time for meaningful action. Clearly the Council showed it's determination to hold the charter harvest to the GHL in the unanimous vote during the April, 2006 meeting (until a long term solution is in effect). We expect that this will be adhered too, and that meaningful action is forthcoming.

Many are now suggesting that the Council take action to convert the GHL to a "percentage-based allocation" that moves with abundance, along with a program that facilitates compensated transfer between the commercial and charter sectors. The percentage should be derived from the existing GHL, and any subsequent transfers should flow between willing buyers and sellers, as dictated by the market. To subsidize the charter sector's purchase of commercial quota is not equitable, especially since many of us took on such risk on our own, and paid so much to acquire commercial sector quota in these past years without such assistance. Very tricky waters you are entering here.

The Council and the NMFS need to take the necessary steps to manage the charter sector within the boundaries of its allocation today, and not through this continuation of broken promises to do so tomorrow. I trust that the Council will act promptly and responsibly on this matter.

Respectfully,



Harry C. Sinz

MAY 28, 2007 11:10 robert/alice schell

9077474815

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MAY 29 2007

N.P.F.M.C.

To: Ms Stephanie Madsen
 Chair, NPFMC
 605 West 4th Ave, Ste 306
 Anchorage, AK 99501

I am writing to encourage the council to adopt measures to control the charter halibut catch to the GHL as passed by the council. I caught my first commercial halibut using a rod and reel at Vitskari rocks near Sitka. At that time, 1967, there was a small commercial fleet that operated with rod and reel and hand skates operating out of Sitka. Sports fishers could get a halibut anytime they wanted one at Vitskari. Enter the charter fleet in ever larger numbers and Vitskari Rocks as well as most of the easily reached rod and reel areas are almost devoid of halibut. The LAMP has not served its purpose. The majority of sports halibut caught at this time are those coming from charter boats anchoring in 50 to 70 fathoms.

I dropped out of the commercial halibut fishery in the 70s and reentered in the 80s. I received a small quota when IFQs were implemented and since that time have purchased two more blocks for myself and my wife. As salmon prices declined, it was either that or get out of the business and take a wash on my investment in boat and gear. The fishery had stabilized, I thought, and it seemed that the only problems with a steady fishery were with stock fluctuations. Then along came the charter fleet with no regulations and no pertinent regulations since the influx by NMFS or the council. The federal government-the council is a part of this-left the commercial fleet out of the picture except for the fees to operate the long line IFQ programs in Alaska.

The council needs to implement measures to keep the charter fleet to its GHL and develop measures, IFQs, to keep THAT commercial fleet to its quota. My family has invested our savings in this fishery and we are being usurped by an unregulated commercial charter fleet.

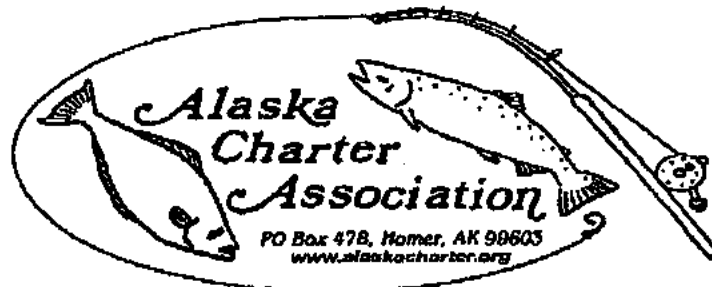
I do not believe that there should be an allowable program that will transfer quota from the commercial fleet to the charter fleet. There is more to consider than the people doing the harvesting. There are fish plants and employees of those plants that depend on product coming through the doors. The more reallocation that occurs, the less employment available for residents.

The council needs to live up to its obligations to all resource users and stop the unregulated growth of the charter catch of the halibut resource.

Sincerely,

Robert Schell
 Robert and Alice Schell
 P/V Alice Faye
 Box 1367
 Sitka, AK 99835

May 27, 2007



"To Preserve and Protect the Rights and Resources of Alaska's Sport Fishermen"

May 29, 2007

Ms. Stephanie Madsen, Chair
 North Pacific Fisheries Management Council
 605 West 4th, Suite 306
 Anchorage, Ak. 99501-2252

RECEIVED
 MAY 29 2007
 N.P.F.M.C.

Re: Halibut Charter Issues/GHL Measures

Dear Madame Chair,

The Alaska Charter Association's Board of Directors sincerely hopes that in the future, charter items do not appear on the agenda for the North Pacific Fisheries Management Council's June meetings. The overwhelming majority of our membership, as well as our officers, are fully engaged in their operations since they are beginning to enter a very busy time of the season. Because of our obligations to our customers and businesses, June meetings make it extremely difficult or impossible to attend and properly participate in these meetings dealing with critical issues to our industry. We prefer to have a proper opportunity to participate in these meetings without putting an inordinate burden on our businesses. By its very nature, our season is too short to enable us to afford to be absent for a week. We urge your consideration in the future that charter items do not appear on June's agenda.

After reviewing the proposed Guideline Harvest Level (GHL) proposed restrictive measures for 2008, based on the current fishery data, the ACA strongly believes that it is inappropriate for this Council to take any adverse action against the charter recreational angling public and charter operators at this time. According to the Alaska Department of Fish and Game (ADF&G), the 2006 Statewide Harvest Survey (SWHS)* will not be complete until the end of August of 2007. The GHL was based upon the SWHS, not charter logbook data. Hence, the 2007 figures will not be complete until August of 2008. Yet, this Council is proposing to take further restrictive action for 2008 when the final figures in 2006 are not even complete, and the 2007 season has just begun? At the very least, it is premature to take action for 2008 when we do not definitively know what even occurred in 2006.

Concerning the proposed annual bag limits, clients book trips based upon expectations. If those expectations are substantially reduced, they simply will not book a trip; thus, it will reduce the economic benefits to charter operators, a multitude of related support industries, tourism based businesses, coastal communities, the State of Alaska and the United States of America in general.

Currently, ADF&G has the data on the number of one day, three day, seven day, fourteen day and annual licenses purchased by non-residents each year. ADF&G also has the charter logbook data that will show how many individuals fish more than one day. This data should be attained and summarized prior to establishing an annual bag limit.

Page 2 Alaska Charter Association

From empirical data gained by discussions with ACA members, lodges heavily depend on multiple-day bookings as well as long-range, multiple-day operators. A great many Alaskans fish more than one or two trips on day boats per season. With an appropriate annual bag limit, it will also properly address the skipper/crew fish issue (captains and crew are recreational anglers, too). This data should be attained before any further action is taken so a properly informed decision can be made. The data are available from ADF&G.

Instead of this Council expending time on reducing harvests within the GHL, appropriate adjustment options should be explored to account for recent participation and future demands by the charter recreational angling public, and the GHL should be amended to float with abundance. Past and recent trends by the angling public should be incorporated, and a comprehensive social-economic study must be completed before a thoroughly informed decision can be made. The social and economic benefits that the charter recreational angling public provides are tremendous and should be assessed in a formal study. This Council needs to gain more pertinent data, not just act on the will of those in opposition to the charter fishing industry.

Sincerely yours,

Gregory M. Sutter
President

Cc: Dr. William Hogarth
Adm. Conrad Lautenbacher, Jr.
Mr. Carlos Gutierrez

* In the past, it has been reported that the SWHS data by ADF&G have experienced estimated errors as high as 20 to 25 percent.

FAX (907) 271-2817

Ms Stephanie Madsen
Chair
North Pacific Fishery Management Council
605 West 4th Ave, Ste 306
Anchorage, AK 99501

RECEIVED

MAY 29 2007

N.P.F.M.C.

First off, I wish to express my deep gratitude for the many decades of hard decision making and farsighted management that have protected the halibut resource from over harvesting. Before the sport charter operators massively expanded their fleet, that resource was already allocated and utilized. When IFQ's became the reality for effective management of the commercial longline fleet, I, as a crewman, was left with nothing more than a certificate that allowed me to buy IFQ's. As you know, it is an expensive asset to buy on the open market. Luckily for me, my captain gave me a block of quota in fair compensation for many years of deckhanding. Now, another user group, almost out of the blue, wants to steal my hard work. I might as well open my billfold and say "Here, go ahead and take the food off my table, the roof from over my head, the fuel out of my boat and my hard won future as a commercial fisherman." All my alarm bells are ringing.

I urge you to adopt effective measures to control charter harvest in Area 2C to the GHL and to ensure that these measures are implemented in time for the 2008 charter season. Commercial fishermen have asked the Council for the past 14 years to stop the open-ended reallocation of halibut from the commercial to the charter sector. Fourteen years is a long time to wait. In April 2006, the Council committed by a unanimous vote to manage the halibut charter sector to the GHL until superseded by a long-term management strategy. Please keep that commitment.

A moratorium on the sport charter fleet will only be effective if it is based on a per client or vessel basis instead of a business entity basis. Also, just as I took a significant reduction in my poundage this year, I believe the charter fleet must accept abundance based allocation.

I have invested in the halibut quota share program and fishery with the expectation that the resource will continue to be well managed and that the Council will fairly balance the needs of all who depend on the halibut resource, from consumers through fishermen and processors. I respectfully request that the Council live up to that expectation.

Sincerely,


Char Darron

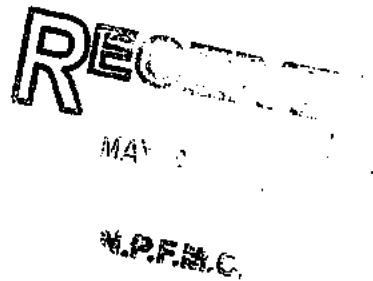
P.O. Box 217

Gustavus, Alaska 99826

(907) 697-2429

FAX (907) 271-2817

Ms Stephanie Madsen
Chair
North Pacific Fishery Management Council
605 West 4th Ave, Ste 306
Anchorage, AK 99501



I am writing to urge you to adopt effective management measures to control the growth of charter harvest of halibut in Area 2c to the Guideline Harvest Level and to ensure that these measures are in place for implementation in time for the 2008 charter season. I would also urge you to move forward with similarly effective measures in Area 3A. Commercial fishermen, and by extension halibut lovers in North America who depend on commercial harvesters to deliver their dinners to retail and restaurant markets, have been asking since 1993 for the Council to act effectively to stop the open ended reallocation of the halibut resource to the charter sector. In April 2006, the Council committed by unanimous vote to manage the halibut charter sector effectively to the GHL until superseded by a long-term management strategy. Please keep that commitment.

On the issue of charter moratorium, it is imperative that it be applied on a per client or vessel basis. If a business entity is granted a moratorium permit without restrictions on expanding their fleet capacity, it will only exacerbate and increase the reallocation and catch rate. In my own community of Gustavus and other communities in the Icy Straits/Cross Sound region we have witnessed a large increase in numbers of new charter boats this spring. Perhaps the buyers of this additional fleet capacity are banking on continuation of the slow pace of reform in management, or that when some measure does finally come down they can demand compensation for their "loss of established business".

On the issue of voluntary or forced compensated transfer to the charter sector, I have bought IFQ and been making large debt service payments to ensure my own family's financial security into my old age. I first longlined for Halibut in 1982, handpulling into an 18 foot open boat that I resurrected off the beach. I will be 67 years old before my scheduled IFQ debt is paid off in 2012. I am hoping to live long enough to enjoy some halibut income in my 70's and 80's. If I were forced to sell my current IFQ, there is no reasonably safe place to reinvest the proceeds of such sale (after taxes of course) that would provide an equivalent income and security.

I have invested money, blood, sweat, and tears in the halibut quota share program and fishery with the expectation and assurances that the resource would continue to be well managed both by the IPHC and the Council to fairly and effectively balance the needs of all who depend on the halibut resource, from consumers through fishermen and processor communities. I respectfully request that the Council live up to that expectation.

Sincerely,

Pedr. Janner FL "ZAPAISTA"

Address PO BOX 217

GUSTAVUS, AK 99826

Date: 5/28/07

Ms Stephanie Madsen
Chair
North Pacific Fishery Management Council
605 West 4th Street Suite 306
Anchorage, AK 99501

RECEIVED

MAY 29 2007

N.P.F.M.C.

Dear Chair Madsen,

I am a 24 year old commercial fishermen who has invested in halibut IFQ in area 2C, currently 8,000 lb. I owe the AK division of Investments \$45,000 I hope the council will take action immediately to control the charter harvest in 2C and 3A to the GHIL and convert the existing charter GHIL amount into a hard allocation for the charter fleet. I hope a long term strategy can be implemented soon to protect my investment and longtime family occupation.

Thank you for your time



Jeff Blankenship
Owner/Operator F/V Quicksilver

May 29, 2007

North Pacific Fisheries Management Council

605 W 4th Avenue, Suite 306

Anchorage AK 99501-2252

Fax (907) 271-2817

Memory Maker Charters
P.O. Box 1036
Homer, AK. 99603

RECEIVED
MAY 29 2007
N.P.F.M.C.

Dear Council Member,

I own and operate *memory maker* and have been in business since 2004. I request postponement of all charter issues until October. Our short fishing season has begun so I am not able to attend the June, 2007 council meeting. I am commenting on the compensated reallocation report (C-1a) and Area 2C GHL measures (C-1b) as they pertain to Charter Halibut Management.

I truly believe the reallocation report and final action for Area 2C GHL measures are premature, at this time. The Council has passed final action for the moratorium-this is the first step in limiting charter fishing. In October 2007, the Council will take up the topic of equitable allocation. Only after this has been determined should there be any discussion on compensated reallocation elements. I request postponement of discussion on compensated reallocation until the October meeting.

We will not have final harvest data for 2006 until the fall, 2007. Currently the Council is working with trends, and not real numbers -- final action should not be based on

projections. Furthermore, the Council's premature actions are encouraging the rapid expansion of bare-boat rentals and unguided sport harvests by non-residents of Alaska. Going back to C-1a, I am against the individual buy back option. I am more inclined toward an aggregate buy back option and recommend the Council research a government buy back provision.

For C-1b, Area 2C GHL Management Measures, I am for Alternative 1, No Action. There are problems with all of Alternative 2 options because of the diversity of private businesses within the guided sport industry. The risk of negatively impacting Alaska's tourism industry is profound. I am definitely strongly opposed to Option 4, which will reduce the bag limit to one fish per day. The sport angler will not tolerate a daily bag limit of one halibut. Bottom line -- final action should not be taken until

final numbers for 2006 are confirmed. Between the Moratorium, a raise in allocation

and a method to purchase commercial halibut needed to stay within the allocation, GHL Management measures may not be necessary.

Therefore, I encourage the Council to take no action because none is needed at this time. Thanks again for your attention.

Sincerely,

Brenda Hays,
owner
memory maker Charters
907-235-2165

May 29, 2007
North Pacific Fisheries Management Council
605 W 4th Avenue, Suite 306
Anchorage AK 99501-2252
Fax (907) 271-2817

RECEIVED

MAY 29 2007

N.P.F.M.C.

Dear Council Member,


I own and operate [REDACTED] and have been in business since [REDACTED]; I request postponement of all charter issues until October. Our short fishing season has begun so I am not able to attend the June, 2007 council meeting. I am commenting on the compensated reallocation report (C-1a) and Area 2C GHM measures (C-1b) as they pertain to Charter Halibut Management.

I truly believe the reallocation report and final action for Area 2C GHM measures are premature, at this time. The Council has passed final action for the moratorium-this is the first step in limiting charter fishing. In October 2007, the Council will take up the topic of equitable allocation. Only after this has been determined should there be any discussion on compensated reallocation elements. I request postponement of discussion on compensated reallocation until the October meeting.

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For C-1b, Area 2C GHM Management Measures, I am for Alternative 1, No Action. There are problems with all of Alternative 2 options because of the diversity of private businesses within the guided sport industry. The risk of negatively impacting Alaska's tourism industry is profound. I am definitely strongly opposed to Option 4, which will reduce the bag limit to one fish per day. The sport angler will not tolerate a daily bag limit of one halibut. Bottom line - final action should not be taken until final numbers for 2006 are confirmed. Between the Moratorium, a raise in allocation and a method to purchase commercial halibut needed to stay within the allocation, GHM Management measures may not be necessary. Therefore, I encourage the Council to take no action because none is needed at this time. Thanks again for your attention.

Sincerely,


Gary M. Alred
2443 kachemak drive
907-299-0793

May 29, 2007

North Pacific Fisheries Management Council
605 W 4th Avenue, Suite 306
Anchorage AK 99501-2252
Fax (907) 271-2817

RECEIVED
MAY 30 2007
N.P.F.M.C.

Dear Council Member,

Thank you for coming to Sitka. I regret being unavailable for oral testimony next week, but during the summer, I have daily reservations for sport fishing charters. I own and operate LegaSea Fishing Charters and have been in business since 2001.

I am commenting on the compensated reallocation report (C-1a) and Area 2C GHM measures (C-1b) as they pertain to Charter Halibut Management.

I truly believe the reallocation report and final action for Area 2C GHM measures are premature, at this time. The Council has correctly moved to put a moratorium in place. In October 2007, the Council will take up the topic of equitable allocation. Only after this has been determined do I see a need to discuss compensated reallocation elements.

Another important reason to postpone these topics, is because by October 2007, the Council will have final harvest data from 2006, to work with. Currently the Council is working with trends, and not real numbers. Furthermore, the Council's premature actions are encouraging the rapid expansion of bare-boat rentals and unguided sport harvests by non-residents of Alaska.

Going back to C-1a, I am against the individual buy back option. I am more inclined toward an aggregate buy back option and recommend the Council research a government buy back provision.

For C-1b, Area 2C GHM Management Measures, I am for Alternative 1, No Action. There are problems with all of Alternative 2 options because of the diversity of private businesses within the guided sport industry. The risk of negatively impacting Alaska's tourism industry is profound. I am definitely strongly opposed to Option 4, which will reduce the bag limit to one fish per day. The sport angler will not tolerate a daily bag limit of one halibut.

Therefore, I encourage the Council to take no action because none is needed at this time. Thanks again for your attention.

Sincerely,



Christopher Hashiguchi

May 29, 2007

North Pacific Fisheries Management Council
605 W 4th Avenue, Suite 306
Anchorage AK 99501-2252
Fax (907) 271-2817

RECEIVED

MAY 29 2007

N.P.F.M.C.

Dear Council Member,

Thank you for coming to Sitka. I regret being unavailable for oral testimony next week, but during the summer, I have daily reservations for sport fishing charters. I own and operate Nautilus Charters, LLC and have been in business since 2003. I was born and raised in Sitka and believe that we need to carefully proceed so both charter and commercial fishing can flourish for years to come.

I am commenting on the compensated reallocation report (C-1a) and Area 2C GHL measures (C-1b) as they pertain to Charter Halibut Management.

I truly believe the reallocation report and final action for Area 2C GHL measures are premature, at this time. The Council has correctly moved to put a moratorium in place. In October 2007, the Council will take up the topic of equitable allocation. Only after this has been determined do I see a need to discuss compensated reallocation elements.

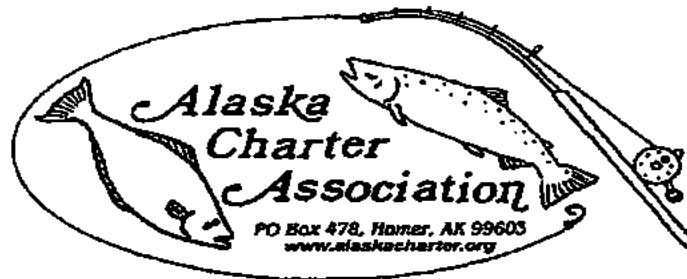
Another important reason to postpone these topics, is because by October 2007, the Council will have final harvest data from 2006, to work with. Currently the Council is working with trends, and not real numbers. Furthermore, the Council's premature actions are encouraging the rapid expansion of bare-boat rentals and unguided sport harvests by non-residents of Alaska.

Going back to C-1a, I am against the individual buy back option. I am more inclined toward an aggregate buy back option and recommend the Council research a government buy back provision.

For C-1b, Area 2C GHL Management Measures, I am for Alternative 1, No Action. There are problems with all of Alternative 2 options because of the diversity of private businesses within the guided sport industry. The risk of negatively impacting Alaska's tourism industry is profound. I am definitely strongly opposed to Option 4, which will reduce the bag limit to one fish per day. The sport angler will not tolerate a daily bag limit of one halibut.

Therefore, I encourage the Council to take no action because none is needed at this time. Thanks again for your attention.

Sincerely,
Casey Gould



"To Preserve and Protect the Rights and Resources of Alaska's Sport Fishermen"

May 29, 2007

RECEIVED
MAY 29 2007

N.P.F.M.C.

Ms. Stephanie Madsen, Chair
North Pacific Fisheries Management Council
605 West 4th, Suite 306
Anchorage, Ak. 99501-2252

Re: Halibut Charter Issues/GHL Measures

Dear Madame Chair,

The Alaska Charter Association's Board of Directors sincerely hopes that in the future, charter items do not appear on the agenda for the North Pacific Fisheries Management Council's June meetings. The overwhelming majority of our membership, as well as our officers, are fully engaged in their operations since they are beginning to enter a very busy time of the season. Because of our obligations to our customers and businesses, June meetings make it extremely difficult or impossible to attend and properly participate in these meetings dealing with critical issues to our industry. We prefer to have a proper opportunity to participate in these meetings without putting an inordinate burden on our businesses. By its very nature, our season is too short to enable us to afford to be absent for a week. We urge your consideration in the future that charter items do not appear on June's agenda.

After reviewing the proposed Guideline Harvest Level (GHL) proposed restrictive measures for 2008, based on the current fishery data, the ACA strongly believes that it is inappropriate for this Council to take any adverse action against the charter recreational angling public and charter operators at this time. According to the Alaska Department of Fish and Game (ADF&G), the 2006 Statewide Harvest Survey (SWHS)* will not be complete until the end of August of 2007. The GHL was based upon the SWHS, not charter logbook data. Hence, the 2007 figures will not be complete until August of 2008. Yet, this Council is proposing to take further restrictive action for 2008 when the final figures in 2006 are not even complete, and the 2007 season has just begun? At the very least, it is premature to take action for 2008 when we do not definitively know what even occurred in 2006.

Concerning the proposed annual bag limits, clients book trips based upon expectations. If those expectations are substantially reduced, they simply will not book a trip; thus, it will reduce the economic benefits to charter operators, a multitude of related support industries, tourism based businesses, coastal communities, the State of Alaska and the United States of America in general.

Currently, ADF&G has the data on the number of one day, three day, seven day, fourteen day and annual licenses purchased by non-residents each year. ADF&G also has the charter logbook data that will show how many individuals fish more than one day. This data should be attained and summarized prior to establishing an annual bag limit.

From empirical data gained by discussions with ACA members, lodges heavily depend on multiple-day bookings as well as long-range, multiple-day operators. A great many Alaskans fish more than one or two trips on day boats per season. With an appropriate annual bag limit, it will also properly address the skipper/crew fish issue (captains and crew are recreational anglers, too). This data should be attained before any further action is taken so a properly informed decision can be made. The data are available from ADF&G.

Instead of this Council expending time on reducing harvests within the GHL, appropriate adjustment options should be explored to account for recent participation and future demands by the charter recreational angling public, and the GHL should be amended to float with abundance. Past and recent trends by the angling public should be incorporated, and a comprehensive social-economic study must be completed before a thoroughly informed decision can be made. The social and economic benefits that the charter recreational angling public provides are tremendous and should be assessed in a formal study. This Council needs to gain more pertinent data, not just act on the will of those in opposition to the charter fishing industry.

Sincerely yours


Gregory M. Suter
President

Cc: Dr. William Hogarth
Adm. Conrad Lautenbacher, Jr.
Mr. Carlos Gutierrez

* In the past, it has been reported that the SWHS data by ADF&G have experienced estimated errors as high as 20 to 25 percent.



SITKA'S SECRETS

www.sitkasecret.com • Info@sitkasecret.com

RECEIVED

MAY 29 2007

N.P.F.M.C.

May 29, 2007

North Pacific Fisheries Management Council
605 W 4th Avenue, Suite 306
Anchorage AK 99501-2252

Dear Council Member,

Thank you for coming to Sitka. I regret being unavailable for oral testimony next week, but during the summer, I have daily reservations for sport fishing charters. I own and operate Sitka's Secrets and have been in business since 1986.

I am commenting on the compensated reallocation report (C-1a) and Area 2C GHL measures (C-1b) as they pertain to Charter Halibut Management.

I truly believe the reallocation report and final action for Area 2C GHL measures are premature, at this time. The Council has correctly moved to put a moratorium in place. In October 2007, the Council will take up the topic of equitable allocation. Only after this has been determined do I see a need to discuss compensated reallocation elements.

Another important reason to postpone these topics, is because by October 2007, the Council will have final harvest data from 2006, to work with. Currently the Council is working with trends, and not real numbers. Furthermore, the Council's premature actions are encouraging the rapid expansion of bare-boat rentals and unguided sport harvests by non-residents of Alaska.

Going back to C-1a, I am against the individual buy back option. I am more inclined toward an aggregate buy back option and recommend the Council research a government buy back provision.

For C-1b, Area 2C GHL Management Measures, I am for Alternative 1, No Action. There are problems with all of Alternative 2 options because of the large diversity of businesses within the guided sport industry. The risk of negatively impacting Alaska's tourism industry is profound. I am definitely opposed to Option 4, which will reduce the bag limit to one fish per day. With over 90 percent of the halibut harvested by commercial fishermen in Alaska, why should a sport angler tolerate a daily bag limit of one halibut?

Therefore, I encourage the Council to take no action because none is needed at this time. Thanks again for your attention.

Sincerely,

May 29, 2007
North Pacific Fisheries Management Council
605 W 4th Avenue, Suite 306
Anchorage AK 99501-2252
Fax (907) 271-2817

RECEIVED

N.P.F.M.C.

Dear Council Member,

I own and operate Whitewater Expeditions of Alaska and have been in business since 1997 and have been an Alaska resident since 1979; I request postponement of all charter issues until October. Our short fishing season has begun so I am not able to attend the June, 2007 council meeting. I am commenting on the compensated reallocation report (C-1a) and Area 2C GHM measures (C-1b) as they pertain to Charter Halibut Management.

I truly believe the reallocation report and final action for Area 2C GHM measures are premature, at this time. The Council has passed final action for the moratorium-this is the first step in limiting charter fishing. I do not support the moratorium because there is no management plan for halibut and commercial interests throw away more dead by-catch than chartered fisherman are allowed to catch for people to eat. In addition the halibut resource is not equitably divided as per the Magnuson-Stevens act. In October 2007, the Council will take up the topic of equitable allocation. Only after this has been determined should there be any discussion on compensated reallocation elements. I request postponement of discussion on compensated reallocation until the October meeting.

We will not have final harvest data for 2006 until the fall, 2007. Currently the Council is working with trends, and not real numbers - final action should not be based on projections. Furthermore, the Council's premature actions may force me out of business and take away my family's livelihood. Going back to C-1a, I am against the individual buy back option.

For C-1b, Area 2C GHM Management Measures, I am for Alternative 1, No Action. There are problems with all of Alternative 2 options because of the diversity of private businesses within the guided sport industry. The risk of negatively impacting Alaska's tourism industry is profound. I am definitely strongly opposed to Option 4. Bottom line - final action should not be taken until final numbers for 2006 are confirmed. Between the raise in allocation and a method to purchase commercial halibut needed to stay within the allocation, GHM Management measures may not be necessary. Therefore, I encourage the Council to take no action because none is needed at this time. Thanks again for your attention.

Sincerely,
Jeff B. Jones
PO Box 7001
Nikiski, AK 99635
(907) 776-5277

May 29, 2007
North Pacific Fisheries Management Council
605 W 4th Avenue, Suite 306
Anchorage AK 99501-2252
Fax (907) 271-2817

RECEIVED
MAY 29 2007
N.P.F.M.C.

Dear Council Member,

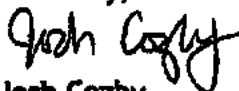
I own and operate Black Rock Charters in Gustavus, Alaska and have been in business since 1999; I request postponement of all charter issues until October. Our short fishing season has begun so I am not able to attend the June, 2007 council meeting. I am commenting on the compensated reallocation report (C-1a) and Area 2C GHM measures (C-1b) as they pertain to Charter Halibut Management.

I truly believe the reallocation report and final action for Area 2C GHM measures are premature, at this time. The Council has passed final action for the moratorium-this is the first step in limiting charter fishing. In October 2007, the Council will take up the topic of equitable allocation. Only after this has been determined should there be any discussion on compensated reallocation elements. I request postponement of discussion on compensated reallocation until the October meeting.

We will not have final harvest data for 2006 until the fall, 2007. Currently the Council is working with trends, and not real numbers - final action should not be based on projections. Furthermore, the Council's premature actions are encouraging the rapid expansion of bare-boat rentals and unguided sport harvests by non-residents of Alaska. Going back to C-1a, I am against the individual buy back option. I am more inclined toward an aggregate buy back option and recommend the Council research a government buy back provision.

For C-1b, Area 2C GHM Management Measures, I am for Alternative 1, No Action. There are problems with all of Alternative 2 options because of the diversity of private businesses within the guided sport industry. The risk of negatively impacting Alaska's tourism industry is profound. I am definitely strongly opposed to Option 4, which will reduce the bag limit to one fish per day. The sport angler will not tolerate a daily bag limit of one halibut. Bottom line - final action should not be taken until final numbers for 2006 are confirmed. Between the Moratorium, a raise in allocation and a method to purchase commercial halibut needed to stay within the allocation, GHM Management measures may not be necessary. Therefore, I encourage the Council to take no action because none is needed at this time. Thanks again for your attention.

Sincerely,



Josh Cozby
Black Rock Charters
PO Box 36

Gustavus, AK 99826
907-697-2786

www.blackrockcharters.com

RECEIVED
MAY 29 2007

N.P.F.M.C.

FAX (907) 271-2817

Ms Stephanie Madsen
Chair
North Pacific Fishery Management Council
605 West 4th Ave, Ste 308
Anchorage, AK 99501

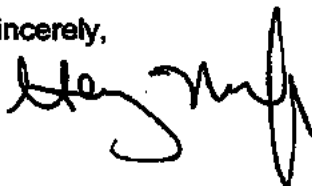
Protect public Access to Fish

I am writing to urge you to adopt effective management measures to control charter harvest in Area 2C to the GHL and to ensure that these measures are implemented in time for the 2008 charter season. I would also urge you to move forward as quickly as possible with similarly effective measures in Area 3A. Commercial fishermen have asked the Council for the past 14 years to stop the open-ended reallocation of halibut from the commercial to the charter sector. Fourteen years is a long time to wait. In April 2006, the Council committed by unanimous vote to manage the halibut charter sector to the GHL until superseded by a long-term management strategy. Please keep that commitment. Each sector needs to live within its allocation until a mechanism for compensated reallocation is established.

I further request that the Council convert the GHL to a percentage-based allocation that fluctuates with abundance and implement a mechanism that allows compensated transfer between the commercial and charter sectors. The percentage must be derived from the existing GHL and all subsequent transfers must be between willing buyers and willing sellers. Finally, I oppose any permanent revenue streams to the charter sector that would subsidize charter purchase of quota share. Charter operators that want to increase their halibut harvest should pay more for that opportunity.

I have invested in the halibut quota share program and fishery with the expectation that the resource will continue to be well managed and that the Council will fairly balance the needs of all who depend on the halibut resource, from consumers through fishermen and processors. I respectfully request that the Council live up to that expectation.

Sincerely,



*May 27, 2007
Kenai, AK*

5/28/2007

RECEIVED
 May 28. 2007
 MAY 28 2007
 N.P.F.M.C.

Dear Stephanie Madsen;

I am a life long Alaska resident. I have been fishing commercially for the last 35 years. I hold halibut quota share in area 2C. I have built my fishing business over the years by purchasing halibut and black cod quota. To this point I have purchased 60% of my halibut quota, of which a portion is financed with First Bank. To reallocate quota to the charter operators with out compensation would be a real financial hardship on me. I would have to rethink my whole business plan. I'm not sure what I would do as this is my primary fishery and income.

Please support holding the charter sector to their GHL. They have known for years that they are exceeding their GHL. I think they should adjust their business plan as most of the commercial sector have purchased more quota and are heavily financed. for some of us to lose quota would be a severe hardship if not put us out of business.

Sincerely,

Joe Short
 Joe Short

FLO Kayleigh ANW

May 29, 2007

North Pacific Fisheries Management Council
605 W 4th Avenue, Suite 306
Anchorage AK 99501-2252
Fax (907) 271-2817

RECEIVED
MAY 29 2007

N.P.F.M.C.

Dear Council Member,

Thank you for coming to Sitka. I regret being unavailable for oral testimony next week, but during the summer, I have daily reservations for sport fishing charters. I own and operate Raindancer Charters & Inn and have been in business since 1993.

I am commenting on the compensated reallocation report (C-1a) and Area 2C GHM measures (C-1b) as they pertain to Charter Halibut Management.

I truly believe the reallocation report and final action for Area 2C GHM measures are premature, at this time. The Council has correctly moved to put a moratorium in place. In October 2007, the Council will take up the topic of equitable allocation. Only after this has been determined do I see a need to discuss compensated reallocation elements.

Another important reason to postpone these topics, is because by October 2007, the Council will have final harvest data from 2006, to work with. Currently the Council is working with trends, and not real numbers. Furthermore, the Council's premature actions are encouraging the rapid expansion of bare-boat rentals and unguided sport harvests by non-residents of Alaska.

Going back to C-1a, I am against the individual buy back option. I am more inclined toward an aggregate buy back option and recommend the Council research a government buy back provision.

For C-1b, Area 2C GHM Management Measures, I am for Alternative 1, No Action. There are problems with all of Alternative 2 options because of the diversity of private businesses within the guided sport industry. The risk of negatively impacting Alaska's tourism industry is profound. I am definitely strongly opposed to Option 4, which will reduce the bag limit to one fish per day. The sport angler will not tolerate a daily bag limit of one halibut.

Therefore, I encourage the Council to take no action because none is needed at this time. Thanks again for your attention.

Sincerely,



28 May 2007

VIA FAX 907-271-2817 AND MAIL

Stephanie Madsen, Chair
North Pacific Fishery Management Council
605 West 4th Avenue, Suite 306
Anchorage, AK 99501

RECEIVED

MAY 28 2007

N.P.F.M.C.

Dear Ms. Madsen,

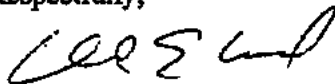
I have fished halibut in 2C since 1982. In 1993 and 1994, I harvested a combined black cod and halibut poundage totaling 85,000 pounds each year. The first year of Individual Fishing Quotas (IFQs) I received 7,840 pounds of halibut and no black cod. Based on the *qualifying years*, I was given poundage, which turned out to be my worst years—I was also trolling during those years and fishing alone. To date, I still have no black cod, but I have invested over \$250,000 in halibut IFQs. It is a good system and assures a quality product for the consumer. More important is the fact that the International Pacific Halibut Commission (IPHC) can effectively manage the halibut stocks for conservation.

The present system with a guideline harvest level (GHL) that is not enforced, perpetuates a consistent annual over-harvest, and therefore presents an ongoing conservation problem that is good for nobody, especially the halibut stocks. As you are aware, as a commercial fisherman if I over-harvest my halibut IFQ share I suffer the consequences the following year – any overage being subtracted from my allowable catch and a monetary penalty for anything over 10%.

Proper conservation of the halibut resource by the IPHC dictates that you fulfill your mandate by rational management of all user groups, including the Halibut Sport/Charter Sector.

I urge you to manage within the existing Sport/Charter GHL.

Respectfully,



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Ms Stephanie Madsen
Chair
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Dear Chair Madsen and Members of the Council,

On behalf of the Halibut Coalition's 10 member groups and over 500 individual members, we would like to submit the following comments on Agenda item C-1 (a) Stakeholder Committee report on compensated reallocation.

The Halibut Coalition strongly encourages the Council to move forward with analysis of a compensated reallocation plan, and there are three main points we would like the Council to consider in taking this action. These are:

1. To simplify the framework for analysis so that it stays on track with and linked to the analysis of an initial allocation.
2. To recognize that the 'common pool' and 'individual business' models are not mutually exclusive and that choosing both as an interim solution does not force the Council down a particular path toward a permanent solution in the future.
3. To support the Stakeholder Committee's recommendation that all compensated reallocation should occur only between willing sellers and buyers.

Simplify the framework for analysis.

At it's April meeting, the Stakeholder Committee developed a full suite of elements and options for consideration in a compensated reallocation plan. The fact that the Committee added more to the Council's original motion rather than simplified it complicates the analysis, and is likely to make it more difficult to keep it on track with the analysis of the initial allocation. It is imperative for the Council to hold to the intent of the motions made at the last meeting to keep these two analyses linked and moving forward together. The Council surely understands that without a compensated reallocation plan, any action taken on initial allocation alone will become a vicious battle that will be destructive to the Council process, to the relations between the two sectors, and the people in Alaska's coastal communities.

There are several ways for the Council to simplify the framework for analysis. First, the Council should determine whether any of the entities or structures under Element 1 are not viable candidates to

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hold or administer purchase of commercial QS that is transferred to the charter sector, because of legal or other constraints. In particular, the State of Alaska and NMFS/Federal Government (Element 1, Option 1) should be prepared to describe the circumstances that would allow the State or NMFS to become the entity that holds or administers the purchase of commercial QS. We believe that it could be more problematic for the State of Alaska or the NMFS/Federal Government to become the entity that holds commercial quota for the charter sector because it could require statutory changes that are time consuming and that introduce risk and uncertainty associated with the legislative process.

In contrast, both the regional association approach and the individual approach are more likely to be successful because, within a Federal framework, they could be accomplished with revisions through the Council process alone. In fact, the Community Quota Entity under the current IFQ program is similar to the kind of entity that a regional charter association might form. Within a State of Alaska framework, establishing regional associations would require statutory changes; however similar models already exist in statute in the form of the State private non-profit (PNP) salmon hatchery program, and the Regional Seafood Development Association (RSDA) programs. Consequently the legislative process is likely to be more receptive to this type of change.

Second, the Council should consider whether some options within Element 1 or Element 2 simply do not address the identified problem, and are therefore less likely to succeed. In particular, the Federal buyback program (Element 2, Option 2, Sub-option 2) could be eliminated from the plan. Federal buyback programs are designed to remove capital (boats) from fisheries, with loans to remove such boats paid through an assessment on commercial landings. That's not what compensated reallocation is about. It also requires fishermen to organize, develop a buyback plan, and then seek approval from the Council, a cumbersome and time consuming process. Pursuing this sub-option will likely reveal more problems than possibilities; Council and agency staff will have to figure out how to make this program work for the charter sector. We recommend that the Council simplify the analysis by removing the buyback option.

Third, the Council could consider what combination of options from Element 1 and Element 2 appear most promising, and identify those for further analysis by staff. Conversely, the Council could also identify those combinations of options from Element 1 and Element 2 that are unworkable, and eliminate them from further analysis. This approach makes sense because there has to be some consistency or match between the entity that holds the QS for the charter sector under Element 1, and the method of funding the transfer of QS under Element 2.

For example, one promising model is for a regional charter association (Element 1, Option 2) to hold commercial QS that is purchased through either a loan from the State of Alaska Division of Investments (Element 2, Option 1, Sub-option 1) or a loan from NMFS loan program (Element 2, Option 2, Sub-option 1). This model makes sense; it has a logical structure, and successful precedents exist in the form of Alaska's private non-profit (PNP) salmon hatchery program and Regional Seafood Development Association program.

A model that is not likely to work is one in which the State of Alaska is the entity (Element 1, Option 1, Sub-option 1) and the State purchases commercial QS through the Federal loan program (Element 2, Option 2, Sub-option 1). The proposition that the State of Alaska would participate in and compete with individual commercial halibut fishermen for Federal loans doesn't seem likely.

Through discussion of combinations of options under Element 1 and Element 2, the Council is likely to determine which models will have a reasonable chance of success and are worth pursuing, and which models have no chance of success and should be eliminated.

Fourth, the Council could eliminate the least viable options under Element 3 describing the possible revenue streams that would pay off the loan or bonds used to purchase commercial QS for the charter sector. Based on information provided by agencies at the Stakeholder meeting, it appears that all of the sub-options under a Federal framework have the least likely chance of success, and could therefore be considered for elimination. All of these sub-options require statutory change at the Federal level, which is more problematic than those at the State level. Proposals to institute surcharges on national angler licenses, or a halibut stamp at the Federal level are likely to face resistance from anglers across the country who would not benefit from it. Self-assessments will only work if they are enforced by statute, and are not voluntary, which would require Federal legislation and administration. Given that successful models already exist under State statutes for regional associations to pay down loans, it is reasonable for the Council to consider simplifying the analysis by eliminating the Federal sub-options under Element 3.

The 'common pool' and 'individual business' models are not mutually exclusive.

Suggestions that the Council must either choose a common pool model or an individual business model, and concerns that the individual business necessarily leads to a charter IFQ program as a permanent solution do not hold water on closer scrutiny. The two models are complimentary, not mutually exclusive. And the individual business model could continue to stand alone or merge with a permanent solution in the future. It is imperative for the Council to keep them both in the analysis.

In the common pool model of compensated reallocation the total amount of halibut available for harvest by the charter sector is increased through purchases of commercial QS that are added to the charter sector's common pool. However, it is still possible that management measures will be necessary to hold the charter sector to their allocation in the future given that halibut stocks change over time, and charter harvests are based on client demand that continues to grow. The individual business model simply gives charter operators the ability to maintain a 2 fish bag limit for their clients, through purchase or lease of commercial QS, in years when more restrictive management measures are necessary. In this way, it is complimentary to the common pool model of compensated reallocation, and it allows charter businesses to respond more quickly to possible changes in annual management measures.

It is also feasible to develop an individual business model that could merge with a future permanent solution based solely on a common pool model. Under this scenario, individual charter operators who purchased commercial QS to use in the charter fishery during this interim period would have the ability to sell their quota voluntarily on the open market before the implementation of a permanent solution.

Those who question whether individual charter operators would purchase commercial QS under an individual business model as well as tax themselves under a common pool model will find the answer in the willingness of families to pay for private schooling for their children in addition to the taxes they pay to fund public schools.

Compensated reallocation shall occur voluntarily between willing buyers and sellers.

We strongly urge the Council to accept the Stakeholder Committee's recommendation that compensated reallocation must occur voluntarily between willing buyers and sellers. The vote to remove the option to require a pro-rata, or forced, reallocation passed by a 6 to 4 vote, and there is very strong justification for the action.

NMFS RAM Division has reported that approximately 700,000 lbs of halibut in 2C and 1 million lbs of halibut in 3A trades hands on an annual basis. Given that the amount of halibut available for sale in each area far exceeds the needs of the charter sector to purchase up to the amount they currently harvest, there is no justification for requiring a forced re-allocation from the commercial to the charter

sector. Concerns that commercial QS holders will refuse to sell to charter operators are unfounded: commercial QS brokers can't earn a living if they don't make a sale, and the identity of buyers and sellers is never revealed until the papers are signed. In other words, market forces and the profit motive will always trump the politics between the two sectors.

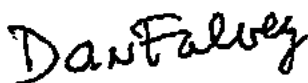
There are many other reasons why a forced reallocation would be complex, unfair and highly controversial. The ability to fairly compensate each commercial QS holder in a forced reallocation would be tremendously difficult if not impossible: it requires having accurate price information for every transaction since the inception of the program. Additionally, quota shares have been purchased using a variety of loan programs and interest rates, and the terms of these loans would have to be clearly understood before the Council could determine how to address them equitably. More importantly, QS is often pledged as collateral for business and personal loans, and a sudden reduction in the value of that collateral could force everyone to renegotiate these additional loans. This would be highly controversial and likely to be contested legally. It also raises questions about whether liens against the QS would remain attached to the QS until fully resolved. In sum, it makes no sense to consider a forced reallocation given the amount of QS available for sale each year, and the market forces that drive those sales. The Stakeholder Committee recognized this in its vote to remove the pro-rata or forced allocation option from the framework.

The Halibut Coalition also believes that in the implementation of the compensated reallocation plan, it is important for charter operators to have a vested interest in the purchase of commercial QS in the form of fees or charges paid directly by charter operators. When individuals have a direct financial interest in such a program, they are more likely to watch over the program, to be good stewards of the resource, and to fairly evaluate their impact.

In closing, the Halibut Coalition strongly encourages the Council to streamline the analysis so that it stays on track with and linked to the initial allocation analysis, to recognize that the common pool and individual business models are complimentary models that can merge with any future permanent solution, and to support the Stakeholder Committee's recommendation that all compensated reallocation should occur only between willing sellers and buyers.

Thank you for the opportunity to comment.

Sincerely,



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Dear Chair Madsen and Members of the Council,

On behalf of the Halibut Coalition's 10 member groups and over 500 individual members, we would like to submit the following comments on Agenda item C-1: **Final Action on 2C GHJL Measures**. We would also request some clarification of 2006 charter harvest numbers in Area 3A.

Area 2C GHJL measures

As you are aware, the Halibut Coalition has committed many years of work and resources to resolving the halibut charter management issue. The Coalition has submitted public testimony and participated in public forums at every opportunity. Since 1993, members of the Halibut Coalition have requested that the Council recommend action to stop the opened-ended reallocation of halibut from the commercial to the charter sector. It is difficult at this point to think of new language and new ways to repeat the same request. To the point: **the Coalition respectfully requests that the Council adopt effective, implementable, and enforceable management measures to constrain charter harvest to the GHJL for 2008 and "until superseded by a long-term management strategy"** (Council motion, April 2006). Because many current Council members have not been engaged with this issue through the now 14 year history of Council involvement, the Coalition would like to provide a historical perspective. It is our hope that this perspective, and the timeline included below, will compel the Council and NOAA Fisheries to at long last act decisively, effectively and unanimously to control charter harvest to the GHJL.

An historic perspective on the halibut charter GHJL

The origins of the GHJL are traced to a decision by the Council to address the growth in halibut charter harvest. In 1993, the rapid increase in that harvest caused concerns in the Council about localized depletion of the halibut resource and about the reallocation of halibut from the commercial to the charter sector. In 1995, the Council developed a

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problem statement to direct its analysis of issues associated with the charter halibut fishery. One element of that problem statement noted:

As there is currently no limit on the annual harvest of halibut by charter operations, an open-ended reallocation from the commercial fishery to the charter industry is occurring. This reallocation may increase if the projected growth of the charter industry occurs. The economic and social impact on the commercial fleet of this open-ended reallocation may be substantial

67 Fed. Reg. 3867 (Jan. 28, 2002).

In September 1997, four years after its initial concern about the expansion of the charter Fishery and the growth in charter harvest, the Council adopted GHLS in areas 2C and 3A. NOAA Fisheries described the purpose and intent of the Council in the following words:

The Council stated its intent that guided recreational harvests in excess of the GHL ... would trigger other management measures to take effect in years following attainment of the GHL. These measures would restrict the guided recreational fishery and maintain harvests within the GHL allocation.

68 Fed. Reg. 47256, 47257 (August 8, 2003).

Clearly the Council intended, and NOAA Fisheries understood, that the GHL was intended to be an upper bound on charter harvest. Management measures would be adopted to prevent that harvest level from being exceeded. However, because the Council did not propose specific management measures in 1997 to accompany the GHL, NOAA Fisheries refused to consider the Council's GHL recommendation.

In response to NOAA Fisheries' refusal to consider the GHL, the Council in February 2000 adopted a redefined GHL, this time establishing a suite of harvest restrictions that would be triggered if the GHL was exceeded. According to NOAA Fisheries, the purpose of the GHL and the framework management measures was to constrain the charter harvest within the GHL. *Id.* at 47258.

However, NOAA Fisheries objected to the proposed management measures because they were part of a framework management plan. Leaving aside for the moment whether NOAA Fisheries' position on framework management plans is legally defensible, the facts are that the Council viewed the GHL as an allocation to be enforced by appropriate management measures. Ultimately, NOAA Fisheries approved the GHL in a final rule but refused to approve the framework management measures. That an enforcing mechanism was not included in the GHL at the time it was established does not mean that the GHL was not established as an allocation. In fact, the preamble to the final rule promulgating

the GHL states unequivocally: “[t]he GHLs are established as a total maximum poundage ...” to be harvested by the charter fishery. *Id.*

NOAA Fisheries also indicated that the Council fully intended that management measures to maintain the GHL would be established. NOAA Fisheries summarized the Council’s intent as follows:

The Council stated its intent that GHLs would not close the fishery [in season], but would instead trigger other management measures in years following attainment of the GHL. *Id.* at 47259.

That the Council intended the GHL to be a maximum harvest amount which would be maintained by management measures is a fact to which NOAA Fisheries also commits in the 2007 Proposed Rule currently under review. Therein, NOAA Fisheries traces the history of the GHL noting that in 1997 the Council stated its intent that “[i]f a GHL was exceeded, other management measures would take effect in years following attainment of the GHL.” 72 Fed. Reg. at 17073. NOAA Fisheries recognizes that “GHLs were not designed to increase above their maximum amounts.” *Id.* Finally, NOAA Fisheries states: “it is the Council’s policy that the charter vessel fisheries should not exceed the GHLs ...” *Id.*

As the Council is well aware, when the GHL is exceeded, that excess results in a reallocation of halibut from the commercial to the charter sector. In the past three years, that excess has been substantial and increasing in Area 2C, imposing significant costs on the commercial halibut sector and exacerbating recognized problems of localized depletion. In short, failure to manage to the GHL has resulted in a reallocation in violation of the Council’s policy and intent in establishing the GHL, a GHL approved by the Secretary and codified in Federal regulation.

As recently as April, 2006, the Council recommitted to managing the charter halibut harvest to the GHLs established in the Federal Register. The Problem Statement for the action currently before the Council calls on the Council to: “[design] management measures to maintain stability and prevent the GS sector from exceeding the GHL...” Again, in the absence of new words with which to make the request, the Halibut Coalition requests that the Council do just that: adopt effective management measures to constrain charter harvest to the GHL. Fourteen years seems long enough.

Selecting a management package

The Halibut Coalition has always maintained that once the open ended reallocation was addressed, management choices should be guided by the halibut charter industry. In other words, Coalition members will support any suite of management measures provided that suite is conclusively calculated to constrain harvest to the GHL, is implementable and enforceable, and does not result in unaccounted mortality of either halibut or bycatch species.

That said, a review of the management alternatives assessed in the EA/RIR/IRFA currently before the Council clarifies that an effective suite must include either the one fish bag limit or annual limits. No other alternative or combination of alternatives achieves the necessary harvest reductions. Both alternatives have been recommended for implementation in the halibut charter fishery during the past two years: the one fish bag limit by the IPHC and the annual limit by the Council. The one fish bag limit was not implemented as a result of political objections regarding process and international precedence; the annual limit because of data confidentiality restrictions and "excessive" enforcement costs (as defined by NOAA Fisheries). The Coalition believes all objections to be unfounded or correctable. To this end, Coalition members request that the Council address past failed efforts at implementation to ensure that measures selected at the June meeting will in fact be effectively and immediately implemented. In other words, the Coalition respectfully demands that NOAA Fisheries be forthcoming with any objections or concerns prior to final action that might have bearing on effective implementation of the proposed alternatives and Council recommendations.

Management measures to achieve a reduced 2C GHL

At the March Council meeting, the Coalition requested that the Council identify in June two suites of management alternatives, one that would accomplish harvest reductions to the existing GHL and one that would accomplish harvest reductions to a 15% reduced GHL. The Coalition made this request in recognition of the potential for reductions in the 2C constant exploitation yield (CEY) to trigger a 15% reduction in the charter GHL. The Coalition appreciates the Council's support for this addition to the analysis, and wishes to recognize the outstanding efforts of staff to include appropriate alternatives in the analysis. Because the 2C CEY will not be established until January 2008, Coalition members strongly urge the Council to identify for publication in the Proposed Rule the two suites of management alternatives. Comments can then be solicited on both regimes, allowing NOAA Fisheries to proceed with a final rule after the IPHC establishes the 2C CEY in January 2008. Failure to include the two regimes could result in the Council's recommended harvest control measures being completely inadequate to constrain charter harvest to the lowered GHL or unacceptably delayed while the Council and NMFS scramble to re-evaluate.

Annual pre-season adjustments

Before leaving the issue of appropriate management alternatives, the Coalition would like to question, once again, NOAA Fisheries past position that annual pre-season adjustments to charter harvest control measures are not possible, and to urge the Council to adopt at this meeting scaleable measures that lend themselves to annual pre-season adjustment. The current crisis in 2C could have been avoided had NOAA Fisheries helped the Council identify a mechanism for responsive, timely management instead of creating regulatory roadblocks. For example, the percent reduction associated with the annual limit in 2C ranges from 1.4 to 16.4. NOAA Fisheries and the Council should be able to adjust the annual limit, or companion measures identified by the Council at this meeting, on an annual basis as appropriate to constrain or liberalize charter harvest to achieve the GHL. To remind the Council: NOAA Fisheries currently adjusts directed fishing standards in the commercial fisheries both pre-season and in-season without prior

notice and comment in an effort to manage fisheries to annual quotas. While the Coalition recognizes the Council's commitment to avoid in-season management of the charter industry, we would point out that charter operations in the lower 48 have adjusted to annual pre-season management announcements. Seemingly the same could be accomplished, with or without using the "F" word (frame working), in Alaska. The Coalition requests that NOAA Fisheries actively pursue resolution of this issue and identify at this meeting the necessary mechanism to accomplish such responsive management.

Area 3A GHL measures

The Coalition recognizes that consideration of 3A halibut charter management measures is not on the Council's agenda for this meeting. That said, the Coalition considers it essential that ADFG provide, in writing and through presentation, an explanation to the Council of the metric being used to estimate the charter harvest as well as the metric being used to estimate the effectiveness of management measures to prohibit retention by skipper and crew in 2007. An unequivocal answer to the question regarding the magnitude of the 3A over is need—was the 2006 charter harvest in 3A 8% over the GHL or 21% over the GHL? The Coalition understands that the official method for estimating the charter harvest is based on the SWHS, which may not capture all skipper and crew harvest, while the estimated effect of non-retention by skipper and crew is based on logbook data, which does capture all skipper and crew harvest. Therefore, using logbook estimates of skipper and crew harvest would appear to overestimate the actual effect of this management measure *as estimated by the SWHS, the official method of estimating the charter harvest*. We question the appropriateness of claiming unequivocally, as reported in the Federal Register, Vol. 72, No. 49, that the effect of non-retention by skipper and crew on the charter harvest will be a 7.7 to 10.6% reduction. How much less might it actually be as estimated in the SWHS? How will skipper and crew fish be accounted for in 2007 and beyond? While ADFG has provided partial explanations, the Coalition believes a clarifying presentation, on the record, is essential to equitable and effective progress on halibut charter management in 3A.


Summary

In closing, the Halibut Coalition urges all Council members to read through the extensive timeline below. The Coalition hopes that by reading the timeline Council members will understand the profound frustration felt by halibut quota share holders. For fourteen years commercial halibut fishermen have asked that the Council stop the open ended reallocation of quota from the commercial to the charter sector. The Council has repeatedly committed to doing that by establishing the GHLs and by recommending management measures to constrain charter harvest to the GHL. To date, no effective measures have been implemented and the long-term strategy recommended by a previous Council was rescinded. Once again, at this meeting we are making the same request: **adopt management measures that constrain charter harvest to the GHL until a long-term management strategy is implemented.** Hopefully the timeline will allow you to appreciate the degree to which the failure to resolve this issue has destabilized the halibut industry, undermined the public's confidence in this Council's process, and pitted neighbor against neighbor in Alaska's coastal communities.

The Coalition also requests that the Council include two suites of management measures in the Proposed Rule, one which achieves the existing GHL of 1.4 million pounds and one that achieves the reduced GHL of 1.2 million pounds, in the likely situation that the 2C CEY drops by 15% from the established baseline. Finally, the Coalition request that the Council identify scaleable management measures that can be annually adjusted pre-season as needed to constrain or liberate charter harvest to the GHL, and that NOAA Fisheries commits to resolving existing roadblocks. Definitive action to stop the open ended reallocation is clearly long overdue.

Thank you for your time and attention.

Sincerely,



Catherine Crawford, Cordova District Fishermen United



Jeff Stephan, United Fishermen's Marketing Association



Robert Alverson, General Manager, Fishing Vessel Owners Association



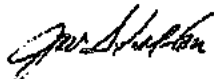
Linda Behnken, Alaska Longline Fishermen's Association



Roland Maw, United Cook Inlet Drift Association



Rhonda Hubbard, Kruzof Fisheries, LLC



Jev Shelton, United Southeast Alaska Gillnetters

Dale Yellmy

Alaska Trollers Association

Peggy Parker

Peggy Parker, Executive Director, Halibut Association of North America

Copy:

Mrs. Sarah Palin, Governor, State of Alaska

Senator Ted Stevens, U.S. Senate

Senator Lisa Murkowski, U.S. Senate

Congressman Don Young, U.S. House of Representatives

Denby Lloyd, Commissioner, Alaska Department of Fish and Game

Dr Bruce Leaman, Executive Director, International Pacific Halibut Commission

Robert D. Mecum, Acting Regional Administrator, NMFS Alaska

Enclosure: Halibut Charter Timeline

HALIBUT CHARTER TIMELINE: A brief history of failed management

Since 1993, the Council has been concerned about the unchecked growth of the charter halibut fishery. In particular, the Council's concerns have been directed toward local depletion of halibut in waters near population centers and the open-ended reallocation of the resource from the commercial to the charter sector. The Council has taken a host of actions to address these issues, most of which NOAA Fisheries undermined, reversed, or never implemented. To be accurate, other regulatory agencies have shared in undermining management of the halibut charter sector, but none with the same determined consistency as NOAA Fisheries. The timeline below documents the history of failed management. In:

- ✓ 1993, the Council established a Working Group, comprised of representatives of various sectors, to help define the problem and to propose possible management measures. The Council also recommended a "control date" of September 23, 1993 (which was not implemented by NOAA Fisheries);
- ✓ 1995, the Council accomplished a preliminary review of possible management measures;
- ✓ 1997, the Council proposed another "control date" of April 1997 for new entrants into the charter fishery (the control date was again not implemented by NOAA Fisheries);
- ✓ 1997, the Council recommended establishing a GHL for the charter sector, based on a percentage of commercial/charters harvests (which was also not implemented by NOAA Fisheries because it lacked management measures to limit catch);
- ✓ 1997, (as required by NOAA Fisheries) the Council began to develop specific harvest restriction measures to be triggered if the charter sector harvests exceeded the GHL;
- ✓ 1998, the Council recommended a third "control date" of June 24, 1998 (again not implemented by NOAA Fisheries);
- ✓ 2000, the Council approved a second GHL program, including measures to restrict harvest if the harvest exceeded the GHL levels;
- ✓ 2000, the Council directed "fast track" development of other options to effectively address the problem, including a moratorium on new entrants to the charter sector and an IFQ system;
- ✓ 2001, in April, after considerable discussion and public input, the Council approved an IFQ option (choosing not to implement a moratorium). The action was approved on reconsideration in October. The IFQ option, which was supported by most charter operators and by the commercial fleet, allocated 125% of the average estimated charter harvest (between 1995 and 1999) to the charter sector and, with appropriate checks and balances, allowed the quota to be transferred across sectors;
- ✓ 2002, ADFG indicated concern with accuracy of logbook data, and discontinued its use;
- ✓ 2003, the Council reviewed the adequacy of logbook data for initial issuance decisions, reviewed an ADFG report, and accepted the Scientific and Statistical Committee's determination that the data were adequate to determine initial

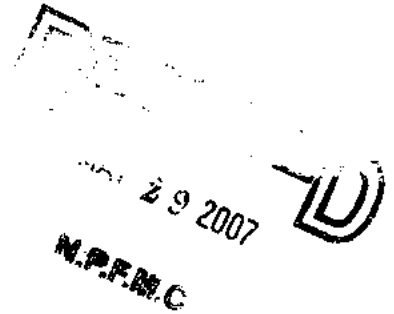
- issuance under the IFQ option; the Council then submitted its analysis to NOAA Fisheries;
- ✓ 2003, NOAA Fisheries contracted for recommendations on a new reporting system for the charter sector (including new logbooks); the resulting recommendation was an electronic system that allowed for real-time reporting;
 - ✓ 2003 (Aug 8), NOAA Fisheries approved (published) the second GHL levels, but rejected the harvest restriction measures meant to accompany them;
 - ✓ 2004, NOAA Fisheries began development of a proposed rule to implement the IFQ option;
 - ✓ 2005(Aug), the NOAA Fisheries Alaska Region submitted the proposed IFQ rule to NOAA Fisheries for review and publication as a Proposed Rule;
 - ✓ 2005 (Dec), prompted by NOAA Fisheries Assistant Administrator Bill Hogarth, the Council voted to rescind its recommendation of an IFQ system, opting instead to commit to the development of two long term alternatives for the management of the charter fishery. Council recommended a fourth control date of December 9, 2005;
 - ✓ 2006, ADFG re-imposed the logbook requirement for halibut charter operators;
 - ✓ 2006 (Apr), after being notified in October of 2005 that the charter fleet had exceeded the GHL for area 2C in 2004, the Council approved a five fish annual limit for charter anglers in the area;
 - ✓ 2006 (Dec), NOAA Fisheries failed to enact the annual limit approved by the Council and requested the Council rescind the limit;
 - ✓ 2007 (Jan), noting that the charter halibut harvest had caused CEY levels to be exceeded and that the Council could not act to constrain charter harvest to the GHL in 2007, the IPHC voted to lower the daily bag limit for charter fishermen during certain periods of time;
 - ✓ 2007, the Secretaries of State and Commerce opted not to implement the reduced bag limit; and,
 - ✓ 2007, while the Council continued to work on the halibut charter moratorium, NOAA Fisheries drafted and published the 2007 Proposed Rule to reduce charter harvest by an estimated 21-30%, still allowing charter harvest to exceed the GHL;
 - ✓ 2007 (March), the Council approved for public review a suite of measures that could control charter harvest to the GHL until superseded by a long-term management strategy—a commitment repeatedly made by the Council to the halibut industry and reaffirmed as recently as April, 2006.
 - ✓ 2007 (June) Council will consider final action on 2C halibut charter management measures.

These attempts to address a specific and growing concern represent a tremendous expenditure of time, resources, and energy on the part of the public. In spite of many creative and thoughtful approaches by the public and the Council (i.e., the IFQ approach to limiting access and the “frame worked” measures to constrain harvest to the GHL), the Council and NOAA Fisheries have failed to implement effective management measures. The existing 2C halibut management crisis could and should have been avoided. Without question, effective charter harvest controls are long overdue.

ALASKA LONGLINE FISHERMEN'S ASSOCIATION
403 Lincoln Street, Ste. 237 Sitka, AK 99835
Phone: (907) 747-3400; Fax: (907) 747-3462
alfafish@ptialaska.net

May 28, 2007

Chair, Stephanie Madsen
NPFMC
605 West 4th Street, Ste 307
Anchorage, AK 99501



Agenda item C-1 Halibut Charter Management

Dear Members of the Council,

On behalf of the Alaska Longline Fishermen's Association (ALFA), I would like to submit the following comments on agenda items C-1: final action on 2C GHIL measures and further action on compensated reallocation mechanisms.

2C GHIL Measures:

ALFA's request relative to this issue has been unchanged for 14 years: we urge the Council to take effective, implementable, and enforceable action to stop the open-ended reallocation of halibut from the commercial to the charter sector. The resource is limited; harvesters must respect those limits and remain within allocations. This was the Council's intent when the GHIL was established in 2003:

The Council stated its intent that guided recreational harvests in excess of the GHIL ... would trigger other management measures to take effect in years following attainment of the GHIL. These measures would restrict the guided recreational fishery and maintain harvests within the GHIL allocation.

68 Fed. Reg. 47256, 47257 (August 8, 2003).

In April, 2006 the Council re-committed to managing the charter sector to the GHIL until replaced by a long term management strategy.

"In the meantime, the Council commits to using a combination of Federal and State authority to manage each sector, charter and commercial, to the allocations established by the GHIL published in the Federal Register until superseded by the Council's long-term guided sport halibut sector plan."

ALFA requests that the Council now live up to these commitments by implementing management measures that effectively constrain 2C halibut charter harvest to the GHL by 2008.

ALFA members recognize that the Council has, on a number of occasions stretching back to 1998, recommended management measures to constrain charter harvest to the GHL. We are aware that those Council actions have repeatedly been undermined by the actions or inactions of NOAA Fisheries. Nevertheless, the Council's inability to resolve this long festering issue and the Council's decision to rescind the halibut charter IFQ program has created a crisis in Alaska's coastal communities. This crisis is undermining the Council's reputation for effective management. I would call your attention to the timeline submitted to you by the Halibut Coalition, and urge that you read that timeline carefully, considering the impact such a history would have on any business in which you might be involved. Please also consider the impact such apparent ineffectiveness is having on commercial fishermen and on small Alaska coastal communities dependent on the halibut resource. Frustration runs high; confidence in the Council's public process is at an all time low.

As you face the decision of managing the halibut charter fleet to the GHL and move ahead with mechanisms for compensated reallocation, I would urge Council members to review the 2C commercial fishing industry profile. Below is a brief outline; more information is available from the Restricted Access Management Division's Reports to the Fleet and from the recently released McDowell study: Economic Impact of the Commercial Halibut Fisheries in Areas 2C and 3A (April 2007). Understanding this profile will inform your decision regarding impacts and relative value of the commercial and charter fisheries.

Profile of 2C commercial halibut industry

Approximately 445 people, or 33% of the existing 2C quota share holders, are new entrants to the IFQ fishery; in other words, one third of the current 2C quota share holders are deckhands who have apprenticed, worked hard, saved and taken on both debt and risk to purchase quota. Close to 60% of the quota share holders in 2C have purchased some or all of the quota they currently fish. Many quota share holders have outstanding debt on their shares; many have mortgaged homes or vessels to make the necessary investments. Deckhands made these investments with the expectation that the halibut resource was healthy, well-managed, and a worthy long-term investment. Most also had the understanding that the Council had acted decisively to resolve commercial/charter allocation issues, and that any future growth in charter harvest would not come at their expense.

With few exceptions, these fishermen live in the coastal communities of Southeast Alaska. In fact, residents of Southeast communities own 74% of the Area 2C quota; another 9% of the quota is held by other Alaska residents. The Southeast fishermen operate small, diversified, and efficient fishing businesses, buffering poor salmon seasons with strong halibut prices, or vice versa. To illustrate: of all individuals or corporations holding quota share in Areas 2C and 3A, 67% own less than 10,000 pounds and 50%

hold less than 5,000 pounds. In short, the commercial halibut industry is comprised of small, coastal community-based businesses and fishing families who live in and deliver their harvest to the local communities. Halibut fishing is an essential component of the diversified fishing businesses characteristic of the area.

Commercial halibut fishing is also a corner-stone of the Southeast economy and culture. According to McDowell (2007), essentially every community in Southeast Alaska is linked to the commercial fishing industry, with employment from halibut buying and processing existing throughout the region. More than 90% of the halibut harvested in 2C and 3A is delivered to Southeast or Southcentral ports. The ex-vessel value of these deliveries in 2006 was \$83 million. The halibut-related processing employment in Sitka alone was estimated to generate just under \$500,000 in labor income in 2006. Raw fish tax from the halibut fishery is a critical contribution to coastal economies. In sum, commercial halibut fishing supports families, communities, a way of life, and a coastal tradition.

The Council's inability to effectively stop the open-ended reallocation between the commercial and the charter fleet threatens this coastal tradition and coastal economies. While charter fishing also contributes to coastal economies, that contribution is currently coming at the expense of established family businesses. **Charter halibut harvest has surpassed sustainable levels, as is evidenced by charter accounts of ever-longer runs to find productive grounds and complaints from resident non-guided sport and subsistence fishermen regarding localized depletion.** Clearly decisive action to reduce charter harvest to the GHL is necessary and long overdue.

Commercial vs. charter fishery: an economic comparison

Charter operators often assert that the recreational halibut fishery is more valuable than the commercial halibut fishery, but can not produce figures to back up this claim. In actuality, the ex-vessel value per pound of commercially harvested halibut is roughly equivalent to the retail value of a charter to harvest similar poundage. Both costs approximate the public's willingness to pay for that halibut hence provide a reasonable comparison. Expenses incurred in the charter fishery to provide clients with access to halibut, particularly the fuel cost of running hours to and from the grounds, create significant inefficiencies and, in the case of energy consumption, notable environmental impacts. **Charter representatives at the March Council meeting supported this conclusion by repeatedly stating on the record that it makes more sense economically to fish quota commercially than from a charter vessel.** In sum, from an economic standpoint, it is likely that harvest in the commercial fishery is a better use of halibut. Until more conclusive studies are conducted, any unsupported assertions to the contrary should be ignored.

Selecting appropriate harvest control measures

ALFA has long maintained that the charter operators should identify the most workable management strategy to control their industry's harvest to the GHL. Provided these measures can be predicted to effectively constrain harvest, do not result in unaccounted mortalities of catch or bycatch, and can be appropriately enforced, the commercial

industry will defer to the charter industry on specifics. Hopefully the charter industry will provide the Council with direction within this framework.

That said, ALFA is becoming increasingly concerned that both the Council and NOAA Fisheries are placing undue importance on the "support" of the charter industry for specific management measures. ALFA would like to remind the Council that some segment of the charter industry has objected to every proposed management action, including the moratorium that the Council just adopted. The degree to which regulated businesses welcome restrictions should not be the defining standard for evaluation of management alternatives. The Council's problem statement for this action speaks to: "addressing the open-ended reallocation" and "designing management measures to maintain stability and prevent the guided sport sector from exceeding the GHL during this interim period"—those are the standards by which management measures should be judged. Very few resource harvesters who have enjoyed unregulated growth can be expected to welcome constraints; clearly the charter industry is no exception.

ALFA urges the Council to adopt conservation-based management measures that effectively address the open ended reallocation. The analysis indicates that an effective package will include either a one fish bag limit or annual limits. Other constraints appear to be problematic (trips/day), or to impose unacceptable conservation costs (trophy fish /reverse slot limit). Bag limits have been used in multiple fisheries around the Nation with predictably effective results. If the Council chooses to move ahead with a less predictably effective option, ALFA requests that the Council be prepared to take corrective action as indicated by harvest trends.

Identifying management measures to achieve both the GHL and a reduced GHL

As the Council is now aware, the 2C constant exploitation yield (CEY) has dropped sufficiently from the established baseline to potentially trigger a 15% reduction in the 2C GHL in 2008. Because the 2C CEY will not be established until January 2008, ALFA members strongly urge the Council to identify for publication in the Proposed Rule the two suites of management alternatives necessary to constrain charter harvest to: 1) the existing GHL (1.4 million pounds); and, 2) a reduced GHL (1.2 million pounds). A scaleable measure, such as annual limits, will allow one measure "scaled" to the two management goals to be identified (i.e., 5 fish at the 1.4 million pound GHL and 4 fish at the 1.2 million pound GHL), and should allow annual, pre-season adjustments as indicated by post-season accounting. Comments can then be solicited on both regimes, allowing NMFS to proceed with a final rule after the IPHC establishes the 2C CEY in January 2008. Failure to include the two regimes could result in the Council's recommended harvest control measures being completely inadequate to constrain charter harvest to the lowered GHL or unacceptably delayed while the Council and NMFS scramble to re-evaluate. Given that the Council has been unable to prevent the annual GHL overages since 2004, further delays can not be risked or justified.

3A GHL Measures

ALFA urges the Council to move ahead with appropriate and effective harvest control measures in area 3A as quickly as possible. While recognizing that 3A GHL issues are

not on the agenda for this meeting, ALFA requests that the Council task ADFG with preparing a report clarifying data accounting procedures in 3A, particularly as that accounting pertains to skipper and crew fish. While partial answers have been provided, effective and expedient action depends on all parties clearly understanding the data and how the data are being used. A written report, presented and explained on the record, would dispel existing confusion and set a clear path for future decisions.

Mechanisms for Compensated Reallocation

ALFA supports the Council in moving ahead with mechanisms for compensated reallocation. Clearly the starting point for that reallocation should be the GHL, which was established in 2001 as the upper bound on uncompensated growth. At that time, the Council allocated to the charter fleet its historic average harvest plus a 25% buffer for additional growth, intending that a long-term management strategy (IFQs) would be in place by the time the GHL was reached. This Council rescinded the IFQ program, and is still working to recreate the long-term management strategy that both addresses the open-ended reallocation between the charter and the commercial fleet and localized depletion that is limiting access opportunities for resident non-guided sport and subsistence fishermen. **Only by reducing charter harvest to the GHL and attaching direct costs to further growth in charter harvest will the Council address both the open ended reallocation of halibut from the commercial to the charter sector and the impacts of localized depletion on coastal residents.**

We would like to echo the comments of the Halibut Coalition regarding Council actions to streamline and define the analysis. More specifically, ALFA recommends that the Council:

1. Streamline the analysis by eliminating options that do not address the problem statement or are not legally feasible within a realistic timeframe;
2. Recognize that the 'common pool' and 'individual business' models are not mutually exclusive and that choosing both as an interim solution does not pre-determine the Council's permanent solution.
3. Eliminate the "pro-rata" approach, requiring that re-allocation only occur between willing sellers and buyers.
4. Support options that allow market forces to determine optimum allocation levels, eliminating options that create permanent revenue streams, and impose direct costs, through purchase or fees, on charter operators for harvest increases.

Streamline the analysis

ALFA maintains that some suggested options do not belong within an analysis of compensated reallocation. The federal buyback program is a prime example. While a federal buy-back program might be used to reduce capacity in the charter fleet, it will not provide a mechanism for compensated reallocation. Buy-back programs above all demand a high level of agreement within the sector, a unity that has not yet emerged in the charter sector. Buy-

backs are also time consuming and, if federally funded, expensive. Pursuing this sub-option will likely reveal more problems than possibilities and can not be expected to contribute in anyway toward establishing mechanisms for compensated reallocation. The charter fleet is free to explore support for this option within its own sector and outside the Council process. ALFA recommends the buy back option be eliminated from this analysis.

ALFA further requests that the Council quickly evaluate the legality of various identified entities to hold or administer purchase of commercial quota share, and eliminate non-viable options. In our assessment, statutory changes would be needed to allow either NOAA Fisheries or the State of Alaska to hold commercial quota shares. Such changes seem unlikely at best. The risk, uncertainty, and potential to substantially delay progress on an already explosive issue appear unjustified.

Recognize that the common pool and individual business approaches are both valid, could compliment each other, and do not pre-determine the long-term solution

Both the common pool and the individual business approach have supporters and opponents in the charter sector, further consideration of each is certainly reasonable. From the commercial perspective, the individual approach is less likely to inflate already high quota share prices or to act as a further barrier to entry. Additionally, the individual business approach could be used to supplement the common pool approach, allowing individual charter operators to supplement their business opportunities associated with the pool by purchasing commercial quota. Finally, selecting one or both as an interim strategy does not pre-determine or eliminate long-term management options. ALFA recommends both the common pool and the individual business models receive additional consideration and analysis.

Eliminate the "pro-rata" option from the analysis

Commercial halibut fishermen have made investments in the halibut quota share for multiple and diverse reasons. For many, halibut fishing is a tradition and an important part of a thoughtfully selected way of life. Others have mortgaged homes or used other collateral to purchase shares as part of careful business plan. Not only does forced sale violate the individual choices of these fishermen, but invites a host of legal issues and challenges. ALFA unequivocally recommends that this option be eliminated from the analysis.

Support options that allow market forces to optimize allocations and individual charter operators to invest in harvest increases

The public accesses the halibut resource through both the charter fleet and the commercial fleet—the one brings the people to the fish and the other the fish to the people. Subsidizing reallocation in one direction through a permanent revenue stream does not allow the market forces of supply and demand to optimize public access. Pre-determining the direction of reallocation also ignores the efficiency issues discussed under the GHL comments above, as well as the impacts to coastal communities that have a long tradition and dependence on the commercial halibut fishery. ALFA opposes options that create a permanent revenue stream to fund reallocation and suggests they be eliminated from the analysis.

ALFA also maintains that fishermen who have a greater impact on the resource, whether those fishermen are longliners or charter operators, should pay more for management and access

opportunities. Direct costs encourage responsible harvest and careful evaluation of business decisions. Attaching costs to all growth in the charter harvest above the GHL is the only action currently before the Council to off-set the impacts of compensated reallocation on local non-guided sport and subsistence fishermen, a fact that should make such direct linkage imperative.

Conclusion

In conclusion, ALFA respectfully requests that the Council take definitive action to constrain charter harvest to the GHL established by the Council in 2001. The Council's problem statement for this action speaks to: "addressing the open-ended reallocation" and "designing management measures to maintain stability and prevent the guided sport sector from exceeding the GHL during this interim period." As recently as April, 2006 the Council committed to managing the charter fleet to area GHLs "until superceded by a long-term management strategy." The public has heeded these commitments and trusts that the Council will keep them. Clearly effective, conservation-based action is long overdue.

Although action on 3A GHL management measures is not on the Council's agenda for this meeting, ALFA requests that ADFG provide an explanation, on the record, of harvest accounting in 3A, particularly accounting of skipper and crew retained halibut. ALFA also urges the Council to move ahead with appropriate restrictions in 3A as quickly as possible. Failure to do so will result in the same crisis as is currently faced by 2C fishermen and communities.

ALFA also urges the Council to move ahead with analysis of compensated reallocation mechanisms, recognizing that the bitter allocation battles before the Council and the conflict in coastal Alaska communities will not be resolved until such a mechanism is in place. The Council's problem statement for charter management identifies that the GHL is the starting point beyond which all increases in charter harvest should be compensated and that direct costs must be attached to those increases. Only this combination will ensure that the open-ended reallocation is finally ended and that the impacts to non-guided sport and subsistence fishermen are addressed.

Thank you for the opportunity to comment.

Sincerely,



Linda Behnken
(Director, ALFA)

May 25, 2007

Ms Stephanie Madsen
Chair
North Pacific Fishery Management Council
605 West 4th Ave, Ste 306
Anchorage, AK 99501

RECEIVED
MAY 29 2007
N.P.F.M.C.

Ms. Madsen, Council members,

Due to the recent passing of a family member, I will not be able to attend the forthcoming meeting scheduled for Sitka, in which I was planning to testify in regards to the proposed halibut charter restrictions. Please accept this letter in place of my personal appearance.

I have been a halibut fisher all my life, over 30 years now, and continue to do so. I own my own vessel, and longlining is my primary source of income to support my family of six. I have also been involved in the charter industry in the past, being in a partnership for 2 years, and I currently employ 2 crewmembers on my commercial vessel who both operate their own boats in the charter season. So you can see I have some first hand knowledge of both sides of this issue.

I support the idea of any kind of growth management of the charter fleet. It's in the charter fleet's own best interest as well as the commercial sector. In 1994 I harvested 130k lbs of blackcod and roughly 50k lbs of halibut. In 1995, at the inception of the IFQ program, my allotted quota was 30k blackcod and 25k halibut. This was a dramatic cut in my income level! And many friends were cut out completely. However I fully supported and still support the idea of IFQs. The program has benefited the fisheries in so many ways, that in my opinion, the gains far out weighed the pain.

The point here is that no matter what action the Council decides on someone is going to feel the pain. Nonetheless, action has to be taken to hold the charter sector to a GHL and to control the growth of this industry, to create some stability for all user groups and put to an end the debate over who gets how many, in an already fully utilized fishery, as well as eliminate the animosity this issue has created between user groups, friends, and neighbors throughout the coastal communities of Alaska. Thank you for your time and hard work.

Sincerely,

Norm Pflaen

F/V Sherrie Marie
2517 Addy-Gifford Rd
Addy, WA 99101

RECEIVED
MAY 26 2007

N.P.F.M.C.

Dear Chair Madsen and Council,

I am writing to express my concerns about 2C and 3A control measures for the charter fleet. While the economic gain is realized in charter related businesses, it comes at a direct loss to commercial, local sport and subsistence fishers. Our community cannot support the appetite that is currently being conveyed by the charter lobby. Local fisherman are being displaced by this tourism related growth and sustainability is being displaced by localized depletion.

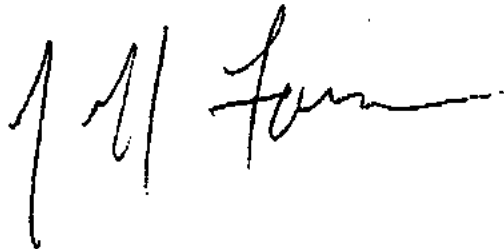
Commercial fishing for the last 17 years has given me the opportunity to invest heavily in longlining. To be penalized for staying within my limit while the charter sector is rewarded for going over theirs is less than acceptable. We need help from the Council as you have the power to provide the stability that this issue begs for. Something needs to be done now to get the charter fleet to live within their means.

Converting the current GHJ into a percentage based allocation that floats with abundance is an solid idea. A mechanism that allows a limited amount of quota to flow between sectors with a willing buyer and seller, would give the kind of flexibility that is needed. The moratorium is a good start but will not address the issue of uncompensated reallocation and localized depletion.

My recommendation for now is to provide a one fish daily bag limit in 2C and 3A and possibly the rest of the state. This would level the playing field and still allow charter operations to develop in communities where limits have not been exceeded. Localized depletion is going to be a problem everywhere and those communities should not bear that burden.

Thank you for your consideration in these matters as doing nothing is the worst that could happen.

Sincerely, Jeff Farvour Sitka, AK



North Pacific Fisheries Management Council

5-27-2007

Dear Council Chair,

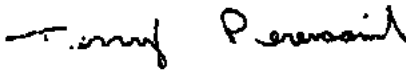
I am a halibut longliner with D-class quota for area 2C and 3A. Born and raised in S.E. Alaska, I have been fishing for more than 25 years. Most of my quota is from initial allocation but I did purchase more poundage about 3 years ago.

My concern is the growth of the guided sport halibut fleet, and the impact it has on the commercial sector. It is important to both industries that sound management practices be in place to harmonize the fishery. Keeping the charter fleet within their GHL is of utmost importance.

For solutions to long term management, I support exploring a system of buying or selling quota between sport and commercial sectors. This must be market based between willing parties and not "taken" from one group by re-allocation.

I strongly support the council process and urge you to take action on halibut issues that will stabilize the fishery and support the established fleets.

Thank you for your consideration,



Terry Perenovich
Sitka, Alaska

RECEIVED
MAY 26 2007
N.P.F.M.C.

May 29, 2007
North Pacific Fisheries Management Council
605 W 4th Avenue, Suite 306
Anchorage AK 99501-2252
Fax (907) 271-2817

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MAY 26 2007

N.P.F.M.C.

Dear Council Member,

I own and operate Kodiak Kingfisher Enterprises and have been in business since 2004; I request postponement of all charter issues until October. Our short fishing season has begun so I am not able to attend the June, 2007 council meeting. I am commenting on the compensated reallocation report (C-1a) and Area 2C GHl measures (C-1b) as they pertain to Charter Halibut Management.

I truly believe the reallocation report and final action for Area 2C GHl measures are premature, at this time. The Council has passed final action for the moratorium-this is the first step in limiting charter fishing. In October 2007, the Council will take up the topic of equitable allocation. Only after this has been determined should there be any discussion on compensated reallocation elements. I request postponement of discussion on compensated reallocation until the October meeting.

We will not have final harvest data for 2006 until the fall, 2007. Currently the Council is working with trends, and not real numbers - final action should not be based on projections. Furthermore, the Council's premature actions are encouraging the rapid expansion of bare-boat rentals and unguided sport harvests by non-residents of Alaska. Going back to C-1a, I am against the individual buy back option. I am more inclined toward an aggregate buy back option and recommend the Council research a government buy back provision.

For C-1b, Area 2C GHl Management Measures, I am for Alternative 1, No Action. There are problems with all of Alternative 2 options because of the diversity of private businesses within the guided sport industry. The risk of negatively impacting Alaska's tourism industry is profound. I am definitely strongly opposed to Option 4, which will reduce the bag limit to one fish per day. The sport angler will not tolerate a daily bag limit of one halibut. Bottom line - final action should not be taken until final numbers for 2006 are confirmed. Between the Moratorium, a raise in allocation and a method to purchase commercial halibut needed to stay within the allocation, GHl Management measures may not be necessary. Therefore, I encourage the Council to take no action because none is needed at this time. Thanks again for your attention.

Sincerely,

Heidi and August Aga, Sr.
PO Box 8633
Kodiak, AK 99615
907-481-2803

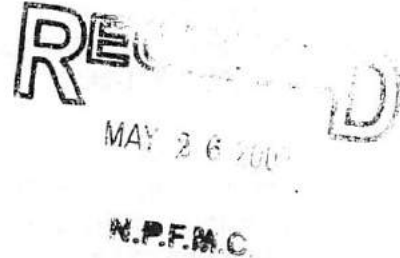
FAX 907-271-2817

Executive Director
James A. Donofrio



May 29, 2007

North Pacific Fisheries Management Council
605 W 4th Avenue, Suite 306
Anchorage AK 99501-2252
Fax (907) 271-2817



Dear Council Member:

Please accept the following comments on behalf of the Recreational Fishing Alliance (RFA) regarding the compensated reallocation report (C-1a) and Area 2C GHL measures (C-1b) as they pertain to Charter Halibut Management. I request postponement of all issues dealing with the charter sector until October.

RFA believes the reallocation report and final action for Area 2C GHL measures are premature, at this time. The Council has passed final action for the moratorium-this is the first step in limiting charter fishing. In October 2007, the Council will take up the topic of equitable allocation. Only after this has been determined should there be any discussion on compensated reallocation elements. I request postponement of discussion on compensated reallocation until the October meeting.

We will not have final harvest data for 2006 until the fall, 2007. Currently the Council is working with trends, and not real numbers – final action should not be based on projections. For C-1b, Area 2C GHL Management Measures, RFA supports Alternative 1, No Action. The risk of negatively impacting Alaska's tourism industry is profound and sport anglers will not tolerate a daily bag limit of one halibut.

The RFA encourages the Council to take no action at this time. Thank you for your attention.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim Donofrio". The signature is written over a circular stamp that contains the word "Sincerely," and the name "Jim Donofrio" printed below it.

Jim Donofrio
Executive Director

*Denny's Guide Service &
Bed and Breakfast*

PO Box 3061

Sitka, AK 99835

1-888-847-3659

Local # 747-4847

e-mail: info@sitkafishcharters.com

Web site: www.sitkafishcharters.com

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MAY 26 2007

N.P.F.M.C.

May 29, 2007

North Pacific Fisheries Management Council
605 W 4th Avenue, Suite 306
Anchorage AK 99501-2252
Fax (907) 271-2817

Dear Council Member,

Thank you for coming to Sitka. We regret being unavailable for oral testimony next week, but during the summer, we have daily reservations for sport fishing charters and our Bed and Breakfast. My wife and I own and operate Denny's Guide Service and Bed and Breakfast. We have been in business since 1995.

We are commenting on the compensated reallocation report (C-1a) and Area 2C GHM measures (C-1b) as they pertain to Charter Halibut Management.

We truly believe the reallocation report and final action for Area 2C GHM measures are premature, at this time. The Council has correctly moved to put a moratorium in place. In October 2007, the Council will take up the topic of equitable allocation. Only after this has been determined do I see a need to discuss compensated reallocation elements. Postponing the decision would also allow more people in the charter industry to participate in decision which will have a profound affect on our livelihoods.

Another important reason to postpone these topics is because by October 2007, the Council will have final harvest data from 2006, to work with. Currently the Council is working with trends, and not real numbers. Furthermore, the Council's premature actions are encouraging the rapid expansion of bare-boat rentals and unguided sport harvests by non-residents of Alaska.

Going back to C-1a, we are against the individual buy back option. We are more inclined toward an aggregate buy back option and recommend the Council research a government buy back provision.

For C-1b, Area 2C GHL Management Measures, We are for Alternative 1, No Action. There are problems with all of Alternative 2 options because of the diversity of private businesses within the guided sport industry. The risk of negatively impacting Alaska's tourism industry is profound. We are definitely and strongly opposed to Option 4, which will reduce the bag limit to one fish per day. The sport angler will not tolerate a daily bag limit of one halibut.

Therefore, I encourage the Council to take no action because none is needed at this time. Thanks again for your attention.

Sincerely,

Dennis and Rene Cook
Denny's Guide Service and Bed and Breakfast

Angling Unlimited

May 29, 2007

Sitka Fishing Adventures

Ms. Stephanie Madsen, Chair
North Pacific Fisheries Management Council
605 West 4th, Suite 306
Anchorage, Ak. 99501-2252

RECEIVED

MAY 26 2007

Re: Halibut Charter Issues/GHL Measures

N.P.F.M.C.

Dear Madame Chair,

My name is Tom Ohaus and I own/operate Angling Unlimited, a sportfishing lodge and charter business in Sitka.

First, it is my hope that future Councils will respect the long standing tradition of keeping sport charter issues off the agenda in the June meeting. We have a short season in which to make a living and taking a week off in the middle of that season isn't something most operators cannot afford.

Charter fishing represents a \$31 million per year contribution to the Sitka economy (MacDowell report January 2005). We encourage the council to consider this level of economic contribution prior to acting on GHL measures or compensated allocation at this meeting.

We encourage the NPFMC to withhold final action on Area 2C GHL measures until October when the 2006 catch numbers are finalized. Currently, the NPFMC is either using numbers derived from a linear trend projection based on five years previous to 2006 or a first year logbook program that hasn't been ground truthed. The creel survey data for 2006 indicated a drop in harvest in the three main ports of Southeast Alaska (Area 2c) - Ketchikan, Juneau, and Sitka. Making final decisions on GHL measures for 2008 without the benefits of 2006 final numbers, let alone 2007, will not generate the desired result for the resource or the tourism economy.

It appears likely that NMFS will enact GHL measures for 2007 that will generate added data by October 2007, including far more accurate numbers on the average size of guided sport halibut - another key factor in determining catch. For these reasons, I support Alternative 1 under the GHL measures - No Action. Let's wait until October when we'll have consistent data on 2006, preliminary data on 2007, results of the NMFS GHL measures, and higher levels of public participation.

Please be aware that Alternative 4 - one halibut daily limit - is a tourism and local economy killer. I know this from extensive polling of our customers.

Regarding the compensated reallocation report, we feel key ingredients are missing for this June meeting. In October 2007, the NPFMC will take up the topic of equitable allocation. Only after this has been determined should buy back provisions be discussed. The Council should analyze a government buy back provision as an alternative in compensated reallocation.

800-297-3380

For the long term solution, I support moratorium, fair and equitable allocation, and then some form of compensated reallocation – in that order.

I've attended many NPFMC meetings and I'm aware of the Council's sense of urgency to act on our issues. Still, given the gains we'll see in consistent catch data and public participation, it is my hope that these decisions that will weigh heavily on charter businesses and local economies can be finalized in October.

Thank you for your consideration,

A handwritten signature in black ink that reads "Tom Ohaus". The signature is written in a cursive style with a horizontal line above the first few letters.

Tom Ohaus, Owner/Operator
Angling Unlimited
Sitka, AK

Ms. Stephanie Madsen, Chair
North Pacific Fisheries Management Council
907-271-2817
May 29, 2007

RECEIVED
MAY 29 2007
N.P.F.M.C.

Re: Agenda Item C-1 Halibut Charter Management

Dear Madame Chair,

I strongly disagree with the cover sheet of the Draft for Public Review of the RIR regarding the GHL measures for 2C. It states that none of the proposed actions are expected to have the potential to result in a "significant action" as defined in Executive Order 12866 or result in adverse impacts on directly regulated small entities, as defined in the Regulatory Flexibility Act." Certainly, as charters in both 2C and 3A are regulated, their ability to taxi the recreational fisherman to the fishing grounds is decreased, thus "adversely affecting in a material way the economy, a sector of the economy, productivity, competition, jobs, local governments or communities."

Ladies and gentlemen, the analyses put forth by Council staff concerning the potential GHL discussions are woefully inadequate with respect to any reasonable socioeconomic data. The analysis in the RIR review is clearly weighted to "enlighten" the reader to the economic loss to the longline sector based on an ownership right, which does not lawfully exist. At the same time, it minimizes the potential economic impacts to other sectors and claims that the purpose of these Council actions is to stabilize the charter sector. I object strongly to the implications that any of these Council actions are for the benefit of the charter operator, or for that matter, anything other than protecting the IFQ shareholders. The analyses do not illustrate the need for Council action from a biological, ecological, conservation, or management perspective. They only exemplify the "need" from longline sector's financial perspective.

The analyses are "unable" to present any data with regard to economic impacts on the state, the charter operator, or the communities that will be affected by reductions in potential future growth. However, they do fully illustrate the losses to the IFQ shareholders based on a ten-year projection of potential charter halibut harvest. According to (Table 8 p. 32, 03/09/07 EA/RIR/IRFA): Depending on the growth rate used for charter catches, the change in commercial revenue could range from \$11.5 to \$29.2 million over the 10-year period of 2007 to 2016 in Area 2C. In Area 3A the change in revenue is projected to be \$15.6 to \$34.3 million over the same time period.

An adequate analysis should contain a comparable calculation of, at least, the direct loss of revenue to the charter operator, the loss of license fees to the State (the people) of Alaska, and the loss of taxable revenue (directly from charter fees), as a result of restricting the potential growth of the halibut charter sector. Given the fact that this information has been omitted from the analyses, I have taken the liberty to generate this data (based on the Table 8 projections) for your consideration. The spreadsheet is attached with a summary total (also shown below) of projected losses on the last page.

The summary illustrates the range of unique and cumulative economic losses to various entities if the future growth potential of the halibut charter fleet is reduced due to Council adherence with the arbitrary and capricious GHL. For example; for the ten year

- 2 - BONDIOLI

period of 2007 to 2016, the estimated losses of license fee revenue to the State of Alaska ranges from \$3.9 million to \$9.9 million in area 2C and from \$5.5 million to \$12 million in area 3A. Over this same time period, the estimated losses to the charter operator as a direct result of reduced harvest potential, range from \$22.4 million to \$56.9 million in area 2C and in area 3A ranges from \$31.2 million to \$68.6 million. This worksheet clearly illustrates that the cumulative losses to the State of Alaska, the charter operator, and the communities that depend (directly/indirectly) on a robust competitive charter fleet can range to over \$1.1 Billion.

Relative Economic Impacts:
(based on Table 8 p.32, 03/09/07 EA/RIR/IRFA)

Summary of total range of losses: Commercial IFQ Vs. State, Charter operator, taxes, and communities						
	AREA 2C			AREA 3A		
	Slower growth	Medium growth	Faster growth	Slower growth	Medium growth	Faster growth
Estimates of the ex-vessel revenue reductions in the commercial IFQ fisheries						
Total	\$ 11,528,894	\$ 16,374,371	\$ 29,240,986	\$ 15,607,075	\$ 20,436,469	\$ 34,329,900
AS COMPARED TO						
Estimated losses of license revenue to State at \$36 per license						
Total	\$3,926,723	\$5,578,528	\$9,984,506	\$5,456,147	\$7,144,433	\$12,001,543
Estimated direct losses of revenue to charter businesses due to restricted future growth (\$200/allow)						
Total	\$22,416,848	\$31,883,290	\$56,940,637	\$31,177,621	\$40,825,617	\$68,586,247
Estimated losses of taxable revenue associated directly with halibut charter fees (avg. 6%)						
Total	\$1,346,991	\$1,915,117	\$3,416,462	\$1,870,676	\$2,449,537	\$4,114,676
Cumulative losses to the State, the Charter operator, and the taxable revenue associated directly with the reduction in charter harvest potential						
Total	\$27,726,569	\$39,378,336	\$70,320,646	\$38,504,607	\$50,419,637	\$84,696,606
Cumulative losses to the State, the Charter operator, the taxable revenue, and losses to the communities associated directly with the reduction in charter harvest potential. (Using revenue multiplier of 10)						
Total	\$252,224,016	\$356,231,235	\$639,721,316	\$350,284,622	\$458,675,610	\$770,489,074
Cumulative losses to the State, the Charter operator, the taxable revenue, and losses to the communities associated directly with the reduction in charter harvest potential. (Using McDowell Group avg. \$1700/allow)						
Total	\$371,206,168	\$527,223,272	\$941,503,512	\$516,527,924	\$675,051,582	\$1,133,674,363

Many other aspects of the analyses seem innocuous enough, yet there seems to be a prevalence of speculative conclusions similar to those listed above. However, there are a few impacts which are specifically noted.

- "...impacts on other species could be significant in local areas with large active charter fleets..."
- "Restrictions in the halibut fishery would probably also divert a significant amount of effort and harvest toward other groundfish stocks for which there are already conservation concerns."
- "Increased guided effort on these stocks would exacerbate concerns for the sustainable yield of these stocks."

The International Pacific Halibut Commission (IPHC) has repeatedly stated that the impact of the charter harvest is negligible in terms of its effect on the halibut biomass. The IPHC has also repeatedly stated that "charter overage of the GHL" in itself is NOT a biological, ecological, or conservation concern. This fact coupled with the obvious biological and conservation concerns for other species as a direct

- 3 - Bondioli

result of Council action, I question the motives of the "process" and the North Pacific Fisheries Management Council. As a biological and conservation management body practicing ecosystem management, I submit to you that true biological impacts be of primary concern in decision-making.

In conclusion, GHL restrictions should in NO WAY be used as a means to restrict the charter harvest or the guided anglers access to the public resource.

After analyzing the actual biological and conservation concerns with regard to the halibut resource and other species, and the inequity comparing the significant economic losses to the State of Ak., the charter industry and the communities dependant on charter generated revenue, to the potential economic losses to the commercial sector; it is logical to conclude that North Council adherence to the arbitrary and capricious GHL will have significant damaging impacts (biological, ecological, economically, and from a conservation standpoint) which will far outweigh the hypothetical economic loss to the longline sector.

Recently Congress reauthorized the Magnuson/Stevens Act. It is clear from this action that Congress intended the Regional Management Councils to maintain the standards of our Nation. Congress has also illustrated its intent that action by Regional Council be guided by and with adherence to the National Standards of that Act. I encourage this Council to reflect on the principals and intent of the National Standards (particularly #5), as well as, "fairness and equitability" and the "highest and best use of the resource". I respectfully request that this Council, in accordance with the principals of a conservation management body rescind the arbitrary and capricious GHL that exists. The Council must consider an allocation that allows for "reasonable and responsible" growth within the guided sector, an allocation that is based within the preview of conservation and ecosystem management, and an allocation that will not impose significant economic hardship throughout the State.

Remember: the first line of the commercial IFQ rule (and printed on their permit) it clearly states: "Individual quota shares are NOT an ownership right, they are a privilege and can be revoked, reduced, or removed at any time without cause, compensation, or public comment." The pacific Halibut resource is NOT owned by the longline sector. Allocation decisions should be made analyzing comparative and comprehensive data, and be made with respect to the Standards that dictate Regional Council actions. I implore you to manage this valuable resource within the principals you have sworn to uphold and allocate the Pacific Halibut resource in accordance with those principals.

Thank you for your time.

Sincerely,

Bryan Bondioli
Captain B's Alaskan C's Adventures
p.o. box 66
Homer Alaska 99603

- 4 - BONDIOLO

The attached worksheet is based on the projected ten-year growth of the guided recreational sector (Table 8 p.32, 03/09/2007 EA/RIR/IRFA moratorium analysis). For the purpose of calculation, the number of clients lost to the charter sector is derived from the number of pounds divided by 18 (lbs/fish) divided by 1.8 (fish/client). Estimated reduction in license fees to the State were calculated at \$35/license (3-day non-resident license fee). Charter operator losses were calculated at \$200/client). Estimated taxable revenue reduction figured at an average of 6% X lost revenue. Estimated community losses were derived in two ways: 1) Losses to the charter operator X multiplier effect of 10. (My typical client spends at least 20 X my charter fee in Alaska and its communities.) 2) Losses of fish (18lbs./fish, 1.8 fish/client) X multiplier effect described in the 2005 Sitka community survey by the McDowell Group. (The McDowell Group illustrates an average (direct/indirect) multiplier effect of \$1700 per charter caught fish)

5-28-07

To: North Pacific Fisheries Management Council

From: Mr. Keith M. Kalke

Subject: Public Testimony

RECEIVED
MAY 29 2007
N.P.F.M.C.

Dear Council

As I and many others are not able to attend the June 2007 meeting in regards to future issues involving Halibut charter issues. I would ask these issues be postponed till such time the people that are most affected by the decisions made be present. I have attended many of the north councils meetings as they pertain to the charter sector in the past but can not attend them in the peak of the season.

I also urge the council to publicly announce thye one fish rule has not been accepted. It seems many in the general public still assume this to be fact and has had very detrimental affect on bookings. This should be made clear to the general public as it was when it was introduced as a rule.

I thank you for your time and hope to continue working in the process in the future when I am able to.

Respectfully
Keith M. Kalke
Ocean Hunter Charters

May 29, 2007

North Pacific Fisheries Management Council
605 W 4th Avenue, Suite 306
Anchorage AK 99501-2252
Fax (907) 271-2817

RECEIVED
MAY 23 2007
N.P.F.M.C.

Dear Council Member,

Thank you for coming to Sitka. I regret being unavailable for oral testimony next week, but during the summer, I have daily reservations for sport fishing charters. I own and operate Baranof Wilderness Lodge and have been in business since 1987.

I am commenting on the compensated reallocation report (C-1a) and Area 2C GHL measures (C-1b) as they pertain to Charter Halibut Management.

I truly believe the reallocation report and final action for Area 2C GHL measures are premature, at this time. The Council has correctly moved to put a moratorium in place. In October 2007, the Council will take up the topic of equitable allocation. Only after this has been determined do I see a need to discuss compensated reallocation elements.

Another important reason to postpone these topics, is because by October 2007, the Council will have final harvest data from 2006, to work with. Currently the Council is working with trends, and not real numbers. Furthermore, the Council's premature actions are encouraging the rapid expansion of bare-boat rentals and unguided sport harvests by non-residents of Alaska.

Going back to C-1a, I am against the individual buy back option. I am more inclined toward an aggregate buy back option and recommend the Council research a government buy back provision.

For C-1b, Area 2C GHL Management Measures, I am for Alternative 1, No Action. There are problems with all of Alternative 2 options because of the diversity of private businesses within the guided sport industry. The risk of negatively impacting Alaska's tourism industry is profound. I am definitely strongly opposed to Option 4, which will reduce the bag limit to one fish per day. The sport angler will not tolerate a daily bag limit of one halibut.

Therefore, I encourage the Council to take no action because none is needed at this time. Thanks again for your attention.

Sincerely,

Mike & Sally Trotter
Baranof Wilderness Lodge

FAX (907) 271-2817

Ms Stephanie Madsen
Chair
North Pacific Fishery Management Council
605 West 4th Ave, Ste 306
Anchorage, AK 99501

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MAY 29 2007

N.P.F.M.C.

I am writing to urge you to adopt effective management measures to control charter harvest in Area 2C to the GHL and to ensure that these measures are implemented in time for the 2008 charter season. I would also urge you to move forward as quickly as possible with similarly effective measures in Area 3A. Commercial fishermen have asked the Council for the past 14 years to stop the open-ended reallocation of halibut from the commercial to the charter sector. Fourteen years is a long time to wait. In April 2006, the Council committed by unanimous vote to manage the halibut charter sector to the GHL until superseded by a long-term management strategy. Please keep that commitment. Each sector needs to live within its allocation until a mechanism for compensated reallocation is established.

I further request that the Council convert the GHL to a percentage-based allocation that fluctuates with abundance and implement a mechanism that allows compensated transfer between the commercial and charter sectors. The percentage must be derived from the existing GHL and all subsequent transfers must be between willing buyers and willing sellers. Finally, I oppose any permanent revenue streams to the charter sector that would subsidize charter purchase of quota share. Charter operators that want to increase their halibut harvest should pay more for that opportunity.

I have invested in the halibut quota share program and fishery with the expectation that the resource will continue to be well managed and that the Council will fairly balance the needs of all who depend on the halibut resource, from consumers through fishermen and processors. I respectfully request that the Council live up to that expectation.

Sincerely,

Norman Mullan
Norman Mullan

Address PO Box 92
KODIAK, AK 99615

Date: May 29, 2007

Alaska Adventures Unltd. Inc.

P.O. Box 6244 Sitka, AK 99835
Phone: 907-747-5576 E-Mail: akfish@aci.net

North Pacific Fisheries Management Council
605 W. 4th Ave., Suite 306
Anchorage, AK 99501-2252

RECEIVED

MAY 29 2007

N.P.F.M.C

Dear Council Member,

Alaska Adventures has been in business since 1982. I have owned and operated the business since 1993. I will be unable to attend the North Council meeting next week in Sitka as my season is in full swing. Charter fishermen would like to see the halibut issue sorted out as soon as possible, BUT, in a way that provides the least damage to this valuable industry.

I believe the reallocation report and final action for Area 2C GHL measures are premature. I support the Council's move to put a moratorium in place but feel the discussion on compensated reallocation elements is premature until the Council has had the chance to take up the topic of equitable allocation at the Oct. 2007 meeting.

Regarding the Stakeholder Committee report on reallocation, I am against individual buy back options. I am inclined toward aggregate buy back options and recommend the Council research a government buy back provision.

Regarding Area 2C GHL Management Measures, I am for Alternative 1, No Action. There are problems with all of Alternative 2 options due to the diversity of private businesses within the guided sport industry. The risk of negatively impacting Alaska's tourism industry is significant.

I strongly oppose Option 4, which would reduce the bag limit to one fish per day. The opportunity to catch a couple halibut in addition to a King has kept the trip to Alaska worthwhile for the guided sport angler, considering the time and money spent. At the point the guided sport angler is only allowed 1 King and 1 Halibut, the interest in spending that money and time will disappear.

Charter fishing is valuable to the health of small town economies throughout Alaska. In Sitka alone, 2005 gross revenue from charter fishing, as determined by an independent survey firm (McDowell Group) was in the neighborhood of \$31 million. This volume of revenue, especially in light of the fact it is generated with what ultimately amounts to a limited harvest of the resource is not only a responsible use of a healthy resource, but an industry worth preserving.

Sincerely,



Mike Wallisch

	<p style="text-align: center;">F/V Ocean Gold</p> <p>Ed & Kathy Hansen Phone: 907-586-6652 Fax: 907-523-1168</p> <p style="text-align: right;">9369 North Douglas Hwy Juneau, Alaska 99801 Email: gillnet@ak.net</p>
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May 28, 2007

North Pacific Fishery Management Council
 Stephanie Madsen, Chair
 605 W 4th Avenue, Suite 306
 Anchorage, AK 99501-2252

RECEIVED
 MAY 29 2007

Fax 907-271-2817

N.P.F.M.C.

RE: Agenda C-1 Halibut

Dear Stephanie Madsen, Chair and Council Members,

I am an Alaska resident and lifelong commercial fisherman who fishes with my wife. We have **PURCHASED** all the quota shares that we currently hold in Southeast Alaska. It will financially cripple us to have the NPFMC take away allocation to financially benefit another sector at no cost to them and no compensation to us. I have been at all the stakeholders meetings and most of the Council meetings since Dec. of 2005 at my own personal cost along with lost fishing time. It is a small price to pay to try and get a workable solution to this issue for everyone involved.

The charter boats are a commercial venture and they are making money off the halibut resource the same as the commercial fisherman but they did build the majority of the charter industry after the fact of commercial IFQ's were imposed on the commercial fishermen and are continuing to build their charter businesses on the deception that they are sport fishermen.

If the charter industry needs additional quota above the federally published GHIL then **they need to buy it!**

Sincerely,
 Ed Hansen
 Ed Hansen

Southeast Alaska Fishermen's Alliance

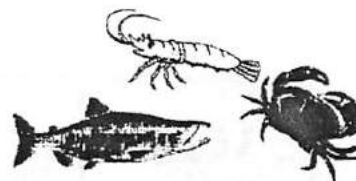
9369 North Douglas Highway

Juneau, AK 99801

Phone 907-586-6652

Fax 907-523-1168

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



E-mail: seafa@gci.net

May 29, 2007

North Pacific Fishery Management Council

Stephanie Madsen, Chair

605 W 4th Avenue, Suite 306

Anchorage, AK 99501-2252

Fax 907-271-2817

RE: Agenda C-1 Halibut

Dear Stephanie Madsen, Chair and Council Members,

Southeast Alaska Fishermen's Alliance has been very active in the halibut charter issue since the halibut charter IFQ program was brought back before the NPFMC in 2005. The Council at the last meeting started the process on a two-part motion regarding allocation and compensated reallocation. These motions need to remain linked as the process moves forward.

Regarding the allocation portion of the motion SEAFA would encourage the Council to change the current GHF into a hard allocation as a percentage that floats with abundance. We believe that a fixed poundage option will have some of the same problems as currently exists that the charter industry isn't benefiting during times of high biomass abundance even with step up/down provisions.

Compensated Reallocation is the foundation to putting an end to the halibut charter issue of allocation in front of the Council and the tension that is being created within the communities. A functional and workable system to transfer with compensation commercial quota share to the charter sector to increase their allocation within reason is mandatory. **This must be between a willing seller and the buyer.** On an average 700,000 lbs of halibut in 2C and 1 million lbs of halibut in 3A trades hands on an annual basis. A forced reallocation taking a pro-rata share from every quota share holder has some significant downstream effects that must be considered. These include the loans and liens on the quota share, effect of the individuals collateral on loans associated with quota share, IRS tax consequences, loss of future earnings, how to determine a fair and equitable compensation when quota shares are not equal in value (poundage, vessel class, blocked or unblocked), and legality of buyer (State or Regional assoc.) doing a pro-rata reallocation.

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MAY 29 2007

N.P.F.M.C.

While SEAFA supports many of the stakeholder recommendations from the last meeting on compensated reallocation, we believe that the number of options being considered must be narrowed down to options that are viable and able to be implemented in a reasonable timeframe. We also believe that options for a common pool allocation and individual options must remain available as they are not mutually exclusive. There are possible long term solutions even based on a common allocation pool where an individual could contribute to the common pool and yet benefit with more angler days, creation of a new limited entry permit or if limited entry permits are tiered the ability to change tiers.

SEAFA has provided a suggested new motion as an attachment to this testimony retaining the options for compensated reallocation that we believe have the most possibility of being viable and workable in a timely manner. Every option for compensated reallocation takes legislative change on the federal or state side; even individual options take legislation to access the loan programs although the rest can be done through the Council and regulations.

We are recommending the following options be deleted from the Council motion:

- Element 1, option 1, suboption 2: Federal Government as the purchaser of the commercial quota share. The federal government already has the ability to hold QS. It is unlikely that the federal government would put themselves in the place to purchase quota share and dealing with the transactions as the buyer.
- Element 2, option 2 suboption 1 & 2: The Federal government/NMFS loan program is viable both under a regional association or on an individual basis but this can be dealt with at an appropriate time. It is not a stand alone possibility. Suboption 2 is a buyout program which could be a viable option but in this particular case is not going to go anywhere as the charter fleet is not cohesive enough and agreed upon one direction enough to pursue this. This option would also take probably 5 years before you would have purchased quota in hand. This option is a buyback program with a twist in that rather than diminishing their own fleet and taxing themselves to pay back the loan; they would be buying commercial QS to increase their allocation and taxing themselves to pay back the loan. It would work by the charter fleet developing a plan to purchase QS probably using a reverse auction, coming back to the NPFMC for approval of the plan, getting federal legislation to develop the program, some possible funding, going to the fleet and voting for the program etc.
- Element 3, option 2, suboption 1, 2 & 3: A federal halibut stamp (i.e. duck stamp) would take federal legislation. This would be legislation as it impacts other states would need major backing, major funding for lobbyists to push the option and has the least amount of success of all the options listed. If you managed to get the legislation passed – there would be no guarantee the agency/government controlling the money would use the funds to purchase commercial quota share and transfer

- it to the charter sector or that money raised in Alaska would necessarily come back to Alaska. The State of Alaska stated at the stakeholder meeting that they have fought every attempt by the federal government to implement federal angler licenses and they felt this would be the same and they would be adamantly opposed to this type of solution. A fee against the moratorium permit is possible but again would take the will of the charter fleet to get the federal legislation through. Developing the legislation for a federal regional association and setting up the self assessment would take more cohesiveness and organization than the charter fleet has shown to date.
- Element 6, #10 suboption: We completely oppose the idea of pro-rata reduction and compensation. We mentioned some reasons why this should be deleted earlier in our testimony.

The options that we do find viable are: The State of Alaska using bonds or loan program with revenue coming from a state charter stamp, angler surcharge, charter business license surcharges and/ or a combination thereof. This would take state legislation and might be possible to get through the legislature next session. A regional association with self-assessments (based off of hatchery and marketing associations) would take state legislation that you should be able to get through in one session, a vote of the fleet and would probably take 1 to 1-1/2 years to have the assoc set up and able to purchase quota share. The third viable option is purchases on an individual basis.

The stakeholder committee further worked and fleshed out options for leasing between sectors for analysis. While we support the stakeholder recommendations at this point we would like to point out that many commercial fishermen are not agreeable to any leasing of quota share that has been purchased by the charter sector being leased back to the commercial sector or allowing leasing of commercial quota share to the charter sector.

C-1 (b) 2-C Halibut Management Measures

SEAFSA supports the NPFMC taking action to restrict the charter fishery to the federally published GHL for the 2008 fishery and beyond. This action is past due. The Council made a commitment to manage to the GHL until a long-term solution is developed in December of 2005 and again in April of 2006. We still have a ways to go until the long term solution is completed. Please honor this commitment to manage to the GHL and choose the GHL as the starting allocation point for the long term solution while developing mechanisms to purchase the additional allocation that the charter fleet wants for their industry.

While determining which option will get the charter fleet harvest to within the GHL, you must also determine that the option chosen will be implemented by the agency and is enforceable.

The NPFMC took final action on a moratorium last meeting but that is not in place nor will likely to be implemented until 2009, in the meantime continued

charter growth should be expected and will offset some of the demand reduction factored in portions of the analysis.

It appears that option 12 brings the charter harvest to within the GHL as long as the CEY does not drop any further and the step down provisions aren't triggered. SEAFAs support annual limits as an effective management tool and believe that the Council should look at implementing annual limits in the sport and subsistence fisheries also. Accurate accounting for all sectors should be developed and annual limits can be part of the accounting system.

Thank you for considering our written testimony and we look forward to providing additional comments during the Council meeting.

Sincerely,

Kathy Hansen

Kathy Hansen
Executive Director

Attachment

SEAFPA Recommendations (Reorganization and Modifications) for the Council Motion
May 28, 2007

NORTH PACIFIC FISHERY MANAGEMENT COUNCIL
Motion for Compensated Reallocation between
Commercial and Charter Sectors in Areas 2C and 3A

Problem Statement

The absence of a hard allocation between the longline and the charter halibut sectors has resulted in conflicts between sectors and tensions in coastal communities dependent on the halibut resource. Unless a mechanism for transfer between sectors is established, the existing environment of instability and conflict will continue. The Council seeks to address this instability while balancing the needs of all who depend on the halibut resource for food, sport, or livelihood.

Action 2. Implement measures to allow compensated reallocation between the commercial sector and the charter sector

Element 1: Holder of Quota Share, Method of Funding and Revenue Stream

Element 1.1: State of Alaska – common pool

A. Method of Funding

option 1. loan

option 2. bonding

B. Revenue Stream

option 1. charter stamp

option 2. sportfishing license surcharge

option 3. business license fee/surcharge

suboption 1. fee is based on number of clients

suboption 2. fee is based on number of fish

Element 1.2: Regional private non-profit Associations – common pool

A. Method of Funding

option 1. loan

B. Revenue Stream

option 1. self-assessment

Suboption 1. fee is based on number of clients

Suboption 2. fee is based on number of fish

Element 1.3: Individual - private (A moratorium permit would be required unless the moratorium is not in placed, in which case a GSBL would be required instead.)

A. Method of Funding

option 1. loan programs

option 2. private funding

Revenue streams will be for a defined period and end after the loan or bond is paid off, i.e. continuous open-ended revenue streams are to be avoided.

Element 2: Restrictions on transferability of commercial quota share

Element 2.1: Sector Floor Ranges

The percentages are based on the combined commercial and charter catch limit. These are intended to establish a minimum amount that will always be available to each sector.

A percentage of the combined commercial and charter catch limit will be available for transfer between sectors.

- Option 1: 10 percent
- Option 2: 15 percent
- Option 3: 20 percent
- Option 4: 25 percent

Element 2.2: Limits on purchase

A. entities purchasing for a common pool:

Option 1. limited annually to a percentage (30-50%) of the average amount of QS transferred during the previous five years.

Option 2. limitation would be based on block size. Block size restrictions may vary based on vessel size class

(These options are not intended to be mutually exclusive.)

B. individual: subject to the current ownership cap and block restrictions associated with commercial quota share

Element 2.3: Limits on leasing

A. Individual charter operators:

Option 1. an individual may not hold or control more than the amount equal to the current setline ownership cap converted to the number of fish in each area (currently 1% of the setline catch limit in 2C or ½% in 3A)

B. Common Pool:

The common pool may only lease 0-15% of holdings back to the commercial sector.

C. Individual commercial fishermen:

i. Commercial fishermen who do not hold a sport fishing guide business license and/or moratorium permit may lease up to 10% of their annual IFQs for use as GAF.

ii. Commercial fishermen who hold QS and a sport fishing guide business license and/or a halibut moratorium license may convert all or a portion of their commercial QS to GAF on a yearly basis if they own and fish it themselves on their own vessel. Commercial and charter fishing may not be conducted during the same trip.

Element 3: Implementation Issues

1. These qualifying entities may purchase commercial QS and request NMFS to issue annual IFQs generated by these shares as Guided Angler Fish.
2. Qualified entities harvesting GAF while participating in the guided sport halibut fishery are exempt from landing and use restrictions associated with commercial IFQ fishery, but subject to the landing and use provisions detailed below.
3. GAF would be issued in numbers of fish. The conversion between annual IFQ and GAF would be based on average weight of halibut landed in each region's charter halibut fishery (2C or 3A) during the previous year as determined by ADF&G. The long-term plan may require further conversion to some other form (e.g., angler days).
4. Subleasing of GAF would be prohibited.
5. GAF holders may request NMFS convert unused GAF into IFQ pounds for harvest in compliance with commercial fishing regulations provided the GAF holder qualifies under the commercial IFQ regulations.
6. Unused GAF would revert back to pounds of IFQ at the end of the year and be subject to the underage provisions applicable to their underlying commercial QS.
7. All compensated reallocation would be voluntary based using willing seller and willing buyer.
8. Guided angler fish derived from commercial QS may not be sold into commerce, i.e., all sport regulations remain in effect.
9. Guided angler fish derived from commercial QS may not be used to harvest fish in excess of the non-guided recreational bag limit on any given day.
10. There needs to be a link between the charter business operators and the cost of increasing the charter pool. If the charter business operators do not experience the cost of increasing the charter pool, there will not be a feedback loop to balance the market system.

May 29, 2007

FAX (907) 271-2817
 Ms Stephanie Madsen, Chair
 North Pacific Fishery Management Council
 605 West 4th Ave, Ste 306
 Anchorage, AK 99501

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MAY 29 2007

N.P.F.M.C.

I am writing to urge you to adopt effective management measures to control charter harvest in Area 2C to the GHL and to ensure that these measures are implemented in time for the 2008 charter season. I would also urge you to move forward as quickly as possible with similarly effective measures in Area 3A. Commercial fishermen have asked the Council for the past 14 years to stop the open-ended reallocation of halibut from the commercial to the charter sector. Fourteen years is a long time to wait. In April 2006, the Council committed by unanimous vote to manage the halibut charter sector to the GHL until superseded by a long-term management strategy. Please keep that commitment. Each sector needs to live within its allocation.

I further request that the Council convert the GHL to a percentage-based allocation that fluctuates with abundance and implement a mechanism that allows compensated transfer between the commercial and charter sectors. The percentage must be derived from the existing GHL and all subsequent transfers must be between willing buyers and willing sellers. Finally, I oppose any permanent revenue streams to the charter sector that would subsidize charter purchase of quota share. Charter operators that want to increase their halibut harvest should pay more for that opportunity.

I have invested in the halibut quota share program and fishery with the expectation that the resource will continue to be well managed and that the Council will fairly balance the needs of all who depend on the halibut resource, from consumers through fishermen and processors. I respectfully request that the Council live up to that expectation.

I'm also not inclined to see quota removed from the generational industry (long lining) & given to The New Industry, of chartering. There will be consequences, to Alaska, it's resident population, Subsistence, & many other issues of importance to this area, if the utilization of this resource is transferred from its traditions, to this modern largely non-resident industry.

As a lifelong resident of southeastern Alaska, I would speak only to this area, since there may be different parameters in other areas. What I'm seeing here, however, is a burgeoning charter industry, of largely non-resident components. Perhaps they trying to put as much infrastructure as possible in place, before regulation..... perhaps they are just trying to grow as fast as possible. In any case it is quite a shock to a small community.

One other point, it is becoming difficult to participate in the IFQ market, as there is a higher cost to buy now, could be reallocated, & compensation could be considerably less than what we would have to pay for it. This sword of Damocles, is regarding our ability to replace quota lost to reallocation (or possibly to the over-harvesting of the other industry).

Thank you,

Charles Zieske
 Point Baker, Ak.
 p.o. box 50



Letters to the Editor

Allocation Response

Dear Editor: Last month, Jim Roesch submitted a misleading diatribe about halibut allocation. (Defends 2 Halibut, letters/Sentinel March 13). I believe Roesch's letter was a twisted analysis of statistical evidence.

He, Roesch, stated, "The IPHC increased their staff recommendations by 700,000 pounds in S.E. Alaska." Technically correct, but the IPHC decreased the 2007 S.E. quota by 20 percent. 700,000 pounds reflected the commission assumption that the management council would follow the biologists' recommendation for a one-fish charter bag limit. He went on to complain, "a reasonable person would assume, (as) stocks increase, the guided sport harvest will also increase. In reality, S.E. halibut stocks are in steep decline."

He states, "In less than 10 years, the charter catch has increased less than 1 percent per year." This is patently false. Charter catches have been increasing by 1 percent of the total allowable catch for all fisheries. The charter portion of the T.A.C. has been increasing exponentially. Every five years the number of charter boats doubles. In 10 years the number of charter boats is up by a factor of four. Their burgeoning fleet is experiencing a rapidly declining catch per unit effort. The pathetic size composition of the charter catch represents large removals of sexually immature fish, not reflected in the poundage of their catch. Roesch failed to touch on a decade of increasing conservation, measures that aimed, and failed, to stem localized depletion in the Sitka area. (The L.A.M.P. measures.)

He noted the '95 management

council had only one seated charter representative (Anchorage real estate developer and lodge owner, Bob Penney). But he failed to mention the council now has only one fisherman on it.

I believe the North Pacific Fishery Management Council has abandoned all pretense of heeding public testimony. That guides have thoroughly corrupted the process. Evidence Bob Penney's "sale" of an interest in a Colorado subdivision to Sen. Ted Stevens, for a small fraction of its actual value. I guess it's not a gift, or a bribe, just "a good investment."

I don't think I'm alone in my disillusionment. An accurate barometer of local sentiment might be the recent passage of a local (Sitka) charter boat box tax initiative by a 2 to 1 margin. I suspect people in Sitka are fed up with crooked fish politics, and declining opportunity for local anglers and traditional fisheries.

Sigurd D. Rutter, Sitka

Letters to

Box Tax Initiative

Dear Editor: I am not surprised to read that local guides are unhappy with the recent Sitka box tax initiative. Alaska guides are coming off a 10-year drunk on political power exercised beyond the scope of public process.

It was a sharp slap in the face for them when Sitka voters put through the initiative by a two-to-one margin. Tough love for a group accustomed to special treatment in the subterranean world of fishery politics.

I remember Anchorage developer and lodge owner Bob Penney giving Ted Stevens an interest in a Colorado subdivision for 10 cents on the dollar. Then last year I saw Ted deliver the crucial dividing vote against charter IFQ, from the Dillingham representative on the North Pacific Fishery Management Council. That was at the same time Ted was rewriting "community development quotas," for Dillingham, and other westward vil-lages.

Decisions being made in the federal council process have lost any relationship to public testimony presented to the council. I think it is important for local guides to recognize that the tide of public opinion has turned. Voters are tired of crooked fish politics, and its negative impact upon traditional, thriving fisheries.

There is no reason to assume charter fishing would fail with some minimal restraints to promote conservation and tolerance toward existing economies. Fishery management has become a farcical spectacle, the exercise of raw behind-the-scenes political power. Management has lost sight of conservation, in a misguided effort to outpopulate existing elements of the fishing community.

I'm proud to live in a community like Sitka, where the voters will simply say, "enough." I'm proud of the young people making the bumper stickers that disparage the disgraceful treatment of strong and viable commercial fisheries, and all the fine people involved in them.

It's time for fishermen to get loud and be proud. If the city Assembly moves to kill the box tax, we will simply pass another one, doubling the rate. If they do it again, we can doubt it again, too.

Sigurd D. Rutter, Sitka

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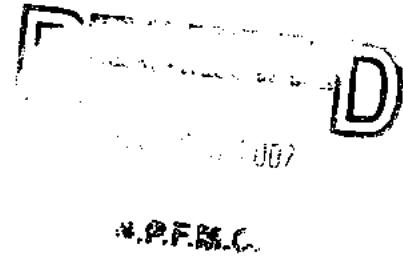
MAY 29 2007

N.P.F.M.C.

C-1 Halibut Charter
NPFMC - June 2007

May 19, 2007

Ms. Stephanie Madsen, Chair
North Pacific Fishery Management Council
605 West 4th Ave., Suite 306
Anchorage, Alaska 99501



Dear Ms. Madsen:

I am a 46 year old life long Alaskan resident with a family. I began Halibut fishing in 1975 when I was 14, pulling hand lines out of a skiff. I now hold quotas in area 3A and 2C, as well as a small amount of SE - Blackcod. Although I did receive some of my I.F.Q.s' as an initial issue, these amounts were not sufficient to support a boat and business that I had built up during the "Derby Days." With the help of the Alaska Division of Investments and hard work, I have slowly built-up my I.F.Q. holdings to a modest amount that will provide support for my family. I still owe money on some of my I.F.Q.'s and boat. Every year finds us barely getting by, but making it. I am very concerned about losing more of the quota share for any reason.

I urge you to provide measures to control charter harvest of halibut that does not come at the expense of an established commercial fishery. I believe the charter harvest should be based on Past History, not Future Growth and should fluctuate with abundance.

I also oppose transfer of commercial I.F.Q.'s to the charter fleet, even if it is compensated and voluntary. A decrease of commercial halibut to the existing Fish Plants could also put them in financial crisis, causing a domino effect throughout the market.

I have invested and worked hard in the I.F.Q. program to a point that my family has a viable fishing business that is in jeopardy, because of the continued growth of the Charter Halibut Industry. Your consideration of the above in management decisions would be appreciated.

Sincerely,

Handwritten signature of Mark L. Petersen

Mark L. Petersen
F/V Connie M
8405 Nugget Drive
Juneau, Alaska 99801

PO Box 1331
Petersburg, AK 99833
May 23, 2007

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MAY 23 2007

M.P.F.C.

Ms. Stephanie Madsen, Chair
North Pacific Management Council
605 West 4th, Suite 306
Anchorage, AK 99501-2252

Dear Ms. Madsen:

My family is heavily invested in the Halibut IFQ fishery. My husband, two sons and I all have IFQ's and we rely on the income derived, not only as our essential bread-and-butter but to help our two sons pay for college and get a firm foothold in their future livelihood. They intend to continue fishing regardless of other careers that their college educations may afford them. My husband and I intend to fish until we are no longer physically able.

We began commercial fishing in the 70's and we have seen our share of low fishing cycles/prices but never in our wildest imagination did we expect the circumstances that have initiated this letter: specifically the uncontrolled growth of the halibut charter fleet and their impact on our livelihood.

We have scrimped and saved and obtained loans to secure this livelihood in a fair manner. We never took unethical shortcuts when no one was watching. We have worked and sweated it out the whole way. We ask that the charter fleet do the same. We are faced with a competing industry that has continually exceeded the GHF impacting us as well as other commercial fishing families and with no end in sight, unless you take definitive and immediate, long overdue action. The action we wish you to take is spelled out in the attached form letter.

Each of my family members has signed the form letter provided to us by the Halibut Coalition. Please do not discount the sincerity of this letter because it is a form letter. Quite simply it said exactly what our sentiments are. Hopefully the above will put a personal face on the issue.

Thank you,

Rebecca Knight

Rebecca Knight for
Casey Knight, Kyle Knight, John (Mickey) Knight, and self
FV Starship

MAY 29 2007

May 24, 07

To: NPFMC

N.P.F.M.C.

My wife and I fished for over 20 years in order to "earn" our halibut quota. We are ready to retire and a very big part of our income is our halibut catch.

I don't see how you can justify taking my hard earned quota and giving it to the Charter fleet. The Charter fleet didn't even exist when I began halibut fishing and they have no right to any part of my halibut quota! The Charter Fleet has no more right to my quota than the Russian or Japanese Fleet, or just say the residents of California!

I know a lot of people who would like to buy my halibut quota. That's how you get into the Commercial Halibut fishery! If a Salmon fisherman or shrimp fisherman want to fish halibut they buy quota from a willing halibut quota fisherman. They don't steal it.

I was told, by an Alaskan Fisheries Law Officer, about 4 years ago, that one charter boat he knew of, had caught over 1000 halibut that year. He asked me how I was doing. I usually catch my quota with less than 150 fish. So you take away one charter boat and you could increase my quota Ten Fold.

We only have a 3000 lb. quota, so taking away 600 lbs. hurts very, very much, and I want it back!

Maybe you should limit the non-resident to 1 halibut over 32 inches and if they want more you could let the Charter Fleet buy Halibut Quota from the commercial fishermen, so that the tourists could catch a second halibut. Tourists have lots of money and so do the Cruise Ship operated charter fleet. I think us small, resident halibut fishermen should get a fair deal and not lose any of our hard earned quota.

P.S. I think there is no way to regulate the subsistence use of a halibut skate.

Sincerely,

Hailing Address.

Ray E. Ethen
P.O. Box 925
Ward Cove, Alaska 99928

Ray Ethen
591 Road Ln.
Ketchikan, Alaska
36 year Resident.



UNITED FISHERMEN OF ALASKA

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(907) 586-2820
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May 28, 2007

North Pacific Fishery Management Council
Stephanie Madsen, Chair
605 W 4th Avenue, Suite 306
Anchorage, AK 99501-2252
By Fax 907-271-2817

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MAY 28 2007
N.P.F.M.C.

RE: Agenda C-1 Halibut

Dear Chairman Madsen and Council Members,

United Fishermen of Alaska (UFA) is a statewide commercial fishing trade association representing 36 member groups, as well as individual fishermen, crew members and supporting businesses. We would like to comment on the two halibut management agenda items before you at this meeting.

C-1 (a) Stakeholder Report on Compensated Reallocation:

UFA recognizes that the Council is starting to work on a two part motion dealing with allocation and methods of compensated reallocation. UFA's strongly held position is that the allocation needs to remain consistent with the GHL published in the Federal Register and any further allocation transferred to another sector must be compensated. Any further taking without compensation will be financially devastating to the commercial sector. A significant majority of the participants in the commercial longline fisheries have purchased some or all of the quota they own. An individual that received an initial allocation of quota share for any area will always show up in the statistics as an initial issuee and not as an individual who has purchased quota share or who has added to his initial issuance. Any taking of allocation away from the commercial sector has a significant financial impact to the individual quota share holder, their crew, the processing facilities, their laborers, supporting businesses, the communities and the State of Alaska tax revenues.

The Council and stakeholder committee is starting work on one of the most important components of the halibut charter issue, compensated reallocation. Developing the methods for orderly compensated reallocation for any change in the charter allocation above the current GHL is necessary to bring an end to the divisiveness of this issue in the communities and will prevent further allocation battles continually in front of the Council.

Allocation for the charter sector can be held in two ways, on an individual basis or as a common pool for the whole charter sector. These options are not mutually exclusive and the framework for both models must be developed. For example in a long term solution of limited entry using a tiered approach, it could be developed in such a way that an individual could buy X amount of commercial quota share to be added to the common charter allocation pool that would allow his limited entry license to be upgraded to the next tier level or even develop a brand new permit. Under another option being developed for angler days, an individual could increase the number of angler days he has access to by contributing commercial quota share to the common allocation pool. This would allow the charter fleet to continue to grow as the client demand increases in the future.

UFA supports the stakeholder recommendation to delete the sub-option under Element 6 (10) for pro-rata reduction and compensation. UFA believes that compensated reallocation must be between a willing buyer and willing seller. Some of the reasons that pro-rata reduction or forced reallocation should not be considered include:

- It is likely that to consider a forced reallocation that the compensated reallocation would need to be all federally oriented. UFA does not believe that the Council could legally give the State or a regional association the authority to take quota share on a pro-rata basis, particularly in the absence of delegation of management authority to the State.
- There are IRS tax consequences, whether an income gain or loss. Forced reallocation does not account for the differences paid in price by the QS holder.
- Loan consequences - lien would follow the QS taken until the lien is satisfied. RAM Division would find it extremely difficult to track down all liens against the quota share, clear them up from just a portion of the quota share units associated with that block. Liens are listed in all different states, and tied to other loans.
- Many quota share holders have used the QS for collateral for other loans such as a house or vessel. Reducing the value of the quota share would likely cause the QS holder to refinance or come up with additional collateral to maintain the loan.
- Not all quota shares are of equal value. The value of QS differs widely depending on the size of the holding, whether it is blocked or unblocked, the vessel class size, and the area. In addition to market differences, everyone places a different individual value on their quota. Taking from everyone and compensating them equally would be inequitable. It will be extremely difficult to set a fair price for compensation.
- A one-time pro-rata deduction would be comparable to paying someone a one time purchase price when they are depending on yearly income from the use of quota share.
- Under a forced reallocation, which is comparable to eminent domain takings, a business is compensated for lost future revenues. Forced reallocation would need to compensate for the quota share and lost revenues both. This would be more expensive than working with a willing seller.
- Forced sale would cause disruption to a commercial fisherman's business plan. People buy a certain amount of quota share for a variety of reasons. Forced sale will disrupt that business plan.
- Devaluing the quota share does not work as the charter sector buyer would not have quota share units associated with the purchase for determining their share of the harvest in future years.

- Forced sale would intensify tensions between residents of the communities. Being forced to sell shares is completely unacceptable to the commercial fishing fleet.

It makes no sense to take QS from unwilling holders when it could simply be purchased on the open market. Past history shows that approximately 700,000 lbs of halibut in 2C and 1 million lbs of halibut in 3A trades hands on an annual basis. This option for pro-rata reduction is an absolute non-starter for commercial fishermen. Even having it on the table causes apprehension and resentment by the commercial fishermen towards the charter fleet.

The Stakeholder committee addressed Element 4 (Sector floor ranges) discussed what the intent of this section was and recommended to delete element 4 as written and add in element 5 as a cleaner way to address the issue. The proposed new element states that 10-25% of the combined commercial/charter fishery CEY would be available for transfers between sectors. UFA supports this stakeholder recommendation and the other clarifications made to the Council's element 5 (Council motion element 5 becomes element 4 in Stakeholder's recommendations).

The Stakeholder committee was unable to address the issue of deleting options as someone on the committee always wanted to keep an option on the table for further analysis. The motion is too complicated and the Council needs to further refine the options for analysis. UFA believes that the three options that are very viable and possible to accomplish in a reasonable time-frame include:

- On an individual basis. (Either for an individual plan or under a common allocation pool plan);
- State using a combination of a state charter stamp, angler license surcharge and charter business guide license fees for funding mechanisms with either a state loan program or state bonds or combination of; and
- Regional association (State developed) self assessments and either state or federal loan programs, private financing, grants.

We would be more than willing to further explain why we believe these are the best options when Kathy Hansen, Statewide Committee Chair for UFA and stakeholder committee member, testifies during the Council meeting.

C-1 (b) 2C GHL Measures (final action)

UFA hopes that the Council members remember the commitment they made to manage the charter halibut sector to the GHL until a long-term solution is developed in December of 2005 and again in April of 2006. We are still quite a ways away from a complete long term solution, although several meaningful steps have been taken, including final action on a moratorium, initiation of analysis of allocation and compensated reallocation mechanisms, and directions to the stakeholder committee to bring long term solutions to the Council in October/December.

Before taking final action on the 2C management measures, the Council must consider before whether the measure or combination of measures chosen are able to be implemented by 2008

and whether the agencies will be willing to enforce the measures chosen. We do not want a repeat of the Council choosing to take action such as the 2006 annual limits for 2C and then having the NMFS come back and ask the Council to reconsider the choice, lose another year, and have a repeat of IPHC stepping up to recommend management actions.

While the analysis talks about demand reduction, the analysis does not point out that the moratorium will not be in place until 2009 and that there will be continued growth in the charter fleet size in 2007 and 2008 that must be factored into the equation.

UFA does not wish to dictate the type of management measures that the charter industry finds most acceptable, but it appears that option 12 with a 5 fish annual limit comes close to bringing the harvest to the GHL and is a combination that the charter representative on the AP put together as an option that is acceptable to the charter fleet.

Thank you for consideration of our comments. Please contact us if we can provide any additional information on these subjects.

Sincerely,



Mark Vinsel
Executive Director

Cordova District Fishermen United

Celebrating 70 Years of Service to Commercial Fishermen in Cordova, Alaska
P.O. Box 939 Cordova, Alaska 99574 Telephone 907.424.3447 Fax 907.424.3430

May 29, 2007

Stephanie Madsen, Chair
North Pacific Fishery Management Council
605 W 4th Avenue, Suite 306

Sent by facsimile to 271-2817

Agenda item C-1 Charter Halibut Management

Dear Madame Chair and members of the Council,

On behalf of the CDFU Groundfish Division I am submitting these comments on the charter halibut management agenda items.

C-1 (a) Stakeholder Committee report on compensated reallocation

Before commenting on the compensated reallocation plan, I can report that I believe removing the issue of initial allocation from the Stakeholder Committee forum made the work of the Committee more constructive and less divisive than it would have been if we were tasked with that issue.

There are three main points we would like the Council to consider in deciding what actions to take on a compensated reallocation plan. These are:

1. To simplify the framework for analysis so that it stays on track with the analysis of an initial allocation.
2. To recognize that the 'common pool' and 'individual business' models are not mutually exclusive and that choosing both as an interim solution does not force the Council down a particular path toward a permanent solution in the future.
3. To support the Stakeholder Committee's recommendation that all compensated reallocation should occur only between willing sellers and buyers.

Simplify the framework for analysis.

At it's April meeting, the Stakeholder Committee developed a full suite of elements and options for consideration in a compensated reallocation plan. The fact that the Committee added more to the Council's original motion rather than simplified it complicates the analysis, and is likely to make it more difficult to keep it on track with the analysis of the initial allocation. However, it is typical in the development of such plans to first identify the universe of possibilities and then to eliminate those which are less likely to succeed in a second step.

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In this case the Committee simply didn't have time to absorb what was done and take that second step.

It is imperative for the Council to hold to the intent of the motions made at the last meeting to keep these two analyses linked and moving forward together. The Council surely understands that without a compensated reallocation plan, any action taken on initial allocation alone will become a vicious battle that will be destructive to the Council process, to the relations between the two sectors, and the people in Alaska's coastal communities.

There are several ways for the Council to simplify the framework for analysis. First, the Council should determine whether any of the entities or structures under Element 1 are not viable candidates to hold or administer purchase of commercial QS that is transferred to the charter sector, because of legal or other constraints. In particular, the State of Alaska and NMFS/Federal Government (Element 1, Option 1) should be prepared to describe the circumstances that would allow the State or NMFS to become the entity that holds or administers the purchase of commercial QS. We believe that it could be more problematic for the State of Alaska or the NMFS/Federal Government to become the entity that holds commercial quota for the charter sector because it could require statutory changes that are time consuming and that introduce risk and uncertainty associated with the legislative process.

In contrast, both the regional association approach and the individual approach are more likely to be successful. Within a Federal framework, they could be accomplished with revisions through the Council process alone. The Community Quota Entity under the current IFQ program is similar to the kind of entity that a regional charter association might form. Within a State of Alaska framework, establishing regional associations would require statutory changes; however similar models already exist in statute in the form of the State private non-profit (PNP) salmon hatchery program, and the Regional Seafood Development Association (RSDA) programs. Consequently the legislative process is likely to be more receptive to this type of change.

Second, the Council should consider whether some options within Element 1 or Element 2 simply do not address the identified problem, and are therefore less likely to succeed. In particular, the Federal buyback program (Element 2, Option 2, Suboption 2) could be eliminated from the plan. Federal buyback programs are designed to remove capital (boats) from fisheries, with loans to remove such boats paid through an assessment on commercial landings. In contrast, compensated reallocation is designed to transfer fishing rights between two sectors. Buyback programs also require fishermen to organize, develop a buyback plan, and then seek approval from the Council, a cumbersome and time consuming process. Pursuing this suboption will likely reveal more problems than possibilities; Council and agency staff will have to figure out how to make this program work in a situation for which buyback programs weren't originally designed. We recommend that the Council simplify the analysis by removing the buyback option.

Third, the Council could consider what combination of options from Element 1 and Element 2 appear most promising, and identify those for further analysis by staff. Conversely, the Council could also identify those combinations of options from Element 1 and Element 2 that are unworkable, and eliminate them from further analysis. This approach makes sense

because there has to be some consistency or match between the entity that holds the QS for the charter sector under Element 1, and the method of funding the transfer of QS under Element 2.

For example, one promising model is for a regional charter association (Element 1, Option 2) to hold commercial QS that is purchased through either a loan from the State of Alaska Division of Investments (Element 2, Option 1, Suboption 1) or a loan from NMFS loan program (Element 2, Option 2, Suboption 1). This model makes sense; it has a logical structure, and successful precedents exist in the form of Alaska's private non-profit (PNP) salmon hatchery program and Regional Seafood Development Association program.

A model that is not likely to work is one in which the State of Alaska is the entity (Element 1, Option 1, Suboption 1) and the State purchases commercial QS through the Federal loan program (Element 2, Option 2, Suboption 1). The proposition that the State of Alaska would participate in and compete with individual commercial halibut fishermen for Federal loans doesn't seem likely.

Through discussion of combinations of options under Element 1 and Element 2, the Council is likely to determine which models will have a reasonable chance of success and are worth pursuing, and which models have no chance of success and should be eliminated.

Fourth, the Council could eliminate the least viable options under Element 3 describing the possible revenue streams that would pay off the loan or bonds used to purchase commercial QS for the charter sector. Based on information provided by agencies and discussions at the Stakeholder meeting, it appears that all of the suboptions under a Federal framework have the least likely chance of success, and could therefore be considered for elimination. All of these suboptions require statutory change at the Federal level, which is more problematic than those at the State level. Proposals to institute surcharges on national angler licenses, or a halibut stamp at the Federal level are likely to face resistance from anglers across the country who would not benefit from it. Self-assessments will only work if they are enforced by statute, and are not voluntary, which would require Federal legislation and administration. Given that successful models already exist under State statutes for regional associations to pay down loans, it is reasonable for the Council to consider simplifying the analysis by eliminating the Federal suboptions under Element 3.

The 'common pool' and 'individual business' models are not mutually exclusive. Suggestions that the Council must either choose a common pool model or an individual business model, and concerns that the individual business necessarily leads to a charter IFQ program as a permanent solution do not hold water on closer scrutiny. The two models are complimentary, not mutually exclusive. And the individual business model could continue to stand alone or merge with a permanent solution in the future. It is imperative for the Council to keep them both in the analysis.

In the common pool model of compensated reallocation the total amount of halibut available for harvest by the charter sector is increased through purchases of commercial sector QS that are added to the charter sector's common pool. However, under a common pool model it is still possible that management measures will be necessary to hold the charter sector to their allocation in the future given that halibut stocks change over time, and charter harvests

are based on client demand that continues to grow. The individual business model simply gives charter operators the ability to maintain a 2 fish bag limit for their clients, through purchase or lease of commercial QS, in years when more restrictive management measures are necessary. In this way, it is complimentary to the common pool model of compensated reallocation, and it allows charter businesses to respond more quickly to possible changes in annual management measures.

It is also feasible to develop an individual business model that could merge with a future permanent solution based solely on a common pool model. Under this scenario, individual charter operators who purchased commercial QS to use in the charter fishery during this interim period would have the ability to sell their quota voluntarily on the open market before the implementation of a permanent solution.

Those who question whether individual charter operators would purchase commercial QS under an individual business model as well as tax themselves under a common pool model will find the answer in the willingness of families to pay for private schooling for their children in addition to the taxes they pay to fund public schools.

Compensated reallocation shall occur voluntarily between willing buyers and sellers.

We strongly urge the Council to accept the Stakeholder Committee's recommendation that compensated reallocation must occur voluntarily between willing buyers and sellers. The vote to remove the option to require a pro-rata, or forced, reallocation passed by a 6 to 4 vote, and there is very strong justification for the action.

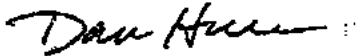
NMFS RAM Division has reported that approximately 700,000 lbs of halibut in 2C and 1 million lbs of halibut in 3A trades hands on an annual basis. Given that the amount of halibut available for sale in each area far exceeds the needs of the charter sector to purchase up to the amount they currently harvest, there is no justification for requiring a forced re-allocation from the commercial to the charter sector. Concerns that commercial QS holders will refuse to sell to charter operators are unfounded: commercial QS brokers can't earn a living if they don't make a sale, and the identity of buyers and sellers is never revealed until the papers are signed. In other words, market forces and the profit motive will always trump the politics between the two sectors.

There are many other reasons why a forced reallocation would be complex, unfair and highly controversial. The ability to fairly compensate each commercial QS holder in a forced reallocation would be tremendously difficult if not impossible: it requires having accurate price information for every transaction since the inception of the program. Additionally, quota shares have been purchased using a variety of loan programs and interest rates, and the terms of these loans would have to be clearly understood before the Council could determine how to address them equitably. More importantly, QS is often pledged as collateral for business and personal loans, and a sudden reduction in the value of that collateral could force everyone to renegotiate these additional loans. This would be highly controversial and likely to be contested legally. It also raises questions about whether liens against the QS would remain attached to the QS until fully resolved. In sum, it makes no sense to consider a forced reallocation given the amount of QS available for sale each year, and the market forces that drive those sales. The Stakeholder Committee recognized this in its vote to remove the pro-rata or forced allocation option from the framework.

We also believe that in the implementation of the compensated reallocation plan, it is important for charter operators to have a vested interest in the purchase of commercial QS in the form of fees or charges paid directly by charter operators. When individuals have a direct financial interest in such a program, they are more likely to watch over the program, to be good stewards of the resource, and to fairly evaluate their impact.

Thank you for the opportunity to comment.

Sincerely,



Dan Hull, Chairman
CDFU Groundfish Division

Cordova District Fishermen United

Celebrating 70 Years of Service to Commercial Fishermen in Cordova, Alaska
P.O. Box 939 Cordova, Alaska 99574 Telephone 907.424.3447 Fax 907.424.3430

May 29, 2007

Stephanie Madsen, Chair
North Pacific Fishery Management Council
605 W 4th Avenue, Suite 306

Sent by facsimile to 271-2817

Agenda Item C-1 Charter Halibut Management

Dear Madame Chair and members of the Council,

On behalf of the CDFU Groundfish Division I am submitting these comments on the charter halibut management agenda items.

C-1 (b) Final action on Area 2C GHL measures

Although our membership fishes almost exclusively in Area 3A, we have a significant interest in Council action on this issue because it will be an indicator of and set a precedent for future Council action in Area 3A.

We are in complete support of the comments submitted by the Halibut Coalition and Southeast Alaska commercial fishing organizations requesting that the Council adopt effective, implementable, and enforceable management measures to constrain charter harvest to the GHL for 2008 and "until superceded by a long-term management strategy".

The Council has stated in previous motions and actions, especially in the last few years, the intent to manage the charter sector to the GHL. NOAA Fisheries has also understood this intent. And yet for a number of reasons, the history of this issue over the last fourteen years is one of failed management. In light of the IPhC's action this past January, and the circumstances leading to the 2007 GHL rule that is now going through the regulatory process, our expectation is that the history of failed management will end.

For us, a long-term management strategy that provides stability to both sectors cannot come soon enough. However, until that time comes, our only choice for 2C is to support a suite of management measures that includes either the one fish bag limits or annual limits. These management measures have been considered previously. In the case of annual limits we expect that legislation recently passed by the Alaska State legislature will remove legal and administrative constraints to enforcement that made this measure unworkable last year.

We also concur with comments that NOAA must be forthcoming about any concerns or objections to the suite of 2C GHL management measures before the Council takes final

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action, so that any doubt about the ability to implement these management measures is removed. There is no question in our minds that the successful implementation of management measures in the short term is critical to resolution of this issue over the long term. Failure to manage the charter sector harvest at this point in time will only lead to further destructive and divisive battles at the Council and other levels of Federal and State fisheries management arenas, as well as in coastal Alaska communities. This will make any resolution of the issue that more difficult than it already is.

Thank you for the opportunity to comment.

Sincerely,



Dan Hull, Chairman
CDFU Groundfish Division

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May 29, 2007

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Alaska has always taken pride in its bountiful renewable resources. Resources that are well managed by a system set in place to protect the future of our livelihoods. The system is not without its faults and difficulties but for the most part it is efficient and well respected and should be supported by all active participants that benefit from the resource.

Commercial fishermen and processors are kept under strict federal guidelines to ensure that the implemented measures to protect halibut and by catch are abided by. Strong legal implications hover over our heads for what one might consider as "slight infractions". Our livelihoods depend upon upholding these laws and respecting a process that gives an even playing field to everyone involved on a commercial level.

As a lifelong fisherman who bought into the IFQ system a few years after it was established, I have learned to make an honest living in this "even playing field". Just like any other fisherman who bought in the same way, I have requested state loans to acquire the quota that I own. Each year, I diligently set aside my IFQ payment to pay on my livelihood. That's right, my livelihood; a living that has not made me rich but has supported my family and hopefully will continue to do so in years to come. Too many times I have heard the word "rich" or "millionaires" used by the charter industry when referring to commercial longliners. This is a "blanket statement" that I believe is strategically used by the charter industry to gain sympathy for their cause. Let's not ignore the fact that there are many individuals and families, much like my own that have small amounts of quota that go out each year during good weather windows in small boats to catch their living. We are making a living and not getting rich. This is what Alaska is about! We have worked hard, like so many others that I know, to secure the quota that we have acquired and pay on it each year. Not to imply anything about commercial fishermen, but NO it does not take a genius to apply for state loans to buy IFQs. For the past ten years I have bought into the IFQ system and have seen the price rise and fall many times. There have been many times that I have wanted to buy additional lbs. but was unable to due to financial status at the moment. This problem did not encourage me to find a way around the system or complain bitterly that the situation was unfair. Tell me, when has it been fair to change a law that is already set in place or system to benefit one group over another? We, mostly Alaskan residents, have adjusted to and developed lives around the IFQ system the way it is.

Each industry, whether it is commercial fishing, charter, logging, tourism, seafood processing and etc. contribute to our local economy. These industries provide many jobs and economically bright and healthy futures for small communities within Alaska. The relationship between these groups has not always been harmonious. Fishermen and charter companies have had a history filled with tension. What I would like to stay away from is the "blame game" or the "us against them" mentality. I have heard so many from the charter industry blaming the commercial fleet for their issues in regards to lack of fish or

strict management procedures set into play. I believe that they have been ignoring their own issues far too long by pointing the finger of blame. Commercial longliners have been well managed in 2c and 3a so any propaganda that has been spread in regards to sloppy management is very misleading. I believe that the charter industry knows that if they complain enough they will be heard politically and something drastic will be done. In the past a Limited Entry program was talked about for the Charter Industry which, not surprisingly, many were in favor of because it would let the existing charter operators stay in and cut the new guys out. So really, that contradicts many of their "public resource" let's not "privatize" the industry arguments. The answer is not in taking from one industry to answer the issues that surround another. The answer is not ever going to be found by promoting one industry over another since they both benefit the public.

I urge those of you that have this hard decision upon your shoulders, to come up with a solution that does not take away the investment of long time stakeholders. Growth should not be at the expense of established businesses. I know that no good will come out of the some of the ideas being tossed around that suggest taking quota away from the commercial longline fleet. There must be better ideas. Maybe we all need to put ideas on the table to solve this problem. Maybe the guidelines for qualifying for IFQ quota need to be reevaluated or better loan programs established. I realize the magnitude of the task at hand but the answer is not in changing a system that clearly works in order to appease one group that is more vocal than another. Our industry and families are equally important and contribute to Alaska's future just as much. Please, assess the potential economic and social impacts of implementing a measure that will impact Alaska's commercial fishing families. I urge you to take the time to make the right decision.

Sincerely,



Brian V. Blankenship, IFQ holder 2C and 3A
4316 Valhalla drive
Sitka, Alaska 99835

Nancy A. Seager
8714 54th Pl. W
Mukilteo, WA 98275
425-353-0938

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May 29, 2007

Ms. Stephanie Madsen
Chair
North Pacific Fishery Management Council
605 West 4th Ave, Ste 306
Anchorage, AK 99501

I write this letter for my husband, Quentin, and son, Evan as they are out fishing. I join them in June. I write to urge adoption of sensible and effective management choices to control charter harvest in Area 2C to the GHJ and urge implementation before the start of charter season 2008. We are a commercial fishing family who has watched what the absence of management has done for the last 14 years. We would really like to see something done. As for all the interesting suggestions regarding government taking our quota share to give to charter: our family has fished for over 30 years in Alaska. We came by our original allocation of halibut quota by hard work those 30+ years. We earned our quota in one of two ways. By fishing in the two day season system for many years - often in bad (i.e. dangerous) weather or once the system was established by investing in a system that at the beginning was no sure thing. With lawsuits pending and a question of the constitutionality of the quota setup, we took a very big risk and mortgaged our home to purchase quota - in basic lingo, we stuck our neck out, not the governments.

Our three children have or are working on the boat. We have employed over a dozen different people (mainly Alaskans) over the years. Year in and year out, we have taken care of ourselves and the people who work for us. My husband has attended IPHC meetings in the winter.

I trust we will see some common sense used and the urgency of the situation addressed. Fourteen years is a long time to wait for controls on an out of control charter fishery. I hope your allegiance lies with fairness and sensibility instead of who you know.

Sincerely,

Nancy A. Seager
Representing FV Mindalina
Quentin Seager
Jeremy Seager
Evan Seager
Heidi Seager

Ms. Stephanie Madsen, Chair
North Pacific Fisheries Management Council
605 W 4th Avenue, Suite 306
Anchorage AK 99501-2252

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N.P.F.M.C.

Re: Halibut Charter Issues/GHL Measures

Dear Council Member,

Thank you for coming to Sitka. I regret being unavailable for oral testimony next week, but during the summer, I have daily reservations for sport fishing charters. I have been a licensed guide employed by Alaska Premier Charters, Inc. and the Wild Strawberry Lodge for 6 years now.

I am commenting on the compensated reallocation report (C-1a) and Area 2C GHL measures (C-1b) as they pertain to Charter Halibut Management.

I truly believe the reallocation report and final action for Area 2C GHL measures are premature, at this time. The Council has correctly moved to put a moratorium in place. In October 2007, the Council will take up the topic of equitable allocation. Only after this has been determined do I see a need to discuss compensated reallocation elements.

Another important reason to postpone these topics, is because by October 2007, the Council will have final harvest data from 2006, to work with. Currently the Council is working with trends, and not real numbers. Furthermore, the Council's premature actions are encouraging the rapid expansion of bare-boat rentals and unguided sport harvests by non-residents of Alaska.

Going back to C-1a, I am against the individual buy back option. I am more inclined toward an aggregate buy back option and recommend the Council research a government buy back provision.

For C-1b, Area 2C GHL Management Measures, I am for Alternative 1, No Action. There are problems with all of Alternative 2 options because the diversity of private businesses within the guided sport industry matches the size of this State. The risk of negatively impacting Alaska's tourism industry is profound. I am definitely opposed to Option 4, which will reduce the bag limit to one fish per day. The sport angler will not tolerate a daily bag limit of one halibut.

Therefore, I encourage the Council to take no action because none is needed at this time. I am sure I will be writing to you again, in October. Thanks again for your attention.

Sincerely,



Michael Erickson
ADFG Guide License # 11488

May 29, 2007

Ms. Stephanie Madsen, Chair
North Pacific Fisheries Management Council
605 W 4th Avenue, Suite 306
Anchorage AK 99501-2252

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Re: Halibut Charter Issues/GHL Measures

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Ms. Stephanie Madsen, Chair
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605 W 4th Avenue, Suite 306
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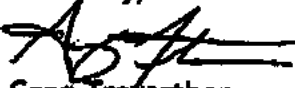
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Sincerely,



Greg Trewarthen
ADFG Guide License # 0992

May 29, 2007

Ms. Stephanie Madsen, Chair
North Pacific Fisheries Management Council
605 W 4th Avenue, Suite 306
Anchorage AK 99501-2252

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MAY 30 2007

N.P.F.M.C.

Re: Halibut Charter Issues/GHL Measures

Dear Council Member,

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Sincerely,



Mike White
ADFG Guide License # 8426

May 29, 2007

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North Pacific Fisheries Management Council
605 W 4th Avenue, Suite 306
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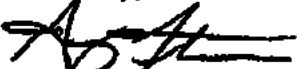
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Greg Trevarthen
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605 W 4th Avenue, Suite 306
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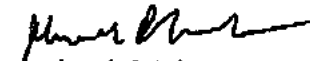
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Sincerely,



Michael Erickson
ADFG Guide License # 11488

May 29, 2007

Ms. Stephanie Madsen, Chair
North Pacific Fisheries Management Council
605 W 4th Avenue, Suite 306
Anchorage AK 99501-2252

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Re: Halibut Charter Issues/GHL Measures

N.P.F.M.C.

Dear Council Member,

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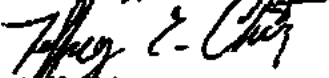
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Sincerely,



Jeff Zhang

ADFG Guide License # 11540

May 29, 2007

Ms. Stephanie Madsen, Chair
North Pacific Fisheries Management Council
605 W 4th Avenue, Suite 306
Anchorage AK 99501-2252

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Michael Erickson
ADFG Guide License # 11488

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North Pacific Fisheries Management Council
605 W 4th Avenue, Suite 306
Anchorage, AK 99501-2252

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N.P.F.M.C.

Re: Halibut Charter Issues/GHL Measures

Dear Madam Chair,

Thank you for coming to Sitka. I regret being unavailable for oral testimony next week, but during the summer, I have daily reservations for sport fishing charters. I now co-own Alaska Premier Charters, Inc. and the Wild Strawberry Lodge with my wife Theresa Weiser. I am a year round resident of Alaska. I have been a licensed charter operator since 1998. To make a viable living, I charter guide, hand troll part time, and crew on a commercial long line vessel.

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Therefore, I encourage the Council to take no action because none is needed at this time. I am sure I will be writing to you again, in October. Thanks again for your attention.

Sincerely,



John H. Belcher

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MAY 23 2007

N.P.F.M.C.

May 29, 2007
North Pacific Fisheries Management Council
605 W 4th Avenue, Suite 306
Anchorage AK 99501-2252
Fax (907) 271-2817

Dear Council Member,

This letter is prepared on behalf of the undersigned businesses in Elfin Cove. We are requesting postponement of all charter issues until October. Our short fishing season has begun so we are not able to attend the June, 2007 council meeting. We are commenting on the compensated reallocation report (C-1a) and Area 2C GHL measures (C-1b) as they pertain to Charter Halibut Management.

We truly believe the reallocation report and final action for Area 2C GHL measures are premature, at this time. The Council has passed final action for the moratorium-this is the first step in limiting charter fishing. In October 2007, the Council will take up the topic of equitable allocation. Only after this has been determined should there be any discussion on compensated reallocation elements. We request postponement of discussion on compensated reallocation until the October meeting.

We will not have final harvest data for 2006 until the fall, 2007. Currently the Council is working with trends, and not real numbers - final action should not be based on projections. Furthermore, the Council's premature actions are encouraging the rapid expansion of bare-boat rentals and unguided sport harvests by non-residents of Alaska. Going back to C-1a, we are against the individual buy back option. We are more inclined toward an aggregate buy back option and recommend the Council research a government buy back provision.

For C-1b, Area 2C GHL Management Measures, we are for Alternative 1, No Action. There are problems with all of Alternative 2 options because of the diversity of private businesses within the guided sport industry. The risk of negatively impacting Alaska's tourism industry is profound. We are definitely opposed to Option 4, which will reduce the bag limit to one fish per day. The sport angler will not tolerate a daily bag limit of one halibut. Bottom line - final action should not be taken until final numbers for 2006 are confirmed. Between the Moratorium, a raise in allocation and a method to purchase commercial halibut needed to stay within the allocation, GHL Management measures may not be necessary. Therefore, we encourage the Council to take no action because none is needed at this time. Thank you for your attention.

Sincerely,

Joe Kulavik, Eagle Charter
Gordy Wrobel, Cove Lodge
Leroy Houston, Inner Harbor Lodge
Dennis Meier, Tanaku Lodge

Dan Baxter, Elfin Cove Lodge
Ted McMannis, Olympic Peninsula Sportfishing

Fax to 907-271-2817

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N.P.F.M.C.

Its Time to do something about where the numbers are going. The Long Liners are the ones taking everything. They have killed all the red snapper and Ling cod, and have taken to much of the local fish. The I.F.Q. has kept the Long Lines in the inside waters all Fishing Season. Their Buy Catch is way to high. And the restrictions goes on the sportman with a fish pole why?

The things they get away with is unbelievable are you going to wait until they killed everything. Restricting sportsmen has never made the difference anywhere else in the world. Why do you think it will here.

Frank Weather
Coffman Cox Ok

907 329-2266

Petersburg Vessel Owners Association

P.O. Box 232
Petersburg, Alaska 99833
Phone (907) 772-9323

May 28, 2007

Ms Stephanie Madsen, Chair
North Pacific Fishery Management Council
605 West 4th Ave, Ste 306
Anchorage, AK 99501
Fax: (907) 271-2817

RECEIVED
MAY 29 2007
N.P.F.M.C.

RE: AGENDA ITEM C-1 CHARTER HALIBUT MANAGEMENT

Dear Chair Madsen and Council Members,

Petersburg Vessel Owners Association is a diverse group of commercial fishermen based in Alaska. We participate in a variety of fisheries statewide with our foremost interest being the commercial longline fisheries managed by the North Pacific Fishery Management Council. PVOA appreciates the opportunity to comment on the Charter Halibut Management agenda item C-1.

C-1(a) Stakeholder Committee Report on Compensated Reallocation

PVOA once again would like to thank the stakeholder committee for their hard work, time, and energy that has been devoted to this process. PVOA fully supports the Council moving forward with a plan for compensated reallocation between the commercial and charter halibut sectors that will remain tied to allocation. PVOA supports taking any recommendations from the stakeholder committee that will streamline the process as well as analysis.

C-1(b) 2C GHL Management Measures

PVOA continues to urge the Council to maintain their commitment to manage the GHL until a long term solution is determined. PVOA also requests that the Council consider which of the options and alternatives may be implemented in time for the 2008 charter halibut season as well as bringing the charter halibut fleet to the GHL published in the Federal Register.

PVOA would like to thank the Council for their continued attention to this issue. If you have any questions or comments regarding the charter halibut matter, please feel free to contact us.

Respectfully,


Julianne J Curry
Director

Sitka Charter Boat Operators Association

PO Box 2422 Sitka Alaska 99835

May 29, 2007

Ms. Stephanie Madsen, Chair
North Pacific Fisheries Management Council
605 West 4th, Suite 306
Anchorage, AK 99501-2252

RECEIVED

MAY 29 2007

N.P.F.M.C.

Re: Halibut Charter Issues/GHL Measures

Dear Madame Chair,

The members of the Sitka Charter Boat Operators Association are honored to have the NPFMC meet in Sitka, in June. We represent 50 members and an industry that makes a \$31 million annual contribution to the Sitka economy (See attached McDowell report, January 2005). It is unfortunate that most of our membership cannot attend this meeting because this is our busy season. We support the longstanding NPFMC tradition of not taking up guided sport issues at the June meeting.

We encourage the NPFMC to withhold final action on Area 2C GHL measures until October, when the 2006 catch numbers are finalized. Currently, the NPFMC is using numbers derived from a linear trend projection based on the State's mail out survey data from 2000-2005 and a logbook program that has not been ground truthed. The creel survey data for 2006, indicates a drop in harvest in the three main ports of Southeast Alaska (Area 2C) – Ketchikan, Juneau, and Sitka. The IPHC catch per unit information for the commercial fishery and the experience of SCBOA's members also indicates a downward trend for Area 2C in 2006. (See attached Lestelle Memorandum Report to Tom Ohaus, Feb. 3, 2007)

Deciding GHL measures based on a linear trend projection that ignores measurable indexes, like creel survey numbers, is counterproductive and potentially destructive given the impacts of those measures on individual businesses, tourism, and the economies of towns and villages throughout Area 2C. Also, it is likely that NMFS will enact GHL measures for 2007, which will generate measurable results by October, including better information on the average size of halibut harvested.

For the above reasons, we support Alternative 1 under the GHL measures – No Action. We recommend waiting until October 2007, when real data on 2006, preliminary data on 2007, results of the NMFS measures, and higher levels of

public participation are obtainable. Also, be aware that Alternative 4 – one halibut daily limit – is a tourism and local economy killer. We know this from extensive polling of our customers.

Regarding the compensated reallocation report, we feel key ingredients are missing for action at this June meeting. In October 2007, the NPFMC will take up the topic of equitable allocation. Only after this has been determined should buy back provisions be discussed. Also, we strongly think the Council should research a government buy back provision as an alternative.

The members of SCBOA support the moratorium the Council put in place. We look forward to arriving at a fair and equitable allocation, then some form of compensated reallocation. We are sensitive to the Council's sense of urgency to move on with our issues. We feel strongly that efforts to resolve these issues will be best served by the appointment of a representative of the guided sport industry to the Council. We also encourage the Council to encircle all sport fishers - guided and non-guided – in any final solution. In Area 2C, we are already seeing an increase in bare-boat charters and non-registered boat operators that seem to have new groups of "friends" to take fishing every few days.

Thank you for your consideration,



Theresa Weiser
President

Sitka Charter Fishing Visitor Profile and Impact Analysis

Alaska Travelers Survey

PREPARED FOR:
Sitka Charter Boat Operators Association

EXECUTIVE SUMMARY
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 BACKGROUND
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 B. Survey Responses
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 D. Survey Analysis
 E. Survey Results
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 V. Survey Forms
 W. Survey Reports
 X. Survey Presentations
 Y. Survey Publications
 Z. Survey Other



Research-Based Consulting

Juneau
Anchorage

January 2006

Sitka Charter Fishing Visitor Profile and Impact Analysis

Alaska Travelers Survey

**PREPARED FOR:
Sitka Charter Boat Operators Association**

PREPARED BY:



Juneau • Anchorage

January 2005

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SUMMARY OF FINDINGS

Research Methods: The following profile resulted from a combination of research tasks and information sources that included a survey of Sitka visitors exiting by air (as part of the 2005 *Alaska Travelers Survey*), a business survey of selected charter fishing operators, City and Borough of Sitka sales tax records, the Alaska Department of Fish and Game, and an economic modeling procedure.

Charter Industry Profile: The Sitka charter fishing industry consists of 121 businesses operating 213 vessels (2004 data) hosting an estimated 10,400 non-cruise charter fishermen in 2005, earning reported sales of \$21 million. Most of these charter clients purchased inclusive lodging/fishing/meals packages while a small number chartered independently and arranged for accommodations on their own.

Charter Fishermen Profile: The charter fishermen profile shows this market to be primarily from the Western U.S. (74 percent), have high household incomes (\$119,000), are often repeat visitors (50 percent have been to Sitka before), intend to return (70 percent), spend between 4 and 5 nights in Sitka, and pay an average of slightly over \$2,000 for their Sitka charter fishing experience.

Economic Impact Profile: According to City and Borough of Sitka sales tax records, Sitka charter operators reported sales of \$21 million in charter fees, lodging, meals and other expenditures by clients in their charter businesses (including sales to day-charter clients from cruise ships). In addition, the Sitka air visitor survey shows another \$2 million spent in Sitka by charter fishermen, making the total \$23 million.

Adding multiplier effects of \$8 million, total economic input that includes direct, indirect and induced economic impacts is estimated at \$31 million. The total number of people directly or indirectly earning some income related to the charter industry is estimated at between 350 and 400 in 2005.

Charter Industry Spending in Sitka: According to a survey of selected charter operators, most of their annual operational expenditures (89 percent) are in the Sitka economy – an amount estimated at between \$15 million and \$17 million. Major categories of operator expenditures in the Sitka economy include wages, boat and crew contracts, boat operations and equipment, groceries, and fish processing. The wide variety and type of charter operations prevents calculating individual expense category amounts for the overall charter fishing industry.

Price Sensitivity: When asked about a potential increase of 10 percent in the cost of a Sitka charter experience, the market did not appear to be particularly price-sensitive, though 14 percent did say they would be “much less likely to return,” compared to 44 percent who said the price increase “would not make a difference.”

Bag Limits: Charter market responses were somewhat inconclusive when asked, “If you were allowed to keep fewer fish, how likely would you be to return?” As many respondents said, “it wouldn’t make a difference” (26 percent), as said they would be “much less likely to return” (24 percent). Without specifics as to how many fish and what species, the general question was difficult to answer. Sensitivity to bag limit changes might be better addressed by an historical analysis of charter sales when bag limits were changed in the past.

INTRODUCTION AND METHODOLOGY

Introduction

This report provides a profile of Sitka sportfishing visitors and an analysis of their economic impact in the community. The Sitka Charter Boat Owners Association (SCBOA) collaborated with the Sitka Convention and Visitors Bureau to jointly fund a survey of visitors at the Sitka airport in the summer of 2005, the data from which forms the basis for this report.

This survey effort was part of an ongoing, statewide research program conducted biennially by the McDowell Group since 2001. The program provides current information on Alaska visitor characteristics including satisfaction ratings, travel patterns, demographics and trip planning. In 2005, the McDowell group conducted nearly 6,000 personal intercept interviews statewide. Pleasure visitors using all major transportation modes - air, cruise ship, ferry and highway - were interviewed.

The Sitka survey instrument included several questions requested specifically by the SCVB and SCBOA. SCBOA was particularly interested in the impacts of potential price increases and changes to sportfishing regulations.

In addition, the SCBOA contract included an analysis of the economic impacts of the charter fishing industry in Sitka.

Methodology

This report presents findings from a survey of visitors who participated in charter fishing. Visitors were interviewed in the departure lounge of the Sitka Airport before boarding their flights. Using a statistical sampling procedure to randomly select flights and passengers throughout the season, McDowell Group surveyors intercepted 228 charter fishermen. The maximum margin of error on the charter fishing visitor sample is ± 6.7 percent at the 95 percent confidence level.

Surveys were conducted between May and September. The survey instrument was designed by McDowell Group with input from Sitka Convention and Visitors Bureau staff and SCBOA.

The economic impact analysis was developed using data from City and Borough of Sitka, the Alaska Department of Fish and Game, and *Alaska Travelers Survey*. Additionally, McDowell Group conducted interviews with 12 Sitka charter boat operators to gather information on their client volume and business expenditures.

SURVEY OF SITKA CHARTER VISITORS

Trip Purpose

Nearly all of Sitka's summer 2005 charter visitors were traveling for vacation/pleasure. Just 4 percent were combining business and pleasure, and 3 percent were visiting friends and relatives. (Business-only travelers were screened out of the survey sample.)

Trip Purpose
Alaska Travelers Survey, Air Visitors, Summer 2005

Charter Visitors	
Vacation/pleasure	93%
Business/pleasure	4
Visiting friends and relatives	3

Length of Stay

Sitka charter visitors tend to spend all of their Alaska vacation time in Sitka. They reported an average length of stay in Alaska of 5.2 nights, and an average length of stay in Sitka of 4.8 nights.

Length of Stay
Alaska Travelers Survey, Air Visitors, Summer 2005

Charter Visitors	
Average number of nights in Alaska	5.2
Average number of nights in Sitka	4.8

Accommodations Used in Sitka

Just over half of Sitka charter visitors stayed at a lodge while in Sitka, while nearly all of the rest stayed in a hotel or motel.

Accommodations Used in Sitka
Alaska Travelers Survey, Air Visitors, Summer 2005

Charter Visitors	
Lodge	52%
Hotel/motel	42
Private home	4
Bed and breakfast	4
Camping tent/cabin	1
Boat	1
Other	6

Participation in Tours and Activities

Besides fishing, the number one activity among Sitka's charter visitors was shopping, at 62 percent. Over one-quarter of charter visitors participated in wildlife viewing while on their trip, including 14 percent who bird-watched, 10 percent who visited the Raptor Center, and 7 percent who bear-watched. Another popular activity among charter visitors was hiking, with 20 percent participating.

Participation in Tours and Activities
Alaska Travelers Survey, Air Visitors, Summer 2006

	Charter Visitors
Fishing	100%
Shopping	62
Wildlife viewing	29
Wildlife/marine life viewing	21
Bird watching	14
Raptor Center	10
Bear viewing	7
Cultural activities	21
Museums/historical sites	21
Native culture tours/activities	4
Hiking/nature walk	20
Boating	8
Visiting friends/relatives	6
City tour	6
Kayaking/canoeing	4
Flightseeing	4
Day cruise	1
Russian Dancers	1
Business	1
Hunting	1
Camping	1
Other activities	2

Satisfaction Ratings

The vast majority of Sitka's charter visitors (85 percent) were very satisfied with their Alaska experience. More than three-quarters (77 percent) were very satisfied with their Sitka experience. Not one Sitka charter visitor was dissatisfied with either their Sitka or Alaska experience.

Satisfaction Ratings
Alaska Travelers Survey, Air Visitors, Summer 2006

	Very Satisfied	Satisfied	Neutral	Dissatisfied	Very Dissatisfied
Overall experience in Alaska	85%	14%	1%	-	-
Overall experience in Sitka	77	20	3	-	-

Visitor Expenditures

Sitka's charter visitors spent an average of \$8,500 per party in Sitka, and \$1,900 per person. These figures do not include spending on airfare.

Visitor Spending on Sitka Trip
Alaska Travelers Survey, Air Visitors, Summer 2006

Charter Visitors	
Zero	6%
\$1 to \$1,000	7
\$1,000 to \$2,000	15
\$2,000 to \$5,000	26
Over \$5,000	47
Average Spending Per Party	\$8,500
Average Spending Per Person	\$1,900

Previous Sitka Travel

One half of charter visitors had previously been to Sitka. These repeat visitors had made an average of 4.8 trips.

Previous Sitka Travel
Alaska Travelers Survey, Air Visitors, Summer 2005

Charter Visitors	
Is this your first trip to Sitka?	
Yes	49%
No	51
How many other trips to Sitka have you made? (Base: Previously visited Sitka)	
1	28%
2	15
3	11
4	12
5	9
More than 6 visits	25
Average number of trips	4.8 trips

Future Travel to Sitka

Seven out of ten Sitka charter visitors said they were very likely to return to Sitka, while another 20 percent said they were likely to return.

Of those likely or very likely to return to Sitka, virtually all visitors expressed a strong interest in charter fishing on their next visit.

Future Travel to Sitka
Alaska Travelers Survey, Air Visitors, Summer 2005

Charter Visitors	
How likely are you to return to Sitka?	
Very likely	70%
Likely	20
Unlikely	4
Very unlikely	<1
How likely are you to go charter fishing on your return visit? (Base: very likely or likely to return to Sitka)	
Very likely	87%
Likely	9
Unlikely	2
Very unlikely	1

Impact of Price Increases on the Likelihood of Returning

Sitka charter visitors who said they were likely to charter fish in Sitka in the future were asked how changes in cost and regulations might affect the Sitka charter fishing market. The question related to cost increases read:

In the next year, the costs of charter fishing in Sitka may increase due to higher license fees, fuel cost increases, and a possible sales tax increase. If the cost of charter fishing in Sitka increased by 10 percent, would you be much less likely to return, somewhat less likely to return, or the cost increase wouldn't make a difference?

The purpose of this question was to provide a general indication of price sensitivity in the Sitka charter market. The lodge charter fishing market has been willing to pay one of the highest daily rates in Alaska tourism (\$300-\$500 per day is typical) for full fishing/lodging/meals packages. By asking about a specific cost increase (10 percent), respondents were able to provide a relatively reliable answer to this question.

The charter fishing market appears to be only moderately price-sensitive. When asked about a potential 10 percent increase in the cost of charter fishing, just 14 percent considered themselves "much less likely to return." Nearly one-half (44 percent) were not sensitive to the suggested 10 percent increase, not a surprising finding as they are already willing to pay a substantial sum, and their incomes show good ability to pay for the experience.

If the cost of charter fishing in Sitka increased by 10 percent, would you be...
Alaska Travelers Survey, Air Visitors, Summer 2005

	Intended Future Charter Visitors (n=197)
Much less likely to return	14%
Somewhat less likely to return	37
Wouldn't make a difference	44
Don't know/refused	5

Impact of Bag Limits on the Likelihood of Returning

The question related to bag limits read:

The State of Alaska may decrease the number of fish non-residents are allowed to keep. If you were allowed to keep fewer fish, would you be much less likely to return, somewhat less likely to return, or the decrease wouldn't make a difference?

Because it was difficult to answer this question without knowing the specific bag limits, the surveyor recorded whether a respondent added to their response "depends on the number of fish" or "depends on the species of fish."

The purpose of this question was to gain a general indication of charter market sensitivity to potential bag limit reductions. However, the complex nature of the issue (which specie? how many? what combination of species/numbers of fish? daily or total trip limits?) could not be addressed due to practical limitations in the surveying environment with respondents in the midst of checking in and boarding as they exited from Sitka airport. In addition, specific proposed regulation changes were not known at the time of the survey.

At best, the results for this question should only be considered a general indication of potential effects of bag limits on future charter market behavior. Respondents were not given any choices regarding number of fish or species limitations, and were left to speculate on what those limitations might be.

Survey results were somewhat mixed. Considering only those respondents who answered the question directly (without qualifying their answer with "it depends,") 24 percent said they would be "much less likely to return," compared to 26 percent who said keeping fewer fish "would not make a difference." Some respondents added "it depends" (on the number of fish and/or the species), and either qualified their response to the question or did not answer the question.

If you were allowed to keep fewer fish, would you be...
Alaska Travelers Survey, Air Visitors, Summer 2005

Intended Future Charter Visitors (n=197)	
Single Response	
Much less likely to return	24%
Somewhat less likely to return	19
Wouldn't make a difference	26
Depends on the number of fish	4
Depends on the species of fish	1
Don't know/refused	4
Multiple Responses	
Much less likely + Depends on # fish	5
Much less likely + Depends on species	4
Much less likely + Depends on # and species	4
Somewhat less likely + Depends on # fish	8
Somewhat less likely + Depends on species	5
Somewhat less likely + Depends on # and species	4

Note: Column does not add to 100% due to multiple responses.

Perhaps a better indication of potential impacts of bag limit changes would be an historic analysis of similar changes, a research task beyond the scope of this report. Did the lodge charter market decline in years when bag limits were lowered? Or increase in years when bag limits were raised? Actual historic documentation of consumer behavior may be a better indicator than visitor predictions about future behavior.

Trip Planning

Two-thirds of Sitka charter visitors used the Internet to plan their Alaska trip, and nearly half booked some portion of their trip over the Internet. Nearly all of those who booked over the Internet bought their airfare on-line. Only 16 percent purchased lodging on-line.

Internet Use

Alaska Travelers Survey, Air Visitors, Summer 2005

Charter Visitors	
Used Internet	85%
Research only	18
Research and book	47
Which portions of your trip did you book over the Internet? (Base: Booked over the Internet)	
Airfare	95%
Lodging	16
Tours	3
Overnight packages	2
Vehicle rental	1
Other	1

Just 14 percent of Sitka charter visitors reported using a travel agent to plan their trip, almost always for airfare.

Travel Agent Use

Alaska Travelers Survey, Air Visitors, Summer 2005

Charter Visitors	
Did you use a travel agent?	
Yes	14%
No	86
Which portions did you book through a travel agent? (Base: used travel agent)	
Airfare	97%
Lodging	14
Tours	7
Overnight packages	7

Besides the Internet and travel agent, the number one source of information for Sitka charter visitors was friends and family at 53 percent, followed by prior experience at 40 percent.

Sitka charter visitors appear to conduct little active research beyond the Internet, with less than 15 percent reporting usage of brochures, travel shows, CVB research guidebooks, etc.

Other Information Sources About Sitka*
Alaska Travelers Survey, Air Visitors, Summer 2005

Charter Visitors	
Friends/family	53%
Prior experience	40
Brochures	12
Travel shows	9
Lodging	5
Convention and Visitors Bureau	3
Magazine	3
Guidebooks	2
Club/organization	2
AAA	1
Newspaper	1
Alaska State Vacation Planner	1
Cruise line	<1
Ferry brochure/schedule	<1
Library	<1
Community Brochures	<1
North to Alaska Guide	<1
None	2
Other	2

* Top-of-mind recall.

Sitka charter visitors made their decision to travel an average of eight months ahead of time, and booked their arrangements an average of six months ahead of time.

Advance Time for Trip Decision and Booking
Alaska Travelers Survey, Air Visitors, Summer 2005

Charter Visitors	
How far in advance did you decide to come on this trip to Alaska?	
Less than three months	18%
Four to six months	27
Seven to eleven months	22
Over one year	34
Average # months	8.2
How far in advance did you book your major travel arrangements?	
Less than three months	30%
Four to six months	34
Seven to eleven months	25
Over one year	11
Average # months	5.8

Demographics

See table next page.

Three-quarters of Sitka charter visitors came from the western United States (74 percent). California alone accounted for 32 percent of Sitka's charter visitors, while Washington accounted for 24 percent.

Sitka charter visitors reported an average age of 53 years old, and an average party size of 4.5 people. Nine out of ten charter visitors were male. Over half of Sitka charter visitors reported having at least a college degree. The average annual income reported was just under \$120,000.

Sitka Visitor Demographics
Alaska Travelers Survey, Air Visitors, Summer 2005

Air Visitors	
Origin	
Western US	74%
California	32
Washington	24
Midwestern US	10
Southern US	9
Eastern US	6
Canada	<1
Other International	<1
Party Size	
One person	21%
Two people	19
Three people	11
Four people	19
Five or more people	30
Average party size	4.5 people
Gender	
Female	11%
Male	89
Age	
Less than 18	5%
19-34 years old	7
35-44 years old	19
45-64 years old	48
Over 65 years old	22
Average age	52.6 years old
Education	
Less than H.S. diploma	2%
High School Grad/GED	11
Vocational Cert.	2
Some College	14
AA degree	10
College graduate	57
Bachelor's	37
Master's	11
Doctorate	9
Average household income	
Mean income	\$119,000
Refused	13%

ECONOMIC IMPACT OF CHARTER FISHING

Sitka Charter Industry Overview

This chapter presents an analysis of economic impacts resulting from Sitka's charter fishing industry. It does not estimate activity or spending by resident sportfishermen or non-resident, unguided sportfishermen.

The McDowell Group used several sources of information to estimate the size of the charter fishing market in Sitka. Market size estimates are based on data from the Alaska Department of Fish and Game (ADFG) saltwater charter vessel logbooks, interviews with a sample of charter industry operators, and from the McDowell Group's *Alaska Travelers Survey* 2001 and 2005.

According to the latest ADFG data available for the Sitka area, there were 121 active charter businesses representing 213 individual boats in 2004.

Size of Sitka Charter Fishing Fleet Active businesses and vessels

Year	Businesses	Vessels
2004	121	213
2003	127	210
2002	123	220
2001	121	209

*Alaska Department of Fish and Game

Based on operator interviews and *Alaska Travelers Survey* 2005 data, the study team estimates that there were approximately 10,400 charter fishermen (not including cruise passengers) in the Sitka area in 2005.

Based on ratios developed from *Alaska Travelers Survey* 2005, approximately 87 percent of non-cruise charter fishermen purchased a lodge package or other type of all-inclusive fishing package. The remaining 13 percent of non-cruise charter fishermen were independent fishermen who purchased day-fishing charters and made their own accommodation and meal arrangements.

Volume estimates of cruise-related charter fishermen are confidential.

Sitka Non-Cruise Charter Market Alaska Travelers Survey, Air Visitors, Summer 2005

	Fishermen
Lodge/package fishermen	9,000
Independent fishermen	1,400
Total non-cruise fishermen	10,400

Alaska Travelers Survey data shows that a majority of lodge/package fishermen stayed at a lodge or resort (64 percent) or at a hotel/motel (43 percent). Some fishermen stayed at more than one type of accommodation during their trip. A

smaller number stayed at B&B's (2 percent) or used other types of accommodations (4 percent) such as vacation rentals, boats or camping during their stay in Sitka.

Independent charter fishermen stayed in hotels/motels (42 percent), B&B's (12 percent), private homes (8 percent), and on boats (4 percent). Nearly one-third (31 percent) stayed at other types of accommodations. The majority of "other" accommodations were vacation rentals.

Charter Fishermen Expenditures

Alaska Travelers Survey 2005 findings show that lodge/package fishermen spent an average of \$2,133 per person on fishing packages in 2005. This group spent an additional \$138 per person on other items such as meals (not included in the package), beverages, tours, transportation and shopping while in Sitka.

Independent fishermen spent an average of \$767 on fishing charters, \$283 on accommodations and \$303 on all other expenditures.

Estimates of the average expenditures for cruise-related charter fishermen are confidential.

Average Per-Person, Per-Trip Expenditures Alaska Travelers Survey, Air Visitors, Summer 2005

Average Per Person Spending	
Lodge/package charter fishermen	
Fishing, accommodations, and meals package	\$2,133
Other expenditures	\$138
Total spending by lodge/package fishermen	\$2,271
Independent charter fishermen	
Fishing charters	\$767
Accommodations	\$283
Other expenditures	\$303
Total spending by independent fishermen	\$1,353

Charter Industry Gross Sales

The gross sales reported to the City and Borough of Sitka by charter industry businesses include sales of fishing charters and accommodations sold by those operators. Sales are taxed at a rate of 6 percent from April 1st to September 30th and 5 percent the remainder of the year. Accommodations are taxed at an additional rate of 6 percent. A cap of \$1,000 applies to each individual sale. Operators reporting package sales self-report the amount of accommodation sales for bed tax purposes.

According to the City and Borough of Sitka, gross sales increased to \$21.05 million, an increase of 8.7 percent in 2005. The amount of taxable sales and sales tax collected both increased by 6.7 percent for the same period. The volume of accommodation sales reported by charter operators was not available, therefore no estimate can be made of the amount of bed tax collected from charter industry sales.

Charter Industry Gross Revenue and Tax Collection
City and Borough of Sitka

Year	Gross Sales*	Taxable Sales	Sales Tax collected	# of accounts
2002	\$15,432,000	\$5,730,000	\$287,000	130
2003	17,225,000	6,537,000	327,000	158
2004	19,370,000	8,117,000	485,000	165
2005	21,051,000	8,659,000	517,000	151

*Includes charter revenue and accommodations revenue as reported by charter operators.

Charter-Related Expenditures

Total charter fishing-related expenditures by Sitka charter clients are estimated to be approximately \$23.1 million for 2005.

Based on McDowell Group estimates, lodge/package fishermen spent approximately \$19.2 million on fishing packages and an additional \$1.24 million on other expenditures while in Sitka.

Independent fishermen spent approximately \$1 million on fishing charters, \$440,000 on accommodations and \$425,000 on other expenditures.

Cruise passengers who charter fished while in Sitka are estimated to have generated approximately \$750,000 in gross revenue for Sitka charter operators (this is net of cruise line commissions) in 2005. This includes trips booked before arriving in port and fishermen who arranged trips while in port.

Charter-Related Expenditures in Sitka 2005

Expenditures	
Lodge/package fishermen	
Fishing packages	\$19,200,000
Other expenditures	1,240,000
Independent fishermen	
Day fishing trips	\$1,100,000
Accommodations	400,000
Other expenditures	425,000
Cruise passengers	
Fishing charters	\$750,000
Total	\$23,100,000

Charter Industry Impact on the Sitka Economy

In order to understand typical spending patterns for Sitka charter operators, the McDowell Group conducted interviews with a selected sample of charter operators representing a range of volume and type of operation.

Readers should recognize the complexities involved in analyzing charter industry spending. Charter industry businesses range from one-boat operations with no accommodations, to full service lodges offering accommodations, meals and other activities. Service levels and quality also vary. Because of the variety of business types, it was not possible to capture comparable spending information for all categories of expenses during the charter operator interviews.

This study did not attempt to determine the level of profitability for charter operators. However, based on operator interviews and industry standards, average profitability is assumed to be in the range of 12-18 percent of gross revenue.

- Assuming profits of 12-18 percent of revenue, the remaining 82-88 percent represents total operating expenses for Sitka charter businesses in 2005. In total, Sitka charter operators reported gross sales of slightly more than \$21 million for 2005. Therefore total 2005 operating expenses for Sitka charter businesses would be in the range of \$17.3 million to \$18.5 million.
- Sitka charter operators reported spending, on average, approximately 89 percent of their total annual operational expenses in Sitka. Therefore the estimated total direct spending in Sitka by the charter industry is in the range of \$15.5 million to \$16.7 million.
- Based on data gathered during the interviews, the largest categories of spending in Sitka, as a percent of expenses, were wages (17 percent), contracting for boats and crew (15 percent), boat operations and equipment (16 percent), groceries (7 percent), and fish processing (5 percent). Other goods and services purchased locally include insurance, utilities, rent and lodging.

Direct spending in Sitka by charter fisherman totaled approximately \$23.1 million in 2005. Using multipliers¹ to account for the effects of indirect and induced spending,² the McDowell Group estimates that the total charter industry output (as a measure of direct and indirect spending) was approximately \$31 million in 2005.

It is beyond the scope of this study to determine precisely the total number of part-time and full-time workers employed in the charter industry. However, the total number of people directly or indirectly earning some income related to charter activity is estimated at between 350 and 400 in 2005. This includes workers directly employed in the industry, such as crew on charter boats and lodge employees, in addition to workers indirectly employed as a result of the industry, such as employees of businesses providing goods and services to charter businesses.

Economic Impacts of Sitka's Charter Fishing Industry, 2005

	Impacts
Total direct spending by charter fishermen	\$23 million
Total charter fishing industry output (Includes direct, indirect and induced impacts)	\$31 million
Estimated charter fishing-related peak employment	350-400 jobs

¹ The multipliers used in this analysis are drawn from the Implan model for the sectors of the economy that most accurately reflect the charter industry.

² Indirect spending occurs when charter businesses purchase goods and services in support of their operations. Induced spending occurs when employees of the industry spend their payroll dollars in the local economy.

Biostream Environmental

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M E M O R A N D U M

TO: Tom Ohaus
FROM: Larry Lestelle
DATE: February 3, 2007
RE: Methods to project 2006 sport harvest of halibut in Area 2C

As requested, I have reviewed methods used by ADFG to prepare preliminary estimates of the 2006 sport halibut harvest in Area 2C. I reviewed a variety of documents in the process and spoke on several occasions via telephone with Bob Chadwick and Mike Jaenicke of ADFG.

I summarize my findings here. I address three questions in the following:

1. What methods have been used to estimate sport harvests in the state designated areas that comprise Area 2C, both with respect to finalized season numbers and to formulate preliminary numbers that are used by management agencies prior to finalized numbers being issued?
2. Were the methods used to formulate the preliminary 2006 harvest estimate different from approaches used in previous years?
3. What other methods might have been employed to estimate the 2006 harvest, and how would the estimates have differed from the ones that were formulated by ADFG?

By necessity, my review is short. I address each of the questions quite briefly. I have learned that the methods and history of harvest estimation in this area are quite involved—and I am sure that there are many aspects that I have not been able to assess—nor understand. Still, I believe my review will be helpful to you.

Also, due to time constraints I will only address estimation of fish in pieces (number of fish). For management purposes, harvest in pieces is converted to biomass (weight) estimates. I do not address the procedures used for this conversion here.

It is important to make clear at the outset that I found both Bob Chadwick and Mike Jaenicke to be very helpful in my review. I know from being personally involved in the harvest management end of things that they have a difficult job. They were both very easy to converse with. They forwarded information quickly. Bob Chadwick indicated that he could arrange a meeting with you and your association to go over questions as the need might arise.

I understand there is a concern by some that the preliminary harvest estimates made by ADFG for 2006 may be higher than actually occurred. Two methods were employed by ADFG biologists to project last year's catch, both of which generated estimates that exceeded all prior year harvest estimates for Area 2C (Figure 1).

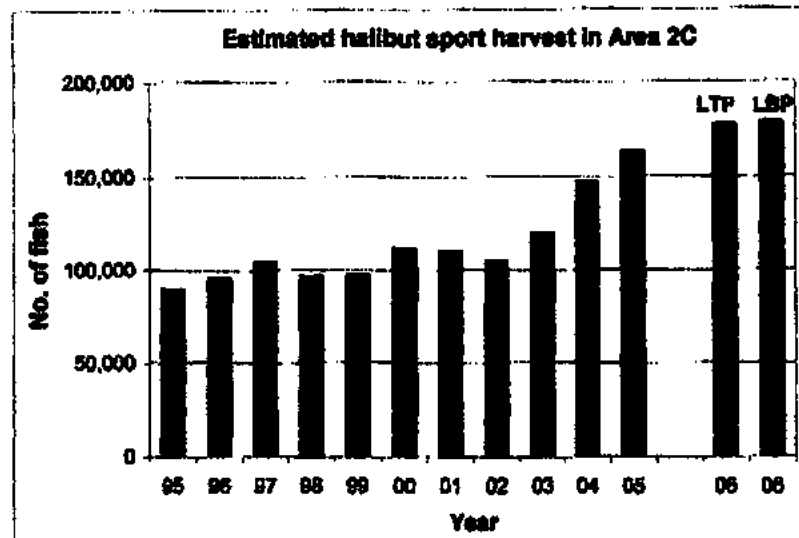


Figure 1. Estimated sport harvest of halibut in Area 2C for 1995-2005 and preliminary projected harvest in 2006 using two methods employed by ADFG. Numbers for 1995-2005 are from the Statewide Harvest Survey (SWHS). Projections for 2006 are from Jaenicke and Meyer (2006). LTP – linear trend projection; LBP – logbook projection.

Methods to Estimate Sport Harvest within Area 2C

Here I describe briefly the methods that have been used to generate harvest estimates in recent years prior to 2006. The methods differ in purpose.

ADFG has employed three methods to estimate harvest within areas of Area 2C prior to 2006:

1. Statewide Harvest Survey (SWHS)
2. Creel census (onsite surveys)
3. Charter logbooks

It is important to recognize that these are three distinct methods used to estimate the same thing—i.e., harvest—though results have been applied for different purposes. None of the methods produces what might be construed as the “true” harvest number, even though the SWHS numbers are applied as the finalized ones. There is no way to know which method has produced the most accurate estimate of harvest for halibut in any given year and fishery.

Statewide Harvest Survey. The SWHS is the official method used by the State of Alaska to estimate sport fishing participation and harvest (fish kept) for a wide range of species—including halibut—statewide. As already noted, the estimates are considered the finalized estimates of

harvest. The method has been used since 1977 but has undergone a number of modifications since then (Jennings and others 2006) – for example, harvest estimates for 1996-1998 were revised in September 2000. The method utilizes a mail survey made annually following the end of all fisheries each calendar year. The survey is questionnaire-based and is sent to a sample of both resident and nonresident license holders. I will not go into the details here – those are adequately covered in annual reports issued by the Sport Fish Division of ADFG (available online). What is important to recognize is that the survey is rooted in the willingness of respondents to truthfully report what they caught each year. The method does address non-respondents and certain patterns of responses expected between respondents and non-respondents. Mike Jaenicke informed me that while survey results and methods have been scrutinized over the years, there is in no way to truly know the accuracy of the estimates. That is commonly the case for surveys of this type. Measures of uncertainty (expressed as 95% confidence limits) are generated for the harvest estimates each year, but these are not routinely reported except for certain fisheries.

The annual survey is initiated each January (covering the previous year's fisheries) and harvest estimates are subsequently finalized in September after a number of steps. Hence the estimates for the year being analyzed are not available to be used in the preseason planning process for the current year. So, estimates for 2006 will not be available until September of 2007, hence they cannot be used for planning this year's fisheries. For halibut, the SWHS generates estimates for eight primary areas in Southeast Alaska, of which seven fall into IPHC Area 2C (Table 1). The eighth, Yakutat, is in IPHC Area 3C.

Creel Census (On-site Surveys). On-site creel census estimates of harvest are made for some species in a limited number of fisheries each year. One purpose of these surveys is to compare these estimates to those generated with the SWHS each year. This appears to provide the only way for ADFG to check how well the SWHS approach performs in generating its estimates. (But keep in mind that both methods produce estimates of the same thing and there is no way to know in any given fishery and year which estimate is in fact more accurate. Still, the creel census is based on on-site observations as opposed to a mail survey sent to people in distant places—hence, I think it should be generally regarded as closer to “truth.”) Each year in ADFG's annual report for the SWHS there is a “Discussion” section that comments on the correspondence between SWHS estimates and those derived from on-site surveys. Three areas within Area 2C are routinely surveyed each year using the on-site methods: Ketchikan, Sitka, and Juneau.

Before looking at some comparative results, it is first helpful to see how ADFG describes the purposes of the on-site surveys, as drawn from a report issued very recently covering harvest year 2006 (Tersteeg and Jaenicke 2006): (I have underlined certain sentences for emphasis)

“On-site surveys occurred in nine primary communities in IPHC Area 2C, and varied in duration and type based on the data collection needs of managers. Creel surveys in Juneau, Ketchikan, and Sitka began in late April and continued through late September 2006. The surveys were designed to enable managers to make in-season estimates of the sport fish harvests in local waters. Additionally, catch sampling programs were in place in Craig, Klawock, Petersburg, Wrangell, Gustavus, and Elfin Covin from May to September, where similar types of data were collected from

returning anglers, but were designed in a way that did not allow for direct in-season estimates of harvests.”

Table 1. Historical sport harvests of halibut in Area 2C for 1977-2005 as reported in the Statewide Harvest Survey (ADFG).

Year	Ketchikan	PW Island	Petersburg Wrangel	Sitka	Juneau	Haines Skagway	Glacier Bay	Total
1977	1,360	277	447	992	1,976	81	271	5,404
1978	751	230	1,103	339	3,066	448	170	6,107
1979	1,359	593	1,380	3,179	5,832	49	632	13,024
1980	5,260	1,085	3,193	4,976	9,333	361	620	24,828
1981	4,634	1,321	2,299	4,288	8,122	670	443	21,777
1982	5,963	2,242	3,845	6,330	16,998	650	744	38,762
1983	6,760	1,849	4,147	7,945	18,651	1,428	636	41,313
1984	11,719	2,724	5,649	8,197	15,618	2,029	748	46,684
1985	12,600	3,073	4,757	6,091	16,695	1,023	1,355	45,694
1986	11,014	2,902	3,624	6,617	16,574	2,189	1,331	44,251
1987	9,876	2,760	3,039	7,545	14,382	3,567	2,184	43,163
1988	11,544	2,778	3,877	10,572	18,697	3,201	4,238	54,907
1989	13,699	9,213	5,548	17,727	20,273	2,588	4,484	73,532
1990	9,872	10,264	5,788	17,492	16,248	1,972	3,415	65,031
1991	9,733	11,875	6,433	20,283	13,637	1,199	6,768	71,926
1992	9,455	11,661	6,153	22,082	14,850	926	4,863	70,000
1993	12,763	22,501	6,984	19,366	16,340	2,195	5,878	85,027
1994	15,313	24,485	7,992	23,701	10,362	1,058	5,849	88,740
1995	14,483	20,808	9,488	21,452	15,145	856	7,090	89,322
1996	15,316	23,266	10,234	20,840	16,414	1,209	7,618	94,897
1997	13,685	21,201	10,417	27,552	21,282	1,007	9,242	104,386
1998	11,311	24,028	8,995	30,303	14,553	564	7,190	96,944
1999	10,899	25,739	8,133	28,222	15,522	879	7,552	97,036
2000	13,665	28,860	9,930	28,375	16,672	499	13,839	111,640
2001	10,106	28,210	8,345	33,104	14,213	664	15,112	109,654
2002	10,766	30,960	6,742	25,156	15,647	1,220	14,322	104,813
2003	8,810	29,307	7,569	32,362	20,530	1,136	19,767	119,481
2004	19,938	31,081	12,149	39,505	19,544	863	24,236	147,316
2005	15,751	38,944	11,876	42,185	25,662	763	27,389	162,570

It is clear that one of the purposes of the on-site surveys in 2006—as it was in previous years—was to generate in-season estimates of harvests for specific area fisheries. The Tersteeg and Jaenicke report describes the surveys made in 2006 in a way that tells me they were intensively and comprehensively performed. I found nothing in the report describing the 2006 effort to suggest the surveys were somehow lacking in how they were conducted compared to prior years.

A comparison of halibut harvests for the Ketchikan, Sitka, and Juneau areas between the SWHS results and creel census is given in Figure 2 for 1995-2003. The data used in the comparisons were pulled directly from annual report appendix tables intended to be used for such comparative purposes. Note that the last annual report to have been issued came out in August 2006, which covered harvest year 2003—hence I did not have access to the comparison appendix tables to get the SWHS results for 2004 and 2005.¹ I have added to the figure the creel census results for years since 2003 as a way of seeing the patterns for the on-site surveys for all years beginning in 1995.

Note the following from Figure 2:

- For Ketchikan, the on-site surveys have generally produced lower estimates of harvest than those produced by the SWHS, though there is some indication that the estimates are tending toward closer correspondence in the later years;
- For Sitka, there was very tight correspondence for the years 1995-2001—then the SWHS results gave substantially lower estimates for 2002 and 2003;
- For Juneau, there is good correspondence between methods for 1995-2000, then the estimates diverged—results differed very substantially for 2001-2003 with SWHS numbers much higher than those produced by the on-site surveys;
- Trends in harvest differ for the three areas—conclusions one might draw about trends also seem to differ between methods;
- The on-site survey results indicate that harvest in all three areas dropped between 2005 and 2006—the opposite of the pattern seen in Figure 1 above.

There is another aspect of the comparison in these methods that is important to point out. Keep in mind that I am drawing all of the numbers for my comparison directly from the tables in the annual SWHS reports intended for purposes of such comparison. In Figure 3, I compare the 95% confidence limits reported for the estimates produced with the two methods. It is important to note that in many years the confidence intervals do not overlap—or even come close to doing so, indicating statistically significant differences in both estimates and associated error bounds. This strongly suggests that there exist sources of error in the estimation methods that are not yet understood or incorporated into the procedures as applied by ADFG. So, if the confidence limits between the methods are so different, the question must be asked: which method produces the best estimates of harvest? This suggests to me that ADFG needs to look more closely at these methods to better understand sources of error and potential bias.

It is also useful to see a comparison between the SWHS numbers using the area delineations that ADFG applies in generating the estimates reported in Table 1. Figure 4 adds in these numbers, enabling us to see (1) how the SWHS numbers differ between the geographic areas used to generate the comparison tables in the annual SWHS reports and those in the format used to report numbers as given in Table 1 and (2) to see how the SWHS numbers compare to the on-site numbers for 2004-2005. Note that there is generally very good correspondence between the

¹ / It is important to note that the comparison tables given in the annual SWHS reports use slightly different delineations for fishery areas than those ascribed to the same general areas shown in Table 1 in this report. Mike Jaenicke pointed this out to me but I am unclear about exactly what the differences are. Hence, I did not include the numbers for 2004-2005 from Table 1 in the figure to compare to the on-site results. I consider numbers from Table 1 a little further down in this memorandum.

SWHS numbers in Table 1 and the SWHS for the slightly differently defined catch areas used in the comparison tables in the appendices of the SWHS reports—except for 1995-2000 for Juneau. I do not why those differences exist for those years for Juneau. This figure gives a good idea of how the estimates in the comparison tables that will come out for harvest years 2004-2005 will compare.

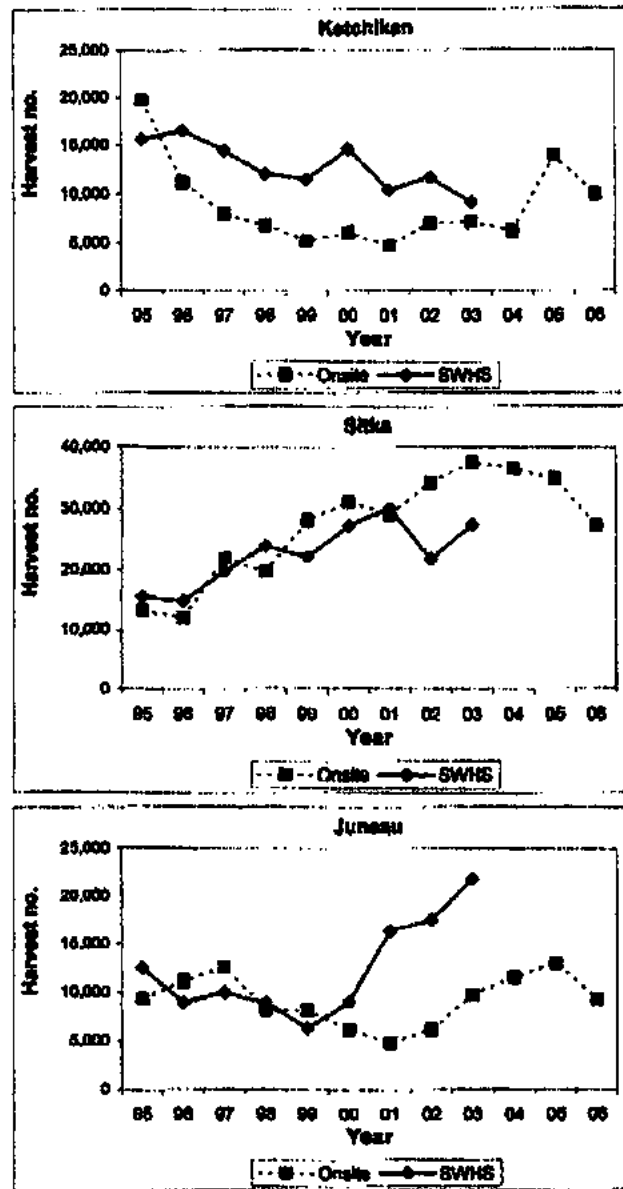


Figure 2. Comparison between sport harvest estimates of halibut for three areas in Area 2C where on-site creel census estimates are annually made by ADFG biologists. Comparison is between the finalized SWHS estimates and on-site estimates as reported in appendix tables in the annual SWHS reports. The most recent SWHS report issued in 2006 covers harvest year 2003. On-site survey estimates for 2004-2006, as provided by Mike Jaenicks (ADFG), are also shown.

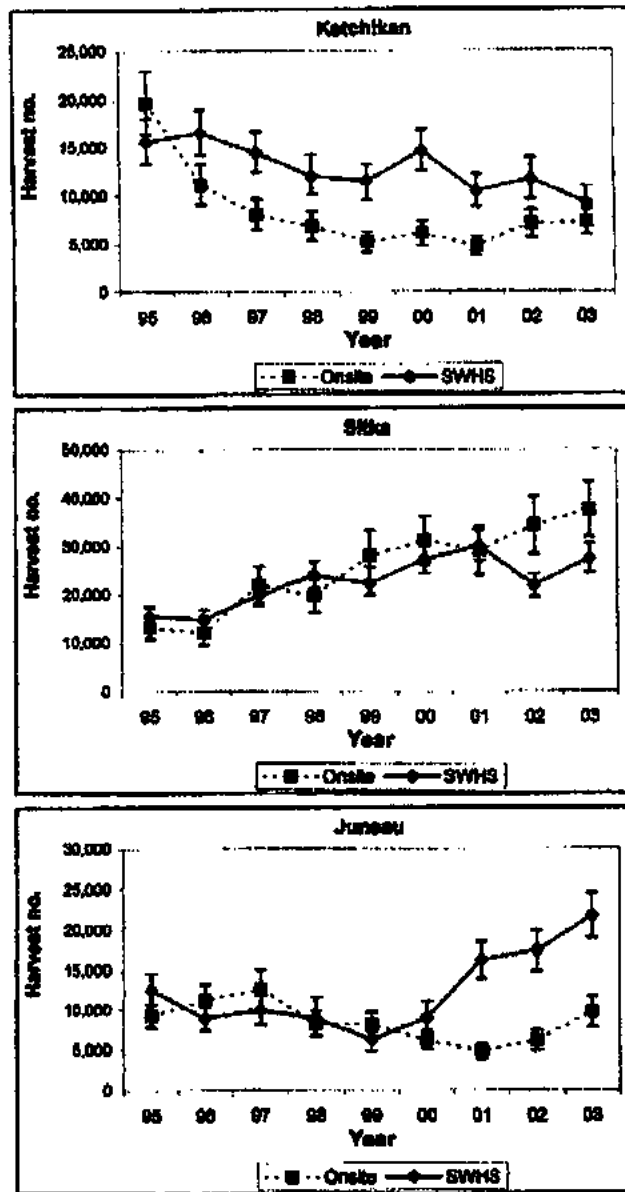


Figure 3. Sport harvest estimates of halibut for three areas in Area 2C where on-site creel census estimates are annually made by ADFG biologists. The figure plots the 95% confidence intervals associated with each annual estimate, as reported in appendix tables in annual SWHS reports. Only data up through year 2003 were available for the comparison.

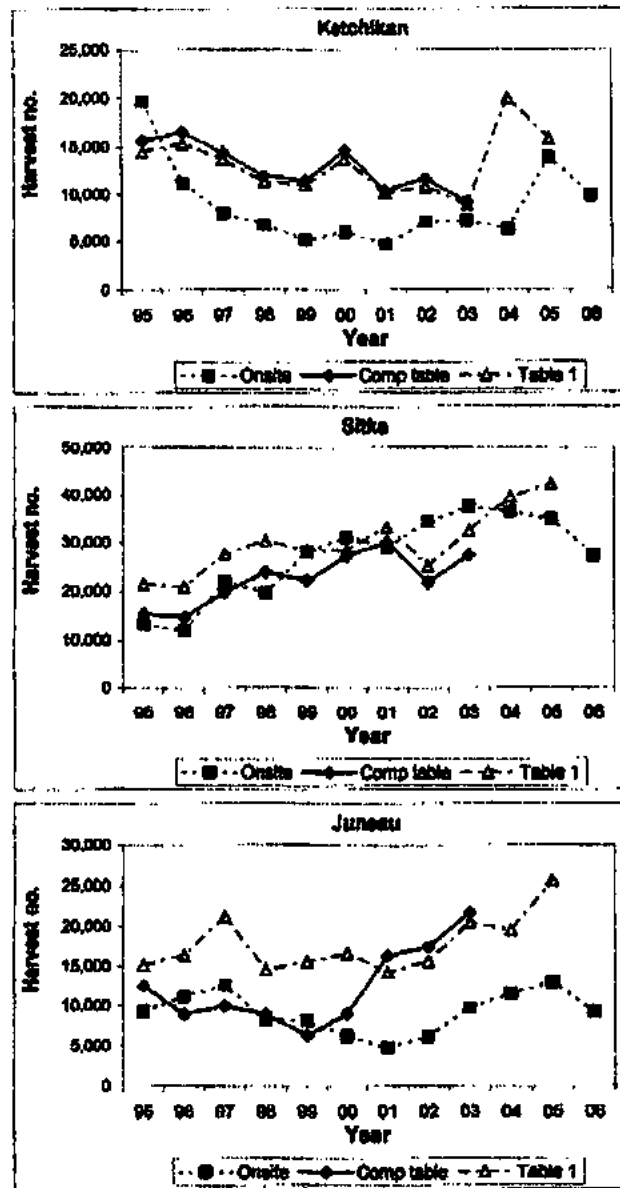


Figure 4. The same information shown in Figure 2 but with SWHS estimates added in for each area as areas are defined associated with Table 1.

Logbook Surveys. ADFG implemented a mandatory saltwater charter vessel logbook program in 1998. I am not familiar with the details of how it has been used over its history because I was unable to obtain good documentation of such details within the time frame I had. It provide another means for ADFG to compare harvest estimates between SWHS results and those derived using another independent method.

Charter vessels were required to complete the logbook survey for halibut for the years 1998-2001. However, the survey produced higher estimates of halibut harvest for charter vessels in

these years than was generated using the SWHS (Table 2). Mike Jaenicke informed me that ADFG biologists suspected that harvest numbers were being padded in the logbooks because the potential for moving to individual vessel quota management was being contemplated in those years. As a result, ADFG dropped the recording of halibut for the logbook program in 2002-2005. I personally have no way of judging in any way the reliability of the charter vessel reporting that occurred in 1998-2001.

Table 2. Comparison of SWHS halibut harvest estimates in Area 2C for charter vessels and harvest estimates derived from logbooks for 1998-2001 (NOAA Fisheries 2006).

Year	SWHS Charter estimate	Charter logbooks		
		Client harvest	Crew harvest	Total harvest
1998	54,354	64,357	no data	no data
1999	52,735	68,327	2,355	70,682
2000	57,208	91,772	4,158	95,928
2001	66,436	91,299	4,272	95,571

Mandatory reporting of halibut harvest was again implemented in 2006 for the charter logbook program with some changes to protocols initiated. Tersteeg and Jaenicke (2007) describe the nature of these changes—primarily more detail was required in how harvest was to be reported. It is not possible for me to assess the full scope of these changes here nor to judge how this change in reporting may have influenced the reliability of the reporting.

The logbooks were used as a means of projecting in-season harvest of halibut for the charter fleet in 2006 (described further below).

I do not have the necessary data to compare logbook results for 1998-2001 and 2006 to creel census results.

Methods Used to Formulate Preliminary Harvest Estimates for 2006

Mike Jaenicke described to me two methods that were used to formulate preliminary estimates of the 2006 sport harvest of halibut in 2006. These methods are also generally described in a letter from Mike Jaenicke and Scott Meyer to Calvin Blood with the IPHC dated October 23, 2006.

Although I am unaware of whether end of season projections like this were commonly made after every season, comments in the Jaenicke and Meyer letter indicate they were made in at least some years. That letter also indicates that the method used in for 2006 was different than the one employed in past years, which relied on the creel census data. The Jaenicke and Meyer letter states:

“The previous method used for Area 2C (moving five-year average of ratio between the SWHS and creel harvest data) resulted in consistent underestimation., especially of the charter harvest. Retrospective analysis indicated that the linear trend method would have provided less error in the previous projections.”

The two methods applied for 2006 are (1) linear trend projection based on the previous 5 years of estimates using the SWHS results, and (2) projection using logbook data for the period up through August 15. On-site creel census results were not applied.

Results for both methods are shown graphically in Figure 1. The linear trend projection (LTP) method estimated a total season harvest of 176,449 fish. The logbook projection (LBP) method estimated a total season harvest of 178,204 fish.

Linear Trend Projection (LTP). This method is very simple. It assumes that whatever trend in harvest existed over the past five years will carry over into the current year. If the trend was up in the past 5 years—it is assumed it continues. According to the Jaenicke and Meyer letter this method has been applied for at least several years in Area 3A.

This method is completely unresponsive to any situation that occurs in the year being estimated compared to the previous 5 years that would cause the current year to break with the 5-year trend. Taken to the extreme, it would mean that if a large part of the fleet did not fish in the current year (for any reason), the LTP method would ignore it and still project that the past trend would continue.

It is illustrative to see how this method would work by applying it to the three areas where on-site creel census data were collected. I apply the method just to the creel census data to illustrate the inherent problem of such a method. It could be applied to each area separately but I combine the harvests across the areas to simplify. The LTP method would have projected that the total creel census estimated harvest for Ketchikan, Sitka, and Juneau was 67,168 fish in 2006, while the actual creel census estimate was only 46,289 fish (Figure 5). The actual creel census estimate is 31% less than a projection of what it would have been using the LTP method.

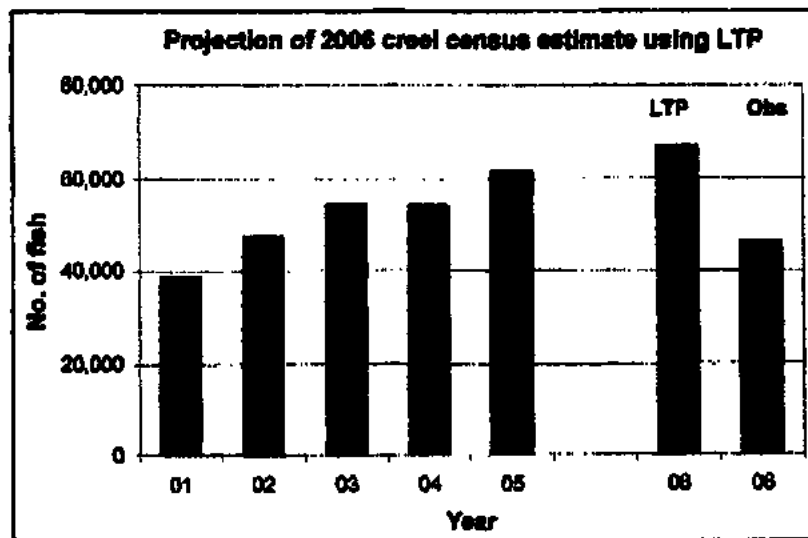


Figure 5. Application of the LTP method to creel census data for the combined Ketchikan, Sitka, and Juneau areas for 2006. The actual observed creel census estimate is labeled "Obs."

Logbook Projection (LBP). The general approach of how this method was formulated is described in the Jaenicke and Meyer letter to Calvin Blood. The method involved estimating the percentage of the harvest that had been taken through August 15 of each year. All logbook data for the period 1999-2004 were used by developing a correlation between halibut effort and other bottomfish effort—I do not understand this fully and it may need to be more completely described by Jaenicke and Meyer. In simple terms, it means that the large majority of the season was completed by August 15. Jaenicke and Meyer therefore felt that applying average percentages of the harvest taken by that date to the 2006 logbook numbers would give a good projection of the final harvest numbers. This is a reasonable approach, one that I have applied in similar situations to other fisheries.

What is not addressed by Jaenicke and Meyer however is how the 2006 numbers would compare to SWHS numbers if they were available. In other words, for years 1998-2001 ADFG biologists had found that logbook numbers were higher than SWHS values—and the biologists believed this was due to the logbook numbers being padded. If on the other hand, logbook entries tend to produce higher harvest numbers than the SWHS method because SWHS estimates tend to be biased low, this would suggest that the projection based on logbooks in 2006 would not be a good method of projecting SWHS equivalents. In such case, the logbook projection for 2006 might well be accurate for charter harvest, but it could not be compared directly to past SWHS values—it would be an “apples and oranges” situation.

Other Approaches to Estimate Sport Harvest within Area 2C for 2006

Other methods exist to project what the harvest was in 2006 other than those employed. What I have found to be of particular interest is why the creel census estimates were not used in some direct fashion. I did not find compelling reason to believe the creel census work is inherently biased low. Given the nature of mail surveys, as used in the SWHS approach, I personally am inclined to believe that the creel census surveys produce estimates closer to truth.

I readily admit there are aspects—likely many—that I have not been able to consider due to limited information available and limited knowledge of the behavior of the fisheries. I would certainly apply the creel census work before using the LTP method. I have a number of questions on the charter book data and therefore cannot easily judge that.

One approach that I do not understand why it was not applied is simple linear regression between creel census estimates and SWHS estimates. I will not go into the details here but this is a straightforward procedure. I can detail it if needed. I found reasonable relationships to exist between creel census estimates and SWHS estimates for Sitka and Juneau using the SWHS estimates given in Table 1. A generally poor relationship exist for Ketchikan. I formulated relationships for the period 1995-2005.

I then simply estimated 2006 harvests using the 2006 creel census values using a variety of different regressions—some of which are more reasonable than others (but all in my opinion are better than the LTP method). Regressions can be developed to estimate the harvest for each of the three areas with creel census separately or combined and for all of Area 2C. The concept is

simply that the creel census values for the three areas serve as indexes of the harvests occurring in Area 2C, or portions thereof. Using these approaches, I projected the 2006 harvest for all of Area 2C to be in the range of about 91,000 to 122,000—all much lower than what was projected with the LTP method. This is simply the result of assuming that creel census method—while it might be biased—would be generally consistently biased (if it is biased at all). It would say that the creel census method should at least serve as a very good index of actual harvest. If it is not, ADFG has not given any reason why it is not. The agency's history of using it to judge the SWHS results suggests that the creel census results are seen as a useful indicator of actual harvests.

I have no way of knowing how to treat the logbook projection relative to the creel census projections. More information would be needed.

Final Remarks

In my judgment, ADFG needs to formally document its in-season or end-of-season projection methods so that they can be fully reviewed by technical staffs with the various agencies involved. Stakeholders should also adequately understand the procedure so that they can have confidence that the methods are technically sound. The methods should be described in advance of the season. If the methods need to be updated during the season, there should be a formal procedure for doing so (perhaps such a procedure already exists but I am unaware of it).

I also believe that it would be extremely helpful if ADFG biologists could determine the reasons why creel census estimates differ in some cases so much from SWHS estimates. It may be that some form of adjustment is necessary to correct SWHS values for bias. Knowing more about the correspondence between creel census values and the SWHS would aid in making end of season projections.

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Tersteeg, D. and M. Jaenicke. 2006. Summary Data from the Sport Fishery for Pacific Halibut in the IPHC Area 2C Portion of Southeast Alaska, 2006. Alaska Department of Fish and Game, Division of Sport Fish, P.O. Box 240020, Douglas, AK.

FAX (907) 271-2817

Ms Stephanie Madsen
Chair
North Pacific Fishery Management Council
605 West 4th Ave, Ste 306
Anchorage, AK 99501

RECEIVED

MAY 24 2007

N.P.F.M.C.

I am writing to urge you to adopt effective management measures to control charter harvest in Area 2C to the GHL and to ensure that these measures are implemented in time for the 2008 charter season. I would also urge you to move forward as quickly as possible with similarly effective measures in Area 3A. Commercial fishermen have asked the Council for the past 14 years to stop the open-ended reallocation of halibut from the commercial to the charter sector. Fourteen years is a long time to wait. In April 2006, the Council committed by unanimous vote to manage the halibut charter sector to the GHL until superseded by a long-term management strategy. Please keep that commitment. Each sector needs to live within its allocation until a mechanism for compensated reallocation is established.

I further request that the Council convert the GHL to a percentage-based allocation that fluctuates with abundance and implement a mechanism that allows compensated transfer between the commercial and charter sectors. The percentage must be derived from the existing GHL and all subsequent transfers must be between willing buyers and willing sellers. Finally, I oppose any permanent revenue streams to the charter sector that would subsidize charter purchase of quota share. Charter operators that want to increase their halibut harvest should pay more for that opportunity.

I have invested in the halibut quota share program and fishery with the expectation that the resource will continue to be well managed and that the Council will fairly balance the needs of all who depend on the halibut resource, from consumers through fishermen and processors. I respectfully request that the Council live up to that expectation.

Sincerely,

Ken E. Jarnagin

Address 1628 NW Sugarloaf St

McMinnville, Oregon 97128

Date: 5-20-07

Dear Ms Madsen

I have invested in
Halibut IFQ's with a
loan through NMFS.
I thought this 20yr
loan would be a good
investment, since there was
stability in the Halibut
fishery. Please adopt
necessary measures to control
the charter harvest, in 2c &
3A until long term management
is in place. Thanks,

Sincerely, Ken E. Jamn

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MAY 24 2007

N.P.F.M.C.

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I have invested in the halibut quota share program and fishery with the expectation that the resource will continue to be well managed and that the Council will fairly balance the needs of all who depend on the halibut resource, from consumers through fishermen and processors. I respectfully request that the Council live up to that expectation.

Sincerely,

George A. Corner
Address P.M.B. 267-35555 Spur Hwy
501 DOTY A AK 99669

Date: 5-22-2007

Hi our family has been fishing Halibut for our living since 1976 I totally agree with the above statement our family pulled together #10.9 I rent our small Reg. business or sell so we can

Could Buy Quota when it came out - we had
some very lean years in this fishery and
worked as hard as possible to expand our
fishery please don't give it away the way
it looks you want to do to the charter
fleet we had to scrimp save and do without
until we were able to do it so can
the charter fleet

Thank you

George A. Comer

907-398-2408

907-398-2608

Call anytime please

FAX (907) 271-2817

Ms Stephanie Madsen
Chair
North Pacific Fishery Management Council
605 West 4th Ave, Ste 306
Anchorage, AK 99501

RECEIVED

MAY 24 2007

N.P.F.M.C.

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Sincerely,

Stanley D. Hoyt

Address P.O. Box 828
Petersburg, Alaska 99833

Date: 5-22-07

May 20, 2007

Ms. Madsen:

The copied letter sums up my feelings on the Charter Halibut issue better by far than I can write.

I am an IFQ holder and just finished paying off my IFQs.

The charters are making a business on a resource that they have done nothing to maintain, they only want to expand and claim more and then say the IFQ holders are the problem. The allocation problem and GHZ situation needs to be resolved with finality.

Thank You
Stanley D. Hoyt

FAX (907) 271-2817

Ms Stephanie Madsen
Chair
North Pacific Fishery Management Council
605 West 4th Ave, Ste 306
Anchorage, AK 99501

RECEIVED

MAY 24 2007

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Sincerely,

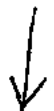
Tony B. Western

Address: 53320 Lindgren Ct.

Kasilof, AK 99610-9431

Date: May 23, 2007

Note: comments on
back side



I have fished commercially for halibut and salmon since 1966. My 6 children worked with me for the income they need school etc. Two of my sons still work with me and are co-partners. My main income from the halibut fishery. I would hope to continue to do this as long as I can. Then my son Brent will fish with his sons and hopefully their sons.

We have upgraded vessels & purchased halibut shares over the years which has been very expensive. Any others wishing to fish halibut; "charter etc.", should have to buy a limited amount of the potential existing halibut without the detriment to the existing commercial halibut fishermen.

There needs to be good judgement when there is efforts to reallocate fish from existing ~~group~~ group to a growing new group. Please be careful & considerate to those who have worked long and hard to provide for their families, and provide a supreme product for the consumer.

Thanks, D. R. 1. 2000

FAX (907) 271-2817

RECEIVED
MAY 22 2007

Ms Stephanie Madsen
Chair
North Pacific Fishery Management Council
605 West 4th Ave, Ste 306
Anchorage, AK 99501

N.P.F.M.C.

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Sincerely,

Address _____

Date: _____

(OVER) - 4 -

PLEASE GIVE THIS MATTER YOUR IMMEDIATE
CONSIDERATION.

YOUR FAILURE TO DEAL WITH THIS ISSUE
IN A FAIR AND LOGICAL MANNER IS BEGINNING
TO SUBVERT THE CONFIDENCE OF FISHERMEN
NATION WIDE IN THE ABILITY AND/OR THE
RESOLVE TO CONFRONT THESE ISSUES BY THE
COUNCIL FORM OF MANAGEMENT.

THE HALIBUT RESOURCE, AS WELL AS FISHERMEN
ON BOTH SIDES OF THIS ISSUE DESERVE AN
EQUITABLE RESOLUTION THAT WILL ALLOW
FOR REASONABLY DEPENDABLE PLANNING
FOR THE FUTURE.

RESPECTFULLY,

Al Squin

FAX (907) 271-2817

Ms Stephanie Madsen
Chair
North Pacific Fishery Management Council
605 West 4th Ave, Ste 306
Anchorage, AK 99501

RECEIVED

MAY 24 2007

N.P.F.M.C.

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Sincerely, Dean Rulenz
Dean Rishey

Address #11. McPheters, Dr.
Haines AK 99827 P.O. Box 1012

Date: 29 MAY 2007

See Reverse

Please follow these guidelines.
~~the~~ ~~the~~ one way that I see
for the Charter fleet to catch work
is to make it a Catch & Release
fishery. If you look down the
Road, they going to come to it eventually
or the Tourist Industry will take a
dive! ~~some~~ ~~to~~

FAX (907) 271-2817

Ms Stephanie Madsen
Chair
North Pacific Fishery Management Council
605 West 4th Ave, Ste 306
Anchorage, AK 99501

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Sincerely,

Gregory R. Howe - Gregory R. Howe

Address P.O. Box 9

Etika Cove, AK 99825

Date: May 24

8Ver

My name is Greg Hove and I have lived on the Inian Is. near the community of Elfin Cove, since 1973. During that period I've made my living entirely from commercial fishing. When the moratorium for commercial halibut was established I was fortunate enough to be able to participate in 3 of the 5 qualifying years, and ended up with a small IFQ share. Since the IFQ system was established the number of charter fishing lodges in Elfin Cove has grown from 1 lodge with a couple boats to what we have now 8 ~~in~~ active charter lodges with more than 20 boats going out daily with 4-6 people.

I would like to see an IFQ system for the halibut charter fleet, which would allow purchase ~~at least~~ or lease of existing commercial IFQ - If you want to participate you pay the price - the resource is finite - new users must ~~help~~ pay the price to participate -

Sincerely
Gregory Hove
E.O.B. 19

FAX (907) 271-2817

Ms Stephanie Madsen
Chair
North Pacific Fishery Management Council
605 West 4th Ave, Ste 306
Anchorage, AK 99501

RECEIVED

MAY 29 2007

N.P.F.M.C.

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Sincerely,

Keith Lindley

Address 419 NE 3rd

Street, Iowa 50250

Date: 5-25-07

Ms. Stephanie Madsen
Chair
North Pacific Fishery Management Council
Anchorage, Ak 99501

RECEIVED

MAY 29 2007

N.P.F.M.C.

I am writing this letter as a Commercial Halibut Fisherman. I have have fished halibut for several years and I have invested in the halibut quota share program and fishery. I just purchased more halibut quota at the price of \$19 a share. I feel that the charter boat fishermen should also have to purchase halibut quota the same way the commercial fishermen purchase theirs, through willing sellers and willing buyers.

Sincerely,
Keith Findley

FAX (907) 271-2817

Ms Stephanie Madsen
Chair
North Pacific Fishery Management Council
605 West 4th Ave, Ste 306
Anchorage, AK 99501

P.F.M.C.

P.F.M.C.

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Sincerely,

Jonathan Pavlik

Address P.O. Box 293

Yakutat, Ak 99689

Date: 5-23-07

My name is Jonathan Pavlik and I live in the small community of Yakutat Alaska. I commercially fish for salmon and I have a small block of Halibut shares. In the community I live in just like a lot of places throughout Alaska much of the economy comes from commercial fishing for Halibut and salmon. It is my opinion that if part of the 3A Quota is given to the charter fleet like it was in LC there will be a lot more fishing effort on an already struggling salmon industry. I am sure there are a lot of people just like me that make most of their money from salmon and also have small blocks of Halibut shares. And I don't think a lot of people realize how it helps even if you only own a few thousand pounds of Halibut especially in a poor salmon year. All the money I make off of Halibut significantly helps cover my yearly fishing expenses, Gas, Gear, food, ETC. And with the extremely high cost of living in these small communities it would be devastating to the economy if we all lost some of the money we all earn from Halibut fishing. Personally I would like to see the charter fleet cut back or at least limit the possibility of new charter boat captains.

FAX (907) 271-2817

Ms Stephanie Madsen
Chair
North Pacific Fishery Management Council
605 West 4th Ave, Ste 306
Anchorage, AK 99501

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MAY 24 2007

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Sincerely,

Henry Mami Jr.
Address P.O. Box 1506
Kenai AK 99611
Date: May 20, 2007

Please do not let
the charter industry
steal the public's
Halibut. They already
have a layer
show that they
represent in people. Henry Mami

FAX (907) 271-2817

Ms Stephanie Madsen
Chair
North Pacific Fishery Management Council
605 West 4th Ave, Ste 306
Anchorage, AK 99501

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MAY 24 2007
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Sincerely,

JoAnn W. Huff / Ned J Huff

Address 1102 Krestof Dr
Sitka AK 99838

Date: 5/23/07

We are very concerned about the conservation of the resource. In Sitka, we see first hand how many fish (many on the small side) are leaving Sitka waters on charter boats. We believe both charter & commercial fishers can live side by side. but, it must

FAX (907) 271-2817

Ms Stephanie Madsen
Chair
North Pacific Fishery Management Council
605 West 4th Ave, Ste 306
Anchorage, AK 99501

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For June

Sincerely,

Brian Wanta

Address 2144 NW 204th
Shoreline WA

Date: 5/20/07

I can't believe this is still ongoing. And we tell our kids to just say NO!
BW

FAX (907) 271-2817

Ms Stephanie Madsen
Chair
North Pacific Fishery Management Council
605 West 4th Ave, Ste 306
Anchorage, AK 99501

RECEIVED
MAY 22 2007

N.P.F.M.C

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Sincerely,

Kevin Bunnell

Address PO Box 1685
Cordova AK 99574

Date: 5-17-2007

I make my living solely by long lining for halibut out of Cordova. These issues are very important to me.
AB

FAX (907) 271-2817

Ms Stephanie Madsen
Chair
North Pacific Fishery Management Council
605 West 4th Ave, Ste 306
Anchorage, AK 99501

REC'D
MAY 22 2007
N.P.F.M.C.

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MY ENTIRE FUTURE
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Sincerely,

San P. Duval

Address 815 So Chambers
Port Angeles, WA 98262

Date: May 17, 07

P.S. I have been a commercial fisherman over 40 years as my sole viable income, longline & trolling and I don't want to lose out to the sport

FAX (907) 271-2817

Ms Stephanie Madsen
Chair
North Pacific Fishery Management Council
605 West 4th Ave, Ste 306
Anchorage, AK 99501

RECEIVED
MAY 18 2007

N.P.F.M.C.

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Sincerely,

Charles Clement F/U FOUR CORNERS

5/16/07

Address Box 302
Metlax AK 99926

Date: 5-16-07

RECENTLY PURCHASED 1,000# OF IFQ HALIBUT

FAX (907) 271-2817

Ms Stephanie Madsen
Chair
North Pacific Fishery Management Council
605 West 4th Ave, Ste 306
Anchorage, AK 99501

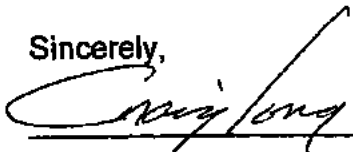
MAY 15 2007
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Sincerely,



Address PO Box 211024
Auke Bay Ak.

Date: 5/15/07

I can ~~see~~ sure till how bad they are
wasting the fish!!! I'm a life long Alaskan
fisher in 2C, its Bad!!! -4- last year & this year!

FAX (907) 271-2817

Ms Stephanie Madsen
Chair
North Pacific Fishery Management Council
605 West 4th Ave, Ste 306
Anchorage, AK 99501

RECEIVED

MAY 18 2007

N.P.F.M.C

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Sincerely,

Rich Bell

Address *Rich Bell - PO Box 352*
Cordova, AK 99574

Date: *5/15/07*

Can we please take care of this issue finally. The longer it takes the harder it will be to resolve. We do our part, pay ⁴dies and receive fines (not me of course). All our chips and receive fines.

FAX (907) 271-2817

Ms Stephanie Madsen
Chair
North Pacific Fishery Management Council
605 West 4th Ave, Ste 306
Anchorage, AK 99501

RECEIVED

MAY 17 2007

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Sincerely,

Robert L. Miller

Address PO Box 1724

SEWARD AK. 99664-1724

Date: MAY 16, 2007

I FEEL THIS LETTER STATES MY FEELINGS ON THIS MATTER, BETTER THAN I COULD PLEASE REALIZE THIS IS VERY IMPORTANT! APPRECIATE YOUR ATTENTION TO THIS REQUEST

FAX (907) 271-2817

Ms Stephanie Madsen
Chair
North Pacific Fishery Management Council
605 West 4th Ave, Ste 306
Anchorage, AK 99501

RECEIVED
MAY 16 2007

N.P.F.M.C.

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North Pacific Fishery Management Council
605 West 4th Ave, Ste 306
Anchorage, AK 99501

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Sincerely,

Drew Sparlin

Address 37020 Cannery Rd.
Kenai, AK 99611

Date: 5/9/07

I have fished for salmon in the Cook Inlet for over 40 years and started fishing for halibut 30 years ago. Please pass a plan that will help preserve live by food.
Drew Sparlin

FAX (907) 271-2817

Ms Stephanie Madsen
Chair
North Pacific Fishery Management Council
605 West 4th Ave, Ste 306
Anchorage, AK 99501

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Sincerely,

Douglas Blumer

Address 1308 Annapolis
Anchorage Alaska

Date: 5/22/07

I would have written this myself if I thought it could have been described in any other way. -4-
DB

FAX (907) 271-2817

Ms Stephanie Madsen
Chair
North Pacific Fishery Management Council
605 West 4th Ave, Ste 306
Anchorage, AK 99501

RECEIVED
MAY 29 2007
N.P.F.M.C.

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Sincerely,

William D. Field

Address: P.O. Box 20953

AUGUST BAY AK 99521

Date: 5/23/07

STEPHANIE,

THE CHARTER OPERATORS ARE
EVERY BIT AS COMMERCIAL
AS THE REST OF US
LOTS GOT THEM IN LINE
SO THAT THE RESOURCE CAN
BE EFFECTIVELY MANAGED?

Dudley Field

Dudley Field

FAX (907) 271-2817

Ms Stephanie Madsen
Chair
North Pacific Fishery Management Council
605 West 4th Ave, Ste 306
Anchorage, AK 99501

RECEIVED

MAY 9

N.P.F.M.C.

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Sincerely,

Felix Velasco

Address PO Box 938

Wrangell, Ak. 99929

Date: 5-15-07

I WAS BORN IN ALASKA AND
HAVE LIVED ALL MY 75 YEARS
HERE. I HAD TO BUY MY IFQ
SO WHY SHOULD THE CHARTER
OPERATORS BE ANY DIFFERENT?
BE FAIR

FAX (907) 271-2817

Ms Stephanie Madsen
Chair
North Pacific Fishery Management Council
605 West 4th Ave, Ste 306
Anchorage, AK 99501

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Sincerely,

Frank Maitory

Address PO Box 203

Heidaburg, AK-99922

Date: 5-19-07

do they have a
minum. 5.3?

it should be the
same as ours

Frank

FAX (907) 271-2817

Ms Stephanie Madsen
Chair
North Pacific Fishery Management Council
605 West 4th Ave, Ste 306
Anchorage, AK 99501

RECEIVED

MAY 29 2007

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Sincerely,

James Benton

Address 13320 COVE C
ANCHORAGE, AK

Date: 5/15/07

Memorex

5/15/07

CHARTER INDUSTRY SHOULD
DEAL WITH LIMITATIONS JUST
AS COMMERCIAL FLEET DID WHEN
IFQ WERE FIRST APPLIED!
TAKE AN ESTABLISHED ALLOTMENT
AND INVEST FOR MORE QUOTA!

Jim Benton

FAX (907) 271-2817

Ms Stephanie Madsen
Chair
North Pacific Fishery Management Council
605 West 4th Ave, Ste 306
Anchorage, AK 99501

RECEIVED
MAY 23 2007

N.P.F.M.C.

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Sincerely,

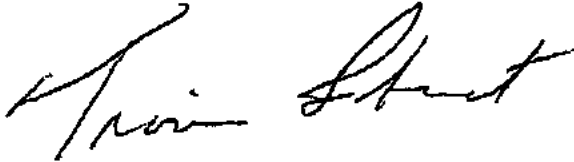
Tom Stuart

Address PO Box 58
1 1/2 Mile Spur Road
Haines, Alaska 99827-0058

Date: 5-29-07

Attachment to letter to Ms Stephanie Madsen
Page 2

Please follow the guidelines and protect my IFQ's, I have worked hard for these and would not like to see them squandered.

A handwritten signature in black ink, appearing to read "Tim Street". The signature is written in a cursive style with a large, sweeping initial "T".

FAX (907) 271-2817

Ms Stephanie Madsen
Chair
North Pacific Fishery Management Council
605 West 4th Ave, Ste 306
Anchorage, AK 99501

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Sincerely,

Bonnie Stewart

Address PO Box 130
18 Mile Haines Highway
Haines Alaska 99822-0130

Date: 5-29-07

Attachment to letter to Ms Stephanie Madsen

Page 2

My late husband and I invested heavily (approx 75,000) into IFQ's for our retirement years. We could have gone with the stock market but we had faith in our State's system, which I certainly hope was not misplaced. I am a widow and depend on the earnings each and every year. Therefore I urge you to follow the guidelines and don't give away any more of my retirement.

Berzi Stuart

FAX (907) 271-2817

RECEIVED

MAY 29 2007

Ms Stephanie Madsen
Chair
North Pacific Fishery Management Council
605 West 4th Ave, Ste 306
Anchorage, AK 99501

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Sincerely,

Marty Remund

Address P.O. Box 8147
Port Alexander, AK 99836

Date: 5/29/07

North Pacific Fishery Management Council, 5/29/07

I've been longlining for halibut in Area 2-C since 1975. 2/3 of the halibut Quota my family and I currently fish was purchased. I support converting the GHZ into a percentage that floats with a combined fishery CEY.

Marty Remund
P.O. Box 8147
Port Alexander, Ak.
99836

Dear Mr. Madsen

I first joined Alaska in 1974. I have worked for the rest of my life. It is with extreme pleasure that I am writing you today. I have been with the Alaska Commercial Fisheries Administration for 33 years. I have seen the Council grow from a small group of people to the current 15 members. I have seen the Council grow from a small group of people to the current 15 members. I have seen the Council grow from a small group of people to the current 15 members.

FAX (907) 271-2817
Ms Stephanie Madsen
Chair
North Pacific Fishery Management Council
605 West 4th Ave, Ste 306
Anchorage, AK 99501

SECRET? TO BE USED ONLY FOR THE PURPOSES OF THE COUNCIL. THE COUNCIL SHOULD BE THE ONLY AGENCY OF THE STATE TO ENFORCE ENFORCEMENT OF THE HALIBUT QUOTA SHARE. MY CIVIL SERVICE IS CURRENTLY IN THE PROCESS OF BEING REVIEWED. PLEASE CONTACT ME AT 907-271-2817.

I am writing to urge you to adopt effective management measures to control charter harvest in Area 2C to the GHL and to ensure that these measures are implemented in time for the 2008 charter season. I would also urge you to move forward as quickly as possible with similarly effective measures in Area 3A. Commercial fishermen have asked the Council for the past 14 years to stop the open-ended reallocation of halibut from the commercial to the charter sector. Fourteen years is a long time to wait. In April 2006, the Council committed by unanimous vote to manage the halibut charter sector to the GHL until superseded by a long-term management strategy. Please keep that commitment. Each sector needs to live within its allocation until a mechanism for compensated reallocation is established.

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Sincerely,
Tom Jones

Address Box 155
Customs Apt 79506

Date: 20 MAY 2007

RECEIVED
MAY 23 2007
N.P.F.M.C.

FAX (907) 271-2817

Ms Stephanie Madsen
Chair
North Pacific Fishery Management Council
605 West 4th Ave, Ste 306
Anchorage, AK 99501

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Sincerely,

Jack Campbell

Address PO Box EXI

Juneau, AK 99850

Date: 5-17-07

Limit Charter
fish to 1 fish per
person. Minimum
length 32".