Public Testimony Sign-Up Sheet Agenda Item (-1/a-b) Halibut 34 GHL Meas

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NOTE to persons providing oral or written testimony to the Council: Section 307(1)(I) of the Magnuson-Stevens Fishery Conservation and Management Act prohibits any person "to knowingly and willfully submit to a Council, the Secretary, or the Governor of a State false information (including, but not limited to, false information regarding the capacity and extent to which a United State fish processor, on an annual basis, will process a portion of the optimum yield of a fishery that will be harvested by fishing vessels of the United States) regarding any matter that the Council, Secretary, or Governor is considering in the course of carrying out this Act.

ESTIMATED TIME

16 HOURS All C-1 items

MEMORANDUM

TO:

Council, SSC and AP Members

FROM:

Chris Oliver 🔍

Executive Director

DATE:

September 24, 2007

SUBJECT:

Charter Halibut

ACTION REQUIRED

(a) ADF&G report on 2006 numbers

(b) Initial review of Charter Halibut 3A GHL analysis

BACKGROUND

(a) Final charter halibut estimates for 2006

ADF&G staff released final estimates of 2006 charter halibut harvests a few weeks ago (Item C-1(a)); they were posted on the Council website. The Area 2C charter harvest was 1.804 M lb, which is 26 percent over the Area 2C GHL of 1.432 M lb. The final estimate is about 225,000 lb lower than last year's projection of 2006 harvest. Last year's projection was high by 12.4 percent. The Area 3A charter harvest was 3.664 M lb, which is 0.37 percent over the Area 3A GHL of 3.650 M lb. The final estimate for Area 3A is about 284,000 lb lower than last year's projection of 2006 harvest. Last year's projection was high by 7.7 percent. The differences between the projections and final estimates are due almost entirely to differences in the numbers of fish harvested. ADF&G staff is here to present the final data.

(b) Area 3A GHL analysis

The Council is scheduled to review a draft analysis of proposed measures to reduce charter halibut harvest to the Area 3A GHL of 3.65 Mlb. In 2005, the Council took no action on proposed measures when the GHL overage was less than one percent. In late 2006, projected charter halibut harvests indicated that the GHL had been exceeded by roughly eight percent, and the Council requested that staff revise its previous analysis with new management options. ADF&G staff released final 2006 estimates on August 31, 2007, which reported that 2006 charter halibut harvests exceeded the GHL by less than one percent. Projected 2007 charter halibut harvests are not yet available.

Potential management measures include: (1) No more than one trip per charter vessel per day; (2) No harvest by skipper or crew and a limit on the number of lines to not exceed the number of paying clients; (3) Annual limits of four fish, five fish, or six fish per charter angler; (4) Reduced bag limits of one fish per day in May, June, July, August, September or for the entire season; (5) Requiring one of two fish in a daily bag to be larger than 45 inches or 50 inches; (6) Requiring one of two fish in a daily bag to measure less than, or equal to, 32 inches, 34 inches, or 36 inches; or (7) A reverse slot limit requiring one of two fish in a daily bag limit to measure 32 inches or less or longer than either 45 inches or 50 inches. The analysis was mailed to the Council on September 7, 2007 and posted on the Council website; a supplement with the final 2006 estimates was mailed on September 21, 2007 (Item C-1(b)(1)). The

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executive summary is under <u>Item C-1(b)(2)</u>. Due to pending rulemaking for numerous other charter, commercial, and subsistence halibut actions that have been previously recommended by the Council and others planned for future action (<u>Item C-1(b)(3)</u>), it is likely that any Area 3A GHL measures recommended under this action would be implemented for the 2009 season. Therefore, scheduling final action in February or April 2008 when projected 2007 harvest estimates would be available would not affect the proposed implementation schedule and will allow staff to concentrate its efforts on a separate, and concurrent, regulatory package described below.

Final 2006 harvest estimate for Area 2C from ADF&G Sport Fish Division

The Area 2C charter harvest was 1.804 M lb, which is 26% over the Area 2C GHL of 1.432 M lb. The final estimate is about 225,000 lb lower than last year's projection of 2006 harvest. Last year's projection was high by 12.4%. At the time we provided this projection we advised the Council and the IPHC that this was only a projection of past years' trend in harvest and that these projections have been off by as much as 20% or more due to year-to-year variability. Average weight for Area 2C was 19.9 lb, a little lower than the projected average weight of 20.0. Even though the final estimates and projections used the same average weights for each port, the overall Area 2C average weight declined because the harvest was distributed among the ports slightly differently than in the projection.

The Area 2C private harvest was 0.723 M lb, which is about 282,000 lb lower than the 2006 year-end projection of 1.004 M lb. That projection was high by 39.0%. The average weight was 14.3 lb, up slightly from the projected average weight of 14.2 lb, and different for the same reason as the charter average weight.

The <u>total</u> Area 2C sport removals for 2006 were 2.526 M lb. This is considerably lower than our overall projection of 3.033 M lb, which was high by 20.1%.

The differences between the projections and final estimates are due almost entirely to differences in the numbers of fish harvested. Previous estimates of mean weight for each port were rounded to the nearest 0.1 lb before multiplying by the harvested number of fish. Starting with these 2006 final estimates all rounding will occur after all calculations are made. The differences are on the order of only a few hundred pounds for private harvest and slightly less than two thousand pounds for charter harvest.

2006 Area 2C - Final Halibut Harvest Estimates

User	Port	MeanWt	Harvest	Yield (lb)
				454.000
CHARTER	Ketchikan	18.9	9,210	174,358
	POW Island	9.7	24,781	240,483
	PBG/WRG	26.4	5,627	148,550
	Sitka	25.3	33,159	840,143
	Juneau	14.3	7,043	101,053
	Haines/SKG	14.3	537	7,705
	Glacier Bay	28.8	10,114	291,252
	Area 2C	19.9	90,471	1,803,544
PRIVATE	Ketchikan	13.5	5,328	72,049
	POW Island	10.7	11,486	122,978
	PBG/WRG	15.4	10,174	156,512
	Sitka	16.8	6,249	105,184
	Juneau	12.9	7,600	97,912
	Haines/SKG	12.9	368	4,741
	Glacier Bay	17.5	9,315	163,186
	Area 2C	14.3	50,520	722,562
OVERALL	Area 2C	17.9	140,991	2,526,106

(variance estimates available after mid-September)

Comparison of last year's projection of 2008 harvest (M lb) and final estimates.

User	Projected	Final	Proj Error(%)
Charter	2.028*	1.804	12.4%
Private	1.004	0.723	39.0%
Overall	3.033	2.526	20.1%

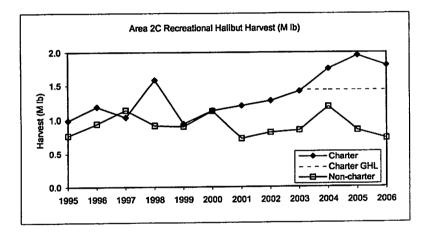
^{*} The projection for charters includes a 4% deduction to account for the prohibition on harvest by skippers and crew in 2006. The entire 4% was deducted from the charter estimate under the assumption that skipper and crew report their harvest in the mail survey as charter-caught.

Charter GHL status 2006

Harvest	GHL	%diff
1.804	1.432	26.0%

Area 2C Harvest 1995-2006 (Revised 9/26/07)

	Charter		Charter Non-charter		r	Tota	I Sport Ha	rvest		
Year	No. Fish	Avg. Wt.	Yield (M lb)	No. Fish	Avg. Wt.	Yield (M lb)	No. Fish	Avg. Wt.	Yield (M lb)	Charter GHL
1995			0.986	39,707	19.3	0.765	89,322	19.6	1.751	
1996			1.187	41,307	22.8	0.943	94,897	22.4	2.129	
1997			1.034	53,205	21.4	1.139	104,386	20.8	2.172	
1998	-			42,580	21.5	0.917	96,944	25.8	2.501	
1999				44,301	20.4	0.904	97,036	19.0	1.843	
2000					20.7	1.126	111,640	20.2	2.258	
2001			1.202			0.723	109,954	17.5	1.925	
2002				1		0.814	104,813	19.9	2.090	
2003				1 .			119,481	18.9	2.258	1.43
2004						1.187	147,316	19.9	2.937	1.43
2005							162,570	17.2	2.798	1.43
2006				1			1	17.9	2.526	1.43



Final 2006 harvest estimate for Area 3A from ADF&G Sport Fish Division

The Area 3A _sport charter_ harvest was 3.664 M lb, which is only 0.37% over the Area 3A GHL of 3.650 M lb. The final estimate is about 284,000 lb lower than last year's projection of 2006 harvest. Last year's projection was high by 7.7%. At the time we provided this projection we advised the Council and the IPHC that this was only a projection of past years' trend in harvest and that these projections have been off by as much as 20% or more due to year-to-year variability. Average weight for Area 3A was 17.9 lb, a little lower than the projected average weight of 18.2. Even though the final estimates and projections used the same average weights for each port, the overall Area 3A average weight declined because the harvest was distributed among the ports slightly differently than in the projection.

The Area 3A _sport private_ harvest was 1.674 M lb, which is about 467,000 lb lower than the 2006 year-end projection of 2.141 M lb. That projection was high by 27.9%. The average weight was 14.6 lb, up slightly from the projected average weight of 14.5 lb, and different for the same reason.

The _total_ Area 3A sport removals for 2006 were 5.337 M lb. This is considerably lower than our overall projection of 6.088 M lb. In setting the 2007 commercial catch limits for Area 3A, the IPHC deducted from the overall CEY the charter GHL of 3.65 M lb and our private harvest projection of 2.14 M lb, for a total sport fishery deduction of 5.79 M lb. The total sport fishery removals were therefore lower than the amount deducted from the CEY by about 450,000 lb.

The differences between the projections and final estimates are due almost entirely to differences in the numbers of fish harvested. I discovered that previous estimates of mean weight for each port were rounded to the nearest 0.1 lb before multiplying by the harvested number of fish. Starting with these 2006 final estimates all rounding will occur after all calculations are made. The differences are on the order of only a few hundred pounds.

ADFG Final 2006 Area 3A Harvests

Area 3A Harvest 1995-2006

Charter		Non-charter		Total Sport Harvest						
Year	No. Fish	Avg. Wt.	Yield (M lb)	No. Fish	Avg. Wt.	Yield (M lb)	No. Fish	Avg. Wt.	Yield (M lb)	Charter GHL
1995	137,843		2.845	95,206	17.5	1.666	233,049	19.4	4.511	3.65
1996			2.822	108,812	17.6	1.918	251,769	18.8	4.740	3.65
1997	1		3.413	119,510	17.6	2.100	272,366	20.2	5.514	3.65
1998	1		2.985	105,876	16.2	1.717	249,244	18.9	4.702	3.65
1999			2.533	99,498	17.0	1.695	231,224	18.3	4.228	3.65
2000	159,609	19.7	3.140	128,427	16.9	2.165	288,036	18.4	5.305	3.65
2001	1		3.132	90,249	17.1	1.543	253,598	18.4	4.675	3.65
2002			2.724	93,240	15.9	1.478	242,848	17.3	4.202	3.65
2003	•		3.382	118,004	17.3	2.046	281,633	19.3	5.427	3.65
2004			3.668	134,960	14.4	1.937	332,168	16.9	5.606	3.65
2005			3.689	127,086	15.6	1.984	333,988	17.0	5.672	3.65
2006	•		3.664	114,887	14.6	1.674	319,002	16.7	5.337	3.65

2006 Area 3A - Final Halibut Harvest Estimates

User	Port	MeanWt	Harvest	Yield (lb)
CHARTER	CCI	15.8	55,915	883,891
	Homer	17.6	79,560	1,400,256
	Kodiak	22.1	14,219	314,309
	Seward	15.3	32,387	495,198
	Valdez	27.9	9,119	254,200
	Whittier	18.8	9,264	174,274
	Yakutat	38.7	3,651	141,399
	Area 3A	17.9	204,115	3,663,527
PRIVATE	CCI	13.2	28,704	380,015
IMIAIL	Homer	12.8	45,263	577,961
	Kodiak	19.6	11,000	215,907
	Seward	13.8	16,681	229,680
	Valdez	21.4	6,633	142,172
	Whittier	19.4	6,030	116,988
	Yakutat	19.0	576	10,951
	Area 3A	14.6	114,887	1,673,674
	Alea SA	1 -1 .0	1 17,007	1,010,017
OVERALL	Area 3A	16.7	319,002	5,337,201

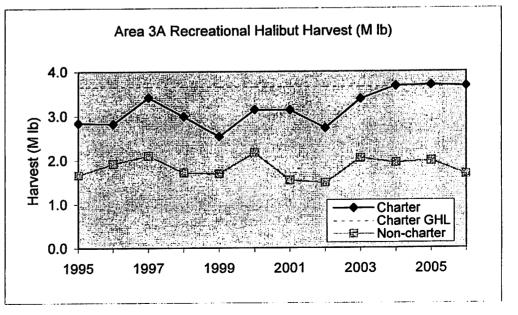
(variance estimates available after mid-September)

Comparison of last year's projection of 2006 harvest (M lb) and final estimates.

Harvest (M ID) and Illiai estilliates.							
User	Projected	Final Pro	roj Error(%)				
Charter	3.947	3.664	7.7%				
Private	2.141	1.674	27.9%				
Overall	6.088	5.337	14.1%				

Charter	GHL	status	2006

Harvest	GHL	%diff
3.664	3.650	0.37%



Area 3A GHL Analysis SUPPLEMENT

September 13, 2007

In September 2007, ADF&G Sport Fish Division released a final estimate for the 2006 Area 3A charter harvest of 3.664 Mlb. The final estimate is approximately 284,000 lb lower than the 3.948 Mlb projection of 2006 harvest ADF&G issues in October 2006. ADF&G's initial projection of 2006 harvest was equal to 108.1 percent of the GHL; while the final 2006 estimate puts total charter harvest at 100.37 percent of the GHL. The Draft EA/RIR/IRFA was completed using the projected 2006 harvest estimate. Table 1 updates the analytical results of the September 2006 Area 3A EA/RIR/IRFA using the final estimate of 2006 Area 3A charter harvest. The table shows the effect of the analyzed options on 2006 harvest in conjunction with the current (2007) status quo, which includes a ban on skipper and crew harvest. While overall harvest was 100.37 percent of the GHL, the analysis assumes that skipper and crew fully report their harvest during charter fishing to the Statewide Harvest Survey and estimates that client harvest was approximately 89.9 percent of the GHL in 2006.

Table 1. Estimated Effect of Analyzed Management Options in Conjunction with the 2007 Status Quo¹

Management Option- (In Conjunction with the Status Quo)	Sub-Option		6 Harvest with n (Mlb)	Post-Option 2006 Harvest as a Portion of the GHL (%)	
		Less Effective	More Effective	Less Effective	More Effective
Option 4. One Fish Bag Limit	Full Season	1.739	1.218	47.7%	33.4%
Option 5. Minimum Size on the Second Fish	50°	1.927	1.696	52.8%	46.5%
Option 5. Minimum Size on the Second Fish	45"	2.091	1.843	57.3%	50.5%
Option 6. Maximum Size on the Second Fish	32"	2.615	2.386	71.6%	65.4%
Option 4. One Fish Bag Limit	July	2.702	2.505	74.0%	68.6%
Option 6. Maximum Size on the Second Fish	34"	2.726	2.510	74.7%	68.8%
Option 6. Maximum Size on the Second Fish	36"	2.838	2.612	77.8%	71.6%
Option 4. One Fish Bag Limit	June	2.880	2.743	78.9%	75.1%
Option 4. One Fish Bag Limit	August	2.962	2.853	81.2%	78.2%
Option 3. Annual Limit	4 Fish	3.043	3.043	83.4%	83.4%
Option 1. One Trip per Day	None	3.102	3.077	85.0%	84.3%
Option 4. One Fish Bag Limit	May	3.124	3.069	85.6%	84.1%
Option 3. Annual Limit	5 Fish	3.131	3.131	85.8%	85.8%
Option 3. Annual Limit	6 Fish	3.205	3.205	87.8%	87.8%
Option 4. One Fish Bag Limit	September	3.227	3.180	88.4%	87.1%
Option 2. No Harvest by Skipper & Crew (Status Quo)	None	3.283	3,283	89.9%	89.9%
Option 7. Reverse Slot Limit Option 7. Reverse Slot Limit	32"/45" 32"/50"		fective fective		fective fective

¹ For some of the options, the analysis calculates a range as opposed to a point estimate. The analysis includes a range where the baseline data provided by ADF&G are ranged, where there are a priori expectations of a reduction in demand, or where anglers would weaken the effect of the alternative by simple behavioral changes. Specifically, Option 4 includes a 30 percent reduction in demand during the period each sub-option is in effect, Option 5 includes a 10 percent reduction in demand, Option 6 assumes that anglers are able to high-grade their catch by one size class (two inches), and the Option 1 is based on ranged data from ADF&G.

For illustrative purposes, Table 2 shows the estimated effect of each alternative under the 2006 Status Quo, which did not include the ADF&G Emergency Order than banned skipper and crew harvest. ADF&G has not indicated that they will repeal the emergency order. This table is displayed solely to show the estimated stand-alone effect of each option on 2006 harvest levels.

Table 2. Estimated Effect of Analyzed Management Options under the 2006 Status Quo (No Ban on Skipper and Crew Harvest)

Management Option- (In Conjunction with the Status Quo)	Sub-Option	Estimated 2006 Harvest with Option (MIb)		Post-Option 2006 Harvest as a Portion of the GHL (%)	
		Less Effective	More Effective	Less Effective	More Effective
Option 4. One Fish Bag Limit	Full Season	2.117	1.596	58.0%	43.7%
Option 5. Minimum Size on the Second Fish	50"	2.310	2.079	63.3%	57.0%
Option 5. Minimum Size on the Second Fish	45"	2.473	2.226	67.8%	61.0%
Option 6. Maximum Size on the Second Fish	32"	2.996	2.768	82.1%	75.8%
Option 4. One Fish Bag Limit	July	3.079	2.882	84.4%	79.0%
Option 3. Annual Limit	4 Fish	3.104	3.104	85.0%	85.0%
Option 6. Maximum Size on the Second Fish	34*	3.108	2.891	85.1%	79.2%
Option 3. Annual Limit	5 Fish	3.193	3.193	87.5%	87.5%
Option 6. Maximum Size on the Second Fish	36"	3.220	2.993	88.2%	82.0%
Option 4. One Fish Bag Limit	June	3.257	3.120	89.2%	85.5%
Option 3. Annual Limit	6 Fish	3.270	3.270	89.6%	89.6%
Option 2. No Harvest by Skipper & Crew (Status Quo)	None	3.283	3.283	89.9%	89.9%
Option 4. One Fish Bag Limit	August	3.340	3.231	91.5%	88.5%
Option 1. One Trip per Day	None	3.462	3.434	94.9%	94.1%
Option 4. One Fish Bag Limit	May	3.501	3.446	95.9%	94.4%
Option 4. One Fish Bag Limit	September	3.605	3.557	98.8%	97.5%
Option 7. Reverse Slot Limit Option 7. Reverse Slot Limit	32"/45" 32"/50"		fective fective		fective fective

EXECUTIVE SUMMARY

This analysis assesses the potential biological, social, and economic impacts of implementing regulations to control harvests in the charter halibut fishery in International Pacific Halibut Commission (IPHC) Regulatory Area 3A. The proposed action was initiated in October 2005, when the Council first reviewed Alaska Department of Fish and Game (ADF&G) Sport Fish Division data that indicated that the 2004 guideline harvest level (GHL) of 3.65 Mlb 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 its preferred alternative of no action in April 2006 because the overage was minimal. In December 2006, the Council received information that the GHL was exceeded by increasing amounts in 2005 and 2006. In April 2007, the Council revised the options under Alternative 2 from its April 2006 analysis and scheduled initial review of this analysis for October 2007.

The analysis employs the best information available at the time the document was prepared¹. The goal of any restrictive measure is to reduce sport fishing mortality of halibut in the charter sector in Area 3A 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 seven options to reduce halibut harvests to the Area 3A GHL:

Alternative 1. No action. Maintain the existing 2007 Status Quo management structure.

Alternative 2. Implement one or more measures to restrict charter halibut harvest to the Area 3A GHL

- Option 1. No more than one trip per charter vessel per day.
- Option 2. i. No harvest by skipper or crew while clients are on board; and/or
 - ii. Line limits not to exceed the number of paying clients on board.
- Option 3. Annual limits of four, five, or six halibut, per angler, caught from a charter vessel fishing in Area 3A.
- Option 4. Reduced bag limits of one fish per day in May, June, July, August, or the entire season
- Option 5. A two-fish bag limit with the one fish of any size and one 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, 34 or 36 inches 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

Environmental Assessment

The potential effects of the alternatives on marine 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

After this draft was prepared, ADF&G Sport Fish Division released a final estimate for the 2006 Area 3A charter harvest of 3.664 Mlb. This estimate is about 284,000 lb lower than last year's projection of 2006 harvest. Final 2006 data puts the harvest at 100.37 percent of the GHL compared with the projection used in this analysis of 108.1 percent of the GHL. The analysis overestimates the effects of each option by approximately 6-8 percent.

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 assessment (EA) concluded that none of the alternatives would affect the health of the halibut stock since the IPHC sets limits on total halibut removals. 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 EA also examined groundfish species that may be targeted or incidentally caught in the charter halibut fisheries. Rockfish and lingcod are 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. Rockfish harvests in 2006 were well under the respective limits 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 proposed alternatives 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 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. The State of Alaska prohibited retention of crew caught fish and limited the lines to the number of paying passengers, not to exceed six lines. The state legislature adopted a bill to allow the state to share otherwise confidential charter boat fishery data with Federal managers. This will facilitate implementation of the limited entry (moratorium) program and GHL management measures, such as annual limits. The State of Alaska is also seeking limited delegation of authority to manage halibut in state and Federal waters.

Regulatory Impact Review

The analysis is based on data available in the summer of 2007, including preliminary 2006 Statewide Harvest Survey (SWHS) estimates from ADF&G. ADF&G staff have indicated they expect to release final harvest numbers based on the SWHS in September 2007. This analysis will be updated with those final data in the public draft of this analysis after the Council meeting in October 2007. Hence, all results contained in this analysis are preliminary (see footnote 1).

Expected Effect of Alternative 1

The long-term effect of the no action alternative likely would be the continuation of a highly variable annual growth trend in the Area 3A halibut harvest and a reallocation from the commercial sector to the charter sector (Figure 1). In 2006, charter halibut harvests equaled 3.947 Mlb or 108.1 percent of the GHL. This amount includes harvest by skipper, crew, and clients. The client portion is estimated at 96.7 percent of the GHL or 3.528 Mlb. In the short-term, the January 2007 ADF&G emergency order, which banned retention of fish caught by skipper and crew during saltwater charters, may result in a reduction in harvest between 2006 and 2007. The 2007 client harvest will be lower than the GHL if charter client harvests increase by less than 121,000 lb from the estimated 2006 client harvest level of 3.528 Mlb. Estimates based on ADF&G data indicate that the ban on skipper and crew would have saved approximately 418,000 lb or 10.6 percent of the harvest if it had been in place in 2006 and if one assumes that skipper and crew fully report their harvests through the SWHS. The analysis assumes that the reductions in 2007 will be approximately the same percentage. Charter halibut harvests have grown at an annualized growth rate of 3.0 percent over the past 11 years and 4.7 percent over the past five years. Therefore, under these growth rates, charter client harvest would grow between 107,000 and 167,000 lb in 2007.²

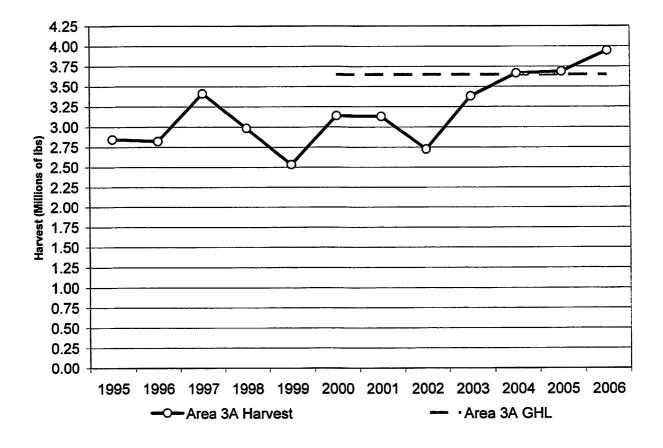


Figure 1 Charter Fleet Halibut Harvests by Year Source: ADF&G Statewide Harvest Survey Data, 1995-2006 (2007).

² Year to year changes between 1995 and 2006 in charter harvests have ranged from -15.1 percent to 24.4 percent.

Expected Effect of Alternative 2

This analysis includes seven options the Council is considering to reduce charter halibut harvests in Area 3A. The following sub-sections summarize the analytical results for each option. A summary of the entire analysis is then provided. The status quo includes the ADF&G emergency order that banned skipper and crew harvest. The analysis expects that in the absence of Council action ADF&G will maintain that emergency order. Hence, all of the options are analyzed as if that emergency order had been in place in 2006. The tables show the effect of the each option as a stand alone measure on 2006 harvest and the combined effect on 2006, including any interaction effects, of the status quo and the proposed option (see Figure 2). All of the summary tables show the combined effect under the assumption that ADF&G will continue its emergency order in the future.

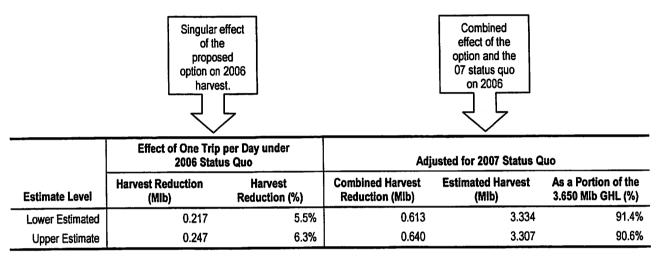


Figure 2 Example of How to Read the Tables in this Report

Option 1 - Effect of No More than One Trip per Vessel per Day

ADF&G estimates that harvest from "second trips" comprise between 5.5 percent and 6.3 percent of total harvest in 2006, equivalent between 217,000 lb and 247,000 lb. These data are adjusted for the status quo, which includes the ADF&G emergency order. In combination, these measures would have reduced 2006 harvest between 90.6 percent and 91.4 percent of the GHL. As noted in a prior analysis (NPFMC 2006), a portion of displaced anglers are likely to find replacement trips. Thus, the estimated reductions likely overstate actual reductions.

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

Patimata Laval	Effect of One Trip 2006 Stat		Adjusted for 2007 Status Quo				
Estimate Level	Harvest Reduction (Mlb)	Harvest Reduction (%)	Combined Harvest Reduction (MIb)	Estimated Harvest (Mlb)	As a Portion of the 3.650 MIb GHL (%)		
Lower Estimated	0.217	5.5%	0.613	3.334	91.4%		
Upper Estimate	0.247	6.3%	0.640	3.307	90.6%		

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

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

Option 2 would ban harvest by skipper and crew while clients were onboard and would implement line limits equal to the number of paying clients. It would have the same effect as the status quo for 2007,

except that these two measures would be implemented in Federal regulations. A Federal ban would allow ADF&G to lift the blanket possession ban for all species caught on saltwater trips and for state line limits on all saltwater charter fish and provide a greater sense of permanence to the restrictions, but would not result in additional reductions beyond that achieved by the state ban. NPFMC (2006) estimated that this option would reduce overall harvest by 7.7 and 10.5 percent in Area 3A and noted an increasing trend between 1998 and 2002. This analysis estimates that it would have reduced harvest in 2006 by 10.6 percent (418,000 lb) to 96.7 percent of the GHL. Interviews for this analysis and NPFMC (2006) indicated notable support for this measure. However, an additional Federal restriction would not result in additional harvest reductions.

Option 3 – Effect of an Annual Limit of Four or Five or Six Fish per Angler

Option 3 would establish a four, five, or six fish annual limit that an individual could harvest while on charter trips in Area 3A. Table 2 shows associated estimates of reductions in harvest. The six-fish annual limit combined with the status quo would have reduced harvest to approximately 94.4 percent of the GHL (502,000 lb reduction), a five-fish annual limit would have reduced harvest to roughly 92.2 percent of the GHL (582,000 lb reduction), and a four-fish annual limit would have reduced 2006 harvest to 89.6 percent of the GHL (676,000 lb reduction). However, much of these reductions are attributable to the ban on skipper and crew harvesting halibut while on charter trips. The reason for this decline in the expected effect is that skipper and crew account for the vast majority of the "multi-fish" harvest. The analysis does not expect significant reductions in growth rates or participation as only 5 percent of anglers harvested five fish or more in Area 3A in 2006.³

Table 2 Summary Effect of an Annual Limit

	Ad	justed for 2007 Status Quo	
Estimate Level	Combined Harvest Reduction (Mib)	Harvest (Mib)	As a Portion of the 3.650 MIb GHL (%)
Four Fish	0.676	3.271	89.6%
Five Fish	0.582	3.365	92.2%
Six Fish	0.502	3.445	94.4%

Source: Northern Economics, Inc. estimates based on ADF&G data (2007).

Option 4 - Effect of Reduced Bag Limits

Instituting a season-long, one-fish bag limit would reduce harvests to approximately 51.2 percent of the GHL without any demand effects. Under a 30 percent demand reduction, the upper level predicted by both peer-reviewed literature and key informant interviews, would result in harvest equivalent to 35.8 percent of the GHL (Table 3). While some one month bag limits may further reduce harvest levels below the GHL, the analysis is not able to account for anglers switching from a month with a reduced bag limit to a month without a reduced bag limit. Over the long run, anglers who change the timing of their trips to account for bag limit changes will erode the reductions from these options. Thus, the estimates for singlemonth bag limits are viewed as maximum estimates of the short-term effect of this management suboption.

³ This data shows a fundamental difference between Area 3A and Area 2C charter halibut fisheries. In Area 2C more than 10 percent of clients harvested five or more fish in 2006.

Table 3 Summary Effect of Lower Bag Limits

_		Effect of	Option 4	Adjusted for 2007 Status Quo			
Sub-Option	Reduction	Harvest Reduction (MIb)	Harvest Reduction (%)	Combined Harvest Reduction (MIb)	Harvest (Mlb)	As a Portion of the 3.650 Mib GHL (%)	
	No Reduction	0.175	5.0%	0.593	3.354	91.9%	
May	30%Reduction	0.234	6.6%	0.652	3.295	90.3%	
	No Reduction	0.437	12.4%	0.855	3.092	84.7%	
June	30%Reduction	0.584	16.5%	1.002	2.945	80.7%	
	No Reduction	0.628	17.8%	1.046	2.901	79.5%	
July	30%Reduction	0.840	23.8%	1.258	2.689	73.7%	
	No Reduction	0.348	9.9%	0.766	3.181	87.1%	
August	30%Reduction	0.465	13.2%	0.884	3.063	83.9%	
	No Reduction	0.064	1.8%	0.482	3.465	94.9%	
September	30%Reduction	0.107	3.0%	0.525	3.422	93.7%	
Entire	No Reduction	1.661	47.1%	2.079	1.868	51.2%	
Season	30%Reduction	2,221	62.9%	2.639	1.308	35.8%	

Source: Northern Economics, Inc. estimates based on ADF&G data (2007).

Option 5 – Effect of a Two Fish Bag Limit with One Fish any Size and One Fish Larger than 45" or 50"

Option 5 would establish a two-fish bag limit with one fish of any size and one fish equal to or larger than 45 or 50 inches depending on the sub-option. These options result in relatively high levels of reductions especially when considered in combination with the ADF&G ban on skipper and crew harvest. Both of the sub-options would reduce harvest to a level below the GHL without the assumption of some corresponding reduction in demand for trips. ADF&G estimates that the 45-inch sub-option would reduce harvest to approximately 62.3 percent of the GHL while the 50-inch sub-option would reduce harvest to 57.5 percent of the GHL. If a ten percent demand reduction takes place harvest would have been reduced to 54.9 percent and 50.6 percent, respectively. A ten percent demand reduction means the change must not only reduce demand by ten percent, but also effectively eliminated any growth in the industry which has been growing at 4 to 7 percent per year. ADF&G data indicated that more than 90 percent of the halibut harvested in Area 3A in 2006 were smaller than the sub-option lengths. IPHC data also show that fish 45" and larger are less than ten percent of the population. These data would indicate that fish above 45" are relatively rare and the limit could effectively result in a one-fish bag limit; particularly in areas where these fish are rarer than area wide measurements would suggest. In these areas demand reductions could be much higher than area wide effects.

Table 4 Summary Effect of a Two Fish Bag Limit with One Fish any Size and One Fish Larger than 45" or 50"

		Effect of	of Option 5	Adjusted for 2007 Status Quo		
Sub-Option	Demand Reduction	Harvest Reduction (MIb)	Harvest Reduction (%)	Combined Harvest Reduction (MIb)	Harvest (Mlb)	As a Portion of the 3.650 MIb GHL (%)
	No Reduction	1.254	31.8%	1.673	2.274	62.3%
45	10% Demand Reduction	1.524	38.6%	1.942	2.005	54.9%
	No Reduction	1.431	36.3%	1.850	2.097	57.5%
50	10% Demand Reduction	1.683	42.6%	2.101	1.846	50.6%

Source: Northern Economics, Inc. estimates based on ADF&G data (2007).

Option 6 – Effect of a two Fish Bag Limit with One Fish any Size and One Fish Less than 32", 34", or 36"

Option 6 would allow a two-fish daily bag limit, with one fish of any size and one fish less than or equal to 32, 34, or 36 inches in length. The analysis estimates an upper bound estimate based on the assumption that angler's harvest the "average" fish below the length limit and a lower estimate depicting how the efficacy of the option could be reduced if the anglers succeeded in high grading their catch by one size class. All three sub-options would reduce harvest below the GHL when the analysis accounts for the combined effect with the state ban on skipper and crew harvest. The 32-inch limit, which is similar to the 2007 NMFS rule for Area 2C, would reduce harvest between 69.8 percent and 76.4 percent of the GHL. The 34-inch limit would reduce harvest between 73.3 percent and 79.7 percent of the GHL, while the 36-inch limit would reduce harvest between 76.3 percent and 82.9 percent of the GHL. If anglers are not successful at high grading, then the associated harvest reductions will be nearer the upper limit than the lower limit.

Table 5 Summary Effect of a Two Fish Bag Limit with One Fish any Size and One Fish Less than 32", 34", or 36"

		Annua	l Limit	Adjusted for 2007 Status Quo			
Sub- Option	Estimate Level	Harvest Reduction (Mlb)	Harvest Reduction (%)	Combined Harvest Reduction (Mib)	Harvest (Mib)	As a Portion of the 3.650 Mlb GHL (%)	
	Lower	0.738	20.2%	1.157	2.790	76.4%	
32"	Upper	0.983	26.9%	1.401	2.546	69.8%	
	Lower	0.620	17.0%	1.038	2.909	79.7%	
34"	Upper	0.852	23.3%	1.270	2.677	73.3%	
	Lower	0.501	13.7%	0.920	3.027	82.9%	
36"	Upper	0.742	20.3%	1.160	2.787	76.3%	

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

Option 7 – Effect of a two Fish Bag Limit with One Fish any Size and One Fish Less than 32" or larger than 45" or 50"

Option 7 would create a reverse slot limit on the second fish of an angler's daily bag limit. The angler could keep a second fish if it was 32 inches or less in length or: a) 45 inches or longer in length; or b) 50 inches or longer in length. As was predicted for Area 2C (NPFMC 2007), the reverse slot limit is likely to increase harvested biomass as some relatively small fish near 32 inches will likely be replaced by much heavier fish above 45 inches or 50 inches. The analysis assumes that catch rates remain the same and that "in-slot" fish will be replaced by fish smaller or larger than the slot at the same ratio equivalent to those found in 2006 harvest data.⁴ The particular combination of 32 inch/45 inch reverse slot limit would result in an increase of average harvest weight to 21.0 lb, from the 2006 average harvest weight of 18.23 lb and an increase in total harvest weight of 283,000 lb. The 32/50 inch reverse slot has less effect, but still results in an estimated increase in harvest weight of 61,000 lb. Hence, neither option would address the problem statement.

⁴ For example, if fish below 32 inches were 60 percent of the harvest by number and fish above 45 inches were 15 percent of the harvest by number, then "in-slot" fish would be replaced by four fish below 32 inches to every one fish above 45 inches.

Summary of Effects

In 2006 charter halibut harvests stood at 108.1 percent of the GHL including harvests by skipper, crew, and client. Client harvest is estimated at approximately 96.7 percent of the GHL for 2006. All of the options under consideration, with the exceptions of Option 7 and Option 2 (the status quo), would reduce total charter harvests further. A number of the analyzed options would reduce charter halibut harvest levels to those that the Council targeted with its preferred alternative for Area 2C. These include the suboptions from Option 3 and several sub-options from Option 4.

Table 6. Summary of Estimated Effects

Management Option	Sub-Option	Harvest with	Option (Mib)	Post-Option Harvest as a Portion of the GHL (%)		
		Less Effective	More Effective	Less Effective	More Effective	
Option 4. One Fish Bag Limit	Full Season	1.868	1.308	51.2%	35.8%	
Option 5. Minimum Size on the Second Fish	50"	2.097	1.846	57.5%	50.6%	
Option 5. Minimum Size on the Second Fish	45"	2.274	2.005	62.3%	54.9%	
Option 6. Maximum Size on the Second Fish	32"	2.790	2.546	76.4%	69.8%	
Option 4. One Fish Bag Limit	July	2.901	2.689	79.5%	73.7%	
Option 6. Maximum Size on the Second Fish	34"	2.909	2.677	79.7%	73.3%	
Option 6. Maximum Size on the Second Fish	36"	3.027	2.787	82.9%	76.3%	
Option 4. One Fish Bag Limit	June	3.092	2.945	84.7%	80.7%	
Option 4. One Fish Bag Limit	August	3.181	3.063	87.1%	83.9%	
Option 3. Annual Limit	4 Fish	3.271	3.271	89.6%	89.6%	
Option 1. One Trip per Day	None	3.334	3.307	91.4%	90.6%	
Option 4. One Fish Bag Limit	May	3.354	3.295	91.9%	90.3%	
Option 3. Annual Limit	5 Fish	3.365	3.365	92.2%	92.2%	
Option 3. Annual Limit	6 Fish	3.445	3.445	94.4%	94.4%	
Option 4. One Fish Bag Limit	September	3.465	3.422	94.9%	93.7%	
Option 2. No Harvest by Skipper & Crew (Status Quo)	None	3.529	3.529	96.7%	96.7%	
Option 7. Reverse Slot Limit	32"/45"	Ineffe		Ineffe		
Option 7. Reverse Slot Limit	32"/50"	Ineffe	ctive	Ineffective		

NPFMC (2007) noted the Council's reasons for rejecting several similar options for Area 2C.

Table 7. Option Weak Points

<u>-</u>				Option						
Option Weakness	_ 1	2	3	4	5	6	7			
Less Effective than Status Quo							•			
Effect of Option Easily Diluted by Changes in Behavior	•			•		•				
Potential for Increased Mortality					•	•				
Difficulty Measuring Larger Fish					•					
Reduce Harvest by Too Great an Amount				•						
Economic Effects on Charter sector				•	•	•				

Table 8 provides a qualitative summary of the effects by option, including charter sector preference based on key informant interviews and qualitative estimates on the benefits of each option to the commercial sector. Additional detail is provided in the RIR.

Table 8 Qualitative Summary of Effects by Option for Area 3A

Option	Expected Size of Reductions	Effects on Industry	Effect on State Managed Fisheries
One Trip per Vessel per Day	In conjunction with the status quo, would reduce harvest between 90.6 and 91.4% of the GHL.	Relatively minor effects on the charter sector, except those businesses that focus on multiple trips per day, which are concentrated in a few ports. Modest benefits for the commercial industry.	State managers expect a concurrent minor reduction in the harvest of some associated species.
No Retention by Skipper and Crew and Line Limits	Would have no additional harvest reductions. 2006 client harvest is estimated at 96.7% of the GHL.	Preferred by the charter sector with no additional benefits for the commercial industry.	State managers expect no change in the harvest of some associated species.
3. Annual Limit	Three sub-options would, in conjunction with the status quo, reduce harvest levels between 89.6 and 94.4% of the GHL, depending on the sub-option.	The second most preferred option by the charter sector. Commercial sector would receive modest benefits beyond the status quo.	State managers expect a modest to significant increase in the charter harvest of available salmon species, lingcod, and rockfish as anglers would switch from targeting halibut to these other species.
4. One-fish bag limit	Would reduce harvest between 35.8% and 94.9% of the GHL, depending on the sub-option.	Least preferred option for the charter sector. Highest economic cost to the charter sector, with the highest benefits for the commercial fleet.	State managers expect a significant increase in the charter harvest of available salmon species, lingcod, and rockfish as anglers would switch from targeting halibut to these other species.
5. Option for a Second Fish with a Minimum Length	Would reduce harvest between 50.6% and 62.3% of the GHL, depending on the sub-option.	Minor demand reductions expected. Modest to high benefits for the commercial fleet.	Charter harvest of state managed species would likely increase by modest amounts.
6. Option for a Second Fish with a Maximum Length	Would reduce harvest between 69.8% and 82.9% of the GHL, depending on the sub-option.	Options would likely result in economic losses to the charter sector and moderate to high benefits for the commercial fleet; however, the same benefits could be achieved with lower cost to charter sector under Option 3.	Charter harvest of state managed species could increase by modest amounts. However, such an increase is not certain.
7. Reverse Slot Limit	Would result in increased harvests.	Would result in losses to the commercial sector, while increasing the regulatory burden on the charter sector.	Charter harvest of state managed species could increase by modest amounts. However, such an increase is not certain.

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

The long-term efficacy of the options is likely to be limited by strategic responses to each of them by charter sector participants and anglers. For example, lowering bag limits during one portion of the season will shift demand to other times of the year. Similarly, season closure dates 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 under an 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, and therefore not benefit the commercial sector.

Past, Current, and Potential Future Halibut Action Timeline

ACTION	2004	2005	2006	2007	2008	2009	2010	2011
Omnibus IV	Council			Implemented in				
	action			August				
Omnibus V-		Council		PR under	Potential			
Processing of		action		construction	implementation			
non-IFQ spp								
Omnibus V -		Council		PR under	Potential			
lift June pot		action		construction	implementation			
longline ban)								
& emergency	,							
mil. transfers	1							
Omnibus V-		Council		Not yet started	Potential			
remove		action			implementation			
unused QS_								
Subsistence	Council			PR under	Potential			
III -5 actions	action			construction	implementation			
Secretarial				NMFS action;				
Rule for				Implemented				
Area 2C				in June				
Moratorium				Target: draft PR	Target: publish	Potential		
			ļ.	by	PR by	implementation		
				12-31-2007	4-1-2008;	•		
					Potential			
					Application			
	1				Period			
Area 2C			Draft	Council action &	Potential			
GHL			Anal.	Rulemaking	implementation			
Measures				under	•			
1]			construction				
Allocation/				Analysis under	Potential	Potential		
Compensated				review	Council action	rulemaking	•	
Reallocation			ļ					
Area 3A				Draft analysis &	Potential	Potential		
GHL			İ	potential Council	rulemaking	implementation		
Measures				action	under	•		
		İ			development			
Allocation/		COMN	ION PO	OL ELEMENTS RI		ESSIONAL AUTH	IORIZATIO	ON
Comp. Reall.					Inknown timeline			
State Deleg.	1			REQUIRES CONG		THORIZATION		
of Authority					Jnknown timeline			
Permanent		T	T	Still in committee	Potential	Potential	Potential	Potential
Solution					committee work	Analysis and	rulemak-	implementa
Solution					Communica work	Action	ing	tion
Subsistence	 	 	<u> </u>	Initiate Action	Potential Action	Potential		
	Ì	ļ		Initiate Action	& PR construct.	implementation		
				Council	PR under			
Rural Def.	 	T	ı				1	
Rural Def. Subsistence:					1		1	
Rural Def. Subsistence: Kanatak				recommendation	construction			
Rural Def. Subsistence: Kanatak correction				recommendation	1			
Rural Def. Subsistence: Kanatak correction Subsistence:				recommendation FR under	1			
Rural Def. Subsistence: Kanatak correction Subsistence: Tayagungin				recommendation	1			2
Rural Def. Subsistence: Kanatak correction Subsistence: Tayagungin correction				recommendation FR under	construction	Potential		3
Rural Def. Subsistence: Kanatak correction Subsistence: Tayagungin correction Change buoy				recommendation FR under	construction Potential PR/FR	Potential implementation		
Rural Def. Subsistence: Kanatak correction Subsistence: Tayagungin correction		FR	FR	recommendation FR under	construction	Potential implementation	FR	FR

Limiting Area 3A Charter Halibut
Harvests-Initial Review of Proposed
Management Options

Presentation to

North Pacific Fishery Management Council

Jonathan King

October 2007



Proposed Management Options

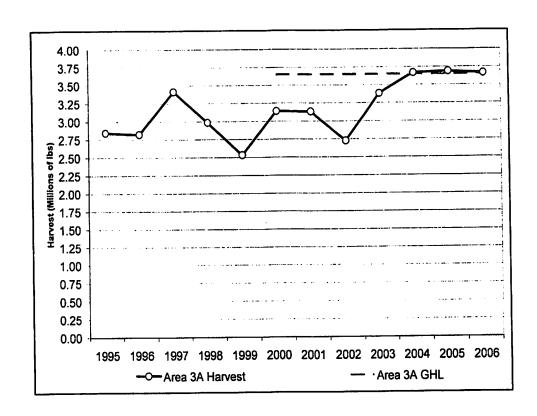
- 1. 1 trip per vessel per day
- 2. No retention by skipper or crew with line limits
- 3. Annual catch limits
 - 4/5/6 halibut
- 4. 1 fish bag limit
 - May/June/July/August/September/Entire Season
- 5. Second fish of a minimum size
 - Applies to 2nd fish at 45" or 50"
- 6. Second fish at or below a specific length.
 - Applies to 2nd fish at 32"/34"/36"
- 7. Reverse slot limit for the second fish
 - Applies to the 2nd fish at 32"/45" or 32"/50"

Data and Methods

- Data used for the draft EA/RIR/IRFA were based on preliminary SWHS estimates. This presentation contains updated estimates based on final 2006 harvest numbers.
- We use the same analysis methods and data sources as prior analyses for Area 2C and the 2006 GHL analyses.
- The data for many of the options do not include the ability to create statistically valid upper and lower bound estimates. We have point estimates of effects for several options.
- As with the Area 2C analysis the magnitude of demand effects associated with specific options are generally unknown.

The Baseline and the Status Quo

- Data indicate that charter halibut harvests in Area 3A in 2006 totaled 3.664 Mlb; equal to 100.37 percent of the Area GHL in 2006. Long-term growth rates in Area 3A are between 2.0 and 3.2 percent per year, but there has been essentially no harvest growth since 2004.
- In January 2007, ADF&G issued an emergency order banning retention of sport caught fish by skipper and crew during saltwater charters. We included this EO as part of the status quo for the draft written analysis. The decision about whether or not the EO will be reissued after the current EO's expiration lies with ADF&G. Recognizing that the EO may or may not be reissued in 2008, we provide estimates showing each option's effect in conjunction with, and independent from, the current EO.
- Logbook data indicate that skipper and crew harvest are approximately 10.4 percent of overall harvest. The analysis assumes that skipper and crew fully report their harvest during charter activities to the SWHS and report them as such.



Option 1-1 Trip per Vessel per Day

- Restricts vessels to one trip per day where halibut is retained.
- Estimated effect is between 202,000 lbs and 230,000 lbs under 2006 conditions or between 5.5 and 6.3% of the harvest.
- As a stand alone measure the option would reduce harvest to between 94.1% and 94.9% of the GHL.
- The estimated effect in conjunction with the status quo would be a reduction in harvest levels to between 84.3% and 85.0% of the GHL.
- Actual savings will likely be less than anticipated given the latent capacity in the industry.

		Stand Alone Effe	ect	Adjusted for 2007 Status Quo			
Estimate Level	Harvest Reduction (Mibs)	Harvest Reduction (%)	As a Portion of the 3.650 Mibs GHL (%)		Expected Harvest (Mibs)	As a Portion of the 3.650 Mlbs GHL (%)	
Lower Estimated	0.202	5.5%	94.9%	0.562	3.102	85.09	
Upper Estimate	0.230	6.3%	94.1%	0.587	3.077	84.39	

Option 2- No Retention by Skipper & Crew with Line Limits

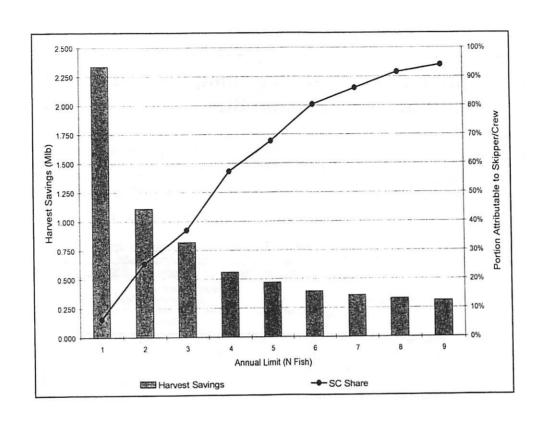
- Bans the retention of halibut by skipper and crew while on charter trips.
- The estimated reduction in harvest associated with this EO would have been approximately 381,000 pounds or 10.4 percent of harvest in 2006. If the EO had been in place in 2006 we estimate that client harvest would have been at 89.9 percent of the GHL.
- There is no additional harvest savings associated with moving from a State EO to a Federal ban on skipper and crew harvest.

	S	tand Alone Effe	ct	Adjusted for 2007 Status Quo			
Estimate Level	Harvest Reduction (Mibs)	Harvest Reduction (%)	As a Portion of the 3.650 Mibs GHL (%)	Harvest Reduction (Mlbs)	Expected Harvest (Mlbs)	As a Portion of the 3.650 Mlbs GHL (%)	
Point Estimate	0.381	10.4%	89.9%	0.381	3.283	89.9%	

Option 3- Annual Catch Limits

- Three sub-options limiting anglers to 4, 5, or 6 fish annually.
- These sub-options would reduce harvest by approximately 560,000 pounds (15.3 percent of 2006 harvest), 471,000 pounds (12.9 percent of '06 harvest), and 394,000 pounds (10.7 percent of the '06 harvest) respectively as stand alone measures.
- Combining the estimated effects of the annual limit with a skipper and crew harvest ban results in only slightly higher harvest reduction estimates. Skipper and crew are the predominant "super multi-fish" harvesters in Area 3A

		Minimani Sii	Stand Alone Effect		Adjusted	for 2007 Status	Quo
•	Estimate Level	Harvest Reduction (Mibs)	Harvest Reduction (%)	As a Portion of the 3.65 Mibs GHL (%)	Combined Harvest	Expected	As a Portion of the 3.65 Mlbs GHL (%)
	Four Fish	0.560	15.3%	85.0%	0.621	3.043	83.4%
	Five Fish	0.471	12.9%	87.5%	0.533	3.131	85.8%
	Six Fish	0.394	10.7%	89.6%	0.459	3.205	87.8%



Option 4-One Fish Bag Limit

■ Institutes a 1 fish per day limit in May, June, July, August, September, or for the entire season.

		Stand Alone Effect			Adjusted for 2007 Status Quo			
Sub-Option	Estimate Level	Harvest Reduction (Mlbs)	Harvest Reduction (%)	As a Portion of the 3.650 Mlbs GHL (%)	Combined Harvest Reduction (Mlbs)	Expected Harvest (Mlbs)	As a Portion of the 3.650 Mlbs GHL (%)	
	No Demand	0.163	5.0%	95.9%	0.544	3.124	85.6%	
May	30% Demand Reduction	0.218	6.6%	94.4%	0.599	3.069	84.1%	
	No Demand	0.407	12.4%	89.2%	0.788	2.880	78.9%	
June	30% Demand Reduction	0.544	16.5%	85.5%	0.925	2.743	75.1%	
22/10	No Demand	0.585	17.8%	84.4%	0.966	2.702	74.0%	
July	30% Demand Reduction	0.782	23.8%	79.0%	1.163	2.505	68.6%	
	No Demand	0.324	9.9%	91.5%	0.706	2.962	81.2%	
	30% Demand Reduction	0.433	13.2%	88.5%	0.815	2.853	78.2%	
- Inguet	No Demand	0.059	1.8%	98.8%	0.441	3.227	88.4%	
September	30% Demand Reduction	0.107	3.3%	97.5%	0.488	3.180	87.1%	
Coptonicon	No Demand	1.547	47.1%	58.0%	1.929	1.739	47.7%	
Entire Season		2.068	62.9%	43.7%	2.450	1.218	33.4%	

Option 5- Two Fish Bag Limit; Second Fish Above a Minimum Size

- The measure establishes a minimum size limit for second fish of 45 inches or 50 inches. By themselves the sub-options reduce harvest by:
 - 1.191 Mib-1.438 Mlb for the 45" limit to between 61.0-67.8% of the GHL.
 - 1.354 Mlb-1.585 Mlb for the 50" limit to between 57.0-63.3% of the GHL.

 We note that this option could result in a de facto one fish bag limit in some areas. Consequently, some form of aggregate demand reduction of a geographical stransfer in demand in the consequently some form of aggregate.

Sı		expected. Demand Reduction	Harvest Reduction (Mibs)	Harvest Reduction (%)	As a Portion of the 3.650 Mibs GHL (%)	Cambined Harvest Reduction (Mlbs)	Expected Harvest (Mibs)	As a Portion of the 3.650 Mibs GHL (%)
		No Reduction	1.191	32.5%	67.8%	1.573	2.091	57.3%
	45	10% Demand Reduction	1.438	39.3%	61.0%	1.821	1.843	50.5%
		No Reduction	1.354	36.9%	63.3%	1.737	1.927	52.8%
	50	10% Demand Reduction	1.585	43.3%	57.0%	1.968	1.696	46.5%

Option 6- Two Fish Bag Limit; One Fish <=32" or 34" or 36"

- The 32" size limit as a stand alone measure would reduce harvest between 18.3% to 24.6% to between 75.8% and 82.% of the GHL.
- The 34" size limit as a stand alone measure would reduce harvest between 15.2% to 21.2% to between 79.2% and 85.1% of the GHL.
- The 36" size limit as a stand alone measure would reduce harvest between 12.2% to 18.4% to between 82.0% and 88.2% of the GHL.

		Estimate Level		Stand Alone Et	fect	Adjusted for 2007 Status Quo			
:	Sub-Option		Harvest Reduction (Mibs)	Harvest Reduction (%)	As a Portion of the 3.650 Mibs GHL (%)	Combined Harvest Reduction (Mibs)	Expected Harvest (Mibs)	As a Portion of the 3.650 Mibs GHL (%)	
_		Lower	0.668	18.3%	82.1%	1.049	2.615	71.6%	
	32"	Upper	0.896	24.6%	75.8%	1.278	2.386	65.4%	
		Lower	0.556	15.2%	85.1%	0.938	2.726	74.7%	
	34"	Upper	0.773	21.2%	79.2%	1.154	2.510	68.8%	
		Lower	0.444	12.2%	88.2%	0.826	2.838	77.8%	
	36"	Upper	0.671	18.4%	82.0%	1.052	2.612	71.6%	

Option 7- Two Fish Bag Limit; One Fish outside of 32"to 45" or 32"to 50"

- Option 7 is a reverse slot limit requiring the second fish in an anglers bag to be 32" or less or greater than 45" or greater than 50".
- Both sub-options have the potential to increase harvest as some fish within the slot will be replaced by heavier fish above the maximum slot sizes. Data from ADF&G indicate a potential harvest increase of 233,000 pounds with a 32"/45" reverse slot limit and a potential 19,000 pound increase with a 32"/50" reverse slot limit.

Summary-In Conjunction with the Status Quo

Management Option- In Conjunction with the Status Quo	Sub-Option	Harvest with	Option (MIb)	Post-Option Harvest as a Portion of the GHL (%)	
		Less Effective	More Effective	Less Effective	More Effective
Option 4. One Fish Bag Limit	Full Season	1.739	1.218	47.7%	33.4%
Option 5. Minimum Size on the Second Fish	50"	1.927	1.696	52.8%	
Option 5. Minimum Size on the Second Fish	45"	2.091	1.843	57.3%	50.5%
Option 6. Maximum Size on the Second Fish	32"	2.615	2.386	71.6%	
Option 4. One Fish Bag Limit	July	2.702	2.505	74.0%	68.6%
Option 6. Maximum Size on the Second Fish	34"	2.726	2.510	74.7%	
Option 6. Maximum Size on the Second Fish	36"	2.838	2.612	77.8%	
Option 4. One Fish Bag Limit	June	2.880	2.743	78.9%	
Option 4. One Fish Bag Limit	August	2.962	2.853	81.2%	78.2%
Option 3. Annual Limit	4 Fish	3.043	3.043	83.4%	
Option 1. One Trip per Day	None	3.102	3.077	85.0%	84.3%
Option 4. One Fish Bag Limit	May	3.124	3.069	85.6%	
Option 3. Annual Limit	5 Fish	3.131	3.131	85.8%	85.8%
Option 3. Annual Limit	6 Fish	3.205	3.205	87.8%	
Option 4. One Fish Bag Limit	September	3.227	3.180	88.4%	87.1%
Option 2. No Harvest by Skipper & Crew (Status Quo)	None	3.283	3.283	89.9%	89.9%
Option 7. Reverse Slot Limit	32"/45"	Ineff	ective	Ineff	ective
Option 7. Reverse Slot Limit	32"/50"	Ineff	ective	tneff	ective

Summary- If the Status Quo does not include the ADF&G EO

Management Option- Stand Alone from the Status Quo	Sub-Option	Harvest with Option (Mib)		Post-Option Harvest as a Portion of the GHL (%)	
		Less Effective	More Effective	Less Effective	More Effective
Option 4. One Fish Bag Limit	Full Season	2.117	1.596	58.0%	43.7%
Option 5. Minimum Size on the Second Fish	50"	2.310	2.079	63,3%	57.0%
Option 5. Minimum Size on the Second Fish	45"	2.473	2.226	67.8%	61.0%
Option 6. Maximum Size on the Second Fish	32"	2.996	2.768	82.1%	75.8%
Option 4. One Fish Bag Limit	July	3.079	2.882	84.4%	79.0%
Option 3. Annual Limit	4 Fish	3.104	3.104	85.0%	85.0%
Option 6. Maximum Size on the Second Fish	34"	3.108	2.891	85.1%	79.2%
Option 3. Annual Limit	5 Fish	3.193	3.193	87.5%	87.5%
Option 6. Maximum Size on the Second Fish	36"	3.220	2.993	88.2%	82.0%
Option 4. One Fish Bag Limit	June	3.257	3.120	89.2%	85.5%
Option 3. Annual Limit	6 Fish	3.270	3.270	89.6%	89.6%
Option 2. No Harvest by Skipper & Crew (Status Quo)	None	3.283	3.283	89.9%	89.9%
Option 4. One Fish Bag Limit	August	3.340	3.231	91.5%	88.5%
Option 1. One Trip per Day	None	3.462	3.434	94.9%	94.1%
Option 4. One Fish Bag Limit	May	3.501	3.446	95.9%	94.4%
Option 4. One Fish Bag Limit	September	3.605	3.557	98.8%	97.5%
Option 7. Reverse Slot Limit	32"/45"	Ineff	ective	tneff	ective
Option 7. Reverse Slot Limit	32"/50"	Ineff	ective	Ineff	ective

North Pacific Fishery Management Council

September 12, 2007

SEP 1 4 2007

القار

Greetings,

2007-09-12 14:24

N.P.F.M.C.

I bring before you comments on the Charter Halibut 3A GHL Measures, specifically agenda items C1a and C1b.

Simply stated I am a 30+ year resident of the State of Alaska who lives in Wasilla, part of the 'road accessible' area of the state. I make regular treks to the Kenai Peninsula to fish. I don't have a boat capable of safely taking me out into the Cook Inlet waters or further therefore I depend on using a charter boat service to access my constitutionally protected fish, particularly halibut.

While I realize halibut are nomadic and certain areas have little or no pressure, either commercial or personal use, while others have high pressure from one group, the other, or both, it is my opinion that I should have no restriction on my access to 'local' fish beyond the ADFG regulated bag limits. Charter restrictions directly restrict me – a state resident. Area 3A should be managed with personal use fishing as the priority.

Commercial fish are caught for profit and sold to tables – anyone, anywhere, many, if not mostly out-of-state or even country. That specifically does NOT meet the definition of the constitutional requirement to make fish available to residents. If a limit is placed on Area 3A it will directly affect me – a state resident. Area 3A should be managed with resident, not commercial fishing as the priority.

As long as commercial harvest bycatch anywhere (and everywhere) in the state exceeds the personal harvest amounts it is blatantly unfair to restrict those who are part of the group NOT abusing the harvest as a whole. That would be me – a state resident. There are enough fish for us, the residents, if commercial fishers don't reap too many for sale to non-residents. Again, Area 3A should be managed with resident, not commercial fishing as the priority.

Arguments about dividing the GHL among user groups find my ears deaf as long as the commercial user group is abusing the harvest limits anywhere. Let those commercial fishers who are local go to where the resident preference for our state resource is lower and reap their harvest for sale to the marketplace. Again, Area 3A should be managed with the state constitutionally protected residents in mind.

Since commercial harvesters are not constitutionally protected any discussion of compensation to commercial harvesters are completely out of order. Commercial interests had/have NO guarantee of access or harvest. As a resident, I do.

Sincerely, Dan Tucker 4330 Wickersham Way Wasilla, AK 99654 (907) 376-2630

530

NORTH PACIFIC FISHERY MANAGE MENT COUNCIL DE SUIT AVE SUIT 306 SEP 2: 2007

ANCHORAGE AK 99501-2252. SEP 2: 2007

Hi.

N.P.F.G.C.

It I went over on trang my shares I

I think we should Look buck at when I FO's west issued, give that guots shore to be the one of that fix Had not have them only any more from willing spleas-

Thong You

Box 54

Presepopular to LAGRA 99833

September 13, 2007



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



Dear Chair and all Council Members:

I am writing you once again to comment on the halibut charter allocation/compensation issue. As I witnessed at the June's meeting held in Sitka many individuals, families, businesses, and even communities are being affected by the decisions you make in regards to the halibut charter reallocation for area 2C. With this in mind I respectfully hope that you take the necessary time to listen to what is begin said by the various committees and individuals that have testified and wrote letters and will testify yet again in regards to the impact reallocation will make, and not just present and vote for something that may look accommodating on paper.

I understand Mr. Olsen's action to implement an amendment to restrict any reallocation from the commercial D class shares for area 2C. His intention for this exemption is to allow the younger generation of longliners the ability to afford D class shares. The council should take into consideration that by allowing this exemption you are not truly assisting the new longline generation as much as anticipated because the value of these exempt shares will increase thus making them less affordable. Furthermore, another point that may have been over looked with this exemption is the fact that there are a number of charter boat operators whom already own D class shares that would benefit from this exemption. They would be allowed to keep their D class shares to fish commercially, along with receiving more shares to use for their charter business at the expense of the other classes of IFQ holders. I would like to ask the council to reconsider the exemption of D class shares, or at least research the points I have made to make a better educated judgment.

On another point regarding a reallocation from commercial to charter halibut user groups, is after the meeting I called the lender whom we have for our IFQ's and asked if the halibut is to be reallocated without any compensation then will this permanent loss of IFQ affect the remainder of the loan amount. Of course the lender stated that it would not affect the loan and even though our IFQ has been given to another user group we are responsible for paying the remaining balance owed. How can anyone consider purchasing halibut IFQ with the serious possibility of uncompensated reallocation? Please reconsider the proposed reallocation with out compensation. The idea of not being compensated is unjust to those of us whom have the loans out and will continue to make the payments on these IFQ. My husband and I who were not initial IFQ holders took out various loans and purchased our IFQ to fit the class size of our boat. (Which by the way was not D class).

In closing I want to reiterate the importance of the actions the council has with this significant issue. The younger generation should be given the opportunity to follow in their

-2-

September 13, 2007

family's business with the careful planning and decisions made by governing bodies like NPFMC. All user groups want their share of the halibut but at what cost. Please keep in mind that those of us who have a financial obligation associated with the IFQ's purchased will be the ones that are hit the hardest and once again we are feeling that after years of struggling and saving enough for our down payments we are once again left behind while someone else gets handed the quota we thought we worked so hard to purchase.

Iman 1 July

Sincerely,

Lorraine Daly

SEP 2 2000

NPFMC 605 West 4th Avenue, Suite 306 Anchorage, AK 99501

September 20, 2007

Dear Council members:

We are writing about the halibut GHL issues to be discussed at your upcoming meetings.

Regarding Area 3A, we think it is critical that harvest control measures be implemented. It is clear that there are more and more charter boats with more and more clients fishing in area 3A, perhaps partly due to the overcatching going on in Area 2C. Whether or not there was significant overage in 2006 in 3A, it would seem insensible to delay putting harvest control measures in place. Things in Area 2C are getting worse and worse in terms of sharing the catch between user groups, and why let that happen in 3A as well? At an absolute minimum it seems obvious that skippers and crew should not be retaining sport or personal use fish during charter trips.

Regarding the halibut charter allocation/compensation in 2C & 3A, it only seems fair that the area GHLs should be the basis for the hard allocation. Already the commercial sector is being punished for the ongoing over-catching of the charter boats by lower and lower GHLs.

We are an older couple who, after 31 years of commercial fishing, have recently purchased about 5,000 shares of halibut IFQ in 2C. Our investment is significant and we are a small operation, fishing these shares ourselves. The bank loan for this purchase has a 10 year payback timeline. We know you are hearing from the charter industry about how you need to protect their investments in their operations, but what about what we've invested in our operations? Clearly a market-based system needs to be instituted, and without charter purchase of quota subsidized by the state or federal government nor by sport fishers.

Thank you for your consideration.

Dan Miner & Annah Taft Perry

1406 34th St

Anacortes, WA 98221

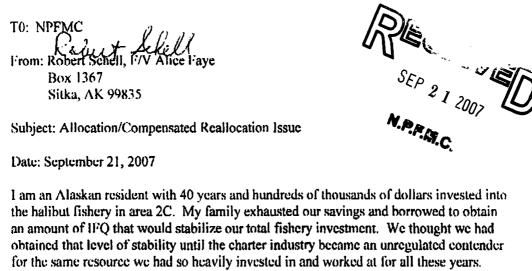
TO: NPFMC

From: Ro

Box 1367 Sitka, AK 99835

Subject: Allocation/Compensated Reallocation Issue

Date: September 21, 2007



From my personal perspective, there should be no reallocation from the long line sector to the charter sector. There is much more at stake than the livelihood of the IFQ holders in the commercial fishery and the charter operators. I spent nine years on the board of Scafood Producers Cooperative with four of those years as board chairman. Our cooperative and most of the plants dependent on hook and line fisheries could not survive in their present composition with diminished deliveries of long line species. The workers and crew persons would lose their jobs, the communities would lose fish tax and property tax revenue and the utilities in the affected communities would lose their largest customers. It seems that no where in the discussions of allocating halibut does the well being of anyone but the direct recipients of the resource have a voice or champion. The charter fleet has grown without regulation and no thought for the resource. They should not be rewarded for this disregard nor should the commercial sector be compensated for any reallocation without commensurate compensation to the other stakeholders affected by such reallocation. We have a GHL and it should be adhered to by all parties.

The charter GHL needs to be based on the over all quota as a percentage. My halibut business took a 20% reduction this year. Why should another commercial user not have to bear the same burden as I and my fellow commercial fishermen do when stocks decline? When my income declines, I tighten my belt and do not expect government to step in and bail me out.

If for some strange reason the council decides there should be a reallocation, it needs to be via direct seller to buyer. This could and should include charter fisher to charter fisher. If I want more IFQ, I buy it on an individual basis. The charter sector needs to do the same. No investment in the resource equates to no interest in the conservation of that resource.

Now is the time to get the long delayed regulation of the charter fleet into the same realm as the commercial fleet.

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



N.P.F.M.C

Dear Chair Madsen and Members of the Council,

Over the issue of reallocation from the commercial to the charter sector on halibut. I am a concerned commercial longliner who bought into the IFQ Halibut fishery. Our family, my parents, have been in this fishery for 40 years. It's a lifestyle and the charter industry is threatening it. Every year the charter industry takes more halibut and we take less. Out quotas in Area 2C, where we fish, are down 40 percent from what they were in the late 80s and early 90s. I really seriously think part of this reason is because the charter industry has gone over their GHL so often without penalty. Now they want some of our quota, our jobs, and I don't think it's right to kick people out of a fishery already in place. The charter industry needs to follow their GHL and I think it's all political that they have not been managed. Everybody hurts because of this since fish stocks are not endless.

Things that could be done.

- Manage with bag limits and if necessary closure to keep within the GHL.
- Have an only-charter unloading dock in every port where all charter landed fish have to be weighed and counted by approved personnel.
- In my opinion, the charter industry has too many fish not being accounted for. Maybe all fish boxes leaving port should be logged and stamped.
- The commercial longline industry has a tax on itself for its own management. The charter should have the same.

Fabian Grutter

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Dept.	Phone # 747 3460
	Fax# 747 3462
Fax 907 27 2817	

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



N.P.P.M.C.

Dear Members of the Council,

I am writing to ask you to move forward on the C-1 Halibut charter management issues that you will be addressing at your October meeting.

The size of the 3A halibut charter fleet continues to grow, as does the number of client per trip, client days and active vessel trips. Unless the Council adopts harvest control measures, future GHL overages are likely. I have made substantial investments in the halibut fishery and stayed within my quota each year. The charter fleet should not be allowed to exceed their GHL at the expense of the resource or the commercial fleet.

The 3A GHL analysis should be kept on track for 2009 implementation while the Council reviews ADFG's projection methodology and waits for the 2007 preliminary halibut charter harvest numbers. Prohibiting retention of halibut by skippers and crews on active charter boats is the minimum control measure that should be implemented by the Council. As a commercial fisherman, I can not retain a subsistence or personal use halibut while commercial fishing. Why should the rules be different for the commercial charter fishery??

I also urge the Council to move ahead with the allocation/transfer between sectors amendment. The Council established an allocation, the GHL, between the charter and commercial halibut sectors in 2000 and reaffirmed that commitment numerous times since. The GHL, translated into a percentage that floats with the combined fishery CEY, is the only fair starting point. Charter operators should not be rewarded for GHL overages. Commercial fishermen pay significant penalties if we exceed our quotas—why would the Council reward the charter fleet for over harvest? If charter operators want more quota they should be allowed to buy it (individually or as a sector) from charter operators that already hold commercial quota or from commercial fishermen and to use that quota in their charter fishery. Such transfers should only be between willing buyers and willing sellers—I object strongly to the forced deduction promoted by ADFG Commissioner Lloyd. The commercial halibut fishery is critical to the health of the processing sector, marine supply and transport industry, the coastal economies of Southeast and Southcentral Alaska, and the halibut loving public. The market should determine the appropriate allocation, not the State or the Council.

Finally, I urge the Council to strengthen monitoring, accountability and enforcement of charter harvest. Credible and accurate data are needed to protect the resource and all who depend on it.

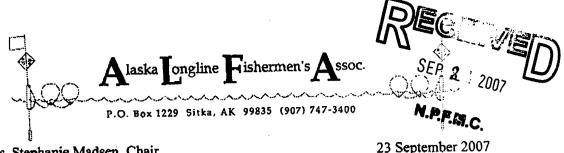
Thank you for your time and attention.
Sincerely, It I known — I HAVE BARBOWED HUNDREDS OF THOUSANDS

OF BOLLARS TO PURCHASE I.F.D.,

— PLEASE DON'T NEGATIVELY IMPACT MY

KODTAK, AK 996/5 — PRINT BY TAKING MY COMMERCIAL BYTEY

— CONVERT GHL TUTO A 75 THAT FLOATS WITH COMBINED CEY



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

Re: Agenda Item C-1: Charter Halibut Management

The Alaska Longline Fishermen's Association (ALFA) submits the following comments and recommendations for Council consideration regarding charter halibut management.

3A GHL Management Measures

ALFA recommends that this amendment package be released for public review and subsequent final action at the December Council meeting. Final 3A charter halibut harvest estimates are within a percent of the Guideline Harvest level (GHL). Evidence suggests that charter harvests in 3A will continue trending upward beyond the GIIL.

Charter harvests for the 2007 season are unavailable, but prior analysis indicates growth throughout the charter sector. Harvests have increased a total of 2.7% over the last 11 years and a total of 4.7% within the last 5 years. Fleet size has increased 25% since 1998. Client days have also increased 45%, and active vessel trips have increased over 30%. Although the annual rate of change in 3A charter halibut harvests varies, there is no indication that overall growth will slow in the near future. Timely action by the council at this point will prevent the need for emergency action at a future date.

Discrepancies between the final 2006 Salt Water Harvest Survey (SWHS) estimates and the 2006 ADFG logbook data suggest further caution. The EA/RIR/IRFA for the 3A charter GHL states that, based on combined logbook data and the SWHS, the 2006 charter harvest in 3A was 3.947 M lbs (204,115 fish multiplied by the provided 17.9lb average weight) or about 10% over the GHL. In contrast, the final SWHS estimates recently released are 287,606 lbs lower reporting a 2006 charter catch of 3.656 M lbs (216,553 fish multiplied by the provided 18.2 lb average weight). Given the increasing trend of the charter catch in 3A, and that both of these data sources put the 2006 charter harvest at or significantly above the GHL, continued action by the Council to reduce catch is imperative.

There exist other factors worth consideration. The Southcentral coast experienced poor weather in 2006 which probably limited charter day trips and lowered otherwise potentially higher halibut landings. Another issue that will impact 3A charter halibut harvests are new 2C harvest control measures implemented this year and next. Displaced fishing effort in 2C will probably further increase fishing pressure on 3A halibut. All indicators point to higher harvests for the 3A charter fleet in 2007 and beyond.

In closing, ALFA urges the Council to release this document for public review with final action in December to prevent further GHL overages in 3A.

ALFA thanks you for your time and opportunity to comment on this issue.

Sincerely,

Edward Stern

ALFA Project Manager

September 24, 2007

North Pacific Fishery Management Council 605 West 4th Ave, Ste 306
Anchorage, AK 99501
Fax 907-271-2718

2817

Dear Members of the Council,



Please take the necessary actions to initiate C-1 Halibut charter management issues at your October meeting.

One charter boat captain from Hoonah, Alaska has stated that his sport fish vessel takes approximately 40,000 lbs. of halibut per year. This is unreported catch and is only one vessel. Multiply this by the number of sport fish vessels from the lcy Straits region and this tally is a significant level of harvest that is unreported or under reported. Because of the cruise ships that visit Hoonah and the increased number of sport fish vessels being added to the sport fish industry, the size of the 2C halibut charter fleet, the number of client per trip, client days and active vessel trips continues to grow. The 3A halibut charter fleet continues to grow as well. The Council is remiss in not adopting harvest control measures. The GHL overages will likely continue which displaces that already existing commercial fishing sector and diminishes subsistence opportunities for coastal communities like Pelican.

Our commercial fishing enterprise continues to make substantial investments vessel improvements for safety and repairs and maintenance. One season in the shipyard is taking us 8 years to pay off the loan. The vessel absolutely needed these repairs for improved safety and quality of catch delivered. The charter fleet is exceeding their GHL at the expense of the resource and at the expense of the commercial fleet ability to invest in capital reconstruction and safety improvements. Our bank is an Alaska bank (FNBA) and they have provided numerous loans for vessel purchase and improvements. These past three years, we have struggled to make our payments and still cover all the costs of operations and repairs as well as provide a crew share to several local residents.

The Council has taken small steps in establishing an allocation, the GHL, between the charter and commercial halibut sectors. There has been substantial opportunity for public comment. Pelican, Alaska a small coastal community struggles to stay abreast of recent events and the long tirade of inconsistency and numerous proposals creates apathy at the local level. All we know is that the special interests of the sport charter industry is raising havoc on local economies. Only wealthy out of Staters seem to be benefiting from a resource that has always has local harvest that traditionally has benefited local economies. By leaving the sport fish charter industry unchecked you will be promoting the transfer of economies from local year-round residents to out of state already well to do nonresidents who do not pay there fair share of covering the costs of services that our coastal communities are expected to provide. Maybe the NPFMC can pay our water bills,

our electricity bills since you are taking away our livelihoods and giving it to others. In the name of what - who can make a better case that our money filters through the economy more. Let's see, our income makes boat payments, permit payments, insurance payments, buys, diesel and lube oil, ice, bait, grub, engine and vessel repairs, gear, laundry, hotel, restaurants, crew shares, moorage, electricity, property taxes, year-round living costs, support for local events, work for local processors and their employees, and on and on. We are here all the time, an integral part of our community.

Charter operators should not be rewarded for GHL overages. Commercial fishermen pay significant penalties if we exceed our quotas-why would the Council reward the charter fleet for over harvest? If charter operators want more quota they should be allowed to buy it (individually or as a sector) from charter operators that already hold commercial quota or from commercial fishermen and to use that quota in their charter fishery. Such transfers should only be between willing buyers and willing sellers-I object strongly to the forced deduction promoted by ADFG Commissioner Lloyd. The commercial halibut fishery is critical to the health of the processing sector, marine supply and transport industry, the coastal economies of Pelican, Alaska, Southeast and Southcentral Alaska, and the halibut consuming public. The market should determine the appropriate allocation, not the State or the Council.

The 2C and 3A GHL analysis should be kept on track for 2009 implementation while the Council reviews ADFG's projection methodology and waits for the 2007 preliminary halibut charter harvest numbers. Prohibiting retention of halibut by skippers and crews on active charter boats is the minimum control measure that should be implemented by the Council. As a commercial fisherman, I can not retain a subsistence or personal use halibut while commercial fishing. Why should the rules be different for the commercial charter fishery??

Finally, I urge the Council to strengthen monitoring, accountability and enforcement of charter harvest. Credible and accurate data are needed to protect the resource and all who depend on it.

Thank you for your time and attention.

Sincerely,

Patricia Phillips

hlleps FN Pacific Dawn Pacific Fishing, Inc.

P.O. Box 109

Pelican, Alaska 99832



Date: 9/24/2007 Chair, North Pacific Fishery Management Council 605 West 4th Ave, Ste 306 Anchorage, AK 99501 Dear Members of the Council,

N.P.F.G.C.

I am writing to ask you to move forward on the C-1 Halibut charter management issues that you will be addressing at your October meeting.

The size of the 3A halibut charter fleet continues to grow, as does the number of client per trip, client days and active vessel trips. Unless the Council adopts harvest control measures, future GHL overages are likely. I have made substantial investments in the halibut fishery and stayed within my quota each year. The charter fleet should not be allowed to exceed their GHL at the expense of the resource or the commercial fleet.

The 3A GHL analysis should be kept on track for 2009 implementation while the Council reviews ADFG's projection methodology and waits for the 2007 preliminary halibut charter harvest numbers. Prohibiting retention of halibut by skippers and crews on active charter boats is the minimum control measure that should be implemented by the Council. As a commercial fisherman, I can not retain a subsistence or personal use halibut while commercial fishing. Why should the rules be different for the commercial charter fishery??

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Finally, I urge the Council to strengthen monitoring, accountability and enforcement of charter harvest. Credible and accurate data are needed to protect the resource and all who depend on it. Thank you for your time and attention.

Sincerely,

Paul Clampitt Address:

7721 168TH PL SW

Edmonds, WA. 98026

425-775-4139

P.S. I would like to add that my son has bought into the IFQ fishery. Any quota taken from this fishery and given to the charter fleet becomes a deduction in his equity. This would be grossly unfair.

September 24, 2007

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

Dear Members of the Council,



N.P.F.S.C.

I am writing to ask you to move forward on the C-1 Halibut charter management issues that you will be addressing at your October meeting.

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Thank you for you time and attention.

Sincenely.

com Millen Stacca DEAN Muse Norman and Rebecca Bean-Mullan

PO Box 92

Kodiak, AK 99615 907-486-5012

nimulian@alaska.com

FISHING VESSEL OWNERS' ASSOCIATION INCOPORATED

ROOM 232, WEST WALL BUILDING • 4005 20TH AVE. W. SEATTLE, WASHINGTON 98199-1290 PHONE (206) 284-4720 • FAX (206) 283-3341

SINCE 1914





September 24, 2007

N.P.F.S.C

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Finally, I urge the Council to strengthen monitoring, accountability and enforcement of charter harvest. Credible and accurate data are needed to protect the resource and all who depend on it.

LATITUDE: 47° 39' 36" NORTH LONGITUDE: 120° 22' 58" WEST WEB PAGE WWW.FVOA.ORG Thank you for your time and attention.

Sincerely,

Robert D. Alverson Manager

My name is Jeff Hammer and I have been a commercial fisherman for twenty-three years and also my wife Karla Hammer. We have power trolled and long lined for halibut for twenty-three years. Along with my wife Karla and I we have quota shares in 2C.

Karla and I have purchased quota shares many times over the last 10 years through a broker. The last quota shares that we purchased was in 2006. In 2007 Karla and I found out that we could not fish our whole quota. We purchased 11,500 pounds more. Karla and I have a loan of \$220,000 and a 9% interest. My wife and I also have another loan on 2C halibut IFQ through US Bank that is \$130,000 at an interest of 8 ½ percent. We have purchased over one million dollars of quota in 2C in the past ten years.

The program has been working quite well for my wife and I. We do not need additional allocations taken away from IFQ Holders. Charter Fishermen are commercial and they get paid and need to get real and get with the program! No more free-bees!

Jeff Hammer

M Hammes
Karla Hammer
Karla Stammer

N.P.F.M.C.



N.P.F.S.C.

Sept. 18, 2007 Walter Soroka PO Box 849 Willow, AK 99688

North Pacific Fishery Management Council 605 W. Fourth Ave., Suite 306 Anchorage, AK 99501-2252

Dear Sir or Madam,

As a commercial halibut fisherman I would like my comments included in the upcoming council meeting notebooks.

I have been an Alaska resident for almost 30 years and plan to remain an Alaska resident. When I retired from federal service five years ago I invested a substantial portion of my retirement savings to purchase halibut IFQ in area 3A. I fish in Prince William Sound.

I am concerned with the explosive growth of the charter boat fishing fleet in south central waters and their impact on near-shore halibut resources. At Whittier, where I sport and commercial fish from, I have noted at least a ten-fold increase in charter boats in recent years. Most if not all target halibut.

I am most concerned with the unregulated growth of the charter fleet, the lack of accountability for the impact they are having on the halibut resource and for the charter fleets demands for a larger share of the catch.

With scientific management and equitable allocation the resource can support healthy commercial, sport and charter fisheries. However, taking away quota share from commercial fishermen without compensation to accommodate demands of the exponentially growing charter fleet would be a financial hardship putting some small operators out of business.

In my case, losing even a part of my quota share risks not only my retirement "nest egg" which I invested in IFQs but also a substantial part of my yearly retirement income derived from commercial halibut fishing.

I believe that a reasonable solution is not to risk or reduce the value of existing investments made by commercial fishermen but rather, to allow the sale of commercial IFQs to charter operators willing to make a business investment as have we commercial fishermen.

Thank you for the opportunity to make my comments known.

Walter Soroka

September 19, 2007 PO Box 401 Wrangell, AK 99929

North Pacific Fishery Management Council 605 W 4th Ave., Suite 306 Anchorage, AK 99501-2252 REGENTED)
SEP 2 4 2007

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Dear Council Members,

My name is Brian Merritt and I have been an Alaskan commercial fisherman for 30+ years. My halibut quota is in area 2C and is approximately 13,000 pounds. About half of my commercial fishing income comes from halibut. I am also a gillnetter in the Wrangell area. As you know, the charter fleet is growing unchecked and they are going over their GHL for halibut. I am asking you to continue working on a solution to the growing charter fleet. A possible short term solution would be to lower the bag limit for charter clients, I would suggest one per customer. However, a long term solution needs to be found for the growing charter fleet, such as a moratorium or limited entry like I had imposed on me when I entered commercial fishing long ago.

When the charter guys go over their GHL, the overage is taken from the halibut quota holders. I shouldn't have to lose income due to increasing charter fisherman. I bought half of my current halibut quota at top dollar and it is slowly decreasing in value due to less quota being issued to me. Thank you for the time you've spent on the board and attending to this matter.

Sincerely,

Brian Merritt

F/V Sharlene C

Brin Meulh

Matthew R. Metcalf 2999 Joshua Ct. Holland MI 49424

September 2 4 2007

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

N.P.P.M.C.

Dear North Pacific Fishery Management Council,

This letter is to address several issues which are coming up in the October meeting concerning charter halibutfishing. As a commercial fisherman with quota in areas 2c and 3a it is important to me that you adopt measures that guarantee the charter fleet keeps within the guideline harvest levels. I continue to watch as the size of my quota decreases and the value of my investment declines while the charter fleet continues to flagrantly exceed the guideline harvest levels. I would urge you to take action now even if area 3a is only minimally exceeding its guideline harvest level before it becomes a big problem like 2c.

Concerning action on allocation/compensation it is only fair that the current GHL is used as a basis and that no additional halibut is transferred from the commercial sector to the charter fleet without it being a voluntary transfer with fair market compensation. This should be an open market transaction between two private entities without any state or federal generated revenue streams or funds.

Thank you for considering my comments.

Sincerely,

Matthew R. Metcalf

Mutth R. Me

SEP 2 4 2007

N.P.P.M.C.

Jeremy Brown, fv Sierra Mar, 3217 Greenwood Av, Bellingham, Wa, 98225.

21, ix.07.

Dear Council Members,

Re; Halibut allocation.

I have been a longline crewman since 1990, and presently hold halibut quota shares in areas 2c and 3a.

As a crew I did not receive anything at the start of the IFQ system, yet I supported the program since it was the best option to stabilise the fishery, conserve the resource and create a reasonable future for all involved. So I have had to make a significant to buy my quota shares- certainly a good deal more than one might to buy even a fancy house, indeed the payments I make each year to the Department of Commerce are more than my mortgage, and the various payments for my salmon troller, combined! I have done this because I felt we had all committed to a fair, responsible and equitable plan for the future of the fishery and resource.

The present unresolved situation with persistent overfishing of the GHL by the charter fleet is ecologically, socially and economically unsustainable.

I urge you to adopt management measures to prevent further expansion of the charter catch, and to create a structure that will compensate stakeholders, ONLY on a willing buyer/seller basis.

Sincerely Jeremy Brown.

John T. Cleaver F/V DEEP SEA 100 Bahovec Court Sitka, AK 99835 (907) 738-6423 work (907) 747-6168 FAX

E-mail: fvdcepsea(a)att.net

September 24, 2007

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



Dear Council Members,

My name is John Cleaver. I am an Alaskan resident and have been fishing Halibut since 1979. At the outset of the I.F.Q. program, I was issued quota in Area 3A. Subsequently, I purchased some 2C quota so that I could fish a little closer to home in Sitka.

Over the last few years I have noticed fewer and fewer halibut available "closer to home". I believe the fewer halibut available are a direct result of the ballooning numbers of charter fishermen, many of whom are targeting halibut for their customers.

Charter fishing is a commercial venture, just as is commercial fishing and should be included in the IFQ system. Charter fishers should be required to purchase quota from willing sellers just as are the longliners.

Sincerely

John T. Cleaver F/V DEEP SEA

Deep Sea Fishermen's Union of the Pacific

5215 Ballard Avenue N.W. Seattle, WA 98107 Phone: (206) 783-2922 Fax: (206) 783-5811 www.dsfu.org Established 1912

September 25, 2007



John Bundy, Vice Chair/Acting Chair North Pacific Fisheries Management Council 605 W 4th Avenue, Suite 306 Anchorage, AK 99501-2252

Subject: C-1 Halibut Charter Management

Dear Mr. Bundy:

The Deep Sea Fishermen's Union was first established in 1912 representing the halibut and sablefish schooner fleet fishermen of Seattle. Over half our members are still working on these vessels and are second and third-generation longline fishermen. In more recent years we opened our membership to crabbers, supporting other fixed gear groundfish fisheries. We have a long and distinguished history in the fishing industry. Today we are writing in support of our halibut members.

We are writing to ask you to move forward on the C-1 Halibut charter management issues that you will be addressing at your October meeting.

The size of the 3A halibut charter fleet continues to grow, as does the number of client per trip, client days and active vessel trips. Unless the Council adopts harvest control measures, future GHL overages are likely. Many of our members have made substantial investments in the halibut fishery and stayed within our quota each year. The charter fleet should not be allowed to exceed their GHL at the expense of the resource or the commercial fleet.

The 3A GHL analysis should be kept on track for 2009 implementation while the Council reviews ADF&G's projection methodology and waits for the 2007 preliminary halibut charter harvest numbers. Prohibiting retention of halibut by skippers and crews on active charter boats is the minimum control measure that should be implemented by the Council. As commercial fishermen, we can not retain a subsistence or personal use halibut while commercial fishing. Why should the rules be different for the commercial charter fishery?? We also urge the Council to move ahead with the allocation/transfer between sectors amendment. The Council established an allocation, the GHL, between the charter and commercial halibut sectors in 2000 and reaffirmed that commitment numerous times since. The GHL, translated into a percentage that floats with the combined fishery CEY, is the only fair starting point. Charter operators should not be rewarded for GHL overages. Commercial fishermen pay significant penalties if we exceed our quotas—why would the Council reward the charter fleet for over harvest? If charter operators want more quota they should be allowed to buy it (individually or as a sector) from charter operators that already hold commercial quota or from commercial fishermen and to use that quota in their charter fishery. Such transfers should only be between willing buyers and willing sellers—We object strongly to the forced deduction promoted by ADF&G Commissioner Lloyd. The commercial halibut fishery is critical to the health of the processing sector, marine supply and transport industry, the coastal economies of Southeast and South-central Alaska, and the halibut loving public.

Finally, we urge the Council to strengthen monitoring, accountability and enforcement of charter harvest. Credible and accurate data are needed to protect the resource and all who depend on it.

Sincerely,

Tim Henkel President

Tima Heal

9/24/07

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



Dear Members of the Council.

I am writing to ask you to move forward on the C-1 Halibut charter management issues that you will be addressing at your October meeting.

I am an Alaskan resident living and fishing in Wrangell for the past 20 years. I started as a deckhand on halibut schooners as a member of the Deep Sea Fishermen's Union and fished on the Chelsea during the mid 80's. Over time I purchased my own small vessel in Southeast Alaska through a loan from Seafirst bank. In order to make loan payments I fished halibut and shrimp in addition to salmon. As a deckhand in the pre IFQ halibut fishery I did not qualify for initial IFQ shares and so purchased QS in 1997 by using my property, boat, permits and QS as collateral and expanding my boat loan with CFAB.

As the size of the 2C halibut charter fleet grows overages in the GHL will continue. The 2C GHL analysis should be kept on track for 2009 implementation while the Council reviews ADFG's projection methodology and waits for the 2007 preliminary halibut charter harvest numbers. Prohibiting retention of halibut by skippers and crews on active charter boats is the minimum control measure that should be implemented by the Council. As a commercial fisherman, I can not retain a subsistence or personal use halibut while commercial fishing. Why should the rules be different for the commercial charter fishery?

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long term losses to current quota holders and paid for by the recipients. The commercial halibut fishery is critical to the health of the processing sector, marine supply and transport industry, the coastal economies of Southeast Alaska. It may be easy to calculate the worth per lb of fish to the charter sector, but the economy of commercial fisheries is multi tiered and effects more than just the fisherman and processor.

Finally, I urge the Council to strengthen monitoring, accountability and enforcement of charter harvest. Credible and accurate data are needed to protect the resource and all who depend on it.

Thank you for your time and attention.

9078742997

John Verhey P.O. Box 2281

Wrangell, Alaska 99929

9/24/07

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



Dear Members of the Council,

I am writing to ask you to move forward on the C-1 Halibut charter management issues that you will be addressing at your October meeting.

I am an Alaskan resident living and fishing in Wrangell for the past 20 years. I started as a deckhand on gillnet vessels. Over time I was able to purchase a 38ft boat and a gillnet permit for SE. In order to make loan payments I fished halibut and shrimp. Although I fished halibut I did not qualify for initial IFQ shares and so purchased QS in 1997 by using my property, boat, permits and QS as collateral and expanding my boat loan with CFAB.

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Thank you for your time and attention.

Sylvia Ettefagh P.O. Box 2281

Wrangell, Alaska 99929

Sep. 25 2007 07:53PM P1

FROM : Chris Bourgeois

FAX NO. : 9074243478

September 24, 2007

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



N.P.P.M.C

Dear Members of the Council,

I am writing to ask you to move forward on the C-1 Halibut charter management issues that you will be addressing at your October meeting.

The size of the 3A halibut charter fleet continues to grow, as does the number of clients per trip, client days and active vessel trips. Unless the Council adopts harvest control measures, finture GHL overages are likely. I have made substantial investments in the halibut fishery and stayed within my quota each year. I have six state and federal loans that I pay timely each year due to the health of our fishery. I own a salmon permit as well, but opted to diversify when salmon prices plummeted and the state encouraged fishermen to invest in a more stable fishery like halibut. A reallocation to the charter fleet hampers my ability to pay my loans and support my family.

The 3A GHL analysis should be kept on track for 2009 implementation while the Council reviews ADF&G's projection methodology and waits for the 2007 preliminary halibut charter harvest numbers. Prohibiting retention of halibut by skippers and crews on active charter boats is the minimum control measure that should be implemented by the Council. As a commercial fisherman, I cannot retain a subsistence or personal use halibut while commercial fishing. Why should the rules be different for the commercial charter fishery?

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Finally, I urge the Council to strengthen monitoring, accountability and enforcement of charter harvest. Credible and accurate data are needed to protect the resource and all who depend on it.

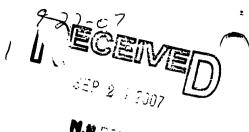
Thank you for your time and attention

Sincerely,

Chris Bourgeois PO Box 1945

Cordova, AK 99574

North Pacific Fishery Management Council 1. Anchorage AK 99501



My name is Jarl Gestatson. I have been an . Alaska resident for 22 years and a commercial fisherman for 21. I live in Homer.

I hold guita shares in area 3A, and was a crew member during the qualifying years, recieving no initial allocation, but rather, perchasing IFO's. Currently I have two outstanding loans for IFG's and one for my Vessel, that The Vigor, 34' Dilass. All 3 loans are through the State of Alaska Division of Junesticka I have a large financial interest in this fishery and do not spoort any reallocation from the commercial sector except from willing sellers only.

The charter sector was given a GHL years ago and yet have allowed them selves to grow inchecked until now, when they decide they want more.

I unge the council not to reallocate resource access, at the expense of the commercial sector, to this grays, many of who have entered the fishery after the dear was closed to the commercial hercestors.

Thank You

Sincerely. Jarl Gestatson (907) 235-1078 Box 952, Homes AK 99603 9/24/07

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

4253530938



Dear Members of the Council,

I am writing to ask you to move forward on the C-1 Halibut charter management issues that you will be addressing at your October meeting.

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Finally, I urge the Council to strengthen monitoring, accountability and enforcement of charter harvest. Credible and accurate data are needed to protect the resource and all who depend on it.

Thank you for your time and attention.

Sincerely, Quentin Seager F/V Mindalina



W. P. P. L. C.

8714 54th pl w Mukilteo, Washington 98275

Being a participant in the 2C, 3A Commercial halibut fishery since 1982 I have grown increasingly frustrated with the charter fishery and its uncapped catch. As a commercial fisherman, we saw our fishing openings reduced to 2-24 hour periods per year. Thus was to insure our catch was within harvest guidelines when the fishery went to If Q management, each when the fishery went to If Q management, each

when the fishery went to IT of management of pound is now accounted for as delivered insuring accurate record keeping. On the other hand, the charter accurate record keeping. On the other hand, the charter frohery has no restrictions when surpassing their harvest fishery have no limits on their number of fishermen limits they have no limits on their number of fishermen or charter operators.

These charter boats also use subsistence fixed gear to satisfy their customers head for halibut, which is illegal. We have witnessed this firsthand which is illegal. We have witnessed this firsthand in the waters hear Sitka.

of the chater fleet both accountable and legal.

Succeedy; Quentin Seager

NPFMC 605 West 4th Ave, Suite 306 Anchorage, AK 99501



N.P.F.M.C.

Greetings:

My wife and our four sons commercially fish halibut in Area 2C. I started halibut fishing in 1979. One third of our living is made from halibut fishing and we are training our sons the virtue of hard work and wise business decisions.

Both Emma and I received a small amount of original IFQ quota and we have purchased additional quota with loans and cash since then. We still are \$40,000 in debt for IFQ purchases

We are Alaskan residents and have both been here over 30 years each.

It is distressing to us to see the commercial charter fleet eat into our living without compensation.

Please move on C-1 Halibut charter management issues this October meeting.

Limit the size of the charter fleet in 3A and 2C and find a way to keep their business within the GHL and don't reward them for exceeding it. Let them buy quota from the commercial fishing side if they like – a willing buyer and a willing seller – at what the free market dictates.

Sincerely yours.

Smark leads Jonathan

Joseph Deats JAME? Ted and Emma Deats

And sons David, Joseph, Jonathan, and James

PO Box 87

Juneau, AK 99802

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



Dear Members of the Council,

N.P.F.M.C.

I am writing to ask you to move forward on the C-1 Halibut charter management issues that you will be addressing at your October meeting.

The size of the 3A halibut charter fleet continues to grow, as does the number of client per trip, client days and active vessel trips. Unless the Council adopts harvest control measures, future GHL overages are likely. I have made substantial investments in the halibut fishery and stayed within my quota each year. The charter fleet should not be allowed to exceed their GHL at the expense of the resource or the commercial fleet.

The 3A GHL analysis should be kept on track for 2009 implementation while the Council reviews ADFG's projection methodology and waits for the 2007 preliminary halibut charter harvest numbers. Prohibiting retention of halibut by skippers and crews on active charter boats is the minimum control measure that should be implemented by the Council. As a commercial fisherman, I can not retain a subsistence or personal use halibut while commercial fishing. Why should the rules be different for the commercial charter fishery??

I also urge the Council to move ahead with the allocation/transfer between sectors amendment. The Council established an allocation, the GHL, between the charter and commercial halibut sectors in 2000 and reaffirmed that commitment numerous times since. The GHL, translated into a percentage that floats with the combined fishery CEY, is the only fair starting point. Charter operators should not be rewarded for GHL overages. Commercial fishermen pay significant penalties if we exceed our quotas—why would the Council reward the charter fleet for over harvest? If charter operators want more quota they should be allowed to buy it (individually or as a sector) from charter operators that already hold commercial quota or from commercial fishermen and to use that quota in their charter fishery. Such transfers should only be between willing buyers and willing sellers—I object strongly to the forced deduction promoted by ADFG Commissioner Lloyd. The commercial halibut fishery is critical to the health of the processing sector, marine supply and transport industry, the coastal economies of Southeast and Southcentral Alaska, and the halibut loving public. The market should determine the appropriate allocation, not the State or the Council.

Finally, I urge the Council to strengthen monitoring, accountability and enforcement of charter harvest. Credible and accurate data are needed to protect the resource and all who depend on it.

Thank you for your time and attention.

Sincerely,

Address:

REBECCA NELSON

Kodiak AK 99618

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



Dear Members of the Council,

N.P.P.IS.C.

I am writing to ask you to move forward on the C-1 Halibut charter management issues that you will be addressing at your October meeting.

The size of the 3A halibut charter fleet continues to grow, as does the number of client per trip, client days and active vessel trips. Unless the Council adopts harvest control measures, future GHL overages are likely. I have made substantial investments in the halibut fishery and stayed within my quota each year. The charter fleet should not be allowed to exceed their GHL at the expense of the resource or the commercial fleet.

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Finally, I urge the Council to strengthen monitoring, accountability and enforcement of charter harvest. Credible and accurate data are needed to protect the resource and all who depend on it.

Thank you for your time ar	nd attention.	
Sincerely, Hulay Thousan Address:	HAILEY	THOMPSOM
1513		

Kodiak Ata 99615

Date: September 9, 2007

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



Dear Members of the Council,

I am a commercial fisherman that longlines and gillnets with my family. We have invested in the halibut fishery after the initial distribution. We depend greatly on our halibut income in addition to the other fisheries as the price of fuel and supplies grow steadily.

I ask you to move forward on the **Halibut Charter Management** issues this October. The charter fleet is a commercial entity that should be held to the same standards that I'm held to. Prohibiting retention of halibut by skippers and crews on active charter boats is the minimum control measure that should be implemented by the Council. They need to stay in the GHL that has been allocated them. I also feel that a size limit on the fish they bring in could work to help limit harvest. I support the charter groups' ability to buy Q's from the commercial fleet and the selling back of only those shares.

Sincerely.

Britt Pedicord

P. O. Box 565

Cordova, AK 99574

Randy Kraxberger

360 385 6790

2832 Hancock Street Port Townsend, WA 98368

September 25, 2007

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

Dear Members of the Council,

I would request that you move forward with the C-1 Halibut charter management issues that you will be addressing at your October meeting.

As you know this is a fully utilized fishery. With the Charter Industry annual take of halibut approaching six million pounds in areas 2C & 3A, it would irresponsible to continue with open ended harvest. All the data indicates the charter fleet is continuing to expand. So far the solution has been to penalize the the commercial long line fleet for the charter fleet overages. It is past time for the charter fleet to take responsibility for harvesting within their quotas. The GHL would be an excellent starting point for that quota, remember when that number was chosen in 2000 it was 125% of their harvest prior to that. I am a halibut quota holder who has made a substantial investment in the fishery and tried to be a good steward of the resource by staying with in my quota limitations each year. It time that charter fleet do the same.

I think the Council should adopt the harvest control measures that have been proposed. The 3A GHL analysis should kept on track for 2009 implementation while the Council reviews the ADFG's projection methodology and waits for the 2007 preliminary halibut charter harvest numbers. Prohibiting retention of halibut by skippers and crew on active charter boats is the minimum control measure that should be implemented by the Council. It is illegal for a commercial fisher to keep subsistence or personal use halibut while commercial fishing. Why should the rules be different for the charter fleet?

I urge the council to move ahead with the allocation/ transfer between sectors amendment. The Council established an allocation, the GHL, between the charter and commercial sectors in 2000 and reaffirmed that commitment numerous times since. The GHL, translated into a percentage that floats with the combined fishery CEY, is the only fair starting point. Charter operators should not be rewarded for GHL, overages. Commercial fisherman pay significant we exceed our quotas, why would the Council reward the charter fleet for over harvest? If charter operators want more quota they should be allowed to buy it (individually or as a sector) from charter operators that already hold commercial quota or from commercial fishermen and to use that quota in their fishery. Such transfers should only be between willing buyers and sellers. I object strongly to the forced deduction promoted by ADFG Commissioner Loyd. The commercial halibut fishery is critical to the health of processing sector, marine supply and transport industry, the coastal economies of Southeast and Southcentral Alaska, And don't forget the halibut all across this who don't have have the time or money to go to Alaska and catch their own. The market should determine the appropriate allocation, not the state or the Council.



Finally, I urge the Council to strengthen monitoring, accountability and enforcement of charter harvest. Credible and accurate data are needed to protect the resource and all who depend on it.

Thank for your time and trouble in dealing with this issue.

Sincerely yours,

Randy Kraxberger

September 24, 2007



Testimony on charter harvest control measures to NPFMC, care of halibut coalition, from Sigurd Rutter, for the October meeting of North Pacific Management Council:

As a halibut fisherman, vessel owner, and Quota Shareholder I am concerned about rampant growth in the charter-fishing sector, accompanying illegal subsistence activities, and a total lack of enforcement activities by state, and federal enforcement personnel. I am referring to the widespread practice of serving sport/subsistence caught salmon, halibut, and shellfish at lodge/bed & breakfast operations.

Many of the lodge facilities here in Sitka have significant cold storage facilities, and engage in wholesale harvest of fishery resources under the guise of "subsistence fishing". Because most charter clients stay an average of only three days, clients don't fully appreciate what a scam has been run on them in serving them fish every night. Or, that, the sale of sport/subsistence fish into commercial channels, whether served as meals in lodges, or augmenting clients take home catches, is a violation of the Lacey Act.

I urge the council to recognize and prohibit the retention of halibut by charter captains, and crew, aboard any charter vessel, at any time, whether engaged with clients aboard, or not. And, I would like to see the council, and the state work together to prohibit charter lodges from handling subsistence caught fishery resources, in the same manner that other commercial outlets are prohibited from retailing sport, and subsistence resources.

I urge the council to reconsider its' failure to encompass the guided sector into Quota Share management, and related ethics travesties committed by the Dept. of Commerce, and NMFS, respecting bribery of public officials by Robert Penney, of Anchorage.

I urge the council to resubmit a charter IFQ package to an untainted federal administration.

Respectfully Yours,

Sigurd Rutter 310 Tilson Sitka, Ak. 99835 September 25, 2007

Chair North Pacific Fishery Management Council 605 West 4th Ave, Ste 306 Anchorage, Ak. 99501



Dear Members of the Council:

I am writing to ask you to move forward on the C-1 Halibut Management issues that you will be addressing at your October meeting.

The size of the 3A halibut charter fleet continues to grow and unless the council adopts harvest control measures, future GHL overages are certain.

I also urge the council to move ahead with the allocation/transfer between sectors amendment. The council established the GHL between charter and commercial sectors in 2000 and has reaffirmed that commitment numerous times. Commercial fisherman face stiff penalties if we exceed our quotas and it should be the same for charter operators. If they want to expand their business they should buy quota on the open market, just as we have for the past 12 years. Transfers should be between willing buyers and willing sellers. I am adamantly opposed to the forced sale of quota.

I live in and base my business out of Cordova, Alaska. There is little opportunity for work here besides commercial fishing. I have four other fishermen/crewmembers beside myself that have large investments in the halibut fishery. We cannot afford to make payments on quota that is being given away to an unregulated fishery.

Finally, I urge the Council to strengthen monitoring, accountability and enforcement of charter harvest. Credible and accurate data are needed to protect the resource and all who depend on it.

Melly h

Sincerely.

Lynn W. Mallory, Jr. F/V Nip'n Tuck P.O Box 206

Cordova, Ak. 99574 (907)424-7297 Date: 9-24-07

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

9072356655



Dear Members of the Council,

I am writing to ask you to move forward on the C-1 Halibut charter management issues that you will be addressing at your October meeting.

The size of the 3A halibut charter fleet continues to grow, as does the number of client per trip, client days and active vessel trips. Unless the Council adopts harvest control measures, future GHL overages are likely. I have made substantial investments in the halibut fishery and stayed within my quota each year. The charter fleet should not be allowed to exceed their GHL at the expense of the resource or the commercial fleet.

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Finally, I urge the Council to strengthen monitoring, accountability and enforcement of charter harvest. Credible and accurate data are needed to protect the resource and all who depend on it.

Thank you for your time and attention.

4981 Easth:11 RP.

9077662594

CURRENITS FOR the October 2007 Meeting fax 907-271-2817

... As a SE AK resident, a commercial halibut fisherman for 30+ years now 90% dependent on 2C & 3A quota halibut, (most of which I purchased), and with daughters also owning 2C quota that may hopefully someday pay for itself, and their college loans, I have these comments for the Oct 07 meeting concerning charter halibut.

The charter fleet needs regulation NOW to limit their continually increasing halibut catches. Regulations are needed RIGHT NOW with mandatory harvest reductions when GHL's are exceeded.

It is unfortunate that the previous moratorium program was allowed to lapse after 10 years of input and effort. The results have been increased numbers of 'charter operations catching a steadily increasing percentage of the halibut Total Allowable Catch (TAC) set by the IPHC.

The commercial IFQ programs for the halibut & blackcod, while not pleasing everyone, have been very successful. Doing away with the 2 day derby, they have allowed better stock management, greatly extended fishing seasons, resulted in better quality, better marketing, and reduced mortality. Commercial fisherman realize they have a vested interest in maintaining the stock, and sub-legals are carefully returned to hopefully become future catches.

Now we have seen a rapid increase in charter catch (of halibut), seen the failure of charter GHL's with no consequences when exceeded, and are, as commercial fisherman, being penalized by lost poundage for charter excesses. No regulation of the charter fluet has been a defacto reallocation. Following every year of GHL excesses, the commercial % is reduced, and the math for figuring payback for a fisherman's investment in quota looks grimmer.

Please pass some form of limitation on charter entry NOW, and set a fixed % for harter harvest, with regulations for mandatory reductions when GHL's are assed. I would like to think commercial longlining can continue to sustain my amily and be a viable way of life into the future.

hank you, Richard Boyce f/v Eleanor S. Haines AK

Pisony 15

5- please rethink the under :2" regulations, every little fish caught is one ish that can't grow up. it may help reduce charter poundage now, but it's a marrantee that it will mean less poundage available to all later on. I think a " minimum for all would be of greater long term benefit.

TO North Pacific Fishery Monogement Council my name is Scott Saline, Longlining SINCF 1982 I was #1 on the decement Loan program. I FQ should't issued the same percentage of QS AS crews have to the qualitying Some percentage of QS as crewshape to the quacitying years crewmensers. To get a copy you had to have a job if your after IFQ come in but how couch you have a job if your stand against IFQ cost you the right to compete for a nosleep crew position against sycophants and nepotism as the nosleep crew position against sycophants and nepotism as the nosleep crew position against sycophants and nepotism as the nosleep crew position against sycophants and nepotism as the nosleep not not form the qualifying years. I wanted and did remain in Jrom the qualifying years. I wanted and did remain in almost motorius acases, working at the shippared scraping myssels-Bottom painting etc. and crewing with some of the most notorius painting etc. and crewing with some of the most notorius painting etc. and crewing with some of the most notorius painting etc. and crewing with some of the most notorius painting etc. and crewing with some of the most notorius painting etc. and crewing with some of the most notorius painting etc. and crewing with some of the most notorius painting etc. and lose my moregage. I was only abste to offer my 4000 lbs. Hey some body moved my chrese!

Myway my Business plan with that Block is to offer anyway my Business plan with that Block is to obtain.

Jish+chips here in sitka, more than loyears to obtain. Fish+chips here IN SIXKA, more than loyeses to obtain, charter lobby cocation and now we will open this spring. Charter lobby is Already paying there vessel operators less and getting more is Already paying the reason's we live here By so many hooks BOATS and trashing the reason's we live here By so many hooks IN the same spots daily and when we lost our yellow eye in the same spots daily and when we lost our yellow to directed fisitory that was that last traditional crewshare to be eserved by your deck Skills. Now nomenciature is a precentage of your deck skills. Now nomenciature is a precentage. If our loss of eservings was attributed to precentage. If our loss of eservings was attributed by the safety and maintaining healthy stocks documented by the safety and maintaining healthy stocks documented by the safety and make subsistance was decided to make subsistance continue to make housing unafforward, more distance difficult and make dead zones causing more distance difficult and make dead zones causing more distance. and fuel costs to make cheeter based on value on and fuel costs to make cheeter based on value on and fuel costs to make churcheds of pounds of 5-eafood comparing Bringing home hundreds of pounds of super markets

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	SEP 2 6 20 Sept. 26, 2007
	N.P.P.O.
	Dear Council Members
	I am a commercial fisherman with a
-	small amount of D class shares for Area 3A.
_	I'm writing to express my concern for
	the expanding growth of the halibut charter fleet
-	in are 3 A
_	It is important to me to know that my
	quota is protected from the G.H.L. overages of
_	another user enoup primarily the guilded sport halibut
	sector The commercial fleet is well managed with
_	an Individual quota for each liscence skipper. We stay
	within our catch limit and know of severe penaltius
	if overages occur Keeping the charter fleet within
-	6 H.L. is an important task for the council
	to implement. I would urge you to take action
_	and adopt horsest control measures for the
	charter fleet fair comtrol measures would help relieve
	some of the animosity between user groups.
	Also I would like the council to explore
	the possible transfer of quota between charter and
	commercial balibut baryesters. Implementing a market
	based system between willing buyers/sellers is in
	my opinion the most fair way of shifting
	e 4 or t amoung users groups.

That way only those interested in expanding or downsizing thier business are effected. Lastly I feel more effort needs to be made toward enforcement of regulations For the guilded sport halibet fleet. Management of our valuable fish resources is very important to the health of coastal communities. Collecting accurate horsest data is the foundation of making sound management decisions, commercial and charter Fishers are important sections to the ecomomy of coastal communities and I hope we can live and work together to resolve these issues. Thank you for your consideration,



UNITED FISHERMEN OF ALASKA

211 Fourth Street, Suite 110 Juneau, Alaska 99801-1172 (907) 586-2820 (907) 483-2545 Fax E-Mail: ula @ula-lish.org www.ula-lish.org

September 26, 2007

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

Sent VIA Fax: 907-2712817

RE: Agenda Items C



N.P.P.C.

Agenda Item C-1 Charter Halibut Management

(a) Initial Review of Charter Halibut 3A GHL Measures:

United Fishermen of Alaska (UFA) would recommend that the 3A GHL analysis be released for public review so that action could be taken or the analysis tabled in December as necessary based on the 2007 harvest estimates. The authors of the analysis make the assumption that ADFG will implement an emergency order prohibiting the retention of skipper and crew fish and limiting the number of lines to the number of paying clients in 2008 if no Council action is taken. We would like a commitment from the State to implement an emergency order prohibiting the of skipper and crew fish and limiting the number of lines to the number of paying clients in 2008.

We point out that the estimates of the effect of skipper and crew ban and line limits is overestimated in the analysis. The estimates were based on the logbook harvest amounts yet the final catch numbers are determined using the SWHS. The analysis points out that in the SWHS some skipper and crew fish is accounted for as charter catch and some is accounted for as unguided sport harvest. Since ADFG has stated there is no way of knowing how much of the skipper and crew fish is accounted for in either category of the SWHS, the cleanest way to move forward is to maintain the prohibition on skipper and crew fish, with line limits. This will leave the GHL available for the charter clients.

(b) Preliminary review of Charter Halibut Allocation/Compensation:

UFA supports a hard allocation with separate accountability being set at the current GHL level as a percentage of CEY. (Action 1, Alternative 2, option 1, sub-option a.) The GHL was meant to be an allocation and the Council has committed several times to manage to the GHL until a long term plan is in place. The majority of the charter testimony over the last two years has favored a percentage based allocation that would have increased with an increasing biomass. A percentage based allocation that adjusts

with the biomass is the best option and provides the most equitable solution. Both sectors would profit from the increase in the biomass and both share in the conservation of the resource with a decreased biomass.

The analysis does not consider all aspects and options available with a hard allocation. The discussions to date through the Council and stakeholder committee meetings talked about a hard allocation including separate accountability where any overage or underage in one year affects only the sector that created the overage and not the remaining sector. The analysis does not contain any information about this. The analysis assumes that with a hard cap it automatically requires in-season management by sector with the closure of a sector of the fishery when the cap is reached. Again the discussions prior to this analysis have emphasized the desire of the charter industry to maintain the historic length of the charter season with management on a pre-season/post season basis and with any overages affecting the following year's quota to the charter sector. The IPHC has testified that this is an acceptable option. IT is how most other recreational fisheries in Alaska are managed. Yet, this is not discussed as an option. It has occurred to us that a third option that has not been discussed that might be a successful scenario to in season management is dividing the charter year into three separate seasons allowing some allocation to be available throughout the year. Separate season management would be responsive to the differences between outer coast availability of halibut and inside waters where the halibut season starts later.

UFA is opposed to the option that sets a fixed poundage for the charter industry. However, if this option is to be further considered the baseline needs to be clarified and determined in light of step up/down provisions. We believe that with a hard allocation and combined fishery (charter and commercial) CEY, that the step up/down provisions must be tied to the combined fishery CEY, not the total CEY and before the analysis is released to the public an appropriate base period must be established.

Action 2, Alternative 2, Compensated reallocation is complicated. There are too many options being considered at a level that is too superficial to provide an analysis appropriate for decision making purposes. Almost all options take a combination of legislative and regulatory changes. To fully understand what these changes may require, the Council will need to analyze fewer potential programs (State option, Regional assoc option & Individual option), but flesh them out more fully.

UFA is deeply opposed to a pro-rata reduction. Transactions need to be between willing buyers and willing sellers. Among other complications, a forced reallocation causes tax consequences that are not being considered in the analysis. A willing seller has already planned for any effects that the sale will have on his or her taxes.

An option was added to the analysis to exempt D class shares to provide for entry level participation. We would like to clarify that while some new entrants and entry level fishermen buy D class shares, just as many buy shares in other vessel classes. A crew member will buy a small block for the size vessel he works on, generally C class. The stakeholder committee had tried to get the information to look at this issue under Element 2.2 Limits on Purchase Option 2. The Council analysis does not provide the information that is necessary to make an informed decision on what needs to be protected to ensure continued entry class in the commercial fishery. Staff needs to provide a breakdown of the number of blocks available for each area and vessel class and further broken down

into categories for the number of blocks < 2000 lbs; 2000-5000 lbs; 5000 lbs and above and possibly even smaller categories. In order to provide needed flexibility in the commercial fishery for individual business plans there needs to be a variety of block sizes for the different vessel categories.

We note that on page 119, Table 71 the data should be checked for errors. A weighted quota share per unit of price of \$6.11 in 2 C translates to a per pound price of \$42.75. There has not been any quota sold at this price. In talking to several brokers the highest prices sales ever have been between \$25 -\$26 dollars with the majority of transactions falling into the \$17-\$22 range.

(d) SSC review of estimation procedures for charter halibut, DSR and shark catch: In the discussion paper on estimation procedures, on page 7 and 8, the authors list some specific accuracy objectives for the State Wide Harvest Survey, the Southeast Alaska Creel Survey and the halibut data collection grant. The analysis does not show how successful ADFG has been in meeting their stated objectives. The SSC should ask for this information as part of the evaluation of ADFG estimation procedures.

Agenda Item C-7 - Socioeconomic Data Collection

UFA has reviewed the "Report on Comprehensive socioeconomic data collection". The minimum data collection needs listed are extremely intrusive and amounts to the equivalent of turning over a person's income tax return. Many fishermen do not break down their expenses in the categories mentioned under Data collection section. It would be extremely burdensome and time consuming to require fishermen to itemize costs in this detail. Perhaps a more feasible means of collecting this data would be to randomly select fishing businesses and ask them to voluntarily submit available data with appropriate compensation for their time and accounting assistance to ensure costs are correctly categorized.

Sincerely,

Mark Vinsel
Executive Director

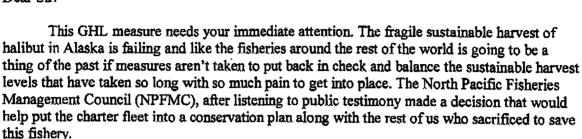
Mode D. Vmn

September 24, 2007

Greg Smith Commercial Fisherman since 1974 2395 Black Diamond Rd. Port Angeles, WA. 98363

NMFS Director William Hogarth

Dear Sir:



- 1) The 2C charter fleet has exceed its GHL each year for the past three years creating these allocation and conservation issues.
- 2) Based on sport fish catch averages, the four halibut annual limit allows clients to take home 80 pounds of halibut—plenty of fish even for a family
- 3) The one fish bag limit is only triggered if a decline in stock abundance triggers a decrease in the GHL. Last year 2C commercial fishermen accepted a 20% quota reduction and will face another cut in quota if the stock declines further; all harvesters should share in conserving the resource.

These are the main reasons you and the National Marine Fisheries Service (NMFS) need to listen to the NPFMC's recommendations, get the review underway and get these regulations implemented.

We all, commercial fishermen and sport charters alike need to take responsibility for our fisheries. Please help make this happen.

Sincerely,

Gregory D. Smith

Copy: NPFMC

LAW OFFICES

BIRCH, HORTON, BITTNER AND CHEROT

A PROFESSIONAL CORPORATION

1155 CONNECTICUT AVENUE, N.W. . SUITE 1200 . WASHINGTON, D.C. 20036 . TELEPHONE (202) 659-5800 . FACSIMILE (202) 659-1027

HALR HORTON (1044 - 1998)

RONALD G BIRCHT
WILLIAM H. BITTNER
KATHRYN A. ELACK
SUZANNE CHEROT
ADAM W COOK
DEVIN L. GROCK;
JON M. DEVORET
MARK E. FINEMAN, P.E
GREGORY S. FISHER

DOUGLAS S. FULLER MAX D. GARNER DAVID KARL GROSS TIMA M. GROVER WELLIAM P. MORN' STEPFLEN H. HUTCHINGS DANIEL C. KENT THOMAS F. KLINKNER

Davide. Ampp's Stanlet T. Lewis James H Lister'to Gregor 'a Miller Jennifei L. Owens, Pro. Michael J. Parise Timotity J Petimenos Elisaet H. RossOF COLINSEL: JENNIFER C ALEXANDER SKELLEY D. ESENAL KENNETH E VASSAR 1127 WEST BEVENTH AVENUE ANCHORACE, ALASKA 99801-3396 (907) 270-1530 FACSMILE (907) 278-3680

O.C. BAR
O.C. AND ALASKA BAR
MARYLAND BAR
VIRGINA BAR

September 26, 2007

Mr. John Bundy Acting Chairman North Pacific Fishery Management Council 605 West 4th Avenue Suite 306 Anchorage, AK 99501-2252

Dear Mr. Bundy:

On behalf of the Alaska Sportfishing Alliance ("ASFA"), we encourage the NPFMC to pursue regulations to minimize byc; tch in non-halibut commercial fisheries. ASFA is a coalition of individuals and local businesses, many of whom are located in IPHC Regulatory Area 3A, that depend on access to a viable and healthy recreational halibut fishery for their livelihoods. ASFA members include charter boat operators, food and lodging providers, tackle and fishing gear providers, and other local providers of goods and services to recreational anglers. Many of ASFA members' clients visit local Alaska communities for the sole or major purpose of participating in recreational halibut fishing. Regulations that create undue restrictions on recreational halibut fishing will deter these clients from patronizing ASFA members' businesses. ASFA members have long depended on these clients and the accessibility of a viable halibut resource for their livelihoods.

ASFA submits these comments to direct the NPFMC's attention to the severe and frequently disproportionate impacts created by burdensome restrictions on their and their clients' access to the halibut resource. ASFA encourages the NPFMC, as an initial matter, to minimize halibut bycatch wasted by the non-halibut commercial fishery. By doing so, the NPFMC can increase the value of the halibut resource to all segments of the halibut fishery in accordance with Congress's statutory directives to promote conservation. To the extent the NPFMC pursues regulations allocating halibut between segments of the halibut fishery, NPFMC must do so consistent with its statutory obligations to avoid discrimination or undue impacts on any one segment of the halibut fishery.

1. The NPFMC Should Pursue Regulations Reducing Wasteful Halibut Bycatch Attributable to Non-Halibut Commercial Fisheries.

Any effort to conserve the halibut resource must begin with measures to reduce bycatch generated by non-halibut commercial fisheries. This bycatch represents biomass that is entirely wasted by the non-halibut fisheries; reduction of bycatch will result in healthier and more

BIRCH, HORTON, BITTNER AND CHEROT A PROFESSIONAL CORPORATION

Mr. John Bundy September 26, 2007 Page 2 of 5

abundant halibut stocks and will make more halibut available to all segments of the halibut fishery.

Congress has directed the NPFMC to regulate the halibut fishery in a manner "reasonably calculated to promote conservation [.]" An obvious first step toward fulfilling this statutory obligation is to enact measures to minimize halibut bycatch in the non-halibut commercial fisheries. According to the International Pacific Halibut Commission ("IPHC"), the entire recreational halibut fishery accounted for an estimated 12.062 million pounds of halibut removed in 2006. This amount includes both guided charter anglers and unguided anglers in all regulatory areas. By contrast, bycatch from non-halibut commercial fisheries accounted for approximately 12.136 million pounds of wasted halibut biomass in 2006. According to the IPHC, therefore, estimated bycatch mortality attributable to non-halibut commercial fisheries in 2006 exceeded total estimated harvest by the entire recreational fishery across all regulatory areas — a recreational fishery that includes both guided charter anglers (who are the subject of many of the proposed restrictions) and unguided recreational anglers.

This bycatch attributable to the non-halibut commercial fisheries is a resource that is being completely wasted. A reduction in this bycatch will result in a pound-for-pound increase in the amount of halibut available to the halibut fishery. Minimization of halibut bycatch in non-halibut fisheries and improved best fishing practices should be the initial focus of the NPFMC's long-term halibut management solution, in order to improve the use of the halibut resource for all segments of the halibut fishery.

2. Regulations Directed Solely at the Guided Charter Halibut Fishery, Which Accounts for Only a Smal Portion of Overall Halibut Removals, are Not <u>Likely to be Successful Conservation Measures</u>.

The charter segment of the recreational fishery accounts for a small proportion of overall halibut removals. Regulatory efforts to conserve the halibut fishery are not likely to be successful if directed solely or even predominantly at this small segment of the fishery.

The IPHC estimates overall halibut harvest by sport fishers in 2006 (including both guided charter and non-guided ang ers) to be approximately 12.06 million pounds of biomass, with recreational anglers (guided and unguided) in Area 3A contributing approximately 6.09 million pounds of that total. The Alaska Department of Fish & Game ("ADF&G") estimates that

Northern Pacific Halibut Act of 1982 § 5(::), codified at 16 U.S.C. § 773c(c); Magnuson-Stevens Act, codified at 16 U.S.C. §§ 1853(a)(1)(C), (a)(11) (requiring fishery management plans to "include conservation and management measures that, to the extent practicable . . . ninimize bycatch").

² See Blood, Calvin L. 2007. 2006 sport fishery. Int. Pac Halibut Comm. Report of Assessment and Research Activities 2006: 54, Table 4.

³ See Williams, Greg H. 2007. Incidental cutch and mortality of Pacific halibut, 1962-2006. Int. Pac Halibut Comm. Report of Assessment and Research Activities 2006: 168, Table 2.

BIRCH, HORTON, BITTNER AND CHEROT A PROFESSIONAL CORPORATION

Mr. John Bundy September 26, 2007 Page 3 of 5

the charter (guided) halibut fisher: was responsible for approximately 3.66 million pounds of halibut biomass removal in Area 34 in 2006. This means that, according to ADF&G's estimate, the charter halibut fishery in Area 3A, which is the focus of much proposed regulatory action, accounts for less than 4 percent of the estimated 91.8 million pounds of halibut removed by the commercial halibut fishery (including IPHC research catch), the recreational halibut fishery, and the non-halibut commercial fisheries (as bycatch). Given its small contribution to halibut removal, any restriction directed colely or mostly at the charter segment of the recreational fishery in area 3A, or even throughout all IPHC Regulatory Areas, is likely to have little positive impact on overall halibut conservat on.

Furthermore, the value of a single fish harvested by a guided charter angler is multiplied many times over in the local Alaskan communities, and therefore the net benefit of restricting charter recreational anglers is likely to be minimal. The overwhelming majority of charter boat anglers are tourists from outside Alaska. When they travel to Alaska to fish, they pay for lodging, food, recreation, tackle, provisions, and other goods and services. A visiting recreational angler may only take a maximum of two fish per day under the current bag limit, but the financial benefits of those fish to the angler and charter boat operator are multiplied many times over in the surrounding communities, many of which are populated by small businesses specifically geared to serve sportfishing clientele. A single halibut caught off a charter vessel in one of these communities benefits not only the angler and charter boat operator, but also numerous other individuals in the community. Disproportionate restrictions on charter anglers in Area 3A will deter them from coming to Area 3A to fish, causing financial injury to the charter boat operators and numerous other susinesses and individuals in the local communities.

3. The NPFMC Must Pursue Fair and Equitable Regulations Designed to Conserve the Halibut Resource.

The NPFMC's authority to manage the domestic halibut fishery is governed by the 1982 Northern Pacific Halibut Act (16 U.S.C. §§ 773 et seq.) and the Magnuson-Stevens Fishery Conservation and Management Ac (16 U.S.C. §§ 1801 et seq.). The Magnuson-Stevens Act's authority overlaps with that granted under the 1982 Halibut Act, but the two are not necessarily coextensive. The Magnuson-Stevens Act requires the preparation of a FMP whenever the

See Area 3A GHL Analysis Supplement, Alaska Department of Fish & Game (September 13, 2007).

⁵ This calculation is based on the IPHC's estimates contained in its Report of Assessment and Research Activities 2006. According to that document, total commercial halibut catch in all regulatory areas totaled an estimated 67.644 million pounds in 2006. See Gilroy, Heatler L., Lara M. Hutton, Kirsten A. Gravel, and Calvin L. Blood. 2007. 2006 commercial fishery and regulation of anges. Int. Pac Halibut Comm. Report of Assessment and Research Activities 2006: 42, Table 1. Recreations catch (charter/guided and unguided) in all regulatory areas totaled an estimated 12.062 million pounds in 2006. See supra note 1 and accompanying text. Bycatch from non-halibut commercial fisheries in all regulatory areas totaled an estimated 12.136 million pounds. See supra note 2 and accompanying text.

BIRCH, HORTON, BITTNER AND CHEROT A PROFESSIONAL CORPORATION

> Mr. John Bundy September 26, 2007 Page 4 of 5

Secretary determines that a fishery 'requires conservation and management." The 1982 Halibut Act also authorizes the NPFMC to regulate domestic halibut harvest and allocation.

The standards Congress established in the 1982 Halibut Act and in the Magnuson-Stevens Act to govern the NPFMC s exercise of its authority are largely the same. The NPFMC must consider the impacts on all participants in the halibut fishery and fishing communities, including the impact on the recreational fishery. The FMP may not discriminate between residents of different states, must be fair and equitable to all halibut fishermen (including recreational fishermen), and must be implemented so that "no particular individual, corporation, or other entity acquires an excessive share" of halibut fishing privileges. Therefore, regulations may not discriminate against unde represented groups like the recreational halibut fishery, and may not allocate an excessive share of fishing privileges to powerful groups like the commercial fisheries. In addition, the regulations must be "reasonably calculated to promote conservation" and must, to the extent practicable, minimize bycatch.9 The NPFMC must adhere strictly to these statutory principles, and should begin by enacting measures to minimize bycatch and implement best fishing practices in he non-halibut commercial fisheries.

ASFA encourages the NPFMC to pursue a regulatory strategy directed first and foremost at minimizing halibut bycatch in the non-halibut commercial fisheries. To the extent NPFMC considers further restrictions on the halibut fishery, the NPFMC should not single out the guided charter halibut fishery. Not only does that segment of the recreational halibut fishery comprise only a small portion of overall halibut removals, but NPFMC's statutory mandate requires it to regulate in a non-discriminatory fashion and not impose disproportionate burdens on one segment of the fishery. By minimizing bycatch and distributing regulatory burdens evenly, NPFMC can comply with Congress's directives and conserve the halibut resource for the benefit of all segments of the halibut fisher.

Sincerely,

William P. Horn

¹⁶ U.S.C. § 1852(h)(1).

⁷ 16 U.S.C. § 773c(c). ⁸ 16 U.S.C. §§ 773c(c), 1853(a).

^{9 16} U.S.C. §§ 773c(c), 1853(a)(11).

September 24, 2007

North Pacific Fishery Management Council 605 West 4th Ave, Ste 306 Anchorage, AK 99501 Fax 907-271-2718 RECEIVED

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Dear Members of the Council,

Please take the necessary actions to initiate C-1 Halibut charter management issues at your October meeting.

One charter boat captain from Hoonah, Alaska has stated that his sport fish vessel takes approximately 40,000 lbs. of halibut per year. This is unreported catch and is only one vessel. Multiply this by the number of sport fish vessels from the Icy Straits region and this tally is a significant level of harvest that is unreported or under reported. Because of the cruise ships that visit Hoonah and the increased number of sport fish vessels being added to the sport fish industry, the size of the 2C halibut charter fleet, the number of client per trip, client days and active vessel trips continues to grow. The 3A halibut charter fleet continues to grow as well. The Council is remiss in not adopting harvest control measures. The GHL overages will likely continue which displaces that already existing commercial fishing sector and diminishes subsistence opportunities for coastal communities like Pelican.

Our commercial fishing enterprise continues to make substantial investments vessel improvements for safety and repairs and maintenance. One season in the shipyard is taking us 8 years to pay off the loan. The vessel absolutely needed these repairs for improved safety and quality of catch delivered. The charter fleet is exceeding their GHL at the expense of the resource and at the expense of the commercial fleet ability to invest in capital reconstruction and safety improvements. Our bank is an Alaska bank (FNBA) and they have provided numerous loans for vessel purchase and improvements. These past three years, we have struggled to make our payments and still cover all the costs of operations and repairs as well as provide a crew share to several local residents.

The Council has taken small steps in establishing an allocation, the GHL, between the charter and commercial halibut sectors. There has been substantial opportunity for public comment. Pelican, Alaska a small coastal community struggles to stay abreast of recent events and the long tirade of inconsistency and numerous proposals creates apathy at the local level. All we know is that the special interests of the sport charter industry is raising havoc on local economies. Only wealthy out of Staters seem to be benefiting from a resource that has always has local harvest that traditionally has benefited local economies. By leaving the sport fish charter industry unchecked you will be promoting the transfer of economies from local year-round residents to out of state already well to do nonresidents who do not pay there fair share of covering the costs of services that our coastal communities are expected to provide. Maybe the NPFMC can pay our water bills,

our electricity bills since you are taking away our livelihoods and giving it to others. In the name of what — who can make a better case that our money filters through the economy more. Let's see, our income makes boat payments, permit payments, insurance payments, buys, diesel and lube oil, ice, bait, grub, engine and vessel repairs, gear, laundry, hotel, restaurants, crew shares, moorage, electricity, property taxes, year-round living costs, support for local events, work for local processors and their employees, and on and on. We are here all the time, an integral part of our community.

Charter operators abould not be rewarded for GHL overages. Commercial fishermen pay significant penalties if we exceed our quotas—why would the Council reward the charter fleet for over harvest? If charter operators want more quota they should be allowed to buy it (individually or as a sector) from charter operators that already hold commercial quota or from commercial fishermen and to use that quota in their charter fishery. Such transfers should only be between willing buyers and willing sellers—I object strongly to the forced deduction promoted by ADFG Commissioner Lloyd. The commercial halibut fishery is critical to the health of the processing sector, marine supply and transport industry, the coastal economies of Pelican, Alaska, Southeast and Southcentral Alaska, and the halibut consuming public. The market should determine the appropriate allocation, not the State or the Council.

The 2C and 3A GHL analysis should be kept on track for 2009 implementation while the Council reviews ADFG's projection methodology and waits for the 2007 preliminary halibut charter harvest numbers. Prohibiting retention of halibut by skippers and crews on active charter boats is the minimum control measure that should be implemented by the Council. As a commercial fisherman, I can not retain a subsistence or personal use halibut while commercial fishing. Why should the rules be different for the commercial charter fishery??

Finally, I urge the Council to strengthen monitoring, accountability and enforcement of charter harvest. Credible and accurate data are needed to protect the resource and all who depend on it.

Illepa FN Pacific Dawn

Thank you for your time and attention.

Sincerely.

Patricia Phillips

Pacific Fishing, Inc.

P.O. Box 109

Pelican, Alaska 99832

September 25, 2007

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

RECITION D

D . 1

Dear Members of the Council,

I am writing to ask you to move forward on the C-1 Halibut charter management issues that you will be addressing at your October meeting.

The size of the 3A halibut charter fleet continues to grow, as does the number of client per trip, client days and active vessel trips. Unless the Council adopts harvest control measures, future GHL overages are likely. I have made substantial investments in the halibut fishery and stayed within my quota each year. The charter fleet should not be allowed to exceed their GHL at the expense of the resource or the commercial fleet.

The 3A GHL analysis should be kept on track for 2009 implementation while the Council reviews ADFG's projection methodology and waits for the 2007 preliminary halibut charter harvest numbers. Prohibiting retention of halibut by skippers and crews on active charter boats is the minimum control measure that should be implemented by the Council. As a commercial fisherman, I can not retain a subsistence or personal use halibut while commercial fishing. Why should the rules be different for the commercial charter fishery??

I also urge the Council to move ahead with the allocation/transfer between sectors amendment. The Council established an allocation, the GHL, between the charter and commercial halibut sectors in 2000 and reaffirmed that commitment numerous times since. The GHL, translated into a percentage that floats with the combined fishery CEY, is the only fair starting point. Charter operators should not be rewarded for GHL overages. Commercial fishermen pay significant penalties if we exceed our quotaswhy would the Council reward the charter fleet for over harvest? If charter operators want more quota they should be allowed to buy it (individually or as a sector) from charter operators that already hold commercial quota or from commercial fishermen and to use that quota in their charter fishery.

Such transfers should only be between willing buyers and willing sellers—I object strongly to the forced deduction promoted by ADFG Commissioner Lloyd. The commercial halibut fishery is critical to the health of the processing sector, marine supply and transport industry, the coastal economies of Southeast and Southcentral Alaska, and the halibut loving public. The market should determine the appropriate allocation, not the State or the Council.

Finally, I urge the Council to strengthen monitoring, accountability and enforcement of charter harvest. Credible and accurate data are needed to protect the resource and all who depend on it.

Thank you for your time and attention.

Sincerety

James S. Daniels

Box 707

Pelican, AK 99832

September 25, 2007

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



N.P.B.A.A.

Dear Council members,

Please continue to move forward on the C-1 Halibut charter management issues that you will be addressing at your October meeting. I would also suggest that you push for better enforcement of the charter industry and more timely data collection and analysis to allow reasonable, responsive, and productive discussions.

3A Management Measures

Although the preliminary catch estimates for charter caught halibut in 3A calculated by ADF&G for 2006 are close to the GHL, this should not be reason for the Council to relax. The continued discrepancies between the SWHS numbers and the charter logbook number are concerning, particularly because the charter logbook indicates a number substantially higher than the SWHS. The 2C charter history, and, in fact, the history of charter fishing throughout the nation, should prompt you to take action at this meeting to get in front of predictable problems in 3A in the near future. To do otherwise is irresponsible in the face of a growing 3A charter fleet, more clients and more client days. Unless the Council adopts harvest control measures, future GHL overages are likely.

The 3A GHL analysis should be kept on track for 2009 implementation. It is obvious that the Council must prohibit retention of halibut by skippers and crews on active charter boats regardless of the current level of charter catch. Charter skippers and crew represent a commercial industry and they should not be able to retain catch for personal use while conducting their commercial business.

Allocation/Compensated Reallocation

I have not been able to find the EA/RIR for the Allocation/Compensated Reallocation – it does not appear to be linked on the NPFMC web site, therefore I can not address each alternative or option in the analysis. Please use my comments to direct you to the appropriate alternatives and options in the analysis.

I have invested my entire career in commercial fisheries and have supported healthy resource management through supporting, politically and financially, the implementation of a long list of commercial regulations. I have purchased some IFQ in addition to that which I was assigned based on a portion of my fishing history. My crew has purchased IFQ under the federal IFQ program and they have made a substantial investment in the fishery. They rely on the agencies involved to keep the resource and the commercial fishery healthy into the future. They have substantial debt because of these IFQ purchases and should not have to pay for the overages incurred in the charter industry. The current GHL, translated into a percentage that floats with the combined fishery CEY, is the only justifiable starting point. If charter operators want more quota they should be allowed to

buy it (individually or as a sector) from charter operators or commercial fishermen that already hold commercial quota. Transfers should only be between willing buyers and willing sellers. Commissioner Lloyd's push to have staff include forced IFO deduction from all IFQ permit holders, to allow continued growth in the charter industry, was appalling and is unreasonable. The market should determine the appropriate allocation. not the State or the Council. For this reason individual charter operators, like individual commercial operators, must have a cost attached to expanding their business and increasing catch. I also do not think the general public should be paying for this through a mandatory stamp or tax. If charter operators need to pass on the cost of a higher bag limit to an individual client who benefits from that extra catch that is a business decision made under market conditions. I also urge the Council to be sure that they maintain the integrity of the commercial IFO program and ensure continuation of commercial entry level participation. Finally, I do not support unlimited transfers between the commercial fleet and the charter industry for several reasons: 1) increased charter catch will likely increase localized depletion issues near communities because the charter fleet focuses their catch in areas used by the subsistence community and by local Alaskan sport fishermen for personal use and 2) the general public's access to the halibut resource is predominately through the purchase of fish at stores and restaurants: sufficient commercial product must remain available to allow this continued access and to allow continued support of ports, local communities, processors, and marine services business that rely on a healthy commercial fishery.

Thank you for the opportunity to comment on these important issues.

Sincerely,

Richard Curran F/V Cherokee Sitka, Alaska

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N.P.F.G.C

Date: 09/24/07

Chair, North Pacific Fishery Management Council 605 West 4th Avc, Ste 306 Anchorage, AK 99501

Dear Members of the Council,

I am writing to ask you to move forward on the C-1 Halibut charter management issues that you will be addressing at your October meeting.

The size of the 3A halibut charter fleet continues to grow, as does the number of client per trip, client days and active vessel trips. Unless the Council adopts harvest control measures, future GFIL overages are likely. I have made substantial investments in the halibut fishery and stayed within my quota each year. The charter fleet should not be allowed to exceed their GHL at the expense of the resource or the commercial fleet.

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I also urge the Council to move ahead with the allocation/transfer between sectors amendment. The Council established an allocation, the GHL, between the charter and commercial halibut sectors in 2000 and reaffirmed that commitment numerous times since. The GHL, translated into a percentage that floats with the combined fishery CEY, is the only fair starting point. Charter operators should not be rewarded for GHL overages. Commercial fishermen pay significant penalties if we exceed our quotas—why would the Council reward the charter fleet for over harvest? If charter operators want more quota they should be allowed to buy it (individually or as a sactor) from charter operators that already hold commercial quota or from commercial fishermen and to use that quota in their charter fishery. Such transfers should only be between willing buyers and willing sellers—I object strongly to the forced deduction promoted by ADFG Commissioner Lloyd. The commercial halibut fishery is critical to the health of the processing sector, marine supply and transport industry, the coastal economies of Southeast and Southcentral Alaska, and the halibut loving public. The market should determine the appropriate allocation, not the State or the Council.

l'inally, I urge the Council to strengthen monitoring, accountability and enforcement of charter harvest. Credible and accurate data are needed to protect the resource and all who depend on it.

Thank you for your time and attention.

Sincerely,

Steve Jangaard 5017 198th Pl NW Stanwood, WA 98292

Letter for NPFMC Oct 2007 Meeting.doc "

Date: 9-24-07

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

Dear Members of the Council,

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Finally, I urge the Council to strengthen monitoring, accountability and enforcement of charter harvest. Credible and accurate data are needed to protect the resource and all who depend on it.

Thank you for your time and attention.

Sincerely

Gary Aulbach - Box 726, Percusburg. Ak. 99833

To NPFMC

I urge you to continue along the path you started at the last meeting as far as halibut charter goes. It is high time something is done!!!

In area 2 C and 3A I think the GHL should be a hard allocation. The charter fleet should not be rewarded for overages! They should be penalized. Every other fishery gets penalized for overages! Why not them too? Charter operators should pay if they want to grow. Attaching costs to growing makes for more sport fishing instead of meat marketing as it will be expensive fish for the charter operator. This will encourage conservation of the resource which is something foreign to the charter fleet to date. A mechanism to allow individual operators who wish to grow beyond the GHL that is market based and absolutely not a mandatory give away by the longline fleet would be good. Any charter purchases for increases outside their GHL should not be subsidized. Let it be market driven. Trying to force one gear group to give to another outside the economic playing tale will only result in chaos.

The Council listened to days of testimony. This public process should be respected and supported not undermined in the political arena outside the Council process. These people who keep trying to influence NMFS and the Council outside the Council process should be ignored as in my opinion if they cant say it at the council meeting then they should not say it at all.

Please keep going on your decisions at the last meeting.

Thank You Carolyn Nichols P.O.Box 226 Sitka, AK 99835

Gear up for Halo® 3 and get a \$25 Best Buy gift card. It's our way of saying thanks for using Windows Live™. Get it now!

RECEIVED SEP 2 6 2007

N.P.F.M.C.

Date:

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



Dear Members of the Council,

I am writing to ask you to move forward on the C-1 Halibut charter management issues that you will be addressing at your October meeting.

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Finally, I urge the Council to strengthen monitoring, accountability and enforcement of charter harvest. Credible and accurate data are needed to protect the resource and all who depend on it.

Thank you for your time and attention.

Sincerely, Norman J. Pille

NORMAN L. Pillen

Address: 2517 Addy Gifford vd

Addy WA 97101

Council Members,

It is my opinion that the Chrorten Industry has had a free ride on the back of the commercial fishing industry, reaping all the awards without asseming any of the risk. as far as the T.AC has been concorned, We all need to operate by the same set of rules.

Sencerely, Noman Pille



N.P.F.C

-- Original Message --From: "Bob/Alice Schell" <alfaye@gci.net>

To: < bill.hogarth@NOAA.gov>

Sent Wednesday, September 19, 2007 2:35 PM Subject: 2C Halibut Charter GHL Measures

>I ar 1 writing in support of the 2C GHL halibut measures as adopted by the
>NP *MC at the June meeting in Sitka. The NPMFC coucil has devoted a great
>dea! of time to the halibut allocation issues and NOAA shuld listen to and
>adc pt the council's recommendations. It took 13 years of testimony to get
>the IFQ program for the charter fleet to the federal level only to see it
>ser! back for further analysis. We are now in a state of continuous over
>fishing from this segment of the commercial fleet. As a commercial
>longline user of the resource, I recieved a 20% reduction in my quota for
>the 2007 season. The charter section operated on a basis of business as
>ustral. That business has been to overfish the GHL. I bought my way into
>the fishery and now depend on it for a large part of my fishing income.
>There has to be a limit to the removals of the new commercial entrant-the
>charter fleet.

> I can easily get by on 50 pounds or less of halibut each year for my far fily and me. A four fish limit for any sports fisher will allow a great to deal more than that. It seems that when a person comes to Alaska to fish they lose the true meaning of sports fishing and become a fish hog. Around Sitka, the majority of the sports from out of state count there to a chin boxes of fish, not numbers. Is this really sports fishing or just another form of commercial fishing?

I have fished out of Sitka for over 40 years, sport and commercial, and
there was never a conflict between the sports and commercial segments.
Since the over expansion of the charter fleet and the resultant local
deciletion, there is a good deal of disharmony between the local sports
people and the charter section. The community as a whole passed a tax on
charter removals by a large margin. It is more than the commercial fleets
than are in jeopardy of losing a long based fishing opportunity. There
neads to be a strict adherence to the GHL now. Please move the NPFMC's

> recommendations forward to implementation.

BRENT, KIRT & TONY WESTERN 2500 AUTUMN DRIVE

2500 AUTUMN DRIVE ANCHORAGE NE 2951

September 26, 2007

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

N.P.F.M.C

Dear Members of the Council,

As lifelong fishermen, we implore you to move forward on the C-1 Halibut charter management issues that you will be addressing at your October meeting. We have made substantial investments in the halibut fishery and stayed within my quota each year. Why should the charter fleet be allowed to exceed their GHL at the expense of the resource, commercial fleet and consumer?

The size of the 3A halibut charter fleet continues to grow, as does the number of client per trip, client days and active vessel trips. Unless the Council adopts harvest control measures, future GHL overages are likely. How long are we going to let this continue?

The 3A GHL analysis should be kept on track for 2009 implementation while the Council reviews ADFG's projection methodology and waits for the 2007 preliminary halibut charter harvest numbers. Prohibiting retention of halibut by skippers and crews on active charter boats is the minimum control measure that should be implemented by the Council. As commercial fishermen, we can not retain a subsistence or personal use halibut while commercial fishing. Why should the rules be different for the commercial charter fishery?

We also urge the Council to move ahead with the allocation/transfer between sectors amendment. The Council established an allocation, the GHL, between the charter and commercial halibut sectors in 2000 and reaffirmed that commitment numerous times since. The GHL, translated into a percentage that floats with the combined fishery CEY, is the only fair starting point.

Charter operators should not be rewarded for GHL overages. Commercial fishermen pay significant penalties if we exceed our quotas—why would the Council reward the charter fleet for over harvest? If charter operators want more quota, they should be allowed to buy it (individually or as a sector) from charter operators that already hold commercial quota or from commercial fishermen and to use that quota in their charter fishery. Such transfers should only be between willing buyers and willing sellers—we object strongly to the forced deduction promoted by ADFG Commissioner Lloyd.

The commercial halibut fishery is critical to the health of the processing sector, marine supply and transport industry, the coastal economies of Southeast and Southcentral Alaska, and the halibut loving public. The market should determine the appropriate allocation, not the State or the Council.

Finally, I urge the Council to strengthen monitoring, accountability and enforcement of charter harvest. Credible and accurate data are needed to protect the resource and all who depend on it. Thank you for your time and attention.

Respectfully - Brent, Kirt & Tony Western



Chair North Pacific Fisheries Management Council 605 West 4th St Suite 306 Anchorage, AK 99501

Dear Members of the Council,

Re: 3A GHL

N.P.F.C. Post-It® brand fax transmittal memo 7671	
* NPFMC	From Eve Grutter
Co. Council comments	Co.
Dept. 3A GHL	Phone #95 7 747 3400
Fax # 9072712817	Fax " 907 747 3462

I am Evening Star H. Grutter, born and raised in Meyer's Chuck, Alaska. I am a lifelong resident and the product of a commercial fishing family. I have been cleaning halibut since the age of nine and helping in other ways since I could walk. I was a deckhand during the qualifying years. I purchased shares in Area 2C when I switched from a deckhand to a shareholder. This was not a simple task, as it was expensive. Essentially, I started my own business when I purchased IFQs. Every business has a startup and/or expansion cost, and purchasing IFQs is another example of this. If you run a bagel shop, you have to purchase bagels to sell bagels. By taking commercial allocation and giving it to the charter industry it is like giving them free bagels.

The charter fleet has run without enforced and effective management for over 15 years. They have not been stopped or penalized each year that they overshoot their GHL. The GHL is a management tool that must be used to control the charter fishery. If a commercial fishery overfished their GHL, they would be shut down, penalized, and the quota would be affected next year to compensate for the overharvest. No such action has been taken on the charter industry. There is no valid need to reallocate commercial quota to the charter sector. It will be a poor management decision if commercial or subsistence allocations are transferred to the charter fleet. Yes, I know the charter industry is not after subsistence GHL at this moment, but the principle remains the same. May I remind you that charter operators are an industry? I know of no other industry that is not held accountable for the effects of their industry.

I do not believe that increasing the charter GHL will improve the issue of the charter industry because more charter vessels continue to come into operation. Without a moratorium on the number of vessels operating, there is no solution to the allocation issue. Before a moratorium is set, there is no use in reallocating GHL.

If a moratorium is adopted, implemented, and managed, then the Council can properly assess the effectiveness of the GHL. If so, the Council could consider reducing further the number of allowed vessels, or consider specific regulations to limit charter operations to specific areas as with land based guides. Land based guides are only permitted to specific units, and these units are limited as to the number of guides that can operate in them. As a commercial fisherman, each time I unload my catch I am required to state which units/areas I have caught my fish in, the units used for my catch could easily be used for a system of permitting entry for the charter industry.

I have invested everything into my halibut quota. I am solely a commercial fisherman. I worked hard for the money that bought these shares. I stay within my harvest level. I should not be penalized for another user group's overindulgence by having my quota taken from me. I am unwilling to give my quota to the charter industry. This is my lifestyle and the lifestyle of my ancestors. Reallocation is not the answer.

Please consider other alternatives as suggested in the Area 3A GHL Analysis supplement, in 2C as well as 3A. -Eq.

Evening Grutter

Trends Han Sutter



Sept. 21,07

Dear Council

My name is Jim Dunbar and I'm a 34 year resident of Craig, Alaska. I have bought into area ZC Halibut II-Qs over the past 7 years. In this period I've gradually purchased larger blocks. Last Winter I took out a large loan with CFAB and today hold 2 blocks of 2C U class that total 13,503 lbs. The income I receive from my halibut is important for me to live on and pay my loans. Over the past several years I've been very disappointed that the charter fleet

has been allowed to exceed their guota by such a huge percentage. At this point I feel very strongly that the charter fleet should keep their halibut cutch within their alloted guota and not be allowed to exceed this. Any future increase in guota for the charter fleet should only some from the purchase of commercial guota share from willing sellers. Additionally the money for these purchases should not come from public taxes or sport fish license fees. Thank you for your time Sincerely Jenn Duntar 907 826-3671

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



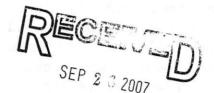
p. 1

September 25, 2007

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

Sent VIA Fax: 907-2712817

RE: Agenda Items C



Southeast Alaska is a multi-gear, non-profit membership based association representing our members in the salmon, crab, shrimp and longline fisheries of Southeast Alaska.

Agenda Item C-1 Charter Halibut Management

(a) Initial Review of Charter Halibut 3A GHL Measures:

SEAFA would recommend that the 3A GHL analysis be released for public review. Before any action is taken, we need the 2007 estimated harvest numbers. The authors of the analysis make the assumption that ADFG will implement an emergency order prohibiting the retention of skipper and crew fish and limiting the number of lines to the number of paying clients in 2008 if no Council action is taken. We would like a commitment from the State on record to implement an emergency order banning skipper and crew fish and limiting the number of lines to the number of paying clients in 2008.

SEAFA believes the estimates of the effect of skipper and crew ban and line limits is overestimated in the analysis. The estimates are based on the logbook harvest amounts, yet the final catch numbers are determined using the SWHS. The analysis points out that in the SWHS some skipper and crew fish are accounted for as charter catch and some are accounted for as

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unquided sport harvest. Since ADFG has stated there is no way of knowing how much of the skipper and crew fish is accounted for in either category of the SWHS, the cleanest way to move forward is to maintain the prohibition on skipper and crew fish, with line limits. This will leave the GHL available for the charter clients.

(b) Preliminary review of Charter Halibut Allocation/Compensation: SEAFA supports a hard allocation with separate sector accountability being set at the current GHL level as a percentage of a combined fishery CEY. (Action 1. Alternative 2, option 1, sub-option a.) The GHL was meant to be an allocation and the Council has committed several times to manage to the GHL until a long term plan is in place. The majority of the charter testimony over the last two years has favored a percentage based allocation that would have increased with an increasing biomass. The best option is a percentage based allocation that adjusts with the biomass provides the most equitable solution. Both sectors would profit from the increase in the biomass and both share in the conservation of the resource with a decreased biomass.

The analysis does not consider all aspects and options available with a hard allocation. The discussions to date through the Council and stakeholder committee meetings discussed a hard allocation including separate accountability where any overage or underage in one year affects only the sector that created the overage and not the remaining sector. The analysis does not contain any information about this. The analysis assumes that with a hard cap it automatically requires in-season management of the charter sector with the closure of the charter sector when the cap is reached. Again the discussions prior to this analysis have emphasized the desire of the charter industry and Council members is to maintain the historic length of the charter season with management on a pre-season/post season basis and with any overages affecting the following year's quota to the charter sector. The IPHC has testified that this is an acceptable option. This is how most other recreational fisheries in Alaska are managed. Yet, this is not discussed as an option. A third option that has not been discussed that might be a successful scenario to in season management is dividing the charter year into three separate seasons allowing some allocation to be available throughout the year. Separate season management would be responsive to the differences between outer coast availability of halibut and inside waters where the halibut season starts later.

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SEAFA is opposed to a fixed poundage option for the charter industry. The authors of the analysis mentions that the baseline needs to be clarified and determined in light of step up/down provisions, if this option is considered. We believe that with a hard allocation and combined fishery (charter and commercial) CEY, that the step up/down provisions must be tied to the combined fishery CEY, not the total CEY as the analysis currently does. Before the analysis is released to the public an appropriate base period for the step up/down provision must be established and clarify that it is a combined fishery CEY and not a total CEY. A step up/down provision with fixed pounds is almost the equivalent of a percentage based option as the analysis points out.

Action 2, Alternative 2, Compensated reallocation is complicated. There are too many options being considered at a level that is too superficial to provide an analysis appropriate for decision making purposes. Almost all options take a combination of legislative, state or federal and regulatory changes. To fully understand what these changes may require, the Council will need to analyze fewer potential programs (State option, Regional Assoc option & Individual option), but flesh them out more fully.

SEAFA is deeply opposed to a pro-rata reduction. Transactions need to be between willing buyers and willing sellers. A willing seller has already planned for any effects that the sale will have on his or her taxes.

An option was added to the analysis to exempt D class shares to provide for entry level participation. We would like to clarify that while some new entrants and entry level fishermen buy D class shares, just as many buy shares in other vessel classes. A crew member will buy a small block for the size vessel he works on.

SEAFA agrees with the analysis that record keeping and enforcement will be critical components of any plan.

Specific comments to the analysis itself. Executive Summary: Action 2, Alternative 2 Implementation Issues SEAFA notes that the executive summary and the RIR are inconsistent with each other. For example,

- 1. These qualifying entities may purchase commercial QS and request NMFS to issue annual IFQ's generated by these shares as Guided Angler Fish (GAF). The executive summary page 9 states it affects the private pool only but the RIR on page 89 rightly states that this applies to both the common pool and individual options.
- 6. Unused GAF may 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. The executive summary page 9 rightly states that this affects the Common pool and Private pool option while in the RIR on page 90 it talks about it applying to the private pool option only.
- 9. Guided angler fish derived from commercial QS may not be used to harvest fish in excess of the non-guided sport bag limit on any given day. Again the executive summary and RIR speak to this issue differently. SEAFA believes that it is probably appropriate to both a private pool and a common pool. A common pool should not be allowed to purchase such excess quota shares that they ask for a larger bag limit for charter clients than the non-guided sport fishery.

On page 10 of the Executive Summary Staff makes several recommendations. SEAFA does not agree that designating commercial halibut QS for use in the charter industry as guided angler fish (GAF) presupposes that a charter IFQ program is eliminated in the future. Even in the old charter IFQ program you converted the pounds into fish for use in the charter industry. This is the same thing. Regarding moving Issue 7 into a new element, SEAFA is opposed to the pro-rate approach and would recommend that the Council make a decision on whether that option should remain in the analysis. If the council does retain that option, then we agree with staff that it should be moved to a separate element/decision point. The sub-option to exempt D QS should be moved to element 2.2 Limits on purchase A. option 2.

Executive Summary page 17 states that after the charter sector is closed because the hard cap allocation has been reached that the charter operator could switch to catch and release of halibut fishing. The effect on the biomass from mortality of catch and release fishing would need to be

p.5

accounted for and factored into the charter sectors allocation and not have catch and release mortality affect the commercial sector or we are back where we started from.

SEAFA disagrees with the conclusion on page E5-19 that if an individual purchased their quota share they are unable to generate producer surplus.

On page E5-20 the staff asks for directions on the CEY to be used for the step up/down provisions. SEAFA believes that a combined commercial and charter fishery CEY is the historical basis that should be used and would be an equitable comparison in the future that automatically accounts for any change in assessment methods by the IPHC.

The analysis of the costs for "borrowing" money for the purchase of quota share used the assumption of a 10 year loan. The Division of Investments is a 15 year loan program, the NMFS loan program is a 20 year program while private banks tend to have a maximum loan length of 10 years. It is more likely with a common pool, you will be accessing one of the loan programs with a longer term. We disagree that a regional association would most likely access private loans, instead we believe that one of the advantages to a regional assoc. is providing access to the loan programs.

Page E5-29 footnote 10 states that there is no combined commercial and charter catch limit. We believe that if a hard allocation as a percentage is given to the charter fleet for their allocation that IPHC would then develop a fishery CEY, determine what the fishery catch limit (combined commercial and charter) is and then the percentages would be calculated from this combined catch limit. The question might be better asked of IPHC how they would want this referred to.

On page ES-34 the analysis states "In the hybrid system, this race would result in some operators having an incentive to deplete the pool as quickly as possible to eliminate the competition from operators who do not have the resources to purchase QS." A hybrid system might also work in that rather than closing the season earlier, limits such as was implemented in 2C for 2007 might be adopted to try and maintain the historical length season and the operator who owned charter GAF could allow a client to keep a second fish that is over the 32" limit by using GAF fish. If a hard allocation caused

in-season management with an earlier and earlier season closing date, it is possible that the charter industry would look at a lower bag limit to retain the longer season and a hybrid approach would allow the retention of a second fish.

Table 15 on page ES-36 looks at the number of moratorium permits but the information asked from ADFG for this graph is the number of <u>businesses</u>, the more appropriate request would have been for the number of vessels that will qualify under the moratorium. Within the text of this section, they talk about permit holders is this referring to businesses or the permits for the individual vessels. This section is confusing with the language used.

Page E5-37 raises the concern that "an economic concern of this limitation is that if charter demand drops for a year or two because of an economic recession, charter operators might be forced to sell their Q5 as opposed to using their Q5 to create a short-term revenue stream to ride out the economic downturn." This section dealing with limitations to the amount of quota share that can be leased is more about protection of the owner-on-board provisions of the commercial IFQ fishery. Otherwise individuals could buy quota share, convert to charter and then lease back to the commercial sector and get around the prohibition against leasing in the commercial sector.

In the executive summary page ES-40 states that the pro-rata reduction would not require legislative changes, but that this is not necessarily true. For NMFS to disperse funds for a pro-rata reduction there needs to be appropriation language to receive the funds if from the state and appropriation language to disperse the funds. If NMFS RAM division did the pro rata reduction but didn't do the dispersal of funds there is no legal connection between the two actions and would leave the commercial QS in an unacceptable situation where the quota share could be reduced and funds not received with no legal recourse.

Regulatory Impact Review
Table 24 on page 36 is mis-labeled.

Page 60 footnote 34. The analysis uses the Prince William Sound sablefish fishery as an example of management approaches the Board of Fish can

adopt. The Board of Fish can not adopt this type of regulation at this time without further legislation being adopted. HB 188 is currently in the legislative process and being debated. An example that could have been used for pre-season management within a hard allocation is the Southeast King Salmon Management Plan.

Page 68 is talking about the amount and price of quota share that may need to be purchased. They state the amounts as a range of dollars but it is not clear by the text what poundage and price assumptions were used to determine the ranges.

Page 69 the analysis talks about what the fees might be for a charter stamp, per fish or per client and looks at 2C and 3A differently. Is is possible that it also needs to be looked at as a weighted average combined. For example, if you went with a state saltwater charter stamp - would you charge a client for one charter stamp good for the whole state or would they have to buy two charter stamps if they visited both regions of the state?

Page 71 in the section about self-assessment fees it states that "... it creates an incentive for charter operators to lower their clients success rates as they could charge the clients for the trip but not have to worry about paying the per fish harvest fee." An alternative way of looking at this, is the client might be less inclined to take harvest fish if they don't really want to take home the meat. We have been told by charter operators that a lot of clients harvest the fish and then leave the fish onboard. A per fish fee may help eliminate this wasteful practice.

Page 77, first paragraph talks about limits on the amount of transferable QS but doesn't acknowledge that the reason this section was suggested by the commercial sector was that to maintain a viable commercial industry there needs to be a certain mass of QS to retain processor interest in the handling halibut. This paragraph also doesn't factor that in years of a falling CEY that the success rate/catch rate also decreases so that less poundage is needed to meet the charter industry needs.

Page 81, Option 2: Cap and Block restrictions. The stakeholder committee wished to look at this issue to maintain entry level blocks of QS in multiple vessel class sizes. Crew members entering the fishery tend to buy QS

appropriate for the size vessel they work on which is more likely to be C class shares, while a small vessel owner diversifying into the halibut fishery might be buying D class shares. The Council analysis does not provide the information that is necessary to choose alternative options for this element. Staff needs to provide a breakdown of the number of blocks available for each area and vessel class and further broken down into categories for the number of blocks < 2000 lbs; 2000-5000 lbs; 5000 lbs and above and possibly even smaller categories. While the main intent of this section was to protect entry level opportunities although we did note that there needs to be a variety of block sizes available in all vessel classes in order to provide flexibility in the commercial fishery for individual business planning as stated in the text located here.

Page 83 the analysis states that the data necessary to quantify the total amount of QS held by commercial fishermen who are also charter fishermen. The commercial industry last winter took the 2006 guide license holders and compared it to the QS holder list at the time and determined that approximately 600,000 lbs for each area (2C & 3A) was held by charter operators.

Implementation Issue - 7: Pro-rate Reduction. This section of the RIR was extremely confusing. It bounced back and forth between talking about one time purchases and an annual leasing. Once again SEAFA will state that we are opposed to a pro-rata reduction based on everything we have learned to date including the information included in this analysis. Determining a fair value to pay and getting the money into the hands of the quota share holders is more problematic. We don't agree with the conclusions reached by the authors of the analysis that there are insufficient QS available for sale to meet the needs of the charter sector stated earlier in the analysis. Among other complications, a forced reallocation causes tax consequences that are not being considered in the analysis. A forced allocation compensation payment where you reduce the size of the harvest would likely be considered income that self-employment taxes would need to be paid on.

Page 119 Table 71 appears to have an error in the data for 2007. To have a weighted average quota share unit price of \$6.11 for 2C equals an IFQ per pound price of \$42.75 and 3A quota share unit price of \$4.28 equals an IFQ per pound price of \$30.21.

(d) SSC review of estimation procedures for charter halibut, DSR and shark catch:

In the discussion paper on estimation procedures, on page 7 and 8, the authors list some specific accuracy objectives for the State Wide Harvest Survey, the Southeast Alaska Creel Survey and the halibut data collection grant. The analysis does not show how successful ADFG has been in meeting their stated objectives. The SSC should ask for this information as part of the evaluation of ADFG estimation procedures.

In summary, SEAFA believes that a market-based compensation program is the most important component of all the aspects of long term elements. The options need to be refined down and more fully developed in order to fully understand the programs and the different ramifications they will have. The allocation should be the GHL converted to a percentage. This should be a hard cap with sector accountability. The Council should make sure that sector accountability is analyzed and clearly a part of a hard allocation.

We will be available at the Council meeting to further discuss our testimony.

Sincerely,

Kathy Hansen

Executive Director

09-25-2007 Dear Members of the Council,



I have been involved in the commercial halibut fishery since the age of the land four years ago bought into this viable fishery at a great expense. Commercial halibut fishing has been an important part of my family's way of life since the early 1980's and I hope to see this fishery continue to be a viable way for people to earn their living. I would like to see that this fishery is maintained for the benefit of the subsistence, sport, and commercial sectors.

With the revisions to the 3A charter GHL harvest levels showing that the harvest overages were negligible in the 2006 season. This is not a good enough reason to hold off on adopting GHL harvest control measures. Just because the 2006 harvest levels may have been inline with the GHL doesn't mean that 2007 is, and it seems likely that 2007 will exceed the GHL seeing as how the charter fleet in 3A continues to grow. The 2006 overage may also be greater than thought considering that the accounting for skipper and crew retained halibut remains unclear. Sport and or personal use fish such as these should not be allowed to be retained by the skipper or crew while paying clients are on board the vessel.

In allocating the halibut resource the council should not reward the charter fleet for going over their GHL by giving them more halibut, but should instead use the GHL as a basis for a hard allocation. If the charter fleet feels that they need more halibut to grow they should have to purchase this increase. By making the charter fleet pay to grow, this should help control the impacts of local depletion and encourage a more sport mentality in the fishing for halibut. If the charter fleet wants to purchase halibut quota they should not be subsidized by the state or federal governments they should have to buy this quota with by their own means just as those of us do in the commercial sector.

Steps have been taken in putting control measures on the charter harvest of halibut in order to help conserve this resource. It would be wise to not drop these harvest control measures in 3A just because the charter fleet may have barely gone over their GHL in 2006 but with the continued growth of this industry it seems apparent that the charter fleet will in the future exceed the GHL. In other areas such as 2C the charter fleet has gone over the GHL for the past 3 years. The GHL is supposed to be in place to protect this valuable resource and if control measures are not put into place, this resource will suffer as will all of its users, which is being seen in area 2C. I am urging the council to take active measures in area 3A and in the allocating of the halibut resources to all the user groups.

Thank you,

Byw Nothols

Ryan Nichols

Cordova District Fishermen United

Celebrating 70 Years of Service to Commercial Fishermen in Cordova, Alaska P.O. Box 939 Cordova, Alaska 99574 Telephone 9 724-3447 Fax 907.424.3430

September 26, 2007

Mr. John Bundy, Acting Chairman North Pacific Fishery Management Council 605 W 4th Avenue, Suite 306

N.P.P.IS.C

SEP 2 6 2007

Sent by facsimile to 907-271-2817

Agenda item C-1 (a) Charter Halibut 3A GHL Measures

Dear Mr. Chairman and members of the Council,

On behalf of the CDFU Groundfish Division I am submitting these comments on the Initial Review of charter halibut 3A GHL management measures.

From our perspective, it appears that the Council has two possible courses of action regarding this amendment. One is to keep the amendment moving forward for final action in December, recognizing that it will not be implemented until 2009, and that it may have to be effective until a more permanent solution is in place or a more timely process for implementing annual management measures is available to the Council.

The other course of action is to hold off on final action in December until the 2007 catch figures are available, and evaluation of the SWHS and logbook methodologies by the SSC and the State of Alaska is completed, provided that the State of Alaska commits to maintaining the prohibition on fishing by charter skippers and crew, and line limits, in 2008. It is our expectation that implementation of additional management measures through the Council process, if necessary, would still occur in 2009.

We do not believe there is any justification for dropping this amendment. While the final estimate for the 2006 harvest stands at just slightly more than the GHL, and the charter harvest has remained close to the GHL for the last three years, other measurements of charter sector growth over the long term, and additional factors, provide justification for keeping this amendment moving forward.

While the rate of growth in the charter sector has varied for short periods, over the long term continual growth has been a fundamental theme of all of the Council analyses of the charter halibut management issue. This analysis reiterates that theme: the annualized rate of increase in harvest by the charter sector is estimated at 3.0% over the last 11 years, and 4.7% over the past 5 years. Other basic measures of fleet and effort growth in the charter industry have also shown significant increases since 1998. The number of client days has

increased by about 45%, active vessel trips have climbed by over 30%, and the number of active vessels has risen by about 25% (Figure 9, pg 41).

Additionally, lack of information about the 2007 charter harvest, and discrepancies between the final 2006 SWHS estimates and the 2008 logbook data suggest that the Council should act with some caution with regard to catch data. While the final SWHS estimates put the 2006 charter catch at 3.664 M lbs (including some fish retained by skipper and crew and reported as charter harvest), the logbook data puts the 2006 catch at 3.968 M lbs for clients only. The difference between the two estimates is 304,000 lbs, and the significance is that it is in excess of the GHL. We recognize that the SWHS is the accepted method for estimating the charter sector's catch, and that the logbooks need to be evaluated. But the logbook program has been touted by the State of Alaska as a more accurate method, and the one by which catch accounting will be done in the future. And some reconciliation of these two methods is necessary in order for the Council to take action on halibut charter issues, both now and in the future. We welcome the State's efforts to evaluate the logbooks and to refine their methods for charter sector catch accounting. We also appreciate the SSC's efforts to review the States' methodologies and to provide guidance to the State and the Council.

The Council is also well aware from the events of 2006 that the IPHC has expressed concern to the Council over the lack of harvest controls on the charter sector to adhere to the GHL. This puts the IPHC in the very difficult position of becoming the arbiter of allocation between the two sectors when the GHL in either 2C or 3A is exceeded. While we don't expect the IPHC to visit this issue for 3A at their 2008 annual meeting, Council and State action that provides a clear indication of the intent to prevent the charter halibut management issue from overflowing to other policy arenas is appropriate.

Unless there are other possible venues for implementing management measures, this amendment has to be effective for the several years it will take to approve and implement a permanent solution. GHL harvest restrictions would not be implemented in 2008, and may have to be effective beyond just 2009. And it has to take into consideration the possible shift in charter effort and clients from 2C to 3A that may occur with further harvest restrictions for halibut in 2C.

At the very least, the Council should recommend that the State of Alaska maintain measures prohibiting harvest by skipper and crew, and line limits not to exceed the number of paying customers in 2008, and hold any action on the suite of management measures in this analysis until 2007 halibut charter catch data are available, and until completion of the SSC and State of Alaska review and evaluation of catch accounting methodologies.

We note that the IR states (Executive Summary, pg. x) that "interviews for this analysis and NPFMC (2006) indicated notable support for this measure" (no harvest by skipper and crew). It does not harm clients, rather it benefits them, whether they are tourists visiting Alaska for a once in a lifetime adventure, or Alaska residents who want to catch their own fresh halibut. We also note that public testimony over the past few years has focused in large part on the economic benefit to local communities that are derived from the charter halibut harvest. By admission from its own members, prohibiting harvest by skipper and crew will not harm the charter industry. Instead, it preserves the GHL for whom it is intended: the general public

that accesses the resource through charter operators. This ensures that the GHL will generate the highest economic benefit for the charter operators and Alaska communities that have testified to dependence on the halibut resource.

Finally, regarding changes in the halibut harvest by the charter and recreational sectors in recent years, we offer the following observations for Council staff to consider in the analysis. First, the decline in charter harvest from 2001 to 2002 may have been due largely to the changes in tourist travel resulting from the events of Sept 11, 2001. This could be substantiated by tourism data for the state. Second, declines in the non-charter (recreational) sector may be due in part to a shift from recreational harvest methods to subsistence harvest methods as the Council's subsistence halibut program was implemented in various areas in 3A.

Thank you for the opportunity to comment.

Sincerely,

Dan Hull, Chairman

CDFU Groundfish Division

September 26, 2007

North Pacific Fishery Management Council 605 West 4th Ave., Suite 306 Anchorage, AK 99501-2252 FAX (907)271-2817

RE: C-1 Halibut charter management



N.P.P.M.C

I am writing to ask you to move forward on the C-1 Halibut charter management issues that you will be addressing at your October meeting.

We are halibut fishermen out of Kodiak. The size of the 3A halibut charter fleet continues to grow, as does the number of client per trip, client days and active vessel trips. Unless the Council adopts harvest control measures, future GHL overages are likely. The charter fleet should not be allowed to exceed their GHL at the expense of the resource or the commercial fleet.

The 3A GHL analysis should be kept on track for 2009 implementation while the Council reviews ADFG's projection methodology and waits for the 2007 preliminary halibut charter harvest numbers. Prohibiting retention of halibut by skippers and crews on active charter boats is the minimum control measure that should be implemented by the Council. As a commercial fisherman, I can not retain a subsistence or personal use halibut while commercial fishing. Why should the rules be different for the commercial charter fishery??

I also urge the Council to move ahead with the allocation/transfer between sectors amendment. The Council established an allocation, the GHL, between the charter and commercial halibut sectors in 2000 and reaffirmed that commitment numerous times since. The GHL, translated into a percentage that floats with the combined fishery CEY, is the only fair starting point. Charter operators should not be rewarded for GHL overages. Commercial fishermen pay significant penalties if we exceed our quotas—why would the Council reward the charter fleet for over harvest?

Finally, I urge the Council to strengthen monitoring, accountability and enforcement of charter harvest. Credible and accurate data are needed to protect the resource and all who depend on it.

We are very concerned on this issue and think that the letter from the Halibut Coalition pretty much gives our views.

Thank you for your time and consideration

Ken and Chris Holland

F/V Point Omega

N. S. E. S. C. T. L. S. E. S. C. S.

TO:

North Pacific Fisheries Management Council

FROM:

Kenai River Sportfishing Association

RE:

Comments on Initial Review Draft of Area 3A Charter GHL

DATE:

September 26, 2007

To date, KRSA does not feel that there has been adequate economic and socioeconomic data and analyses to base an impartial fisheries management decision upon in regards to the allocation of halibut between the charter and commercial sectors. Without such information, KRSA questions whether NPFMC decisions made without such information can be anything but arbitrary and capricious.

FROM: THE NEED FOR SOCIOECONOMIC INFORMATION IN FISHERIES MANAGEMENT – The Economic and Social Sciences Research Program, Alaska Fisheries Science Center, Seattle, WA

Many of the fishery management actions taken by the North Pacific Fishery Management Council (NPFMC) require various types of socioeconomic analyses before they can be implemented... (Introduction – page 1)

For these reasons satisfactory socioeconomic analyses are integral to myriad procedural requirements that help the NPFMC achieve their fishery management goals and abide by federal laws. It is clear that without access to the information to support many of the aforementioned analyses the associated legal documents may fail to meet established standards... (Introduction – page 1)

Unfortunately, managers of fisheries in and off Alaska consistently know nether the size of the different pies they are asked to choose among, nor the specifics of how each pie will end up being divided (i.e., at present we cannot calculate the net benefits generated within our fisheries, and we cannot accurately account for the economic and socioeconomic implications for each of the parties affected by fisheries management decisions). The same problems exist for the analysts tasked with conducting the regulatory analyses required by various laws. Thus, the repercussions of insufficient socioeconomic data have the potential to impact not only the precision, quality and equity of management decisions, but their legality as well. (Need for Socioeconomic Information in Fisheries Management – page 2)

In fact, although Alaskan fisheries are recognized widely for their successful management, the economic information available for decision making pales in comparison to that available in many other federally managed fisheries. (Cost and Earnings Data Collection in Other Federally Managed Fisheries – page 3).

AMENDMENT TO IMPLEMENT GUIDELINE HARVEST LEVEL MEASURES IN THE HALIBUT MEASURES IN THE HALIBUT CHARTER FISHERY IN IPHC REGULATORY AREA 3A – NOAA Fisheries Service, Juneau AK

The Council's timeline for action does not permit a comparison of producer surplus and consumer surplus in each sector, as affected by each option (2004). (Economic Effects on Industry and Communities – page 51).

If the Council does not have the economic information available to it to make an economic comparison between each sector, by definition it does not have a valid problem statement.

The Council has the observation – as angler harvest increases, the amount available for commercial harvest decreases. However, the reverse statement is also true – as commercial harvest increases (de facto 100% allocation of any increase in total CEY), the amount available for angler harvest decreases (by not sharing any increase in total CEY with the charter sector, angler harvests are restricted).

To date, there is no economic empirical evidence that there is a net economic loss that would necessitate regulatory action by the Council. Without such economic data, there is no legal basis for Council action that is based on a problem statement which has economic damages as its basis, and economic compensation, i.e. "compensated reallocation," for said damages as its solution.

As such, Council timelines and subsequent actions that prevent full economic evaluation are by definition arbitrary and capricious, and are not on a solid legal foundation. Discussions and frameworks that "compensate" either sector at this juncture, without economic data to base it upon, are premature and should be postponed until such data exists.

Further comment on specific economic discussions in the 3A analysis.

Page 51. On 2.7.1.1 Effect of Alternate 1. No Action

The assumptions made to simplify the model are not valid.

For example, the assumption that unguided sport catch will constant while guided activity will increase is not valid. Data from the last decade has shown this. To project constant growth in guided and no growth in unguided violates the data trend. It may make the model work, but then the result of the model should be viewed as not being reflective of the real situation.

Additionally, the total CEY has not remained constant in the past decade and is not predicated to remain constant in the next decade. Also, ex-vessel prices have increased in the last decade, during a time when there was increased harvest from guided, unguided, and subsistence fisheries. Thus the assumption that ex-vessel prices will remain constant with an increase in just the guided sector is not justified by the empirical evidence of the last decade.

The analysis makes the following statement:

Related losses in ex-vessel value would increase to approximately \$3.006 million in 2015. Losses in ex-vessel value directly affect crew and communities dependent on the commercial fleet and the combined affect of losses from CEY reductions and increases in GHL overages are likely to affect the commercial fleet in a substantial way.

The model predicts related losses of \$3 million in ex-vessel value and the analysis states that this is a substantial impact. In the past decade, the variation in ex-vessel value has exceeded \$3 million. The natural variation of the industry itself leads to substantial impacts from fluctuations in ex-vessel value, yet the commercial halibut industry is more profitable and healthy than at any other time in its history.

Table 29 shows an ex-vessel loss of approximately \$1.594 million with an overall of .430 million pounds. In the past decade the Council approved the implementation of a subsistence fishery that harvests approximately .400 million pounds of fish. In that decision making process, the Council's actions resulted in an ex-vessel loss of approximately \$1.5 million on an annual basis — yet there has been no documented "substantial" losses to the commercial fleet.

Thus by the real data example of the implementation of the subsistence fishery, with its take of .400 million pounds, and there not being an affect on the commercial fleet in a substantial way, the model and analysis to the contrary with the guided charter sector harvest of .800 million pounds a decade from now are suspect. Any compensated reallocation based on this model would be by definition arbitrary and capricious.

Page 64. 2.7.3 Effects on Net Benefits to the Nation

This reversal should instill commercial quota holders with greater confidence in the value of their quotas, which will in turn support the market for quota shares and encourage appropriate investment and capitalization in the commercial sector.

No empirical evidence is presented to buttress the implication that charter sector harvests to date have prevented appropriate investment and capitalization in the commercial sector.

Further, the reallocation of halibut harvest amounts back to the commercial sector may affect the benefits realized by U.S. consumers through changes in product availability and price.

No empirical evidence is presented to buttress this claim. Specifically, there is no empirical evidence that any increased availability to the U.S. consumer market over the past decade has led to decreased prices. Pricing to consumers in the seafood markets is much more complex than poundage available for distribution. This is especially true with increased poundage in the range of less than 1 million pounds.

Thus, given that variation in commercial harvests (page 29. Table 11. Area 3A) have been much larger (in millions of pounds) than possible additions from reallocation back to the commercial sector, the claim that net benefits will be realized by U.S. consumers is not verifiable. It is most interesting that in the "reallocation" discussion the compensation mechanisms being discussed benefit the commercial sector directly and do not necessarily benefit U.S. consumers.

Also, through Council action in the past decade (implementation of the commercial IFQ program), pricing of halibut to U.S. consumers has increased substantially (producing a loss of consumer surplus) to the benefit of the seafood industry. To stabilize the commercial sector, the Council has taken actions that have had an affect on the benefits realized by U.S. consumers, mainly to increase both availability and price. There is no data or analysis available to look at consumer losses due to these changes.

The statement is made that this model estimates consumer surplus losses would increase to \$0.377 million by 2015. Without a comparison to the changes in consumer surplus to date from changes already made, there is no context to understand whether or not \$0.377 million "loss" is significant or not.

Additionally, it seems that this "loss" of consumer surplus (net benefits to the nation) of \$0.377 million is being used to justify a compensated reallocation plan that will actually cost other U.S. consumers (anglers) \$3 million in additional dollars – real money – to fund the compensation to commercial harvesters.

The statement is made it is unlikely that the changes in regional expenditures will result in changes in net national benefits. Anglers that are unable to find the angling experience they want in Alaska may be able to find it somewhere else (page 65).

First, Alaska is the halibut capital of the world – there is no other great opportunity for anglers to experience halibut fishing somewhere else. It is a unique experience to the Pacific Northwest, with the greatest opportunity for charter services in Alaska. Yes, an angler may be able to do something else within the myriad of recreational opportunities today, so there may ultimately no net loss on the national level. However, if you intellectually accept that premise, then the same logic can be applied to U.S. consumers of seafood, in that if there is less poundage available for consumption, those consumers will just choose a different meal option, such as other seafood choices, whether wild or aquaculture, or other protein options, such as meats.

Thus it is shaky at best that any regional "loss" of the angler consumer surplus in Alaska is explained away as being not being of a magnitude to change net national benefits. Why are the standards different for the analysis of net national benefit between the consumer surplus of seafood users and recreational users?

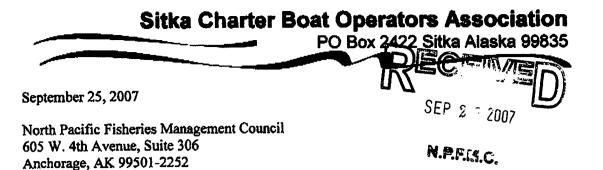
The statement is made that because the number of halibut sport fishing charter service providers can be assumed to behave as "perfect competitors," which generate very little or no net economic rents. Consequently, the principal source of net national benefits

from the charter halibut fishery is angler surplus...(page 65)" The statement is very questionable in terms of broader economic analyses of the broader tourism industry and the more specific sport fishing recreational industry. When price, customer service and quality all interact in consumer choices, the assumption of "perfect competitors" generating very little or no net economic rents is questionable. Price point alone does not determine consumer choices for hotels, restaurants, guides, concerts, among many other of the tourism and recreational choices consumers make.

Many businesses make profits in the tourism and recreational industries – to make a statement that the halibut charter industry, as a subset of these industries, does not generate any net national benefit without any empirical data to substantiate this assumption is very disturbing. Tourism is one of the world's largest industries – common sense asks how did tourism, with its many subsets that behave as "perfect competitors," become one of the world's largest without providing economic rents.

KRSA supports a more thorough economic analysis based on actual economic data. The economic modeling used in the analyses to date is not adequate and does not provide useful information that can lift the Council's decision making process out of its arbitrary and capricious rut. The Council and government agencies are investing substantial resources towards generating actual economic data in both the commercial and charter sectors.

To go forward in the decision making process without waiting and making use of the economic data currently being generated does not make sense. It does not make sense that the Council's timeline for action does not permit a comparison of producer surplus and consumer surplus in each sector, as affected by each option. Given the fact that the models used indicate that there will be no net national loss until 2012, what is the rush in the decision making process? To avoid being arbitrary and capricious, the process should generate adequate economic information upon which to base its decision, especially in the realm of "reallocated compensation."



Dear Council Member:

The Sitka Charter Boat Operators Association (SCBOA), representing 54 captains and individuals actively engaged in the charter industry, urges the Council to reconsider its recent decision on GHL management measures for Area 2C.

Based on the latest ADF&G statewide harvest data for 2006, Area 2C harvest turned out to be 26 percent over the GHL, instead of the projected 47 percent overage. While we realize there is a margin for error, we hope the Council will take this opportunity to manage our fleet based on the final revised data.

We respectfully request the Council to reconsider the four fish annual limit for Area 2C, in light of the actual 2006 harvest data. We believe the four halibut annual limit to be "overkill" in every sense of the word. Looking at the analysis, there are more appropriate restriction choices, to achieve the actual reduction necessary to meet the GHL. This would provide a more balanced and reasonable management approach for the charter fleet, while minimizing negative economic impacts on Area 2C. Though the Council may be unable to act at this meeting due to notice regulations, we strongly recommend placing this on the agenda for the December Council meeting.

With regard to Charter Halibut Allocation, we urge the Council to pursue an increase in the allocation that will be adequate for Area 2C and Area 3A, and will not result in extreme differential regulations. We believe that the halibut allocation measure best suited for Area 2C charter fleet would be fixed poundage of no less than the 1.95 Mlbs under Alternative 2, Option 2 in which we request the Council add for analysis: (d) 125% of the 2002-2006 avg. charter harvest. Additionally, the fixed poundage should be allowed the ability to stair step up and down in response to the stocks as shown further under Alternative 2, Option 2 (d) plus Sub-Options i. and ii. A fixed poundage rather than a floating percentage would allow our fleet more stability, as we require such to provide potential clients with information about the season during the crucial marketing period which is generally one year in advance.

At a minimum, the allocation should sustain the charter fleet at its documented 2005 harvest level with a buffer to allow some expansion for latent capacity and potential CDQs.

Finally, we respectfully request the Council include some additional analysis above 17% and 1.95 Mlbs, especially in light of a potential shift from using the "closed-area" asessment to using the "coastwide" assessment to calculate the future available yield of halibut.

We appreciate your consideration of our recommendations as we move towards a long term solution for a sustainable future for Alaska's halibut fisheries.

Sincerely,

Theresa Weiser

President

Sitka Charter Boat Operators Association

9077473646

Halibut Coalition

PO Box 22073 Juneau, AK 99802-2073 (425) 949-1810msg (206) 260-9111efax

halibutcoalition@gmail.com

September 26, 2007

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

Dear Members of the Council,

On behalf of the Halibut Coalition, we would like to submit the following comments and recommendations on <u>Agenda Item C-1: Charter Halibut Management.</u>

3A GHL Management Measures

The Halibut Coalition recommends that this amendment package be released for public review, allowing the Council to take appropriate action in December.

The Coalition recognizes that the recently released final 2006 charter halibut harvest for area 3A places the charter harvest very close to the GHL. Coalition members remain concerned that charter harvest in 3A is trending upward and that failing to act decisively will result in GHL overages. Our reasons for these concerns are as follows:

Projected harvest numbers for 2007 are not yet available, nor are the logbook data for 2006 or 2007. However, the analysis indicates that the annualized rate of increase in harvest by the charter sector has been 3.0% over the last 11 years, and 4.7% over the past 5 years. The document also establishes that the size of the 3A fleet continues to grow (by 25% since 1998), as has the number of clients days (45%) and active vessel trips (over 30%). These indicators suggest a continuing upward trend in harvest.

Additionally, discrepancies between the final 2006 Salt water harvest survey (SWHS) estimates and the 2006 logbook data suggest that the Council should act with some caution with regard to 2006 data. While the final SWHS estimates put the 2006 charter catch at 3.664 M lbs (including some fish retained by skipper and crew and reported as charter harvest), the logbook data puts the 2006 catch at 3.968 M lbs (for clients only). The difference between the two estimates is 304,000 lbs—enough to place charter harvest significantly above the GHL. While the Coalition recognizes that the SWHS is the accepted method for estimating the charter sector's catch and that the logbooks need to be further evaluated, the logbook program is identified as the method by which catch accounting will be done in the future. Some reconciliation of these two methods is

Alaska Longline Fishermen's Association • Cordova District Fishermen United •

Deep Sea Fishermen's Union • Fishing Vessel Owners Association • Halibut Association of North
America • North Pacific Fisheries Association • Petersburg Vessel Owners Association •

United Cook Inlet Driftnetters Association • United Fishermen's Marketing Association •

United Southeast Alaska Gillnetters Association





necessary in order for the Council to take action on halibut charter issues, both now and in the future. Until that reconciliation occurs (along with the SSC review or ADFG harvest projection methodologies) the 2006 numbers should be approached with some caution.

The Council should also keep in mind a number of less quantifiable factors. First, the Central Gulf weather during the summer of 2006 was exceptionally stormy, which likely limited access to productive charter halibut grounds. Second, harvest control measures implemented in 2C in 2007 and 2008 may result in an unknown amount of displaced effort from Southeast to Southcentral, contributing to increased harvest in Southcentral. Again, all factors predict a continued increasing charter harvest trend.

Finally, the Halibut Coalition would like to remind the Council that prohibiting retention of skipper and crew caught fish during active charters is one alternative in this package. The analysis indicates that at present an unknown number of charter crewmen are retaining halibut as part of their seasonal wages, a situation of more than questionable legality. Even if projected 2007 harvest numbers indicate charter catch was close to or only slightly over the GHL, codifying into federal regulation the prohibition of halibut by skippers and crew while paying clients are on board will minimally effect charter clients while preventing the resource from paying wages charter operators legally owe their crew. Also, if "crew" halibut is caught by paying clients it will likely provide a greater socio-economic benefit to coastal communities. Additionally, federal regulations will target halibut only, while State Executive Orders must prohibit retention of all species by skippers and crewmen.

If the Council takes final action on this amendment in December, harvest control measures will not be in place until 2009. Given the existing level of charter harvest, the projected rate of growth and the many considerations described above, the Halibut Coalition maintains that the only responsible action is to keep this amendment moving forward. Any delay in action is likely to result in future GHL overages and management failures that either shift resource responsibility to other sectors or other regulatory bodies.

Allocation/Compensated Reallocation

Because the deadline for submitting comments is days away and the preliminary analysis on this issue has not yet been released, at this time the Coalition can only restate critical issues and provide general comment. More specific recommendations will be provided during the Council meeting.

The starting point: The Coalition firmly maintains that the GHL, translated to a percentage that floats with a combined fishery Constant Exploitation Yield (CEY) continues to be the only defensible starting point for the initial allocation. In 2000 the Council established the GHL as the upper bound on charter harvest and included a 25% quota bonus above historic high charter harvest levels; subsequently the Council committed to managing to the GHL until a long-term management strategy is implemented. When the quota program for the commercial fishery was established the average qualifying halibut fishermen received 80% of their recent harvest numbers—and had to buy their way back to pre-program levels. The charter fleet should not be rewarded for exceeding its GHL. Instead, charter operators or the sector as a whole should be given the opportunity to invest—to purchase quota if their business models

demand increased harvest, or to modify their business models and encourage a different sport fishing ethic.

Only by establishing a market-based mechanism that allows quota to move between sectors will the Council resolve the bitter allocation battle that has torn apart coastal communities in 2C and 3A for the past 15 years. Coalition members are not looking for a buy out. We are asking the Council to create a rationale system that respects the investments individuals have made in the quota share system and provides charter operators with the opportunity to make similar long-term investments if they expect to increase their harvest. Coalition members are mindful of the industry that supports harvesters, from processors through marine supply stores and seafood shippers, and recognizes that these industries, along with the coastal communities they support, will suffer if the charter sector continues to grow at the commercial sectors' expense.

Willing buyer/willing seller

Compensated reallocation should occur voluntarily between willing buyers and sellers. The Halibut Coalition continues strongly objects to the State's continued insistence on including an option that would force commercial fishermen to forfeit some percentage of their shares. NMFS RAM Division has reported that approximately 700,000 pounds of halibut in 2C and 1 million pounds of halibut in 3A trade 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 do not earn a living unless they move quota, and the identity of buyers and sellers is never revealed until the papers are signed. The Council should also be aware that there are charter operators who currently own and fish halibut quota share in each area—approximately 600,000 pounds in each 2C and 3A. Clearly a significant number of charter operators already recognize the value of investing in the quota share program and have done just that.

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, requiring accurate price information for every transaction since the inception of the program. 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. Forced sale also raises questions about whether liens against the QS would remain attached to the QS until fully resolved. In sum, forced reallocation is irrational and unjust given the investments and individual decision fishermen have made in acquiring shares, the amount of QS available for sale each year, and the market forces that drive those sales.

Attach costs to growth

The Halibut Coalition also believes that the compensated reallocation plan should require that charter operators pay for growth in halibut harvest levels, making direct investments

through either purchase of commercial quota share or by directly paying fees based on the amount of harvest from their vessel. 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—on the resource and on other resource users. Only by apply such direct costs will the Council address localized depletion in near shore areas where charter effort is concentrated.

Common pool vs. individual business model

Hopefully the analysis will clarify that 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 are misleading at best. 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 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, 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.

Entry level and the integrity of the halibut OS system:

Coalition members appreciate the Council's concern that the flow of quota between sectors not be allowed to undermine critical elements of the halibut quota share program, including entry level opportunities. However, we would remind the Council that deckhands and new fishermen enter the halibut fishery at many levels and through many strategies. Some fishermen purchase a D class boat and D class shares and fish until they can afford C or B class shares and a bigger boat. However, there are likely more deckhands who become new entrants by purchasing C class shares and continuing to deckhand or skipper C class boats as they build their diverse businesses. Controlling the

amount of quota that can move between sectors and the number of D and C class blocks that may be purchased by the charter fleet in each area is critical.

Accountability and enforceability

As Council members considers various management regimes that allow quota to move between the commercial and the charter sector, the Halibut Coalition requests that you give careful consideration to accountability and enforcement. The various data gathering systems should be resolved, with some clear methodology established for the future. Real time accounting that includes more comprehensive monitoring of charter off loads must be part of every management strategy considered by the Council. Developing those plans concurrent with Council consideration of compensation mechanisms should prevent the enforcement set-backs that have stymied effective management of the charter sector in the past.

In sum

The Halibut Coalition urges the Council to move rapidly toward a market-based system that provides the charter fleet with the same opportunities to make long-term investments in the resource and their own businesses as was created through the establishment of the halibut/sablefish IFQ program. The starting point for the market-based system should be the GHL translated into a percentage of the total CEY. The mechanism for transfer should allow transactions between willing buyers and sellers, and must attach costs to increases in charter harvest or other sectors dependent on the halibut resource will suffer. Finally, the Coalition urges the Council to take care not to undermine critical provisions of the halibut QS program, and to ensure charter harvest is effectively monitored and accounted for in the future.

Again, Coalition members will be available at the October meeting to provide more specific recommendations on the analysis and analyzed alternatives once that analysis is publicly available.

Thank you for the opportunity to comments.

Sincerely,

Jev Shelton for the Halibut Coalition

Copy: Governor Sarah Palin Senator Ted Stevens Senator Lisa Murkowski

Congressman Don Young



North Pacific Fisheries Management Council 605 West 4th Ave, Ste 306 Anchorage AK, 99501

N.P.P.G.C

Dear Chair and Members of the Council,

Thank you for this opportunity to provide input on the C-1 Halibut charter issues. I cannot express enough how important it is to the health of our communities and the resource that we move forward on these matters.

On Compensated reallocation:

Having purchased what quota I have and recognizing that the initial recipients of IFQ's received less than 100% of their qualifying years, it is obvious it would not be equitable to allocate to the charter sector more than what their GHL is currently in the federal register. Converting the GHL into a percentage that moves with the CEY is a responsible plan. Being rewarded for going over the limit does not encourage a conservation ethic and will not stabilize the issue. If I go over my limit I am held accountable and pay for the offense. The way to reduce the trustatrations in our communities is to bring the charter fleet within their limit and provide a willing buyer/willing seller transfer system that will give us the flexability to work together. Any forced reallocation or forced buy out will further damage our socioeconomic standing and promote more animosity between sectors.

3A:

As the client days, size and amount of charter vessels, trips and resource extraction grow, the situation in 3A becomes in greater need of defining the limits we have all been asking for. In fact, all we have ever asked for is to keep the charter sector within their GHL and hold them accountable for their overages. The commercial sector cannot be held accountable for their overages just as our business plans do not account for realloction.

I do not support retention of fish by crew or skipper and it definitely should not be part of their wages which was cited in the EA/RIR/IRFA. There needs to be a way for them to provide timely accurate information to bring them into the 21st century.

There is infinite pressure on a finite resource and we can all share if the wisdom of the council can provide equitable and sustainable management.

Sincerely, Jeff Farvour

439 Verstovia Ave. Sitka, AK. 99835 907-747-7620

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Chair North Pacific Fishery Management Council 605 West 4th Avenue, suite 306 Anchorage, AK 99501 A. P. P. C. C.

September 26, 2007

Dear Council Members,

I would like to provide you with comments on agenda item C-1: Charter Halibut Management.

The problem of over harvest and underreporting of charter caught halibut in regulatory area 3A exists. It may not be clear currently from the numbers available, but the issue needs to be addressed; if only to prevent the conflict from reaching the level of severity that it did in regulatory area 2C.

Having the GHL set as a percentage of abundance is a great idea when the abundance is constantly changing and well monitored. It will work in the charter and commercial industries favor overall. The GHL should be set at a percentage based on the original and current GHL as published in the federal registry. If more than the current GHL is really needed to support businesses, then they can purchase or lease a greater amount of quota to harvest through the compensated reallocation tool.

The compensated reallocation piece of this equation is going to have a huge effect on the fishing community and the dynamics of the various sectors. Long term changes will be an outcome of your decisions. If an unlimited amount of quota may be transferred between sectors, the effects could be detrimental to the fishing communities. Be realistic and fair when considering where the funding sources are coming from. Possibly consider to start the program with a lease only rather than permanent transfer of quota.

Best of luck.

Sincerely,

Anne Williams PO Box 6455 Sitka, AK 99836 Willing Seller

70H07H770C 01'00 H0017007T

Steve Fish P.O. Box 6448 Sitka, AK 99835 747-6042 fax 747-1046

Chair, North Pacific Fisheries Management Council Anchorage, AK

Dear Members of the Council,

I am writing to ask you to continue your work without further delay in establishing accountability and controls on the growth of the charter halibut industry.

The GHL's, established by the Council in 2000 after years of work and public testimony, and reaffirmed by the Council several times since, should be the basis for a "hard" allocation between the charter and the longline commercial sectors. This allocation should float with abundance, as any responsible limit on resource harvest does. The charter fleet should not be rewarded for their harvest overages by granting them an allocation higher than the GHL. If we longliners have overages, we are penalized.

A market-based mechanism should be established to allow the charter sector to grow if they desire by buying additional quota from the longline sector. Before there was a charter boat, halibut was a zero sum game; the total allowable harvest was caught by the commercial fleet. The charter fleet has been allowed to grow to where they are now at the expense of the commercial fleet. This has provided local economies a chance to diversify, and sport fishermen who can afford the luxury, an industry which caters to their desire for guided sportfishing opportunities. Now charter operators have taken enough away from the commercial sector and **the fish eating public**. Charter operators should pay for further growth. As I stated above, the mechanism should be market-driven, that is between willing buyer and willing seller. Charter purchase of halibut should not be subsidized by the State or Federal governments, or by sport fishermen.

Kariel Inc. 907-747-1046 p.2

If I want to grow my business, I dig deep or talk to the bank after determining it is worthwhile to do so, and I buy more Quota. Since IFQ's my wife and I have invested substantially in halibut IFQ's. Though we are grateful for the good management which sometimes reduces our quota for conservation, we are tired of having what we have purchased with our blood sweat and tears eroded by the lack of control on another commercial harvest sector and that sector, as a whole, refusing to be accountable for conservation or any other reason.

Since I am well into my second page here, I would like to also ask the Council to, at the minimum, prohibit retention of halibut by charter skipper and crew in area 3A while paying clients are on board. If I want to take a halibut or any other fish home to eat, it gets counted and comes off my IFQ. The size of the 3A charter fleet continues to grow, the composition of the 2006 charter catch in 3A is unclear, and the 2007 charter harvest estimates are not available and could be significant. This one measure, at a minimum, would show that the Council is serious about sticking to its promise to manage to the GHL.

Thank You for your time and attention.

Sincerely, Steve Fish



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September 26, 2007

184th Plenary Session, Oct. 3-9, 2007 NPFMC 605 W 4th Avenue, Suite 306 Anchorage, AK 99501-2252 FAX: (907) 271-2817



RE: Charter Halibut Management

Vice Chair/Acting Chair John Bundy:

The Alaska Outdoor Council (AOC) appreciates the opportunity to submit written comments to the North Pacific Fishery Management Council (Council) regarding Charter Halibut Management. AOC and its parent organization the Alaska Sportsmen's Association have been representing Alaskans who hunt, trap, and fish since before statehood. AOC advocates for conservation of natural resources and equality in access to fish and game based on the sustained yield principle enshrined in Alaska's State Constitution.

AOC comments on the Draft for Initial Review;

1.2 Problem Statement.

Pressure by charter operations may be contributing to localized depletions in several
areas.

If localized depletion of halibut stocks is occur in near shore waters, that are assessable to subsistence, personal use, and guided individual anglers, it would make sense for conservation reasons to decrease the over 70% of halibut removed by the Commercial Fishery industry in Area 2C and 3A first. Restricting the user group that removes less then 25% of the resource would have a minimal effect on the localized depletion in comparison.

AOC Comments to NPFMC, 184th Plenary Session

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 Charter operations may be contributing to overcrowding of productive grounds and declining harvests for historic sport and subsistence fisherman in some areas.

Charter operators provide a safe and productive opportunity for many "sport" individual Alaskans and their visiting friends and families from outside of Alaska to harvest halibut. Historic halibut harvests for individuals are extremely low, very few participants are being displaced by others harvesting halibut for individual use. Again, if so then more near shore areas need to be restricted to just subsistence, personal use, and guided individual anglers.

 Projected reallocation of halibut from commercial IFQ sector to charter operators could have an impact on the economic and social well being of the commercial halibut fleet.

Yes that's true. It would also have a positive impact on a larger number of Alaskans who depend on a wildfood harvest of halibut each year, as well as local coastal community residents who provide services and equipment to individual anglers.

 Conflicts and affects on community stability as the charter operators displace traditional sport, subsistence, and commercial IFQ fishermen.

Conflicts over allocation of public renewable resources go along with civilizations evolution, that's not a problem that's a fact of life. The change from commercial extraction of a local resource for exportation to one of a localized use of that resource could just as well have a net positive effect on the economic and social stability of coastal communities.

• Information is lacking on the socioeconomic composition of the current charter industry.

AOC agrees this is a problem and supports the Councils efforts to gather needed baseline data. Information is also needed to track: (a) the economic benefit to coastal communities from the commercial halibut sector. (b) Employment figures of residents of coastal communities working in the commercial halibut fisheries.

 The need for reliable harvest data will increase as the magnitude of harvest expands in the charter sector.

AOC agrees with this also and would add that subsistence and unguided harvest data needs to be more reliable also. Reliable harvest data will be necessary to establish any Fishery Management Plan (FMP) that may be needed to prevent a localized depletion of halibut.

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The opportunity for AOC members to continue to gather a wildfood harvest of fish each year depends in part on the State's ability to manage its fisheries. Funding to improve fisheries management and educate people about aquatic resources comes in a large part from the sale of state fishing license. Council actions that restrict the opportunity for the growth in the numbers of both resident and nonresident fishing licenses sells negatively affects the states ability to fund needed fisheries programs across the state. The intent of Congress when they passed the Federal Aid in Sport Fish Restoration Act in 1950 was to allow anglers to pay their own way to increase fishing opportunities. The Council's attempt to limit individual halibut fishing opportunity in favor of a commercial IFQ is contrary to this long standing arrangement between the Congress and outdoors people who choose to harvest fish from the publics resource.

The Council allowed individuals in the commercial sector to have an IFQ of halibut for commercial exploitation for a number of years. Now, due in part to the State's efforts to expand the saltwater sport fish industry through advertizing in the late 1980's until today, the numbers of nonresident halibut anglers has grown to the point that the original allocation of 13-14% of the commercial harvest does not meet the current demand.

AOC believes the Council should reallocate the harvestable surplus of halibut in near shore waters to reflect the growing demand by subsistence, personal use, and guided anglers to catch their own halibut.

The current restrictions on skipper and crew catch should be lifted. Many Alaskans have depended on the generosity of these people to help provide them an annual wildfood harvest of halibut for years. It makes sense to maximize the efforts and cost of the charter fleet each time they leave port.

Thank you for the opportunity to comment on behalf of AOC's membership. Should you have further questions feel free to contact me.

Sincerely.

Rod Arno

Executive Director (907) 841-6849

Petersburg Vessel Owners Association

P.O. Box 232 Petersburg, Alaska 99833 Phone (907) 772-9323

September 26, 2007

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



RE: AGENDA ITEM C-1 CHARTER HALIBUT MANAGEMENT

Dear 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) Initial Review of Charter Halibut 3A GHL Measures

PVOA recommends the Council release the document for public review. ADF&G continues to assert that Emergency Order authority will be taken to ban skipper and crew harvest, and limit the number of lines to the number of paying clients in 2008. PVOA urges this continued promise from ADF&G. In reviewing the data provided in the analysis, PVOA was concerned to find the number of 3A charter halibut vessels, clients, and clients per trip increasing in 2006 while recently released ADF&G logbook data shows a decrease in number of fish harvested. Typically an increase in effort leads to an increase in harvest, and we urge the Council to be aware of that when analyzing 2006 data.

C-1(b) Preliminary review of Charter Halibut Allocation/Compensation

PVOA continues to echo the comments of UFA, SEAFA, Halibut Coalition, and other organizations on allocation issues. Initial allocation, establishing an allocation to the halibut charter sector that includes sector accountability, and a fixed percentage that is adjustable to the current biomass is the only acceptable option (Action 1, Alternative 2, option 1, sub-option a). When the GHL was set, it accounted for 100% of the average charter harvest plus and extra 25% to allow for growth. The number set is fair and equitable, and the Council has committed numerous times to managing to that GHL.

PVOA continues to strongly oppose any action that could be considered a forced reallocation, including a pro-rata reduction. Any transactions must be between willing buyers and sellers. Forced reallocation will result in increased animosity between the

charter and commercial sector and other unintended consequences. We fully support a market-based mechanism that allows quota to move between sectors, and we urge the Council to further develop analysis to allow for this.

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 Curry

Director

ALVERSON FUDA

Agenda C-1 -a. 3A GHL Measures

The members of the Fishing Vessel Owners Association appreciated the opportunity to testify to the Advisory Panel regarding halibut area 3A Guideline Harvest Level measures. This years catch statistics suggest that the charter industry came very close to the current 3A GHL. The members of FVOA request the Advisory Panel to recommend the following actions to the NPFMC.

Recommendations:

- 1. Table Council action on 3A GHL measures, for the 2008 season, for a time certain at the October 2008 NPFMC meeting. For initial + Rival action.
- 2. Request that the current analysis be updated with the new catch statistics, which will be from the 2007 season.
- 3. Request that the Council ask the State of Alaska to keep their current restrictions on skipper and crew in place during the 2008 season in area 3A.

The above recommendations will preserve the ability of the Council to recommend management restrictions for the 2009 season if needed, based on a updated analysis. With this delay the Council will also be able to see the benefit of the crew and skipper restrictions put into place during the 2007 season by the State of Alaska.