


MEMORANDUM

TO: Council, SSC and AP Members

FROM: Clarence G. Pautzke 
Executive Director

DATE: November 20, 1991

SUBJECT: Sablefish and Halibut Management

ACTION REQUIRED

- a. Receive implementation plan from technical committee and industry workgroup and resolve policy and administrative issues.
- b. Final approval of sablefish and halibut IFQ preferred alternative for Secretarial review.
- c. Approve for public review a halibut allocative proposal to expand IPHC Area 4C.

BACKGROUND

- a. Receive implementation plan from technical committee and industry workgroup and resolve policy and administrative issues.

At its September meeting, the Council constituted two groups, a technical team and an industry team. These teams were tasked with drafting an implementation plan to reflect the preferred management alternative developed by the Council at the same meeting. The two teams met individually and jointly. The result of these meetings is the implementation plan, mailed to you on November 22.

In developing this plan the two teams endeavored earnestly to reflect both the letter and the intent of the Council's preferred alternative. Much of the administrative content of the plan has been inserted to accommodate the various options preferred by the Council. Inevitably, there were some matters where issues were identified between what is administratively feasible and what the Council formulated in its policy. These issues have been clearly identified in the plan and need to be resolved by the Council.

The two teams worked well together in an atmosphere of cooperation. Accordingly, there are no major areas in which the two teams differ. Wherever alternative suggestions have been made, they have been identified and, again, the Council is invited to resolve these.

Item C-2(a) cross-references the preferred alternative to relevant parts of the implementation plan. Please note that the wording of the preferred alternative may differ slightly from that passed by the Council. Staff have used the editorial discretion granted by the Council to reflect its intent in the preferred alternative. In particular, the sections in italic type are the areas where staff have attempted to provide a commentary on the Council's intent. The sections in bold type and enclosed in brackets are references to the relevant section in the implementation plan.

Updated tables from the sablefish and halibut analyses will also be available. The tables (identified as item C-2(b)) have been included in previous meeting notebooks and are provided again purely for your information and reference.

b. Final approval of sablefish and halibut IFQ preferred alternative for Secretarial review.

At its September meeting the Council developed a preferred management alternative for the sablefish and halibut fisheries. Following any review of this alternative deemed necessary in light of the implementation plan, the Council then needs to consider approving the alternative for Secretarial review.

Agenda item C-2(c) is a letter from Council member Larry Cotter concerning participation of crew members in the IFQ system. Item C-2(d) is a letter from Senator Murkowski. Additional written testimony is available separately. A brief summary of comments at the December 2nd hearing will also be available.

c. Proposed expansion of IPHC Area 4C

At its September 1991 meeting, the Council voted to proceed with an analysis of a proposed expansion of IPHC Area 4C in the Bering Sea. This proposal, submitted in the annual regulatory amendment cycle for halibut management, would expand the area westward into Area 4D and southward into Area 4A. A similar proposal was originally submitted to the IPHC at its January 1991 meeting; because the proposal was considered primarily allocative in nature, the IPHC declined to take action and suggested that the proposal be pursued through the Council process. Because the Council does not have the authority to make changes in the boundaries of halibut management areas, the IPHC would ultimately have to effect this proposed boundary change to Area 4C. Therefore, the Council needs to make a recommendation to the IPHC concerning this proposal. Because the change would not directly affect any regulations under the authority of the Council, and because Council action would not involve actual implementation of a proposed amendment, a formal Environmental Assessment/Regulatory Impact Review/Initial Regulatory Flexibility Analysis (EA/RIR/IRFA) has not been prepared. Rather, a discussion paper drafted by the Council's Halibut Management Team is included in your notebook as Item C-2(e). This discussion paper describes the anticipated effects of the proposed boundary change and is intended to assist the Council in its decision on whether to recommend such a boundary expansion to the IPHC.

Sablefish and Halibut Fixed Gear Management Plan: Preferred Alternative

The following pages contain the Council's preferred halibut and sablefish alternative as forwarded at the September 1991 meeting.

Sec.1. DEFINITIONS. Definitions for terms used herein shall be the same as those contained in the Magnuson Fishery Conservation and Management Act, except as follows:

- (A) "Person" means any individual who is a citizen of the United States or any corporation, partnership, association, or other entity (whether or not organized or existing under the laws of any state) which meets the requirements set forth in 46 CFR Part 67.03, as applicable. This definition is subject to other restrictions and conditions as set forth in Sec.(2)(C) and (D).
- (B) An "individual" means a natural person who is not a corporation, partnership, association, or other entity.
- (C) "Quota share" (QS) means a percentage of the fixed gear Total Allowable Catch (TAC) for each management area which is based on historical, qualifying landings. [See Sec. 3.5, # 8, p.24]¹
- (D) "Individual fishery quota" (IFQ) means the annual poundage of fish derived by applying the quota share percentage to the annual TAC for each management area. [See Sec. 3.5, # 9, p.25]
- (E) "Fixed gear" means hook and line fishery (which includes longlines, jigging, handlines, trolling, etc.) and pot gear for sablefish in the BS/AI.
- (F) "Catcher boat" or "catcher vessel" means any vessel which delivers catch or landing in an unfrozen state. [See Fig. 2, p.29]
- (G) "Freezer longliner" means any vessel engaged in fishing in the fixed gear fishery which utilizes freezer capacity and delivers some or all of its groundfish catch in a frozen state. [See Fig. 2, p.29]
- (H) "Bona fide fixed gear crew member." Any person that has acquired commercial fish harvesting time at sea (i.e. fish harvesting crew), that is equal to ~~at least 4 months fixed gear fish harvesting~~ **15 months** of any commercial fish harvesting activity, ~~to include at least 4 months fixed gear fish harvesting~~, will be considered a bona fide fixed gear crew member. Any individual who receives an initial allocation of QS will be considered a bona fide crew member. [See Sec. 5.3-5.4, pp.36-9]

Sec.2. FIXED GEAR QUOTA SHARE AND INDIVIDUAL FISHERY QUOTA SYSTEM

- (A) **AREA.** Quota shares and Individual Fishery Quotas (IFQs) shall be made available for each of the management areas identified for the Bering Sea and Aleutian Islands and the Gulf of Alaska.
- (B) **INITIAL QUOTA SHARE ASSIGNMENT.**
 - (1) Initial assignments of Quota Shares shall be made to;

1. Bolded text inside brackets indicate reference to Draft Implementation Plan.

- (i) a qualified person who is a vessel owner who meets the requirements in this section; or
 - (ii) a qualified person who meets the requirements of this section engaged in a lease or other "bare-boat charter" arrangement in order to participate in the fishery. (For instances identified under this section, the qualified person shall receive full credit for deliveries made while conducting the fishery under such a lease or arrangement.) [See Sec. 3.3, p.21]
- (2) Initial quota shares for sablefish or halibut will be assigned only to persons who meet all other requirements of this section and who have landed those species in any one of the following years; 1988, 1989 or 1990. [See Sec. 3.4, pp.20-2]
- (3) Initial assignments of quota shares shall be assigned for each management area to qualified persons based on recorded landings, as documented through fish tickets or other documentation for fixed gear landings. Historical catch of sablefish will be counted from 1985 through 1990. Historical catch of halibut will be counted from 1984 through 1990. For each species and management area, persons will select their best five (5) years from the historical period on which to base their quota share. [See Sec. 3.5, pp.22-6, and Appendix B]
- (4) The sum of the catch in each person's five (5) selected years for each area shall be divided by the total qualifying poundage of sablefish or halibut harvested during the qualifying period in that area. The resultant percentage shall be that person's quota share for that area. [See Sec. 3.5, #'s 8-10, pp.24-5]
- (5) SBL freezer LL shares may not be utilized at same time ... *
- (C) VESSEL CATEGORIES. Quota shares and IFQs shall be assigned by vessel category as follows:

(1) Freezer Longliner Shares:

- (i) All landings made during the qualifying period by freezer longliners shall be calculated for one category of quota shares. *(The Council's intent is that if a vessel is determined to be a freezer longliner that all QS accruing to that vessel will be issued as freezer vessel shares.)* [See Sec. 3.8, p.28, and Fig.2, p.29]
- (ii) Any person owning freezer longliner quota shares may sell or lease those quota shares to any other qualified person for use in the freezer longliner category. [See Secs. 5.5-5.8, pp.39-44]
- (iii) Fish caught with freezer longliner IFQs may be delivered frozen or unfrozen. [See Sec. 4.0, pp.30-34]

(2) Catcher Boat Shares:

- (i) All landings made during the qualifying period by catcher boats shall be calculated for a separate category of quota shares. There shall be two categories for catcher boats; [See Sec. 3.8, p.28, Fig.2, p.29]

2. Text shown in *italics* are clarifications added by the staff to indicate Council intent.

- (a) vessels less than 60 feet in length overall;
 - (b) vessels 60 feet and greater in length overall.
 - (c) 35' + less for halibut
- (ii) For initial allocation of catcher boat Quota Shares:
- (a) if, during the qualifying period, a QS recipient simultaneously owned or leased two or more vessels on which halibut or sablefish were landed, and those vessels were in different size (or type) categories, then the QS allocation shall be for each vessel category and may not be combined into a single category. [See Fig. 2, p.29]
 - (b) if a Q.S. recipient bought or sold vessels in succession during the qualifying period, and to the extent the QS recipient operations were in one vessel category during one year and the next vessel owned was in another vessel category, the QS will be combined and applied to the last vessel category of ownership as of 9/25/91. [See Fig. 2, p.29]
- (iii) Any person owning catcher boat quota shares may sell those quota shares only to an individual meeting the provisions outlined under Sec. 2(C)(3). Ten percent of an individual's catcher boat quota shares may be leased during the first three years following implementation. *(The Council's intent is that 10% of a QS owners shares may be leased in any given year.)* [See Sec. 5.5-5.8, pp.39-44]
- (iv) Fish caught with catcher boat quota shares may not be frozen aboard the vessel utilizing those quota shares.

(3) General Provisions For Catcher Boats Following Initial Allocation:

- (i) In order to purchase or lease QS, the purchaser must be an individual who is a U.S. citizen and a bona fide fixed gear crew member. [See Sec. 5.3-5.4, pp.36-9]
- (ii) In order to use catcher boat IFQs the user must: 1) own or lease the QS, 2) be a U.S. citizen, 3) be a bona fide crew member, 4) be aboard the vessel during fishing operations, and 5) sign the fish ticket upon landing except as noted in (iii), below.
- (iii) Persons, as defined below, who receive initial QS may utilize a hired skipper to fish their quota providing the person owns the vessel upon which the QS will be used. These recipients may purchase up to the total share allowed for the area. There shall be no leasing of such QS other than provided for in Sec.(C)(2)(iii). For the sablefish fishery east of 140° and for the halibut fishery in Area 2C, the above allowance for hired skippers applies only to corporations and partnerships. *(Additional shares purchased by these corporations or partnerships for the area east of 140 W. will not be exempted from the provisions of this section, nor does this exception apply to individuals using IFQs east of 140 W.)*

This provision will cease upon the sale or transfer of QS or upon any change in the identity of the corporation or partnership as defined below:

- a) **corporation:** any corporation that has no change in membership except that caused by the death of a corporate member providing the death did not result in any new corporate members, [See Sec. 5.5, pp.39-40]
 - b) **partnership:** any partnership that has no change in membership, [See Sec. 5.5, 39-40] *death same as for Corporation*
 - c) **individual:** any individual. *+ buy-out of existing partner*
- (iv) Quota shares, or IFQs arising from those quota shares, for any vessel category or any management area may not be transferred to any other vessel category or any other management area or between the catcher boat and the freezer boat categories.
- (v) The Secretary may, by regulation, designate exceptions to Sec.2(C)(3)(ii) to be employed in case of personal injury or extreme personal emergency which allows the transfer of catcher boat QS/IFQs for limited periods of time.

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(D) LIMITATIONS ON OWNERSHIP AND USE OF QUOTA SHARES.

(1) Quota Shares Ownership Caps

- (i) For sablefish each qualified person or individual may own, hold, or otherwise control, individually or collectively, but may not exceed, 1% of the combined total for the Gulf of Alaska and Bering Sea/Aleutian Islands; except that in the area east of 140°W. holdings shall not exceed 1% for that management area. [See Sec. 5.9, pp.44-5]
- (ii) For halibut each qualified person or individual may own, hold, or otherwise control, individually or collectively, but may not exceed, 0.5% of the total quota shares or IFQ arising from those QS for either the Gulf of Alaska or Bering Sea/Aleutian Islands, not to exceed 0.5% of the combined total for the Gulf of Alaska and Bering Sea/Aleutian Islands; except that in area 2C holdings shall not exceed 1% of that management area. [See Sec. 5.9, pp.44-5]

(2) Any person who receives an initial assignment of quota shares in excess of the limits set forth in paragraph (D)(1) of this section shall:

- (i) be prohibited from purchasing, leasing, holding or otherwise controlling additional quota shares until that person's quota share falls below the limits set forth in (D)(1) above, at which time each such person shall be subject to the limitations of paragraph (D)(1) above; and [See Sec. 5.9, pp.44-5]
- (ii) be prohibited from selling, trading, leasing or otherwise transferring any interest, in whole or in part, of an initial assignment of quota share to any other person in excess of the limitations set forth in (D)(1) above. [See Sec. 5.9, pp.44-5]

(3) For IFQ accounting purposes:

- (i) The sale of catcher vessel caught sablefish or halibut to other than a legally registered buyer is illegal, except that direct sale to dockside customers is allowed provided proper documentation of such sales is provided to NMFS; [See Sec. 4.0, #s 2-3, pp.30-1]

- (ii) Frozen product may only be offloaded at sites designated by NMFS for monitoring purposes; [See Sec. 4.0, #s 4,7, pp.31-2]
- (iii) QS owners wishing to transport their catch outside of the jurisdiction of the Council must first check in their catch at a NMFS specified site and have the load sealed. [See Sec. 4.0, #8, p.33]

(E) INDIVIDUAL FISHERIES QUOTAS. Individual fisheries quotas are determined for each calendar year for each person by applying that person's quota share percentage to the annual fixed gear Total Allowable Catch for each management area. Persons must control IFQs for the amount to be caught before a trip begins. [See Sec. 3.5, #s 9,10, p.25, and Sec 3.9, p.28]

(F)

Bycatch

(F)

VESSEL AND GEAR RESTRICTIONS.

(C)

(1) Vessel Quota Share Caps

(i) For sablefish, no more than 1% of the combined Gulf of Alaska and Bering Sea/Aleutian Island quota may be taken on any one vessel, and no more than 1% of the TAC east of 140°W. may be landed on the same vessel, except that persons who received an initial allocation of more than the 1% overall ownership level (or 1% in the area east of 140°W.) may continue to fish their QS. [See Sec. 4.0, #s 2-3, p.30-31]

(ii) For halibut, no more than 0.5% of the combined Gulf of Alaska and Bering Sea/Aleutian Island quota may be taken on any one vessel except where persons received an initial allocation of more than 0.5% overall ownership level (1% in area 2C) may continue to fish their QS. *(This differs from the ownership cap in that the limit applies to the whole North Pacific combined area TAC rather than the combined TAC for the Gulf of Alaska and the combined TAC Bering Sea/Aleutian.)* [See Sec. 4.0, #s 2-3, p.30-1]

(2) Quota shares and IFQs arising from those quota shares may not be applied to; 1) trawl-caught sablefish or halibut, or 2) sablefish or halibut harvested utilizing pots in the Gulf of Alaska, or 3) halibut harvested utilizing pots in the Bering Sea/Aleutian Islands, ~~except under an applicable bycatch program approved by the Secretary.~~

(G)

ADMINISTRATION AND ENFORCEMENT.

(H)

(1) All sales, transfers, or leases of quota shares (or IFQ arising from those quota shares) must occur in a manner approved by the Secretary. All quota share and IFQ assignments and transfers will be administered by NMFS based on regulations established by the Secretary. The Secretary, in promulgating such regulations, shall hold at least one public hearing in each state represented on the Council and in at least one community in each of the management areas governed by the Council. [See Sec. 3.1, p.18, and Sec 3.5-3.8, pp.39-44]

(2) The Secretary will promulgate regulations to establish a monitoring and enforcement regime to assure compliance with this program. Persons holding QS, who are found to be in violation of these sections or in violation of under-reporting catch, will be subject to appropriate penalties as designated by the Secretary, including forfeiture of their Quota

Shares. (The Council also directs the implementation teams to develop and recommend appropriate penalties and strictures to the Secretary of Commerce.) [See Sec. 4.0, p.30-4]

(H) DURATION. QS are a harvest privilege, and good indefinitely. However, they constitute a use privilege which may be modified or revoked by the Council and the Secretary at any time without compensation.

(A) DISCARDS (The intent of the following sections is to eliminate high-grading by persons fishing under the IFQ program.)

(1) DISCARDS OF SABLEFISH. Discard of sablefish is prohibited by persons holding sablefish ^{IFQ} and those fishing under the community development programs (CDQs).

(2) DISCARDS OF HALIBUT. Discard of legal sized halibut is prohibited by catcher vessels ^{holding} on which halibut IFQs are harvested, and by those fishing under the CDQ program. Vessels in the freezer longliner category are exempt from this discard prohibition.

(D) Any person ^{retaining} catching sablefish or halibut with commercial fixed gear must own or otherwise control IFQs. There are two exceptions to this rule: 1) Freezer longliner owners who do not control IFQs must discard pursuant to Section 2(I) above. 2) Vessels utilizing pots in the Gulf of Alaska may continue to harvest non-IFQs species but must discard sablefish and halibut. (The intent of the Council is to prohibit open access fixed gear fisheries for sablefish and halibut, and to require that persons who catch sablefish and/or halibut as bycatch must own or control IFQs for those species, with the exceptions noted above.)

Sec.3. WESTERN ALASKA COMMUNITY DEVELOPMENT QUOTA PROGRAM.

[See Sec. 6.0, p.45-6]

(A) PURPOSE AND SCOPE. The Western Alaska Community Development Quota Program is established to provide fishermen who reside in western Alaska communities a fair and reasonable opportunity to participate in the Bering Sea/Aleutian Islands sablefish and halibut fisheries, to expand their participation in salmon, herring, and other nearshore fisheries, and to help alleviate the growing social economic crisis within these communities. Residents of western Alaska communities are predominantly Alaska Natives who have traditionally depended upon the marine resources of the Bering Sea for their economic and cultural well-being. The Western Alaska Community Development Quota Program is a joint program of the Secretary and the Governor of the State of Alaska. Through the creation and implementation of community development plans, western Alaska communities will be able to diversify their local economies, provide community residents with new opportunities to obtain stable, long-term employment, and participate in the Bering Sea/Aleutian Islands sablefish and halibut fisheries which have been foreclosed to them because of the high capital investment needed to enter the fishery.

The NMFS Regional Director shall hold the designated percent of the annual Total Allowable Catch of sablefish and halibut for each management area in the Bering Sea and Aleutian Islands for the western Alaska halibut community quota as noted below. These amounts shall be released to eligible Alaska communities who submit a plan, approved by the Governor of Alaska, for its wise and appropriate use. The portions of sablefish and halibut TACs for each management area not designated to CDQ fisheries will be allocated as QS and IFQs and shall be used pursuant to the program outlined in the Sections (1) and (2) above.

(B) WESTERN ALASKA SABLEFISH COMMUNITY QUOTA

- (1) The NMFS Regional Director shall hold 20 percent of the annual fixed-gear Total Allowable Catch of sablefish for each management area in the Bering Sea/Aleutian Islands Area for the western Alaska sablefish community quota.
- (2) Not more than 12 percent of the total western Alaska sablefish community quota may be designated for a single community, except that if portions of the total quota are not designated by the end of the second quarter, communities may apply for any portion of the remaining quota for the remainder of that year only.
- (3) Those persons that would otherwise have received a full complement of sablefish QS in the Bering Sea and Aleutian Islands area, but would receive less due to the provisions of CDQs, would be permitted to add that portion of the QS they lost in the Bering Sea and Aleutian Islands to their QS in the Gulf of Alaska. The portion added, would be allocated proportionately to the areas in the GOA in which that person had accrued initial QS. *(Those persons who would receive less QS because of the CDQ program, but who would not otherwise receive QS in area of the Gulf of Alaska, would not be compensated. Additionally, persons who receive initial QS in areas in the Bering Sea and Aleutian Islands and who would also be eligible to participate in the sablefish CDQ program would not be compensated.)* [See Sec. 6.1, p.46, and Appendix C]

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(C) WESTERN ALASKA HALIBUT COMMUNITY QUOTA.

- (1) For IPHC management area 4E, 100% of the halibut quota shall be made available only to residents of coastal communities physically located in or proximate to each management subarea. Trip limits of less than 6,000 pounds will be enforced.
- (2) For IPHC management area 4C, 50% of the halibut quota, exclusive of issued QS, shall be made available for a community fisheries development program for residents of communities physically located in ~~or proximate to~~ the management area.
- (3) For IPHC management area 4B, 20% of the halibut quota, exclusive of issued QS, shall be made available to residents of disadvantaged western Alaska coastal communities physically located in or proximate to the management area.
- (4) For IPHC management area 4D, 30% of the halibut quota shall be made available to residents of disadvantaged western Alaska coastal communities located in IPHC area 4E for a community fisheries development (CDQ) program.
- (5) Those persons that would otherwise have received a full complement of QS in areas 4B, C, D, & E, but would receive less due to the provisions of CDQs, would be permitted to add that portion of the QS they lost in the Bering Sea to their QS in the Gulf of Alaska. The portion added, would be allocated proportionately to the areas in the GOA in which he had accrued initial QS. *(Those persons who would receive less QS because of the CDQ program, but who would not otherwise receive QS in area of the Gulf of Alaska, would not be compensated. Additionally, persons who receive initial QS in areas in the Bering Sea and Aleutian Islands and who would also be eligible to participate in the halibut CDQ program would not be compensated.)*

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(D) ELIGIBLE WESTERN ALASKA COMMUNITIES. The Governor of Alaska is authorized to recommend to the Secretary that a community within western Alaska which meets all of the

following criteria be eligible for the western Alaska community quota program (hereinafter "the Program"):

- (1) be located on or proximate to the Bering Sea coast from the Bering Strait to the western most of the Aleutian Islands or a community located on an island within the Bering Sea, that the Secretary of the Interior has certified pursuant to section 11(b)(2) or (3) of Pub. L. No. 92-203 as Native villages are defined in section 3(c) of Pub. L. No. 92-203;
- (2) be unlikely to be able to attract and develop economic activity other than commercial fishing that would provide a substantial source of employment;
- (3) its residents have traditionally engaged in and depended upon fishing in the waters of the Bering Sea coast;
- (4) has not previously developed harvesting or processing capability sufficient to support substantial participation in the commercial groundfish fisheries of the Bering Sea/Aleutian Islands because of a lack of sufficient funds for investing in harvesting or processing equipment; and
- (5) has developed a community development plan approved by the Governor, after consultation with the North Pacific Fishery Management Council.

(E) **COMMUNITY DEVELOPMENT PLANS.** Within 60 days of the effective date of these regulations, the Governor shall submit to the Secretary, after review by the North Pacific Fishery Management Council, initial criteria which the community must, at a minimum, include in a community development plan to be eligible to participate in the program. The criteria shall include provisions concerning the following:

- (1) amount of quota requested;
- (2) length of time community is requesting to receive a share of the quota;
- (3) benefits that will accrue to the community from approval of their plan and release of quota, including how the plan will assist in diversifying the community's economy and provide opportunities for training and employment;
- (4) how individual resident harvesters will be provided an opportunity to participate in the fishery;
- (5) how the benefits will be shared within the community;
- (6) business plan which will provide adequate information to complete a financial feasibility assessment;
- (7) business arrangements which are entered into between a community and residents who reside outside of the community, provided that residents of a community shall received a preference for a portion of the harvesting quota over any arrangements for harvesting with persons who reside outside of the community; and

- (8) within 30 days of receipt of the criteria from the Governor, the Secretary will approve, disapprove, or return the criteria to the Governor with recommendations for changes necessary to comply with the provisions of this Act, or other applicable law.

(F) APPROVAL OF PLANS [See Sec. 6.1, para.2, p.46]

- (1) Within 45 days of receipt of an application for a community, the Governor shall review the community's eligibility for the program and the community development plan, and at least 14 days prior to the next NPFMC meeting, forward the application to the North Pacific Fishery Management Council for its review and recommendations. The Governor of Alaska may hold a public hearing and submit a synopsis of that hearing to the Council in lieu of a hearing by the Council itself. The application shall be subject to a public hearing before the Council, or a committee of the Council. If the Council does not review the plan at its next regularly scheduled meeting, the Governor shall then submit the application to the Secretary for designation of a portion of the quota. The Governor shall submit the application to the Secretary within 14 days of Council action or within 14 days of the date of the adjournment of the Council meeting without any action taken on the application, unless the application is withdrawn by the applying community.
- (2) Within 30 days of the receipt of an application approved by the Governor, the Secretary will designate a portion of the quota to the community, if the community development plan satisfies the criteria developed by the Governor and approved by the Secretary, or return the application to the Governor with reasons for denial.

Sec.4. AD HOC WORKING GROUPS.

- (A) Two ad hoc working groups shall be established. One by the Council composed of but not limited to representatives from fixed gear vessel owners, crew members and processors, who would likely be affected by the Council's action on IFQs. The second group will be established by the Alaska Regional Director, NMFS, composed of administration, data management, enforcement, and legal professionals. The groups will develop a detailed implementation plan covering all aspects of the carrying out the Council's preferred alternative for a fixed gear IFQ management program (for sablefish and halibut). All states represented on the Council shall be given an opportunity to provide technical input to the groups. [See Sec. 2.3-2.5, pp.15-7]

Table 1.1

Regional distribution of QS owners by vessel classes for the preferred alternative.

FMPAREA	EEZ	AL	BS	CG	EY	WG	WY
All	1081	135	153	617	630	184	402
Alaska	832	56	80	445	488	98	273
Other States	249	79	73	172	142	86	129
Alaska %	77%	41%	52%	72%	77%	53%	68%
% CB < 60	80%	35%	42%	69%	89%	48%	71%
% CB ≥ 60	17%	46%	40%	28%	10%	38%	27%
% Freezers	3%	19%	18%	4%	1%	14%	2%
CB < 60	865	47	64	424	563	89	285
Alaska	709	23	42	328	455	59	206
Other States	156	24	22	96	108	30	79
% Alaska	82%	49%	66%	77%	81%	66%	72%
CB ≥ 60	181	62	61	170	61	69	108
Alaska	115	26	31	109	30	33	63
Other States	66	36	30	61	31	36	45
% Alaska	64%	42%	51%	64%	49%	48%	58%
Freezers	35	26	28	23	6	26	9
Alaska	8	7	7	8	3	6	4
Other States	27	19	21	15	3	20	5
% Alaska	23%	27%	25%	35%	50%	23%	44%

Table 1.2

Regional distribution of IFQs by vessel classes for the preferred alternative.

FMPAREA	EEZ	AL	BS	CG	EY	WG	WY
All	23231	2395	1521	8449	4690	2335	3842
Alaska	11380	626	628	4038	3757	707	1624
Other States	11851	1769	893	4411	933	1627	2218
Alaska %	49%	26%	41%	48%	80%	30%	42%
% CB < 60	47%	15%	21%	47%	82%	25%	48%
% CB ≥ 60	37%	33%	43%	41%	17%	41%	48%
% Freezers	16%	52%	35%	11%	1%	34%	3%
CB < 60	11004	362	326	4011	3860	593	1852
Alaska	6687	109	180	2137	3145	247	870
Other States	4317	253	146	1874	716	346	982
% Alaska	61%	30%	55%	53%	81%	42%	47%
CB ≥ 60	8508	780	658	3477	787	946	1860
Alaska	3797	260	254	1638	573	389	682
Other States	4712	520	404	1839	214	557	1178
% Alaska	45%	33%	39%	47%	73%	41%	37%
Freezers	3719	1253	536	962	42	795	130
Alaska	896	257	194	264	39	71	71
Other States	2822	996	343	698	3	724	58
% Alaska	24%	21%	36%	27%	93%	9%	55%

IFQ calculations are based on 1991 TACs.

Table 2.4.5

Regional distribution of vessels owners from 1985-90 for vessel classes in the preferred IFQ alternative for the Exclusive Economic Zone.

Year	1985	1986	1987	1988	1989	1990	IFQ
All	244	457	668	709	639	652	1081
Alaska	168	330	487	546	479	493	832
Other States	76	126	181	163	160	159	249
Alaska %	69%	72%	73%	77%	75%	76%	77%
% CB < 60	67%	73%	77%	79%	77%	78%	80%
% CB ≥ 60	30%	25%	21%	18%	19%	19%	17%
% Freezers	2%	2%	2%	3%	4%	3%	3%
CB < 60	164	333	513	558	493	510	865
Alaska	125	262	398	462	405	413	709
Other States	39	70	115	96	88	97	156
% Alaska	76%	79%	78%	83%	82%	81%	82%
CB ≥ 60	74	113	141	131	122	121	181
Alaska	42	65	86	80	67	74	115
Other States	32	48	55	51	55	47	66
% Alaska	57%	58%	61%	61%	55%	61%	64%
Freezers	6	11	14	20	24	21	35
Alaska	1	3	3	4	7	6	8
Other States	5	8	11	16	17	15	27
% Alaska	17%	27%	21%	20%	29%	29%	23%

Table 2.4.5.1

Regional distribution of vessels owners from 1985-90 for vessel classes in the preferred IFQ alternative for the Aleutian Islands.

Year	1985	1986	1987	1988	1989	1990	IFQ
All	10	38	58	67	62	46	135
Alaska	4	20	18	25	20	15	56
Other States	6	18	40	42	42	31	79
Alaska %	40%	53%	31%	37%	32%	33%	41%
% CB < 60	10%	29%	31%	31%	21%	28%	35%
% CB ≥ 60	60%	55%	47%	48%	45%	52%	46%
% Freezers	30%	16%	22%	21%	34%	20%	19%
CB < 60	1	11	18	21	13	13	47
Alaska	1	7	6	11	6	6	23
Other States	0	4	12	10	7	7	24
% Alaska	100%	64%	33%	52%	46%	46%	49%
CB ≥ 60	6	21	27	32	28	24	62
Alaska	3	12	10	12	7	8	26
Other States	3	9	17	20	21	16	36
% Alaska	50%	57%	37%	38%	25%	33%	42%
Freezers	3	6	13	14	21	9	26
Alaska	0	1	2	2	7	1	7
Other States	3	5	11	12	14	8	19
% Alaska	0%	17%	15%	14%	33%	11%	27%

Table 2.4.5.2

Regional distribution of vessels owners from 1985-90 for vessel classes in the preferred IFQ alternative for the Bering Sea.

Year	1985	1986	1987	1988	1989	1990	IFQ
All	48	36	76	53	30	64	153
Alaska	27	16	40	30	15	23	80
Other States	21	20	36	23	15	41	73
Alaska %	56%	44%	53%	57%	50%	36%	52%
% CB < 60	35%	11%	36%	45%	20%	34%	42%
% CB ≥ 60	58%	75%	50%	26%	20%	39%	40%
% Freezers	6%	14%	14%	28%	60%	27%	18%
CB < 60	17	4	27	24	6	22	64
Alaska	12	3	16	20	5	11	42
Other States	5	1	11	4	1	11	22
% Alaska	71%	75%	59%	83%	83%	50%	66%
CB ≥ 60	28	27	38	14	6	25	61
Alaska	14	12	21	7	5	9	31
Other States	14	15	17	7	1	16	30
% Alaska	50%	44%	55%	50%	83%	36%	51%
Freezers	3	5	11	15	18	17	28
Alaska	1	1	3	3	5	3	7
Other States	2	4	8	12	13	14	21
% Alaska	33%	20%	27%	20%	28%	18%	25%

Table 2.4.5.3

Regional distribution of vessels owners from 1985-90 for vessel classes in the preferred IFQ alternative for the Central Gulf area.

Year	1985	1986	1987	1988	1989	1990	IFQ
All	112	225	322	356	310	377	617
Alaska	64	144	214	261	201	258	445
Other States	48	80	108	95	109	119	172
Alaska %	57%	64%	66%	73%	65%	68%	72%
% CB < 60	49%	56%	64%	67%	61%	67%	69%
% CB ≥ 60	47%	40%	34%	31%	34%	28%	28%
% Freezers	4%	4%	2%	3%	5%	5%	4%
CB < 60	55	127	206	238	189	254	424
Alaska	32	85	146	188	136	186	328
Other States	23	41	60	50	53	68	96
% Alaska	58%	67%	71%	79%	72%	73%	77%
CB ≥ 60	53	90	111	109	104	105	170
Alaska	31	56	66	69	57	66	109
Other States	22	34	45	40	47	39	61
% Alaska	58%	62%	59%	63%	55%	63%	64%
Freezers	4	8	5	9	17	18	23
Alaska	1	3	2	4	8	6	8
Other States	3	5	3	5	9	12	15
% Alaska	25%	38%	40%	44%	47%	33%	35%

Table 2.4.5.4

Regional distribution of vessels owners from 1985-90 for vessel classes in the preferred IFQ alternative for East Yakutat and Southeast Outside.

Year	1985	1986	1987	1988	1989	1990	IFQ
All	120	242	347	387	388	329	630
Alaska	93	186	275	317	319	273	488
Other States	27	56	72	70	69	56	142
Alaska %	78%	77%	79%	82%	82%	83%	77%
% CB < 60	79%	90%	91%	91%	93%	95%	89%
% CB ≥ 60	18%	10%	9%	8%	7%	5%	10%
% Freezers	3%	0%	0%	0%	0%	0%	1%
CB < 60	95	217	316	354	361	311	563
Alaska	80	171	254	295	302	262	455
Other States	15	46	62	59	59	49	108
% Alaska	84%	79%	80%	83%	84%	84%	81%
CB ≥ 60	22	25	30	32	26	17	61
Alaska	13	15	21	21	16	11	30
Other States	9	10	9	11	10	6	31
% Alaska	59%	60%	70%	66%	62%	65%	49%
Freezers	3	0	1	1	1	1	6
Alaska	0	0	0	1	1	0	3
Other States	3	0	1	0	0	1	3
% Alaska	0%	100%	0%	100%	100%	0%	50%

Table 2.4.5.5

Regional distribution of vessels owners from 1985-90 for vessel classes in the preferred IFQ alternative for the Western Gulf area.

Year	1985	1986	1987	1988	1989	1990	IFQ
All	60	68	76	91	98	43	184
Alaska	38	36	43	42	46	17	98
Other States	22	32	33	49	52	26	86
Alaska %	63%	53%	57%	46%	47%	40%	53%
% CB < 60	52%	49%	57%	43%	36%	30%	48%
% CB ≥ 60	42%	44%	32%	40%	45%	47%	38%
% Freezers	7%	7%	12%	18%	19%	23%	14%
CB < 60	31	33	43	39	35	13	89
Alaska	21	23	32	28	24	9	59
Other States	10	10	11	11	11	4	30
% Alaska	68%	70%	74%	72%	69%	69%	66%
CB ≥ 60	25	30	24	36	44	20	69
Alaska	16	12	9	12	15	7	33
Other States	9	18	15	24	29	13	36
% Alaska	64%	40%	38%	33%	34%	35%	48%
Freezers	4	5	9	16	19	10	26
Alaska	1	1	2	2	7	1	6
Other States	3	4	7	14	12	9	20
% Alaska	25%	20%	22%	13%	37%	10%	23%

Table 2.4.5.6

Regional distribution of vessels owners from 1985-90 for vessel classes in the preferred IFQ alternative for the West Yakutat.

Year	1985	1986	1987	1988	1989	1990	IFQ
All	80	133	221	162	187	154	402
Alaska	42	77	134	98	116	82	273
Other States	38	56	87	64	71	72	129
Alaska %	53%	58%	61%	60%	62%	53%	68%
% CB < 60	70%	67%	68%	61%	65%	68%	71%
% CB ≥ 60	29%	32%	31%	38%	31%	28%	27%
% Freezers	1%	1%	0%	1%	4%	5%	2%
CB < 60	56	89	151	99	121	104	285
Alaska	33	55	99	66	85	61	206
Other States	23	34	52	33	36	43	79
% Alaska	59%	62%	66%	67%	70%	59%	72%
CB ≥ 60	23	43	69	61	58	43	108
Alaska	9	21	35	31	26	18	63
Other States	14	22	34	30	32	25	45
% Alaska	39%	49%	51%	51%	45%	42%	58%
Freezers	1	1	1	2	8	7	9
Alaska	0	1	0	1	5	3	4
Other States	1	0	1	1	3	4	5
% Alaska	0%	100%	0%	50%	63%	43%	44%

Table 2.5.5

Regional distribution of catch from 1985-90 and IFQs for vessel classes in the preferred IFQ alternative for the Exclusive Economic Zone.

Year	1985	1986	1987	1988	1989	1990	IFQ
All	12924	19254	26990	28816	27284	25220	23231
Alaska	5548	9248	13839	14506	13287	12532	11380
Other States	7376	9970	13152	14310	13997	12688	11851
Alaska %	43%	48%	51%	50%	49%	50%	49%
% CB < 60	34%	41%	46%	44%	45%	57%	47%
% CB ≥ 60	39%	42%	41%	40%	39%	29%	37%
% Freezers	27%	17%	13%	16%	17%	14%	16%
CB < 60	4367	7872	12505	12709	12143	14285	11004
Alaska	2590	4979	8088	8397	8086	8459	6687
Other States	1777	2857	4417	4311	4057	5825	4317
% Alaska	59%	63%	65%	66%	67%	59%	61%
CB ≥ 60	5104	8128	10947	11569	10578	7298	8508
Alaska	2423	3630	4990	5183	3983	2931	3797
Other States	2681	4499	5956	6386	6595	4367	4712
% Alaska	47%	45%	46%	45%	38%	40%	45%
Freezers	3453	3253	3539	4538	4563	3638	3719
Alaska	*	639	760	926	1218	1142	896
Other States	*	2614	2779	3612	3345	2496	2822
% Alaska	*	20%	21%	20%	27%	31%	24%

* Numbers may not be released because of confidentiality restrictions.

Table 2.5.5.1

Regional distribution of catch from 1985-90 and IFQs for vessel classes in the preferred IFQ alternative for the Aleutian Islands.

Year	1985	1986	1987	1988	1989	1990	IFQ
All	1295	2281	3345	3121	2355	1831	2395
Alaska	47	439	953	1078	651	578	626
Other States	1248	1842	2392	2043	1704	1253	1769
Alaska %	4%	19%	28%	35%	28%	32%	26%
% CB < 60	0%	11%	21%	18%	7%	16%	15%
% CB ≥ 60	8%	33%	41%	38%	27%	32%	33%
% Freezers	92%	57%	38%	44%	66%	53%	52%
CB < 60	#	242	698	547	166	286	362
Alaska	#	72	183	263	88	67	109
Other States	#	171	515	284	78	219	253
% Alaska	#	30%	26%	48%	53%	23%	30%
CB ≥ 60	104	746	1377	1191	638	579	780
Alaska	47	308	558	534	108	151	260
Other States	57	439	819	657	530	428	520
% Alaska	45%	41%	41%	45%	17%	26%	33%
Freezers	1190	1292	1270	1383	1550	965	1253
Alaska	0	*	*	*	455	*	257
Other States	1190	*	*	*	1095	*	996
% Alaska	0%	*	*	*	29%	*	21%

* Numbers may not be released because of confidentiality restrictions.

To retain confidentiality, numbers were added to the catcher boats ≥ 60' category.

Table 2.5.5.2

Regional distribution of catch from 1985-90 and IFQs for vessel classes in the preferred IFQ alternative for the Bering Sea.

Year	1985	1986	1987	1988	1989	1990	IFQ
All	2013	1416	2102	1085	561	1133	1521
Alaska	990	669	1056	283	153	423	628
Other States	1024	747	1046	801	408	711	893
Alaska %	49%	47%	50%	26%	27%	37%	41%
% CB < 60	23%	6%	26%	20%	1%	27%	21%
% CB ≥ 60	53%	63%	48%	18%	14%	34%	43%
% Freezers	23%	31%	26%	62%	84%	40%	35%
CB < 60	469	89	540	215	6	301	326
Alaska	340	*	327	141	*	95	180
Other States	130	*	213	75	*	206	146
% Alaska	72%	*	61%	66%	*	32%	55%
CB ≥ 60	1072	888	1018	191	81	384	658
Alaska	376	374	526	36	*	119	254
Other States	697	514	492	155	*	265	404
% Alaska	35%	42%	52%	19%	*	31%	39%
Freezers	471	439	544	678	474	448	536
Alaska	*	*	203	107	98	208	194
Other States	*	*	341	572	376	240	343
% Alaska	*	*	37%	16%	21%	46%	36%

* Numbers may not be released because of confidentiality restrictions.

Table 2.5.5.3

Regional distribution of catch from 1985-90 and IFQs for vessel classes in the preferred IFQ alternative for the Central Gulf area.

Year	1985	1986	1987	1988	1989	1990	IFQ
All	3346	6160	8693	10569	9927	10729	8449
Alaska	1323	2974	4397	5674	4602	4928	4038
Other States	2024	3150	4296	4895	5324	5801	4411
Alaska %	40%	48%	51%	54%	46%	46%	48%
% CB < 60	29%	36%	44%	43%	45%	59%	47%
% CB ≥ 60	44%	49%	52%	48%	44%	28%	41%
% Freezers	27%	15%	4%	9%	11%	12%	11%
CB < 60	974	2242	3785	4562	4482	6339	4011
Alaska	378	1164	2019	2736	2651	3295	2137
Other States	596	1042	1767	1826	1831	3044	1874
% Alaska	39%	52%	53%	60%	59%	52%	53%
CB ≥ 60	1457	3005	4517	5026	4386	3055	3477
Alaska	743	1544	2094	2630	1681	1271	1638
Other States	714	1461	2423	2396	2706	1783	1839
% Alaska	51%	51%	46%	52%	38%	42%	47%
Freezers	915	913	391	981	1059	1335	962
Alaska	*	266	*	308	271	362	264
Other States	*	647	*	673	788	973	698
% Alaska	*	29%	*	31%	26%	27%	27%

* Numbers may not be released because of confidentiality restrictions.

Table 2.5.5.4

Regional distribution of catch from 1985-90 and IFQs for vessel classes in the preferred IFQ alternative for East Yakutat and Southeast Outside.

Year	1985	1986	1987	1988	1989	1990	IFQ
All	1978	3765	5587	6265	5463	6116	4690
Alaska	1410	2714	4762	4847	4398	4828	3757
Other States	568	1051	825	1417	1066	1288	933
Alaska %	71%	72%	85%	77%	81%	79%	80%
% CB < 60	60%	78%	85%	84%	86%	91%	82%
% CB ≥ 60	30%	22%	15%	16%	14%	9%	17%
% Freezers	9%	0%	0%	0%	0%	0%	1%
CB < 60	1193	2948	4725	5236	4697	5545	3860
Alaska	1000	2202	4019	4117	3814	4427	3145
Other States	193	746	706	1119	883	1118	716
% Alaska	84%	75%	85%	79%	81%	80%	81%
CB ≥ 60	599	817	862	1029	766	571	787
Alaska	410	512	743	731	584	400	573
Other States	189	305	119	298	182	170	214
% Alaska	68%	63%	86%	71%	76%	70%	73%
Freezers	186	#	#	#	#	#	42
Alaska	0	#	#	#	#	#	39
Other States	186	#	#	#	#	#	3
% Alaska	0%	#	#	#	#	#	93%

To retain confidentiality, numbers were added to the catcher boats ≥ 60' category.

Table 2.5.5.5

Regional distribution of catch from 1985-90 and IFQs for vessel classes in the preferred IFQ alternative for the Western Gulf area.

Year	1985	1986	1987	1988	1989	1990	IFQ
All	2016	2245	3172	2964	3812	1516	2335
Alaska	950	891	908	645	1150	391	707
Other States	1066	1354	2265	2320	2662	1125	1627
Alaska %	47%	40%	29%	22%	30%	26%	30%
% CB < 60	26%	35%	25%	15%	18%	17%	25%
% CB ≥ 60	42%	39%	37%	43%	51%	45%	41%
% Freezers	32%	25%	38%	43%	31%	39%	34%
CB < 60	525	792	805	430	697	251	593
Alaska	286	501	481	283	286	58	247
Other States	239	292	324	147	411	192	346
% Alaska	54%	63%	60%	66%	41%	23%	42%
CB ≥ 60	842	885	1169	1274	1946	679	946
Alaska	605	349	366	310	678	232	389
Other States	237	536	803	963	1268	447	557
% Alaska	72%	39%	31%	24%	35%	34%	41%
Freezers	649	568	1198	1260	1169	587	795
Alaska	*	*	*	*	186	*	71
Other States	*	*	*	*	983	*	724
% Alaska	*	*	*	*	16%	*	9%

* Numbers may not be released because of confidentiality restrictions.

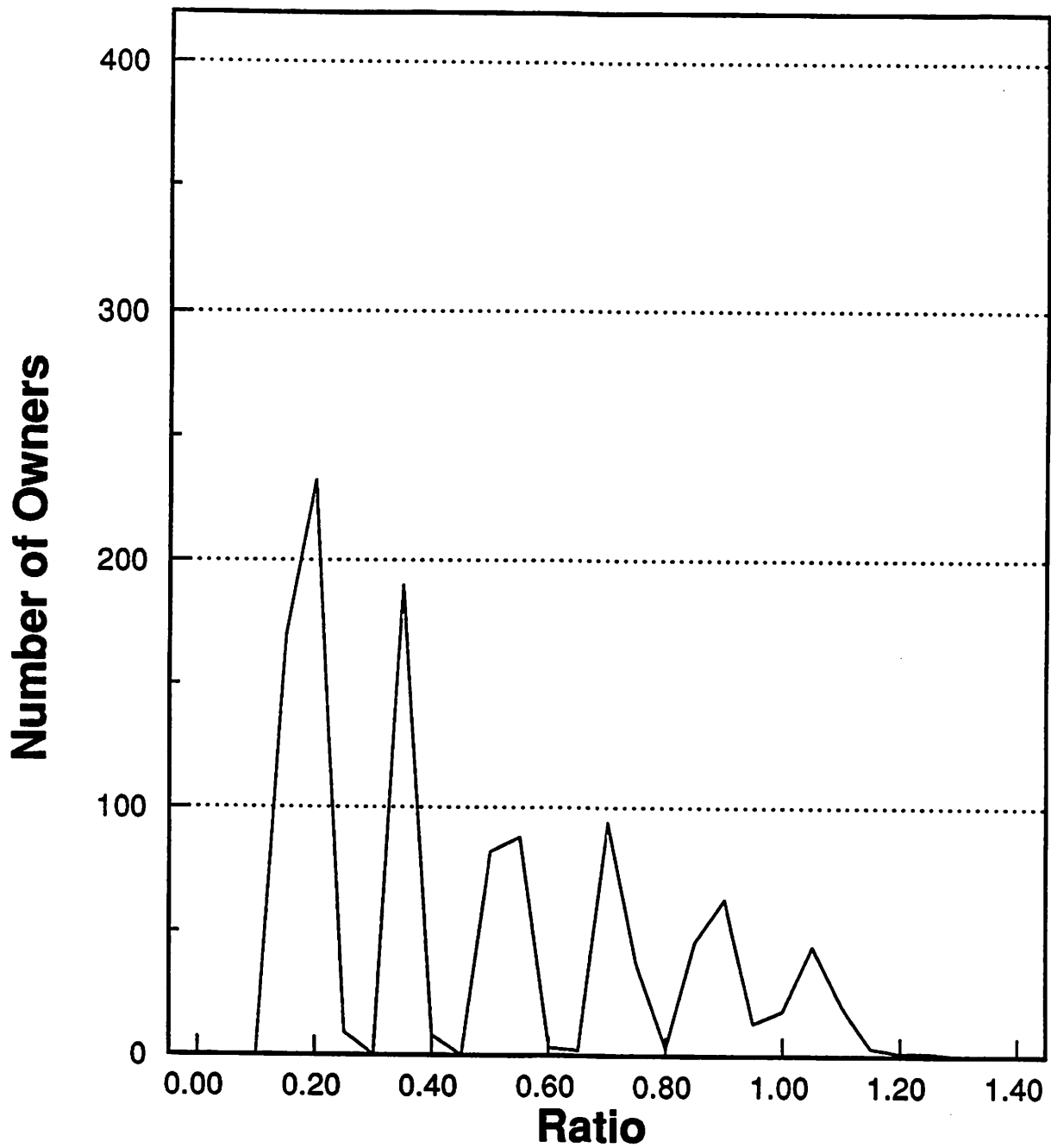
Table 2.5.5.6

Regional distribution of catch from 1985-90 and IFQs for vessel classes in the preferred IFQ alternative for the West Yakutat.

Year	1985	1986	1987	1988	1989	1990	IFQ
All	2274	3314	3932	4767	5158	3890	3842
Alaska	827	1504	1731	1948	2333	1384	1624
Other States	1447	1810	2201	2819	2826	2506	2218
Alaska %	36%	45%	44%	41%	45%	36%	42%
% CB < 60	53%	50%	49%	43%	44%	48%	48%
% CB ≥ 60	47%	50%	51%	57%	51%	47%	48%
% Freezers	0%	0%	0%	0%	5%	5%	3%
CB < 60	1198	1653	1934	2072	2288	1867	1852
Alaska	578	940	1030	960	1312	718	870
Other States	620	713	904	1112	976	1148	982
% Alaska	48%	57%	53%	46%	57%	38%	47%
CB ≥ 60	1076	1660	1998	2696	2628	1815	1860
Alaska	249	563	701	988	881	597	682
Other States	827	1097	1297	1708	1746	1219	1178
% Alaska	23%	34%	35%	37%	34%	33%	37%
Freezers	#	#	#	#	243	208	130
Alaska	#	#	#	#	140	70	71
Other States	#	#	#	#	103	138	58
% Alaska	#	#	#	#	58%	34%	55%

To retain confidentiality, numbers were added to the catcher boats ≥ 60' category.

Ratio of IFQ Pounds to Average Landings For The Preferred Alternative

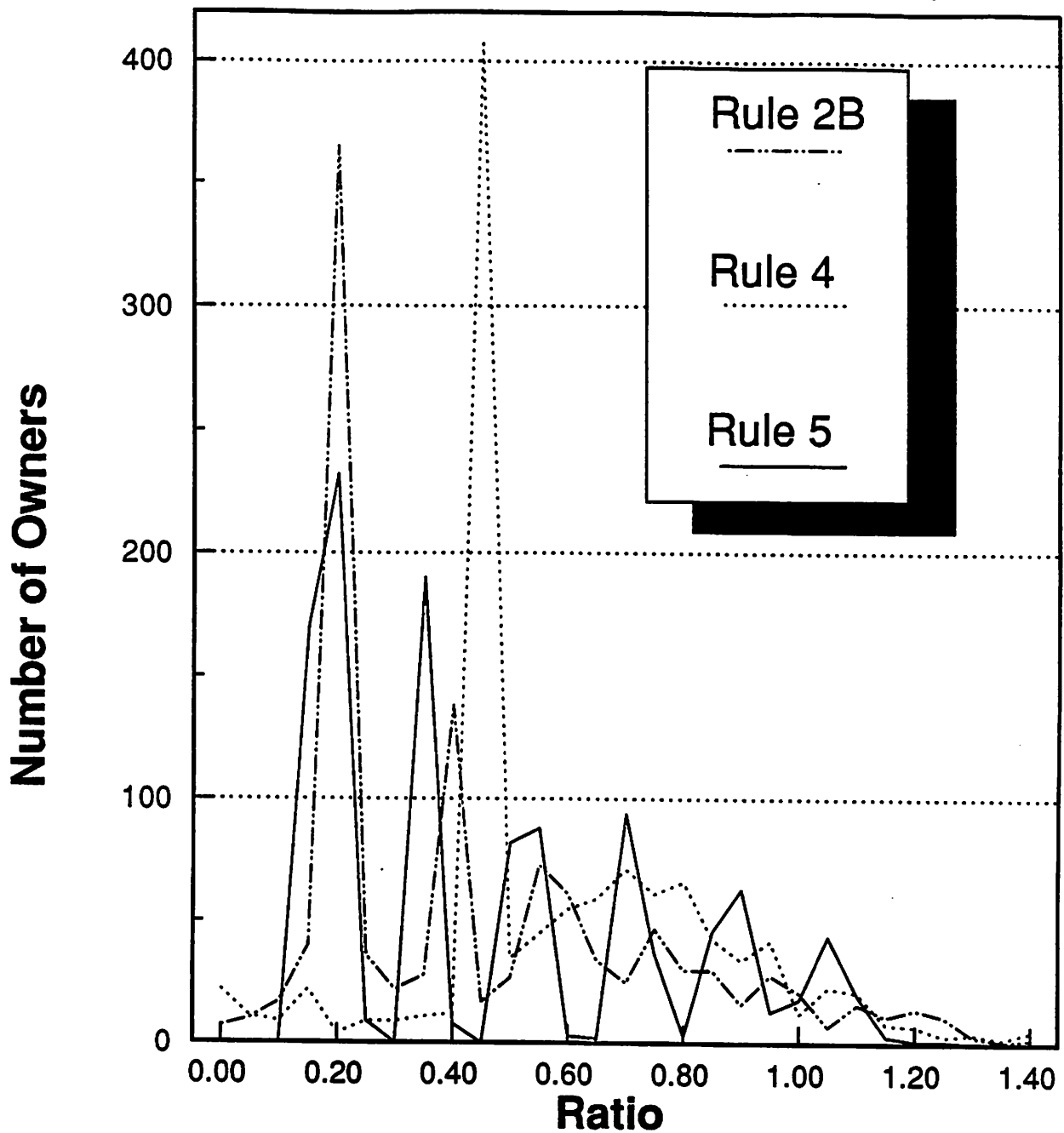


Rule 5: (Preferred Alternative) Must have made landings in 1988-1990; use best 5 of 6 years (85-90).

Notes: Ratios of less than 1 indicate owner will receive a smaller amount of IFQ lbs. than his average landings over the years in which he participated.

With few exceptions the individuals that fished only one year are included in the first cluster. Those who fished two years are in the second cluster, etc.

Ratio of IFQ Pounds to Average Landings



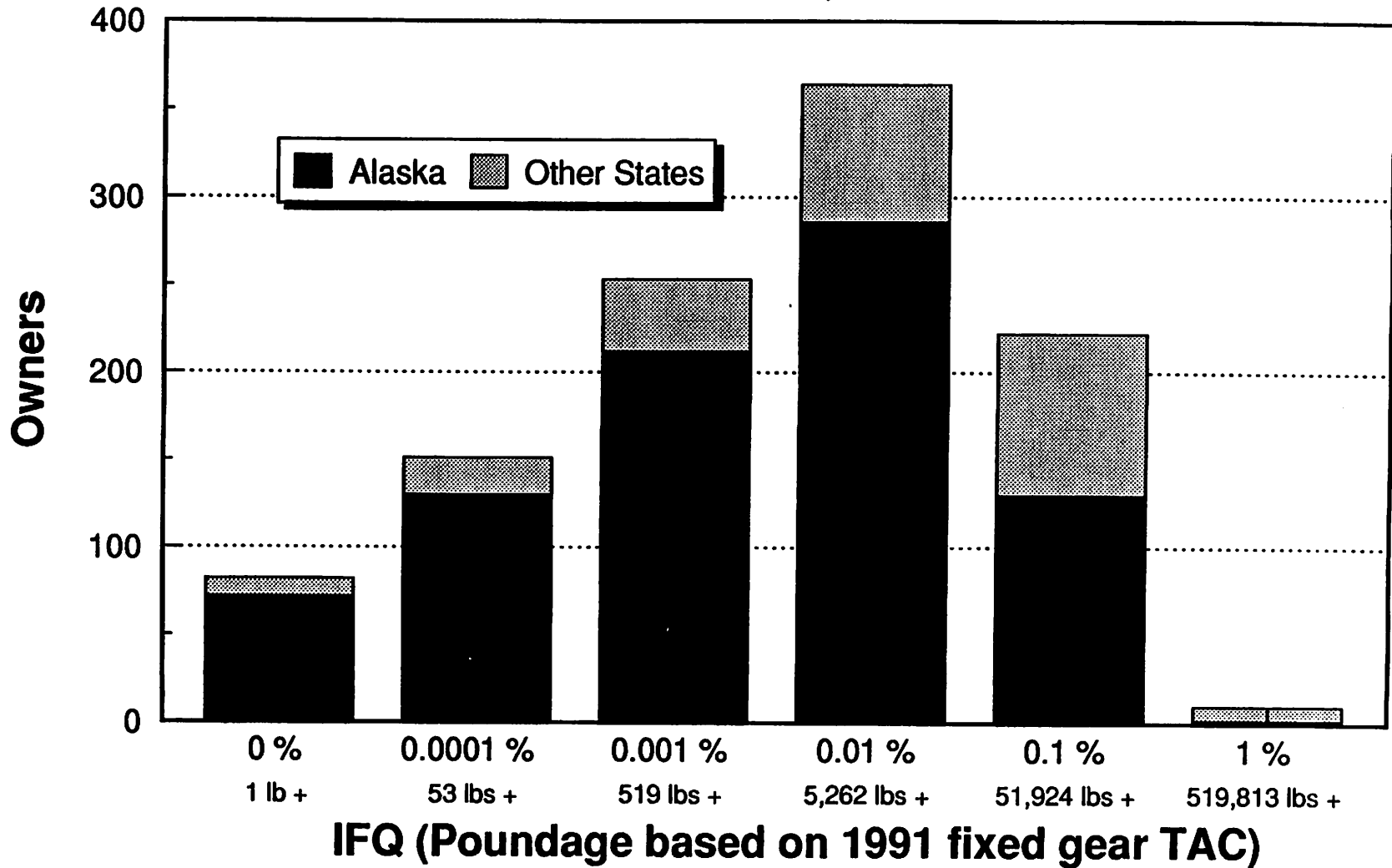
- Notes:**
- Rule 2B: Must have made landings in 1987-89; use best 5 of 6 years (84-89).
 - Rule 4: Must have made landings in 1988-90; use best year.
 - Rule 5: (Preferred Alternative) Must have made landings in 1988-1900; use best 5 of 6 years (85-90).

Ratios of less than 1 indicate owner will receive a smaller amount of IFQ lbs. than his average landings over the years in which he participated.

With few exceptions the individuals that fished only one year are included in the first cluster. Those who fished two years are in the second cluster, etc.

Number of Owners Receiving Different Percentages of Total IFQs

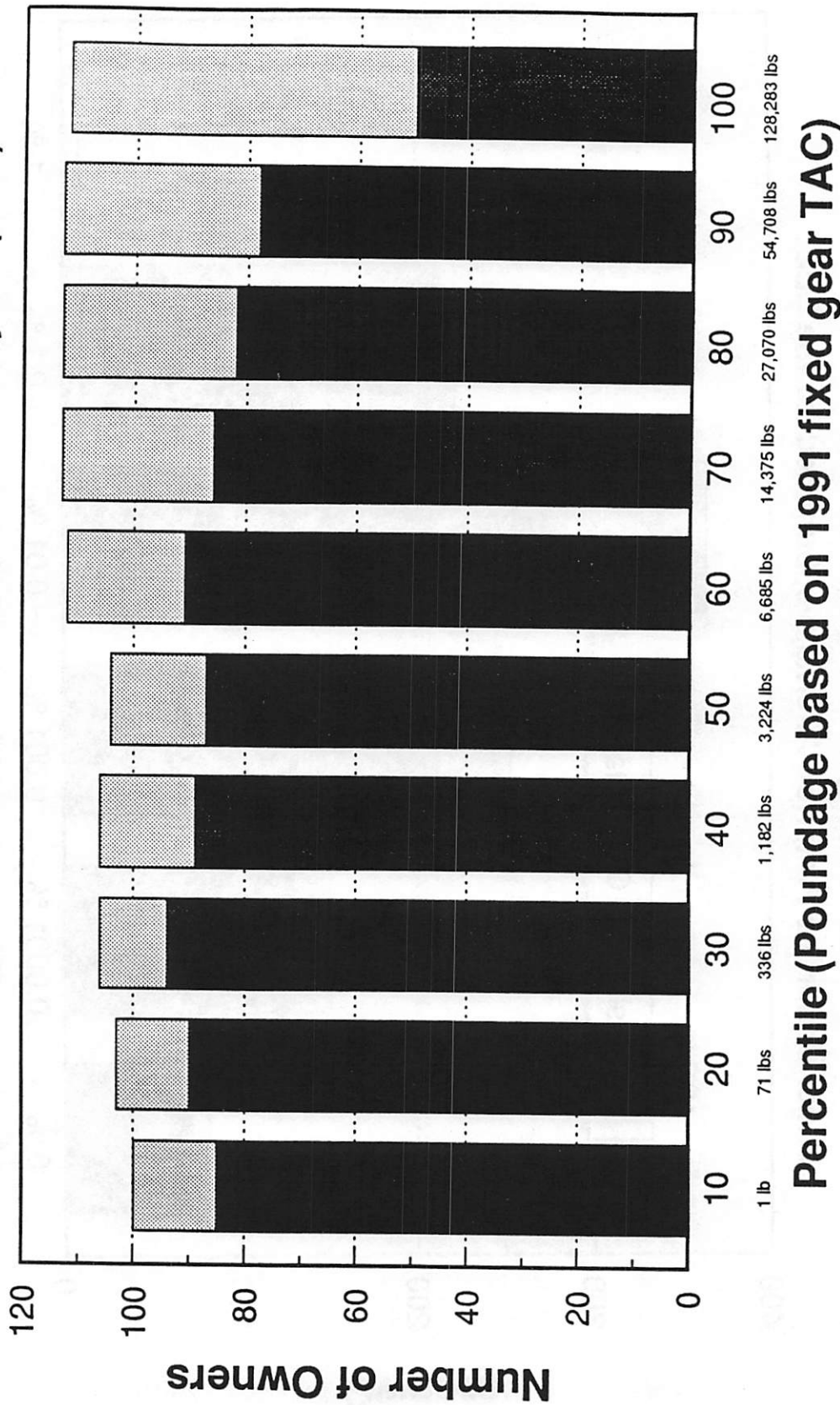
Under Under the Preferred Alternative, Summed for the EEZ



Note: Poundage values represent minimums for each group.

Regional Distribution of Percentile Owners for the Preferred Alternative

Rule 5 - Must have made landings in 1988-90; use best 5 of 6 years (85-90).



Note: Poundage values represent minimums for each group.

Paul Seaton

EFFECT OF LONGLINE ITQ SYSTEM VERSUS HARVEST BY POT ON THE SABLEFISH AND HALIBUT FISHERIES.

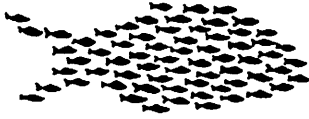
<u>Problem</u>	<u>Longline ITQ</u>	<u>Sablefish, Pacific Cod, Harvest by Pot Gear</u>
<u>Resource:</u>		
Juvenile halibut bycatch mortality	continuing	solved
Halibut highgrading of legal sizes	starting	solved
Ghost fishing of lost gear	continuing	Biodegradable strip and escape from pot tunnels
Discard mortality of incidental species	continuing	solved
Killer Whale interactions and mortality	continuing	solved
Steller Sea Lion interactions and mortality	rare but continuing	solved
<u>Safety:</u>		
Weather postponed retrieval of gear fish mortality	continuing	solved
<u>Market:</u>		
Season closure from halibut PSC	continuing	solved
<u>Economic Problems:</u>		
Concentration of wealth to few vessel owners	yes	no
Eliminates diversity options for local fleet	yes	no, with 100 pot limit
Elimination of local ports of delivery	yes	no
Reduction in local vessel and on-shore jobs	considerable job loss	no
Cost of implementation and enforcement	high	minimal, tags for pots, observers on large vessels
Volume of paperwork	high	minimal increase

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ANCHOR POINT AK 99556

EFFECT OF ITQ SYSTEM VERSUS FIVE TRIP LIMIT SEASON ON THE HALIBUT FISHERY

(Trip limits apply to entire quota, five 24 hr. trips, May through September. Under harvest or overage applied to next opening. Vessel classes percentages as per IPHC clean-up openings)

<u>Problem</u>	<u>Longline ITQ</u>	<u>Five 24 hr./Trip Limits</u>
<u>Resource:</u>		
Highgrading by size	starting	starting
More gear set than can be retrieved	solved	solved
Retention of other species	possible	possible
Tangling and loss of gear	solved	reduced
<u>Safety:</u>		
Weather	Can choose good days	Can choose more protected secondary grounds
Overload vessels with product	potential	no
Proximity of vessels for rescues	widely spaced	closer proximity
<u>Market:</u>		
Distribution of fresh product throughout year	solved	better than current
Product fresh upon delivery	no, long trips allowed	yes
Economy of scale: Volume processing and shipping	no	yes
<u>Economics:</u>		
Concentration of wealth to few vessel owners	yes	no
Eliminates diversity options for local fleet	yes	no
Elimination of local ports of delivery	yes	no
Reduction in vessel and on-shore jobs	considerable job loss	no
Cost of implementation and enforcement	high	low, current vessel classes
Volume of paperwork	high	minimal increase
Fishermen harmed under program	80% "consolidated" out of fishery	only highliners above average for vessel class



North Pacific Fisheries Protection Association

6610 Fremont Avenue North • Seattle, WA 98103 • (206) 781-0336

SYNOPSIS OF TESTIMONY ON IFQS FOR BLACKCOD AND HALIBUT
at the NPFMC Meeting, Anchorage, AK, December 2, 1991

We object to the implementation of the proposed IFQ system for the Blackcod and Halibut fisheries on the grounds that:

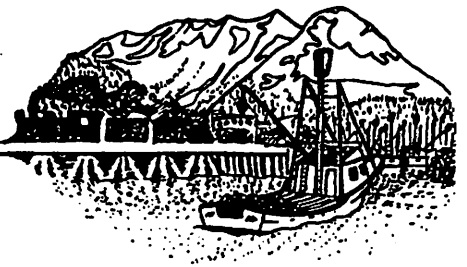
- 1) The issue of conservation of the resource has been ignored.
- 2) The program excludes the vast majority of fishermen.
- 3) The program will destroy the small boat fleet in favor of big money concerns.
- 4) The program will devastate many coastal communities and businesses.
- 5) The overwhelming majority of people concerned reject this program.

We propose that the Council instead recommend the following:

- 1) Throw this IFQ proposal out.
- 2) Impose a moratorium and some traditional management techniques.
- 3) Devise a comprehensive management program with several different alternatives.
- 4) Conduct a SEIS for the alternatives and distribute the information for public review, BEFORE you vote on a final plan.

The current IFQ proposal is bad public policy. What you vote for is going to set a national precedent for all fisheries. YOU HAVE AN OPPORTUNITY TO MAKE GOOD PUBLIC POLICY BY VOTING AGAINST THIS PROPOSAL AND FOR A MORE EQUITABLE AND FAR-SIGHTED PLAN.

CITY OF CORDOVA



December 2, 1991

Mr. Rick Lauber, Chairman
North Pacific Fisheries Management Council
P.O. Box 103136
Anchorage, Alaska 99510

Dear Chairman Lauber:

I am submitting comments regarding Individual Fisherman's Quotas (IFQ's) on behalf of the Cordova City Council. The Cordova City Council remains very concerned about the impacts an IFQ management scheme would have upon local fishermen, the economy of Cordova and the lifestyle of residents of Cordova. We are aware that you have received a great deal of testimony regarding the expected impacts upon individual fishermen; especially the small boat owners and those just getting into the longline fishery. Our comments will focus on the impacts upon small coastal communities like Cordova; communities whose economy is dependent upon the fishing industry. Following is a list of specific comments:

1. Cordova's economy has historically been based upon the seafood industry. The Exxon Valdez oil spill, world market conditions, and other factors have combined to produce hard economic times for many local fishermen. Local fishermen have always depended on flexibility and the ability to participate in a number of fisheries to make ends meet. Many have gotten involved in the longline fishery over the past decade. Most of these fishermen are small boat owners, but they have made substantial investments in longline gear and equipment and have been working hard to increase their catch each year. An IFQ system would hurt these fishermen because it would "lock" them into a quota. In most cases, this quota would be so small that they couldn't afford to fish it. The only rational economic decision for people in this position is to sell their quotas. Other fishermen who planned to get into the fishery or who have only fished it the last few years could be locked out completely. This means a loss of jobs and income and reduced revenue from raw fish and sales taxes.

2. Local processors have been gearing up to handle increased deliveries of halibut and black cod. If IFQ's go into effect, the likely outcome is that it will become uneconomic for the processors to handle these fish because deliveries from local boats will decline. Again, this translates into a loss of local jobs and a loss of tax revenue for the community.

North Pacific Fisheries Management Council
December 2, 1991
Page 2

3. The Council has set aside Community Development Quota's (CDQ's) for disadvantaged communities in the Bering Sea. CDQ's are designed to prevent communities who have not yet participated in those fisheries from being locked out if an IFQ scheme limits access in 1993. Those longliners displaced by Bering Sea CDQ allocations will be given shares of the Gulf of Alaska quota. We have two comments about this. First, we believe that compensating longliners who are displaced in the Bering Sea with Gulf of Alaska shares is unfair to Prince William Sound Fishermen who are just getting into the fishery. This also has the effect of driving local fishermen out of the business because there will be less poundage available for harvest in the Gulf. Second, we would argue that Cordova should be eligible for a CDQ also since it has great potential to participate in the longline fishery but is likely to be locked out under the IFQ scheme. Cordova is just beginning to emerge as an important bottomfish port.

In summary, the Cordova City Council believes that an IFQ system will have very definite winners and losers. The losers will be small boat owners, people just getting into the fishery, and fishing communities like Cordova. We would urge the North Pacific Fisheries Management Council to look very closely at more traditional management schemes. We understand that management is necessary to protect the resource, to reduce waste, and to increase safety. However, we see no need to rush into an IFQ system; a system which has not yet proven itself in other areas of the world. For example, evidence from the east coast of Canada and New Zealand suggests increasing conservation problems, enforcement problems, and economic disaster for many inshore fishermen and the communities they live in.

Thank you for the opportunity to comment. Please contact us if you have any questions or need more information.

Sincerely,



Mayor Charles K. Weaverling
City of Cordova, Alaska

**KODIAK LONGLINE
VESSEL OWNERS' ASSOCIATION**



326 CENTER AVENUE, P.O. BOX 135
KODIAK, ALASKA 99615
(907) 486-3781 FAX (907) 486-2470

HALIBUT • SABLEFISH • PACIFIC COD • CRAB

November 29, 1991

Mr. Rick Lauber, Chairman
North Pacific Fishery Management Council
Anchorage, Alaska

SENT BY FAX: 271-2817

RE: SABLEFISH AND HALIBUT IFQ IMPLEMENTATION

Dear Chairman Lauber,

The KLVOA has participated in the IFQ discussions for several years. We have been very involved and interested in this issue. It is of great concern to the members that they have had almost no time to review the draft implementation plan. It was received in our office on Tuesday, November 26, 1991 and the deadline for comments is November 29, 1991. As you know, this week was the Thanksgiving holiday. It seems that the rush to have something approved is not allowing industry the time to review plans for implementation of this very complex and controversial program.

We have some initial comments and concerns that I will attempt to summarize and briefly address. These are listed below.

CONSERVATION

In order to achieve the goals of the Magnusen Act, it is important to consider conservation of the resource first and foremost. While we believe that initially some conservation concerns were addressed in developing the concept of an IFQ plan, it has long been forgotten.

It is a known fact that highgrading and underreporting will occur. It is unclear as to what extent this will be. There is a halibut size limit, but the industry work group has recommended that no size limit for sablefish be established. What amount of discards will result from this?

The IPHC is recommending that overages be handled in such a manner that each vessel would receive 5% less on his halibut quota initially and that the overages would be deducted from his "bank". Why is a sablefish "bank" not being considered? In fact, this whole idea of "banks" is something that industry has not had an opportunity to review and comment on. Many fishermen are concerned that every time they turn around, another "little percentage" of quota is being deducted from their quota.

We have commented previously that the political pressure on the Council could make it difficult for any quota reductions to be implemented, should the stocks decrease. One issue that has not been addressed adequately is the anticipated shift in stocks from one management area to another. In the Gulf of Alaska 1992 Stock Assessment Summary (sablefish portion) it states that there could be a problem in apportioning ABC's under an ITQ program. The reason is that ITQ's will be area specific and stocks will shift and change from time to time. This could result in a shift of stocks from one management area to another and if the scientists wish to adjust quotas to compensate for the shift, there may be tremendous political pressure from the quota share holders in the area which will receive a reduction. This could be a serious problem. In fact, it appears that such a shift may be happening in sablefish from the Southeast areas to the Central Gulf. This could become extremely contentious and political.

In the 1992 SAFE document it states for sablefish that "under a pessimistic recruitment level and constant catch at the recommended ABC's, the population as projected by the SRA model, would fall below the 1980 biomass level in 1994". In looking at what the 1980 quota was, it is very concerning that this number (8,542 mt) is significantly lower than the projected quota for 1992 of 20,800 mt. It is important to note that under an IFQ plan, there may be tremendous pressure to keep the stocks at an artificial level, thus causing conservation problems.

PLAN RESTRICTIONS

OWNER REQUIRED TO BE ON BOARD - In requiring the owner to be on board the vessel, the Council is attempting to resolve the concern of large scale corporate investment and a "sharecropper fleet". The current corporate and partnership vessels are grandfathered in to allow them to operate with a hired skipper. Any change in corporate or partnership structure requires the owner to be on board the vessel. What constitutes a change? Could it be a simple additional investment by one or more partners, changing the % of ownership? How can you force a partner not to get out of the corporation, if he wants to? Are these restrictions even legal? We think that the Council needs to have some sound legal guidelines when dealing with corporate law.

CAPS APPLY TO VESSEL - This restriction will provide a disincentive for crew members to purchase quota and try to fish on a high producing vessel. If the owner already has his cap and that entire quota will be fished on the vessel, then no one else can fish their quota on that boat. What if an owner's vessel sinks or burns? He will not be free to lease or try to fish his quota on the vessel of his choice. He will be limited to those vessels which don't have their cap. What if he has to fish on a vessel which is not seaworthy because of this restriction and what if he dies? This is an unfair and irresponsible restriction.

CAPS APPLY INDIVIDUALLY AND COLLECTIVELY - This restriction again, may have been well intended, but it falls short of being realistic in the "real world". If an individual owns interest in multiple vessels which are of themselves,

corporations, and his interest in these vessels exceeds the cap, then none of the corporations in which he has any level of ownership will be allowed to purchase quota. If he is forced to sell out of a corporation in order to allow the other owners more flexibility, then the grandfather clause doesn't apply anymore. The tax consequences could be devastating as well. This restriction must be eliminated.

CAP SUMMARY - The caps are not appropriate and will cause severe hardship to the participants. If caps are implemented, they should be less restrictive and allow more flexibility by the quota share holders.

PERMIT HOLDERS - The permit holders may not be considered bona fide crew members in order to purchase quota. This is not appropriate. Permit holders who have been running vessels for the halibut fishery should be able to purchase quota.

FIXED GEAR CREW MEMBER - Again, this definition is designed to restrict those individuals who can purchase quota. The Council has two definitions of what fixed gear is, and it is unclear as to whether the pot fisheries would qualify as fixed gear. It is very important that fishermen be able to purchase quota. Anyone who wishes should be able to purchase quota.

MANAGEMENT AREAS - There are approximately 60 management cells under the proposed sablefish and halibut IFQ plans. These include management areas, sub-areas, and vessel classes within each area. The ability for fishermen to exist within these cells will be very difficult, if not impossible. It would be more appropriate to reduce these cells by eliminating some management areas and vessel classes.

FREEZER/LOGLINER DEFINITION - There are a few vessels which have participated in the Pacific cod fishery with plate freezers on board, but have fished for halibut and sablefish as a catcher vessel. These vessels will be classed in the freezer/longliner category automatically, unless the Council allows some flexibility. These vessels must be allowed a one time choice to be in either the catcher boat or freezer/longliner category.

ANTICIPATED COSTS

Current estimates are approximately four million dollars. This is far too conservative. There is insufficient money allocated for the monitoring and transferring of quota shares. The IPHC has indicated that they are not comfortable with the level of enforcement. They feel it won't be enough to monitor the many small halibut deliveries. We agree.

In reviewing the Canadian and New Zealand programs, it is more realistic to project a cost of over ten million dollars annually. Where will this money come from? It is suggested that the industry will pay for this. Will the implementation wait for a change in the Magnusen Act to allow for this tax or user fee? How much of a fee will the industry support? If we don't wait for this change, then where will the money come from? Will existing programs be

cut, and if so, which ones? According to NMFS enforcement personnel, they need a substantial increase in personnel even without IFQ's. Will they get it? If not, how will IFQ's be affected? These "minor" details are extremely important and need to be answered before a decision is made by the Council.

INCONSISTENCIES

DISCARDS - The Council has in one place prohibited discards, yet does not require that vessels purchase IFQ's for incidentally caught fish. Having freezer/longliners removed from this restriction doesn't make sense. This doesn't seem to fit within the "keep what you catch" idea.

FIXED GEAR - The fixed gear definition seems to have two meanings. In one place it means hook and line. In another, it includes crab fishermen in order to qualify to purchase quota.

GRANDFATHER CLAUSE - There is some discrepancy in when the grandfather provision ceases for a corporation or a partnership. For a corporation, a death of a member does not constitute a change, but this statement doesn't appear to apply to partnerships.

SUMMARY

We are very concerned that the "push" for IFQs has superseded any common sense approach to the problems in the fishery. We need to step back and take a look at this program from all angles before a decision is made.

The idea of an IFQ program is to allow the most flexibility among those quota share holders, not to socially engineer the program in such a way that "nothing changes". In order to achieve what an IFQ program is designed to do, some changes need to be implemented. If not, then the exercise will surely fail. The analysis states over and over again that the benefits of the program will be reduced with each restriction imposed. It is believed by some that we have reached the point where the costs far outweigh any potential benefits.

The technical team and industry work group have not completed their work. There are many questions which remain unanswered, as well as Council clarifications on inconsistencies. Costs remain uncertain, as well as funding sources. The conservation aspects of this plan have not been adequately addressed. Again, we ask, why has a social impact analysis not been completed? The ramifications of this program will be far-reaching. It is imperative that an appropriate social impact analysis be completed.

We are asking that the North Pacific Council consider delaying final action on this plan until the concerns have been addressed. We feel that the Council has not completed the job on this issue.

Sincerely,



Linda Kozak
Executive Director

NORTH PACIFIC LONGLINE ASSOCIATION
720 West Blaine St.
Seattle, WA 98119
(206) 283-7700

December 2, 1991

Mr. Richard B. Lauber, Chairman
North Pacific Fishery Management Council
P.O. Box 103136
Anchorage, AK 99501

RE: Sablefish/Halibut ITQ Proposal

Dear Mr. Lauber:

Our association submitted comments on the above subject in September. Our views have not changed, and we would like to incorporate those comments by reference. Please consider the following summary:

I. The Purpose of ITQ Systems

Dr. William Fox, Assistant Administrator for Fisheries, NOAA, recently stated the purpose of ITQ systems: "We need to extricate the government as much as possible from the allocation process, moving...to programs that allow market forces to work effectively at the harvesting level."

II. This Proposal Defeats the Purpose of an ITQ System

The preferred alternative for the sablefish/halibut ITQ proposal contains so many restrictions and constraints that the market is severely inhibited. Chief among these is the prohibition against exchange of shares between vessel classes. At the recent Ninth Annual Fishery Law Symposium in Seattle, Dr. Lee Anderson, father of the surf clam/ocean quahog ITQ program, stressed the need for free transferability of shares. He stated that because of the numerous constraints on transferability, "The sablefish/halibut proposal is almost not an ITQ system."

III. Industry Does Not Support the Proposal

If an ITQ system is to work, it must enjoy the support of industry. Oral and written testimony on this proposal has been overwhelmingly negative. Fishermen and fishermen's associations, processors and their associations, catcher-processors and their associations, the IPHC, Alaska State Legislators, Congressman Don Young and Senator Stevens have all announced outright opposition to the proposal or have registered serious concerns about its feasibility. The

requires a direct link between the fisheries manager or enforcer and the individual fisherman. This point must be carefully considered in the design and implementation of an IFQ system.

II. ANNUAL IFQ STATEMENT AND QS ACCOUNT CARD.

Under the proposed IFQ regulatory system all harvesting vessels fishing for or possessing IFQ fish would have to have a quota share holder or a lawful designee on board during fishing operations. The QS holder would have to remain on board until the IFQ fish are off-loaded. The share holder or holders would have to have a quota share account card in possession. The card holder would have annual IFQ poundage in their QS account which are equal to or exceed the IFQ poundage in possession.

The first enforcement check point would be random boardings both at sea and in port by the Coast Guard and NMFS enforcement officers. Vessels found in possession of IFQ fish would be required to produce a quota share account card. An account query would allow the boarding personnel to determine if the QS card holder had sufficient IFQ's in their account to cover IFQ fish in possession. Failure to have sufficient poundage would trigger immediate enforcement action. Queries to central data processing would also flag the QS holders account to insure that a later landing is made.

III. VESSEL LANDINGS.

The second check point in the system is the advance notice of landing. All vessels would be required to notify NMFS six hours before off-loading. Notices could be by phone, INMARSAT, or marine operator. Notices could be made before departure to the grounds, by a vessel at sea, or after a vessel's return to port. Policy would provide for a one to two hour grace period. NMFS would establish a 1-800 HOT LINE to accept all notices required by these regulations. Data clerks specifically tasked with receiving these messages would staff the phone 18 hours a day, seven days a week. Multiple lines with call waiting would be available. Notices required by these regulations would only be accepted between the hours of 6 a.m. and 12 midnight.

Landings could be made to registered buyers both in or out of Alaska. Special requirements are provided for vessels landing outside Alaska. Registered buyers would have to make application to NMFS and may be required to post a bond. Landings would be limited to the hours of 6 a.m. through 6 p.m. Off-loading that begins during the allotted window would be allowed to continue to completion. Alternate off-loading schedules could be authorized on a port by port basis at the

discretion of the Regional Director.

Advance notices would alert enforcement to legal landings. enforcement and monitoring personnel would be able to query central processing at any time to ascertain in progress or pending landings. Legal landings would be randomly monitored by enforcement, shoreside observers or IPHC port samplers. Landings which have not been preceded by advance notice would be illegal and trigger immediate enforcement action.

IV. VERIFICATION OF LANDINGS.

Before commencing any off-load of IFQ fish, the harvesting vessel would have to present a quota share account card to the receiving IFQ buyer. Once the off-load is complete the buyer would query the central quota share exchange using the credit card machine. The buyer would run the QS account card through the machine which would read the sellers account information from the cards magnetic stripe. The buyer would then input the delivering vessel name, ADF&G number, LOA, IFQ species, landing condition, and poundage. The sellers account would be queried to determine if sufficient annual IFQ's are available. the buyer would receive a confirmation of sale authorizing completion of the transaction. If insufficient IFQ's are available, no confirmation would be given. NMFS enforcement would be immediately alerted to the overage and the buyer would be unable to complete the transaction until cleared by NMFS. Confirmation of landings are required within 6 hours of the completion of the off-loading.

Harvesting vessels delivering IFQ fish would be required to off-load all IFQ fish on board including any home pack or exceptional sales. Home packs and exceptional sales would have to be reported by the buyer along with all other IFQ fish sold to the buyer. Overdrawing an IFQ account would trigger immediate enforcement action. Failure to obtain a confirmation within 6 hours would trigger an enforcement action when detected.

V. SHIPPING BY REGISTERED BUYERS.

Registered buyers of IFQ fish would have to report all shipments of IFQ fish from the original landing site to any other site. All later shipments of IFQ fish within or from Alaska would also have to be reported (sport catch and end user consumers would be exempted). Reporting would be similar to current reporting requirements. Registered buyers would be allowed to use their own company bill of laden. Bill's of laden would include specific information including species, product type, number of shipping units, product weight, shipper and details of the shipping means and route.

For domestic shipments, the bill of lading would have to be received by NMFS before shipment. A copy of the bill of lading would have to accompany the shipment to its first point of landing outside of Alaska.

Shipments detected within Alaska by NMFS that are not accompanied by a bill of lading would trigger enforcement action. Shipments that are not reported before transportation would also trigger enforcement action.

Shipments in foreign commerce would have to be reported 24 hours before transportation from Alaska. These shipments would also have to be shipped from or through a primary port or the ports of Anchorage or Juneau. The advance notice and routing through a primary port would provide NMFS one last opportunity to inspect the fish before departure from U.S. jurisdiction.

VI. MOTHERSHIPS AND TENDERS.

Motherships and tenders would operate much the same way as a shoreside registered buyer. Tenders and motherships would have to be registered as IFQ buyers. The primary difference would be that motherships and tenders could use INMARSAT or marine radio to report deliveries and receive sale confirmations. The use of credit card machines would not be mandatory unless suitable electronics become available. Motherships and tenders would have to have the ability for voice communications with NMFS from any receipt location. Motherships and tenders would need to meet transshipment, or vessel clearance requirements of these regulations. Off-loading of a mothership or tender would have to meet the advance notice of landing and shipping requirements.

VII. TRANSSHIPMENTS.

Transshipping of IFQ fish from one vessel to another would be restricted. Only motherships and tenders operating as registered buyers would receive unfrozen IFQ fish at sea. All processing vessels transshipping frozen or processed product vessel to vessel would give 24 hours advance notice of any such transshipments. All transshipments of IFQ fish would be required to be completed within the confines of a primary port. Advance notice and restriction to primary ports would provide NMFS one last opportunity to inspect the fish before departure from U.S. jurisdiction.

VIII. DOCKSIDE SALES.

Vessels wishing to sell IFQ fish dockside or market their own fish through means other than a fixed shoreside buyer could do so. Vessels wishing to market their own fish would have to

become registered buyers. The vessels would have to meet all the requirements of a registered buyer including reporting of landings, receive confirmations and reporting of shipments. Such vessels would have to report and receive landing confirmation for all IFQ fish on board before any dockside sales, shipments or off-loading.

IX. VESSEL CLEARANCES.

Harvesting vessels, catcher/processors, motherships and tenders landing catch outside Alaska would have to obtain a vessel clearance at a primary port before departure from Alaska. The vessels would have to enter a primary port to receive clearance. At time of clearance the vessel may undergo inspection and have it's holds sealed. The vessel would have to present a QS card with IFQ for all IFQ fish on board. the vessel would additionally hale it's catch and provide intended date, time and location of off-loading. all such vessels would have to provide the same advance notice of landing requirements as a vessel landing in Alaska. Harvesting vessels would have to become registered buyers and report their landings in the same manner as dockside sales in Alaska.

Primary ports would be located at:

ST. PAUL	EXCURSION INLET
DUTCH HARBOR/UNALASKA	PELICAN
AKUTAN	SITKA
KING COVE	PETERSBURG
SAND POINT	KETCHIKAN
KODIAK	CRIAG
HOMER	
SEWARD	
CORDOVA	
YAKUTAT	

X. FOUR TIER ENFORCEMENT.

1) IFQ ENFORCEMENT "A FOUR TIER APPROACH"

A) Our research of enforcement operations concerning IFQ type programs internationally has shown that enforcement operations must first protect the integrity of the program and participants, and second provide an economic environment which allows an accurate accounting of landed fish. To accomplish the goal of ensuring program integrity and regulatory compliance, we have developed a "four tier" enforcement approach.

The four tier enforcement concept consists of four separate enforcement functions. Each cohesively interfacing with the

others. The system provides the ability to detect violations on and off the fishing grounds through patrol and investigative functions, while at the same time creates an adequate level of compliance through the possibility of violation detection. This detection / deterrence balance is a cornerstone of the IFQ enforcement operations.

No IFQ system would be adequate if it could not accurately account for expended quota shares and fish landed. The proposed IFQ program already provides for a significant "paper trail." This paper trail will be automatically created through the required logs and existing commercial documents. Using this documentation, the four tier enforcement approach fully addresses both the ability to ensure accurate accounting of the resource and the ability to apprehend commercial enterprises which operate outside the auspices of the IFQ program.

Basically, the four tier enforcement system consists of: 1) Patrol Operations, 2) Monitoring Activities, 3) Auditing Activities, and 4) Investigative Operations.

2) PATROL.

A) Patrol is divided into two segments. Offshore and shoreside.

B) The primary offshore patrol function is to detect nonparticipants who engage in IFQ fishing, including those fishermen who may be "quota busting." Quota busting is a term which denotes a fisherman who has exceeded his quota but continues to fish. The offshore patrol segment would also be tasked with detection and deterrence of vessels "high grading" IFQ fish.

C) Shoreside patrol functions as a unit designed to detect and deter fish landings outside authorized channels, i.e., nonparticipants which land fish to unlicensed buyers, or licensed buyers who purchase illegally harvested fish. The shoreside units are also tasked with;

- 1) random monitoring activities,
- 2) random inspections,
- 3) monitoring of transshipments, and
- 4) enforcement of regulations.

3) MONITORING.

A) The primary method of assuring accurate IFQ harvest data will be through random monitoring of landings and transshipments. Monitoring will also be conducted through various enforcement efforts such as; vessel clearances and

tracking, inspections of fishing vessels, processing plants, and shipping containers. The fundamental enforcement concept is to establish an environment conducive to program compliance by elevating the probability of detection and apprehension of illegal activities.

4) AUDITING.

A) The auditing section is tasked with the random inspection of processing facilities and other licensed buyers as well as random observation of commercial traffic of nonparticipants. These inspections and observations would include shipping records and other documents which will reflect the accuracy of IFQ fish received and processed.

5) INVESTIGATION.

A) The investigation section is divided into two separate operations, routine and complex.

B) Routine investigations would consist of a myriad of routine tasks including the enforcement of ownership caps, fraud in applications for initial quotas and verification of the status of bona-fide crewmembers.

C) Complex investigations will involve those investigations which involve interstate or international shipments of fish which were taken or possessed in violation of IFQ regulations. These types of cases would be investigated by specialists trained in fraud and "white collar" crimes. Investigators will be thoroughly trained to follow commercial "paper trails" as an integral part of their investigations.

XI. ENFORCEMENT STAFFING PLAN

ENFORCEMENT STAFFING PLAN

STAFF	CURRENT TOTAL	TOTAL W/IFQ'S	INCREASE
AGENTS (SUPERVISORY)	6	7	1
AGENTS (FIELD)	12	14	2
FISHERY ENFORCEMENT OFFICERS	4	22	18
ENFORCEMENT AIDES	-	7	7
SUPPORT STAFF	7	13	7
TOTAL	28	62	35

COSTS

AGENTS @ \$100,000 ea	\$1,800K	\$2,100K	\$ 300K
FEO's @ \$80,000 ea	\$ 320K	\$1,760K	\$1,440K
ENF. AIDES @ \$48,000 ea	-	\$ 336K	\$ 336K
SUPPORT STAFF *	-	-	-
TOTAL	\$2,120K**	\$4,196K	\$2,076K

(* Cost of support staff prorated in Agent/FEO costs. One support staff for every three agents and one for every 5 FEO's for a total of 13. Additional support staff are needed for a special section to staff 18 hour a day, seven day a week hot line to receive notices required within the regulations. Section would also notify enforcement personnel of off-loadings, vessel clearances, transshipments, and shipments. Estimate \$40,000 per person. Would additionally add an administrative officer to handle increased personnel matters.)

(** Actual current budget is approximately \$1,300K. Current on board staff consist of 12 agents and 2 FEO's. Most rents assumed by the Alaska region. Costs also assume journeyman level pay scale.)

IFQ INVESTIGATIVE UNIT.

The Investigative unit would consist of three agents. The unit would be tasked with investigating more complex violations of IFQ regulations that cannot be readily enforced at point of landing. Primary tasks would include:

- Investigation of fraudulent entry claims (application for quota shares or as bona-fide crewmen),
- Investigation of ownership cap violations,
- Investigation of illegal marketing, shipping or sale of IFQ fish,
- Complex audits of landing and shipping records, and
- Enforcement of IFQ regulations.

PATROL UNIT.

The patrol unit would consist of 22 FEO's. The unit would be tasked with detecting illegal landings, shipping and marketing of IFQ fish in addition to routine monitoring of legal landings. Primary tasks would include:

- Random monitoring of landings,
- Random inspection of shipments,
- Monitoring of transshipments,
- Vessel Clearance,
- Surveillance and detection of illegal landing, sale and shipment of IFQ fish, and

- Enforcement of resource regulations including IFQ and routine management measures.

ENFORCEMENT AIDES.

The enforcement aides component would consist of seven permanent part time aides to be stationed at those primary ports that do not have permanent agent/FEO presence (seven ports). The unit would be tasked with clearing vessels, monitoring landings and providing limited port surveillance. Primary tasks would include:

- Random monitoring of landings,
- Random inspection of shipments,
- Vessel clearances, and
- Port surveillance.

Enforcement aides would not have arrest, search, or seizure authority. They would have limited inspection authority. Enforcement aides could be either government employees or contract employees reporting directly to NMFS enforcement.

SUPPORT STAFF.

Additional support staff would include one administrative assistant for the investigative unit and one administrative officer for the entire division. Support would also include four clerks to provide 18 hour, seven day a week telephone hot line. The line would be to receive requests for vessel clearance, shipping and landing notices. Staff would also provide data entry services.

STAFF PLACEMENT

	CURRENT		IFQ PROPOSAL	
JUNEAU	SUPERVISORY AGENTS	(3)	SUPERVISORY AGENTS	(3)
	STAFF AGENTS	(2)	STAFF AGENTS	(2)
	ADMIN. SUPPORT	(4)	IFQ INVESTIGATIVE UNIT	(3)
KODIAK	SUPERVISORY AGENT	(1)	ADMIN. SUPPORT	(6)
	STAFF AGENTS	(3)	1-800 HOT LINE STAFF	(4)
	FEOs	(4)	SUPERVISORY AGENT	(1)
	ADMIN. SUPPORT	(1)	STAFF AGENTS	(3)
			FEO	(3)
ANCHORAGE	SUPERVISORY AGENT	(1)	ADMIN. SUPPORT	(1)
	STAFF AGENTS	(2)	SUPERVISORY AGENT	(1)
	ADMIN. SUPPORT	(1)	STAFF AGENTS	(2)
SITKA	STAFF AGENTS	(3)	ADMIN. SUPPORT	(1)
			STAFF AGENTS	(3)
DUTCH	ADMIN. SUPPORT	(1)	FEOs	(3)
	STAFF AGENT	(1)	ADMIN. SUPPORT	(1)
			STAFF AGENT	(1)
HOMER	STAFF AGENTS	(2)	FEOs	(3)
			STAFF AGENTS	(2)
KETCHIKAN			FEOs	(2)
PETERSBURG			FEOs	(3)
YAKUTAT			FEOs	(2)
CORDOVA			FEOs	(2)
SEWARD			FEOs	(2)
CRAIG			ENFORCEMENT AIDE	(1)
PELICAN			ENFORCEMENT AIDE	(1)
EXCURSION INLET			ENFORCEMENT AIDE	(1)
KING COVE			ENFORCEMENT AIDE	(1)
AKUTAN			ENFORCEMENT AIDE	(1)
SAND POINT			ENFORCEMENT AIDE	(1)
ST. PAUL			ENFORCEMENT AIDE	(1)
TOTAL		(29)		(63)

XII. CONCLUSION.

No enforcement program can guarantee absolute compliance. The proposed program is our best guess at the minimum amount of enforcement necessary to result in a successful IFQ program. Certainly this program could be made stronger. Any addition to the program would however not be without costs. The program we have presented has been submitted to our central office and has received tentative approval. The proposal is however undergoing further review and approval.

We consider the landing, reporting and shipping requirements within the program absolutely necessary to the success of the IFQ program. These requirements could not be removed without a substantial and costly increase in enforcement and monitoring resources.

Finally we would point out that there does not exist anywhere a perfect model of what the ideal IFQ program should look like. There are no programs in the world today that are potentially as large as the one represented by the groundfish resources off Alaska. The existing world IFQ programs have been implemented with either little regard for enforcement or have been implemented with 100 percent monitoring of legal landings. There has been no middle ground. It is our opinion that none of the existing programs adequately addresses the entire range of IFQ enforcement issues. It must be presumed from the onset that adjustments to IFQ enforcement will be necessary as our experience with the program grows.



UNITED STATES DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration

National Marine Fisheries Service

P.O. Box 21668

Juneau, Alaska 99802-1668

November 29, 1991

AGENDA C-2
December 1991

Mr. Larry Cotter
Pacific Associates
119 Seward Street, Suite 8
Juneau, AK 99801

Dear Larry:

Thank you for your inquiry about the crew member proposal submitted by Mr. Soileau. As I understand it, his proposal would provide for an initial allocation of quota share (QS) to crew members based on their individual share in the proceeds of a longline vessel when it landed sablefish and halibut during the qualifying period.

This proposal was not considered by the Ad Hoc Implementation Planning Group established by the North Pacific Fishery Management Council because the charge to the Group was to report how the Council's tentative preferred alternative for the IFQ program would be carried out if it were approved. Based on the Group's discussions, however, my initial reaction is that Mr. Soileau's proposal would greatly complicate the initial allocation process. Existing data from fish tickets and catch reports do not indicate who was in the crew of the vessel making the landings and the size of their crew share. Documentation supporting each crew member's claim for QS during the initial allocation process would have to be verified by cross referencing fish tickets submitted by vessels for catches made at the time when the applicant claimed service as crew. I can only guess how many crew members would apply for QS under such a provision. Assuming an average crew size of 3 or 4 per vessel, my guess is that potentially 30,000 to 40,000 crew members, in addition to the 10,000 vessel owner applications we expect to receive, would apply for QS under the Soileau proposal. This also would greatly increase the number of appeals and the number of IFQs that would have to be monitored. Although implementing this crew member provision from a technical, computer-programing point of view would not be impossible, it appears to greatly exacerbate the complexity of the program being considered by the Council. As a result, implementation of the IFQ program could be delayed until 1995 or beyond if this provision were included in the Council's preferred alternative now.

Finally, in my opinion, this proposal would substantially deviate from the other alternatives that the Council has analyzed and received public comment on since it took on this issue in 1987. If the Council included such a provision in the preferred alternative, the NMFS Director, Alaska Region may recommend to the Council that it receive additional public comment on an



analysis of environmental and economic effects of the revised preferred alternative relative to the other alternatives. Such an analysis would not be definitive because of the lack of data on crew performance. Council staff have advised me that this analysis probably could not be completed until April 1992 which would delay final Council action until June 1992.

I agree with you that Mr. Soileau's proposal has merit from the point of view of crew members who would be able to receive an initial allocation of QS, even if it is a very small allocation. The Council must decide whether this proposal is consistent with its IFQ policy and objectives. My personal view is that the tentative preferred IFQ alternative already is complicated by conflicting objectives, for example, to rationalize the fleet while preserving its present character. Although this may not be a critical flaw, more complexity can be achieved only with higher costs. An additional objective to accommodate crew members as proposed would add unknown costs of time and money to the IFQ implementation process.

Sincerely



Jay J. C. Ginter
Fishery Management Biologist

2.3 Likely Impacts on the Area 4C Fishery

Because the quota assigned to any given halibut regulatory area in the eastern Bering Sea is not formally tied to the area's size, it is not possible to determine whether adoption of the proposed amendment by the IPHC would be accompanied by an increase in the Area 4C quota. However, if the proposed extension contains a higher density of halibut than the territory currently contained in Area 4C, adoption of the proposed amendment might mean that the Area 4C quota would be taken in a shorter period of time. It also might make Area 4C more attractive to nonlocal vessels, skewing the catch distribution away from local vessels. On the other hand, if a portion of the local fleet is sufficiently mobile to exploit the resource contained in the area of the proposed extension, higher halibut density in that area might result in a higher average CPUE for those vessels, which in turn might make their operations more profitable than they would otherwise be.

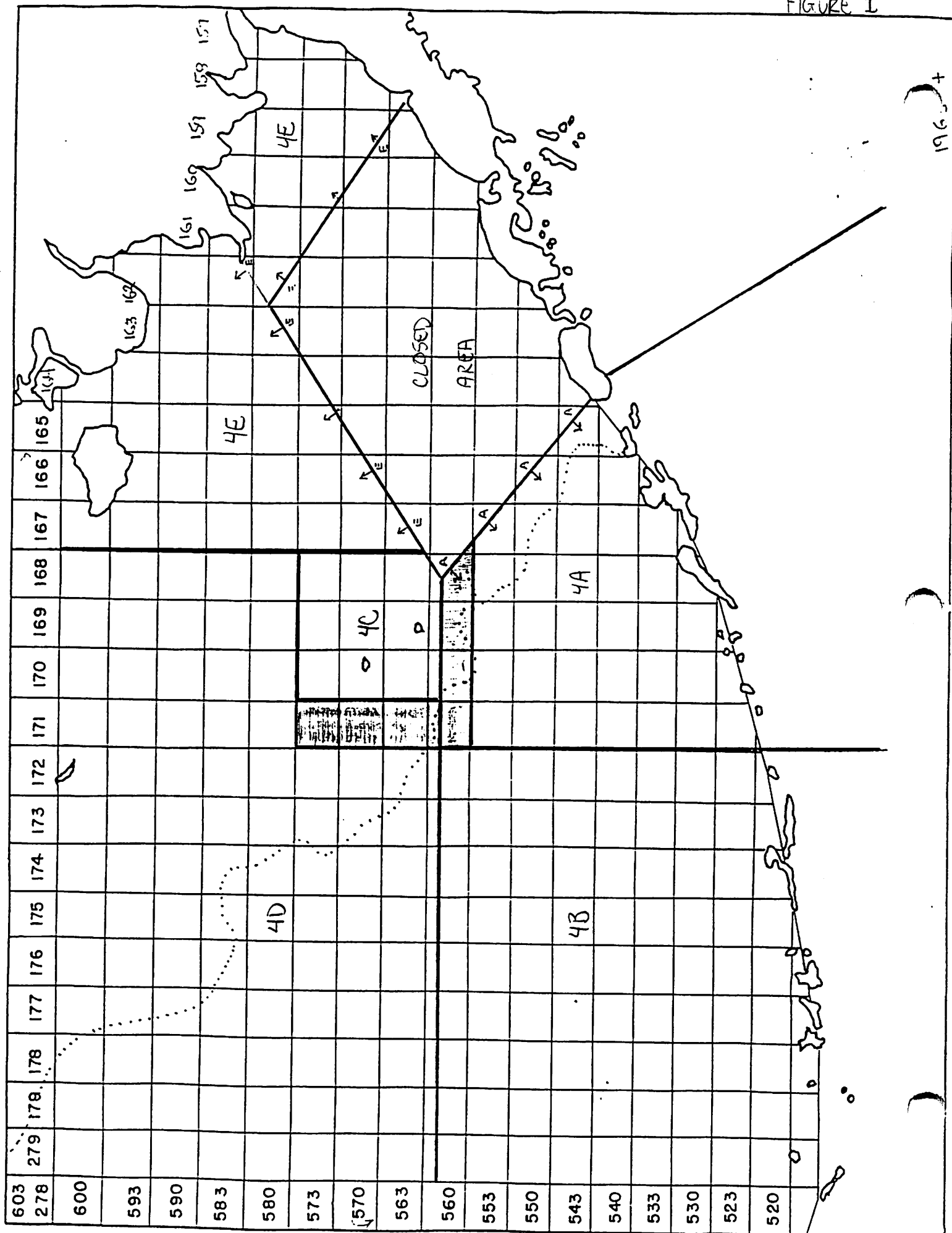
2.4 Consistency of the Proposed Extension with Existing Areas

As noted in Section 1.1, the CBSFA's objective in proposing this amendment was to make regulation of halibut fishing around the Pribilof Islands consistent with four other activities: 1) prosecution of sablefish longline fisheries, 2) implementation of bycatch regimes, 3) compilation of statistics, and 4) protection of habitat.

At one time, there was some discussion within the Council family regarding establishment of sablefish regulatory areas in the eastern Bering Sea. If sablefish regulatory areas were to be established, it might make sense for their boundaries and those of the halibut regulatory areas to coincide. However, no sablefish regulatory areas currently exist in the eastern Bering Sea, and the Council has not indicated any intent to establish such areas in the future. Thus, the proposed amendment would not enhance consistency in the prosecution of longline fisheries.

Likewise, the boundaries of Area 4C suggested in the proposed amendment are no more consistent than the existing Area 4C boundaries with regard to any existing management or regulatory areas defined for implementation of bycatch regimes, compilation of statistics, or protection of habitat. If future Council action should result in the establishment around the Pribilof Islands of a management or regulatory area for any of these activities, again it might make sense for the boundaries of such an area and those of Area 4C to coincide. However, this could be accomplished simply by using the existing Area 4C boundaries as a template.

FIGURE 1



1963+

COMMISSIONERS:

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PARKSVILLE, B.C.
RICHARD J. BEAMISH
NANAIMO, B.C.
RICHARD ELIASON
SITKA, AK
STEVEN PENNOYER
JUNEAU, AK
GEORGE A. WADE
SEATTLE, WA
GARY T. WILLIAMSON
SURREY, B.C.

INTERNATIONAL PACIFIC HALIBUT COMMISSION

ESTABLISHED BY A CONVENTION BETWEEN CANADA
AND THE UNITED STATES OF AMERICA

AGENDA C-2
Supplemental
DECEMBER 1991

DIRECTOR
DONALD A. MC CALLIGHRAN

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November 27, 1991

NOV 27

Dr. Clarence Pautzke
North Pacific Fishery Management Council
P.O. Box 103136
Anchorage, Alaska 99510

Dear Clarence:

As the Council moves toward a decision on Individual Fishing Quotas (IFQ) for halibut, the staff of the International Pacific Halibut Commission wishes to reiterate our support for the concept of transferable quotas, and concerns for the implementation of the program as stated in our September 4, 1991 letter. We believe that IFQs have the potential to improve many problems in the groundfish and halibut fisheries. During our participation on the IFQ implementation team, we have identified several issues that we believe will improve the IFQ system.

1. Exemption of the longline fleet from halibut PSC limits. We concur with the implementation team that many of the benefits of an IFQ system will be lost if the longline fishery operates under a PSC limit. A race to catch groundfish before the PSC limit is taken will cause higher than necessary halibut bycatch rates. We recommend that the longline PSC limits for ice boats be suspended on a trial basis. We believe that under IFQ, retention of halibut and the opportunity to fish in a manner with low halibut bycatch will cause the mortality of discarded halibut to be substantially below the 750 mt PSC limit currently used in the Gulf of Alaska. If experience shows otherwise, the Council could readily reimpose PSC limits.

2. Exemption of freezer longliners from requirement to own IFOs. Because the amount of IFQ allotted to freezer longliners is low and the ice boar IFQ cannot be transferred to freezer longliner, the freezer longliner fleet is allowed to discard halibut. This provision gives a perception that the freezer longliner group will be uncontrolled, and be able to cause high halibut bycatch mortality. We suggest that the Council eliminate this perception by establishing for the freezer longliner fleet a rate-based incentive program and retaining a PSC limit.

3. Funding for halibut monitoring. The IPHC bases stock assessment for the halibut resource on data collected from biological monitoring programs (accurate catch records, logbook data, and otolith collection). For example, we currently obtain logbook data from approximately 50 percent of the poundage landed. We believe that monitoring 50 percent of the landings is necessary for us to maintain our data sets at the high quality needed to properly manage the halibut resource. We have estimated the cost of such a program (attached), and request that the Council strongly support funding for the program. The IPHC staff is prepared to conduct the monitoring program, but would be pleased if other agencies assumed responsibility for all or part of the program. We recognize that other species will be landed during an IFQ fishery, and intend to coordinate our proposed monitoring with monitoring for the other species.

4. Winter closure. The IPHC staff will recommend to our Commissioners that the open season for Individual Quota systems for halibut in the U.S. and Canada occur during the months of April through October. A winter closure from November through March will reduce management problems caused by migration of halibut from the traditional summer fishing grounds to winter spawning grounds where the halibut would be intercepted during winter fisheries. However, a halibut bycatch retention allowance for winter longline groundfish fisheries may be feasible, and we will be pleased to work with the Council if such a plan is considered.

Thank you for the opportunity to comment on this important topic. Members of our staff will be available during the Council meeting to provide additional information.

Sincerely,



Donald A. McCaughran
Director

cc. Commissioners

1.0 Preliminary

1.1 Implementation Process Overview and Proposed Timetable

1.1.1 Industry Consultation

The industry will be informed about the IFQ system through public meetings and media presentations.

1.1.2 Database Preparation

Eligibility records and catch histories will be compiled from data sets in several agencies. The teams are aware there may be errors in these data and that editing will be needed.

1.1.3 Generation of Catch Data for Eligible Participants

The edited data will be used to identify and construct individual catch histories.

1.1.4 Initial Allocation Application Procedure

There are legal difficulties with releasing fish tickets to other than the filer of the ticket because the catches of permit-holders cannot be revealed to the owners of the vessels. Therefore vessel owners and operators of bare-boat charters must apply for quota shares. Application forms will be supplied. For owners who were also permit holders, the application form will contain full catch details. For owners who were not permit holders, the application form will contain as much information as can be released. Owners must then supply authorization for the release of information, or otherwise document the catches.

1.1.5 Quota Share Determination

Applicants will be asked to choose their best five years which will be added to produce a qualifying poundage. The ratio of this qualifying poundage to the total is the applicant's quota share proportion for an area. An individual's qualifying poundage may be altered during the application and appeals process.

1.1.6 Quota Share Notification

NMFS' handling and processing of applications will have strict deadlines. NMFS will advise applicants of their quota share entitlement.

1.1.7 Appeals Procedure

All applicants will be advised of their right to appeal. Appeals must be supported by factual, not subjective, documentation. A hearing officer will adjudicate the appeal.

1.1.8 Annual Specification

A quota holder's annual IFQ will be determined by multiplying the individual's quota share by the annual fixed gear TAC. The calculation will be based on quota shares held at midnight on December 31/January 1 each year.

1.1.9 Community Development Quotas

The State of Alaska will administer the CDQ program except for enforcement which will be NMFS' responsibility. To the greatest extent possible CDQs will be monitored and enforced in the same way as commercial IFQs.

1.1.10 Transferability

A comprehensive computer based system will be developed for the transfer of quotas. The system will be designed to detect illegal transfers and to monitor the disposition of quota.

1.1.11 Proposed Timetable

The two teams are aware of the Council's desire to implement this system in 1993, but 1994 is more realistic, considering the lead times and events shown in the following table.

Action	Start date	End date
Council Approves QS plan.	December 1991	
Secretary Approves QS plan.	April 1992	
Preliminary data gathering.	December 1991	April 1992
Implementation start up phase; includes hiring, calls for RFPs, thorough data editing.	April 1992	September 1992
Implementation begins when funding becomes available at start of new fiscal year.	September 1992	
Applications mailed.	September 1992	
1st application period is 6 months. All applications must be submitted for at least the first time.	September 1992	March 1993
NMFS Technical review begins.	September 1992	
Last notice NMFS mailed regarding 1st application (45 days after NMFS receipt).	May 1993	
1st resubmission of application may begin, but all 1st resubmissions must be in 90 days after notification by NMFS.	September 1992	August 1993
Last notice NMFS mailed regarding 1st resubmission (45 days after NMFS receipt).	September 1992	October 1993
2nd resubmission may begin but all 2nd resubmissions must be in 90 days after notification by NMFS.	September 1992	December 1993
Last notice NMFS mailed regarding 2nd resubmission (45 days after NMFS receipt).	September 1992	March 1994
Formal Appeals process may begin immediately, but last appeal must be filed 90 days following NMFS notice regarding 2nd resubmission.	September 1992	June 1994
Appeal process may continue indefinitely.		
Initial specification of QS and IFQs. QS deriving from any unsettled appeals or applications will be added to the QS pool but IFQs will not be recalculated or re-issued until the following year.	February 1994	
Fishing under IFQ program begins.	March 1994	

1.1.12 Cost and Resource Estimate

The following is an estimate of the cost to implement and manage the Council's preferred alternative:

Fiscal Year 1992 (April - September 1992)	\$225,000
Fiscal Year 1993	\$1,035,000
Fiscal Year 1994	\$4,060,000
Each Fiscal Year thereafter	\$4,060,000

1.1.13 Recommendations

The technical and industry teams and the industry team identified the following conflicts between what they considered to be administratively feasible and what the Council specified in its preferred alternative.

Discards

The Council intends to prohibit discards except for undersized halibut, by persons holding quota shares. The situation, however, of persons prosecuting other fisheries such as Pacific cod, and taking sablefish and halibut as bycatch was not addressed. It is not clear if it is the Council's intent to require those prosecuting other fisheries to hold and control IFQs or if that they should discard all incidentally caught sablefish and halibut. The Council should clarify whether those prosecuting other fisheries must have IFQs or must discard incidentally caught sablefish or halibut.

Bona fide Crew Members

Because of the extremely short halibut seasons even people who have fished for many years may not meet the criteria for "bona fide fixed gear crew members" and will be unable to purchase quota under Section 2(3)(i). The Council should review the definition to either reaffirm its intention, or to amend the definition to allow long-standing fishermen to purchase quota shares and IFQs.

Bare-boat Charters

The two teams recognize that there are a variety of arrangements for vessel leases and charters which may not fit the Council's definition of a bare-boat charter under Section 2(b)(ii). A bare-boat charter involves a "demise" in which the vessel owner forgoes all control of the vessel. A lease arrangement commonly involves a written document of some kind. A third category of lease also is prevalent in the industry, verbal lease agreements, and there are substantial numbers of these arrangements.

Concern was expressed that if these types of arrangements were recognized, people may be tempted to enter into agreements purporting to cover an earlier lease arrangement. The two teams think that people should not be encouraged to fabricate agreements and that some recognition should be accorded verbal agreements. If a verbal lease did exist there should be other documentation such as IRS 1099 forms. The two teams recommend that if a vessel owner and lessor agree that a lease did exist and there was other supporting documentation such as IRS 1099 forms, that the lease should be allowed. If the owner and lessor do not agree that a lease existed, legal action can be taken by the disputing parties. The Council should determine whether to recognize documented formal leases or bare-boat charters in addition to verbal arrangements.

Vessel Categories

The criteria to determine whether a vessel is a freezer long-liner or catcher vessel needs clarification. Does the Council intend to assign a vessel that operated as a freezer long-liner at any time to the freezer long-line class, even if it operated as a catcher vessel for all or most of its catch history?

A second concern is the disposition of quota shares. This can best be illustrated through an example. A person is initially allocated quota share in a catcher vessel category, and s/he subsequently purchases quota shares in the freezer long-line category. Can this person utilize both types of quota share on the same vessel? It may be possible for someone to freeze the freezer long-line portion on board, and to hold the catcher vessel quota share fresh or iced. The Council should clarify the above two issues surrounding vessel categories.

Corporations and Partnerships

The Council has indicated that the death of an owner will not alter a corporate structure for the purpose of retaining grandfather rights to use hired skippers. Clarification is needed as to whether the same provisions should apply to partnerships. The accidental death of a partner could also be seen in the same light. It may be unduly discriminatory not to recognize the same circumstances in the two situations. The Council should clarify its intent in relation to change of structure for corporations and partnerships and confirm that the same circumstances should apply to each.

Permit Holders

The Council's preferred alternative may have the effect of granting all permit holders "bona fide fixed gear crew member" status. Is this the Council's intent?

Community Development Quotas

There are likely to be many issues surrounding CDQs. One of the immediate ones is the question of eligibility. It is not clear whether communities outside Area 4B can apply for quota in that area. The Council needs to clarify its intent on the allocation of CDQs. In particular, is it intended that communities located outside area 4B can apply for a CDQ in that area?

Further Matters

Both teams were of the view that more time could have resulted in a more thorough plan. There will inevitably be further concerns raised as the management regime is implemented. A forum should be provided to address these concerns. It is therefore proposed that the two teams be merged into one, and be charged with overseeing the implementation of the program. The teams would report progress to the Council at each meeting and could refer any areas requiring policy interpretation back to the Council.

ENFORCEMENT ACTIONS AND PENALTY RECOMMENDATIONS.

1. Possession or sale of IFQ fish by subject with no annual QS:

- Seizure and forfeiture of catch.
- Under \$25,000 catch value
 - 1ST OFFENSE
 - administrative penalties equal to two times the value of the catch and \$1,000 to \$10,000 base penalty.
 - 2ND & SUBSEQUENT OFFENSES
 - administrative penalties equal to double a 1st offense.
- Over \$25,000 catch value
 - 1ST OFFENSE
 - administrative penalties equal to no less than 5 times the value of catch and \$10,000 to \$50,000.
 - 2ND OFFENSE
 - forfeiture of vessel.

2. Possession or sale of excess IFQ fish by subject with annual QS:

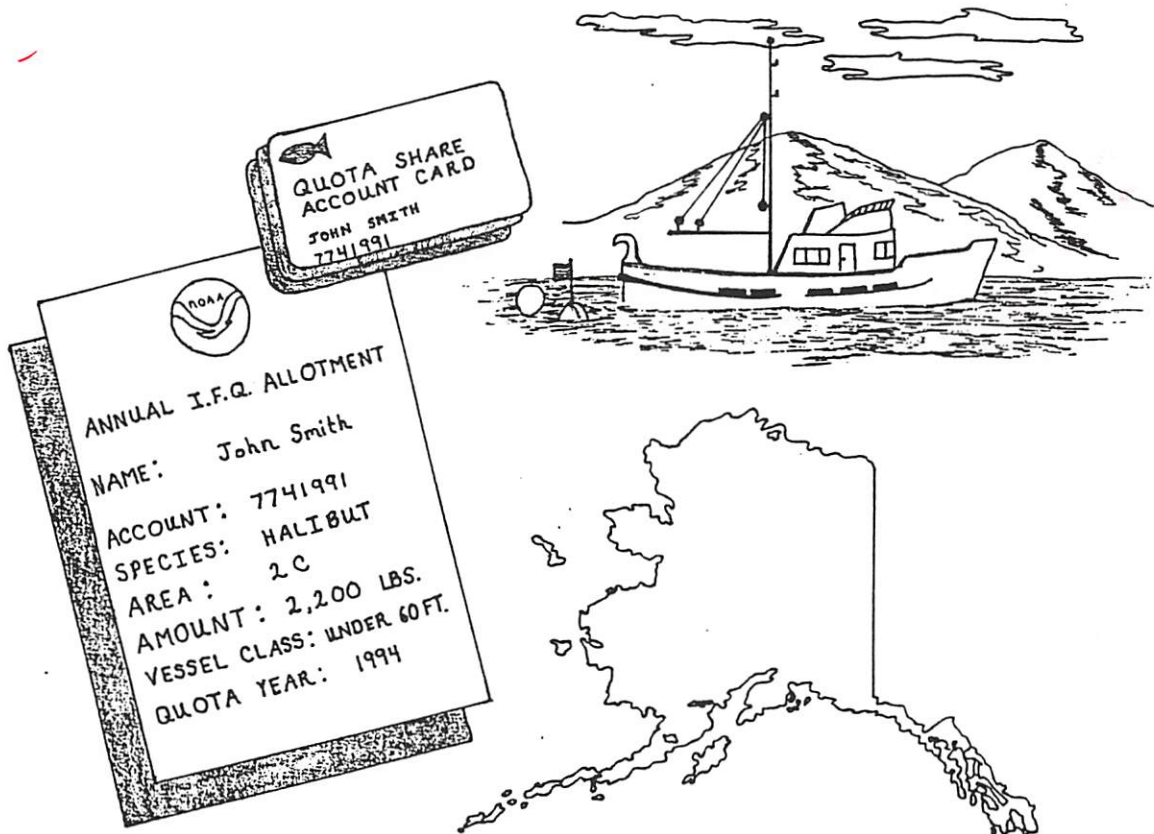
A. Overages occurring during final voyage of year where IFQ available.

- Overage amounting to 10 to 25 percent of IFQ
 - 1ST OFFENSE
 - seizure and forfeiture of catch with summary settlement penalty equal to value of overage.
 - 2ND OFFENSE
 - seizure and forfeiture of catch and forfeiture of QS.
- Overage amounting to more than 25 percent of IFQ
- seizure and forfeiture of catch.
- Under \$25,000 catch value
 - 1ST OFFENSE
 - administrative penalties equal to two times the value of the catch and \$1,000 to \$10,000 base penalty.
 - 2ND OFFENSE
 - administrative penalties equal to double a 1st offense with loss of all QS.
- Over \$25,000 catch value
 - 1ST OFFENSE
 - administrative penalties equal to no less than 5 times the value of catch and \$10,000 to \$50,000 base.
 - 2ND OFFENSE
 - forfeiture of vessel and all QS.

- B. Possession or sale by annual QS holder with no remaining IFQ or catch during any closed season or area.
- seizure and forfeiture of catch.
 - Under \$25,000 catch value
 - 1ST OFFENSE
 - administrative penalties equal to two times the value of the catch and \$1,000 to \$10,000 base penalty.
 - 2ND OFFENSE
 - administrative penalties to double a 1st offense with loss of all QS.
 - Over \$25,000 catch value
 - 1ST OFFENSE
 - administrative penalties equal to no less than 5 times the value of catch and \$10,000 to \$50,000 base.
 - 2ND OFFENSE
 - forfeiture of vessel and all QS.
3. Illegal sale, transfer or control of QSs or IFQs:
- Seizure and forfeiture of all catch.
 - Forfeiture of all QS.
 - Administrative penalties of \$25,000 to \$75,000 per count.
4. Fraud or false statement in conjunction with acquiring QS, IFQ, ownership or bona fide crewmember status:
- Seizure and forfeiture of all catch.
 - Forfeiture of all QS.
 - Administrative penalties of \$50,000 to \$100,000.
 - Criminal prosecution under USCA Title 18 for Fraud and Conspiracy when applicable.

Presentation To
The North Pacific Fishery Management Council

December 1991



ENFORCEMENT OF
INDIVIDUAL FISHERY QUOTAS
IN THE FIXED GEAR HALIBUT AND SABLEFISH FISHERY

Prepared by:

The National Marine Fisheries Service
Office of Enforcement

I. INTRODUCTION.

The introduction of individual fishery quotas (IFQ) into the groundfish management off Alaska will necessitate a dramatic shift in the way fisheries regulations are enforced. Under traditional fisheries regimes, enforcement focuses primarily upon at sea activities. Under an IFQ system that focus shifts to the point of landing and beyond.

In developing an enforcement program we have tailored our efforts to accomplish four goals. First and foremost is to create an environment conducive to voluntary compliance. The proposed program contains a number of enforcement checks and balances. Multiple checks are provided to discourage casual cheating within the system. The checks further provide trip wires throughout the fishing, processing, transportation and marketing system to detect illegal transactions by the more determined miscreants. Our aim is to coax those fishermen who may be inclined to cheat, to stay within the legal bounds of the program.

Our second goal is to design a program which provides adequate enforcement resources to respond to known violations. For any enforcement program to be effective it is vital to be able to apprehend and prosecute known violators. The simple ability to detect a violation is no guarantee of compliance. Failure to prosecute known violators can have the effect of encouraging even more noncompliance.

Our third goal is to provide an enforcement program that is both cost effective and realistic in terms of today's budget concerns. Certainly we could propose an enforcement program that would overwhelm a vast majority of the most determined fish bandits. The cost of such a program would however exceed the current national budget for the NMFS Office of Enforcement. We do not believe that it is likely that any proposal of that magnitude would be approved by the secretary. We believe the program we are presenting is adequate to achieve a level of compliance that equates to a successful IFQ program.

Our final goal is to provide an enforcement program that does not unnecessarily interfere with normal and traditional business practices. The net result of an IFQ program should be a better product for the consumer and a higher return to the industry. With that in mind the proposed program has been tailored to blend with current landing, transportation and marketing practices. We must however point out that IFQ enforcement necessitates a much more intrusive interaction between government and industry. Instead of managing one quota for each management area, IFQ'S result in managing thousands of individual quotas. The personalization of quotas

PACIFIC ASSOCIATES
119 Seward St., Suite 8
Juneau, Alaska 99801
(907) 586-3107
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November 22, 1991

SENT VIA FAX
(907) 586-7131

NOV 22

Mr. Jay Ginter
National Marine Fisheries Service
Alaska Region
Juneau, Alaska

Re: Crew Member Provision/IFQ

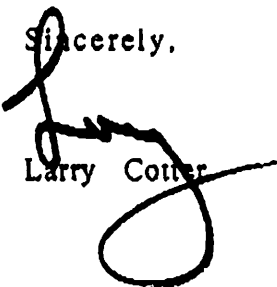
Dear Jay:

Attached is a copy of the "Crewmember Provision" IFQ distribution proposal submitted by Peter Soileau.

Personally, I believe there is merit to the concept of allocating IFQ to crew members, but I am concerned with potential implementation and administrative difficulties. Those difficulties may or may not exist, and if they do, they may or may not be easily addressed. I would appreciate it if you would review this proposal and provide the Council with an overview of how this program would impact the current program being considered by the Council. I am particularly interested in any difficulties associated with the implementation, administrative, and enforcement provisions and how they may be resolved.

If you have any questions please don't hesitate to contact me.

Sincerely,


Larry Cotter

cc: Clarence Pautzke

CREWMEMBER PROVISION

If the blackcod and halibut fisheries are going to be privatized by implementing an IFQ system, it is essential that professional crew members and skippers be included in the initial allocation of the quota share. They have traditionally SHARED with the vessel owner the cooperative labor of harvesting this resource. This indicates rights to the resource as much as vessel ownership does.

Quota distribution should be allocated along the lines of the set-line agreement, which is the traditional guide-line for dividing the profits in these fisheries. The division in the set-line agreement gives 30% to the boat (i.e. the boat owner) and the other 70% is divided equally among the crew with the boat owner/operator receiving one full crew share.

We propose that a licensed crewmember who can document his share of each fishing trip (during the same years that are defined for the boat owners in the current preferred alternative) shall be allotted quota share for the average of the sum of his trip shares in the qualifying years, based on the share or percentage division in his particular case. The Council may determine that the crew member's quota share should be a percentage of this, and that the boat owner receive the rest.

It is not difficult for any career fisherman, whether he is in Alaska, Washington, or Oregon, and whether or not he works on a union boat, to document his participation in the fishery, through settlement records, fish tickets, 1099 forms, log books, etc.

All crewmembers and skippers who wish to apply for their quota share must apply by a given deadline. I propose a three month application period. The burden of proof is placed on that individual to produce documentation of his participation in the fishery.

When the Alaskan Salmon fisheries went limited entry, permits were allocated according to a point system, where license holders in that fishery qualified, not just boat owners. Boat ownership does not imply exclusive resource ownership. If this resource is to be privatized, then it should be done equitably, and include the majority of people who have been earning shares by harvesting the resource during the qualifying years.

FRANK H. MURKOWSKI
ALASKA

COMMITTEES:

COMMITTEE ON INTELLIGENCE (VICE CHAIRMAN)
ENERGY AND NATURAL RESOURCES
FOREIGN RELATIONS
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November 25, 1991

Rick Lauber
Chairman
North Pacific Fishery Management Council
411 Fourth St., Suite 2D
P.O. Box 103136
Anchorage, AK 99510

Dear Rick:

The North Pacific Fishery Management Council is one of the success stories in the business of fisheries management. Its decisions have, almost without exception, been equitable, well-planned and significantly beneficial to the industry as a whole. The broad expertise in the industry represented on the Council is one of the most valuable of all our fishery resources.

I have always felt that it is best for those on the political side of fisheries issues to leave decisions in the Council's hands, and have strongly defended the Council's actions in many past cases.

I have no intention of altering that course now. At the same time, I feel that it is important to bring a recent phenomenon to your attention.

I have for some time been receiving an extraordinary volume of correspondence from Alaskans and others concerned about the Council's plans to impose an Individual Fishery Quota plan. Many of these writers have indicated they do not believe their views have been given adequate consideration.

The letters I've received express a wide variety of concerns. I have been particularly struck by three that seem to be shared by most writers:

First, that the Council's current implementation plan would cause significant social and economic disruption in coastal communities through the loss of perhaps thousands of crew berths, with the possibility that there would be subsequent disruptions including a loss of tax revenues, increased unemployment, etc., perhaps culminating in a significant population loss.

Rick Lauber
November 25, 1991

Page 2

Second, that there is a distinct possibility that it will lead many participants to land fish in fresh markets outside Alaska, rather than to land their catches in Alaska ports. This, too, would create a disruption of the economic fabric, if it proved true.

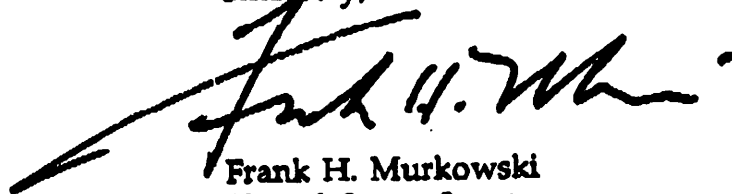
Third, that the costs of implementing the IFQ program would prove prohibitively high, and that it will be very difficult to ensure comprehensive enforcement.

A variety of other issues have also been raised, ranging from concern that it will be very difficult for any non-shareholder to move into shareholder status, to worry about the economic impact on service businesses. I'm sure you have heard all these expressed many times before.

I cannot evaluate all these charges; that is the Council's job alone. I can speak with some knowledge only on the issue of funding. Candidly, this issue concerns me, because the budgetary environment would be extremely difficult if a significant increase were needed to cover implementation, administration and enforcement. Unless a system which could pay for itself were devised -- and that might require legislative changes -- the additional cost would in all likelihood have to be taken from existing programs.

Again, I want to emphasize that the purpose of this letter is solely to apprise you of some of the correspondence I have recently been receiving on this subject, and not in any way to urge the Council toward a specific action. Indeed, I trust that the Council -- in its normal exemplary fashion -- already will have examined all these factors in great detail, and is completely confident that its record will provide all the support necessary for whatever action the Council chooses to take.

Sincerely,

A handwritten signature in black ink, appearing to read "Frank H. Murkowski". The signature is written in a cursive, somewhat stylized script.

Frank H. Murkowski
United States Senator

DRAFT
DISCUSSION PAPER
PERTAINING TO
REGULATORY AMENDMENT PROPOSALS
FOR THE
HALIBUT FISHERY OFF ALASKA

Submitted by the
North Pacific Fishery Management Council

Prepared by the Halibut Management Team
and Staff of the
North Pacific Fishery Management Council

November 25, 1991

1.0 INTRODUCTION

The North Pacific Fishery Management Council has established an annual cycle for considering public proposals to amend regulations for the halibut fishery off Alaska. Pursuant to the Northern Pacific Halibut Act of 1982 and responding to a request from the National Marine Fisheries Service, the Council considers only those regulatory changes whose purpose is primarily allocative or socioeconomic in nature. Regulatory changes which primarily address questions of biology or conservation are deferred to the International Pacific Halibut Commission (IPHC).

1.1 Proposed Regulatory Amendment and Alternatives

At its 1991 annual meeting, the IPHC received an amendment proposal from the Central Bering Sea Fishermen's Association (CBSFA). The CBSFA requested the IPHC to extend the western boundary of Halibut Regulatory Area 4C from 171° W to 172° W. However, the IPHC determined that the request was primarily allocative in nature, and declined to act on it. The CBSFA then drafted a new amendment proposal, of which the proposal submitted to the IPHC was a part. The new amendment proposal was submitted to the Council as part of the Council's regular 1991 halibut regulatory amendment cycle. The Council, having dealt with allocative issues in the Area 4C halibut fishery several times in recent years, approved the amendment proposal for analysis at its September 1991 meeting.

This analysis examines the new CBSFA proposal relative to the status quo. It is assumed that current regulations regarding trip limits, vessel clearance, and hold inspections will remain unchanged from the 1991 season. It is also assumed that the IPHC remains responsible for total catch limits, specific dates of fishing periods, and other conservation-based management measures. Specifically, the following alternatives are considered:

- 1) Alternative 1: Status quo. This alternative would retain the current boundaries of Area 4C.
- 2) Alternative 2: Extend Area 4C west to 172° W and south to 56° N. This alternative, proposed by the CBSFA, would extend the boundaries of Area 4C westward from 171° W to 172° W, and southward from 56°20' N to 56°00' N (Figure 1). The CBSFA's objective in proposing this amendment was to make regulation of halibut fishing around the Pribilof Islands consistent with four other activities: 1) prosecution of sablefish longline fisheries, 2) implementation of bycatch regimes, 3) compilation of statistics, and 4) protection of habitat.

1.2 Purpose of the Document

This document differs from the environmental assessments and regulatory impact reviews that have been prepared for Council consideration of halibut regulatory amendments in previous years. The difference is prompted by the fact that any regulatory

amendments adopted by the Council must be at least as restrictive as those adopted by the IPHC. However, this condition is not satisfied in the case of the regulatory amendment contemplated here, since the amendment involves a change in the boundary of a regulatory area. The most that the Council could do with an amendment proposal of this type would be to recommend its adoption by the IPHC. Since Council action would not involve actual implementation of the proposed amendment, neither a formal environmental assessment nor a formal regulatory impact review is required. Instead, this document presents a general discussion of some of the issues surrounding the amendment proposal.

2.0 SUMMARY OF ISSUES

2.1 Halibut Abundance in the Area of the Proposed Extension

Because the territory involved in the proposed extension of Area 4C is relatively small, it is difficult to determine the amount of halibut contained therein. The two principal types of data that can be brought to bear on this question are catch rates from the commercial fishery and from the longline survey conducted by the National Marine Fisheries Service (NMFS) on the continental slope. (Unlike the longline survey, the NMFS trawl survey is not particularly relevant, since the halibut sampled by the trawl gear are largely of sublegal size.)

2.1.1 Commercial Catch Statistics

Relatively few vessels have fished in the area of the proposed extension in recent years. The numbers of vessels and their combined catches (in pounds) are shown for both the western and southern portions of the proposed extension below:

Year	<u>Westward Extension</u>		<u>Southward Extension</u>	
	Vessels	Catch	Vessels	Catch
1980			1	37,000
1981			2	<1,000
1982				
1983			1	<1,000
1984				
1985			2	9,000
1986	1	<1,000		
1987				
1988				
1989				
1990	2	75,000	1	59,000

The numbers of vessels fishing in 1991 are not yet available, but the preliminary catch estimates are 96,000 lbs. and 121,000 lbs. for the western and southern portions of the proposed extension, respectively. From this information, it seems fair to say that catches taken in the last two years show a marked increase relative to catches taken in the 1980s. It should also be noted that

although the above figures indicate low-to-modest catch rates for most years, the southern portion of the proposed extension includes the "Misty Moon" fishing grounds, which were once highly productive (yielding a halibut catch of 1.4 million lbs. in 1963).

2.1.2 NMFS Longline Survey Results

The region covered by the proposed extension includes waters over the continental slope, particularly in the southern portion of the proposed extension. Groundfish stocks in such waters are routinely assessed by NMFS longline surveys. In the 1991 longline survey, seven stations fell within the area of the proposed extension. The halibut catch (CPUE, in numbers) from these seven stations is shown below along with the nearest seven stations in the adjoining portions of Area 4D (to the west) and Area 4A (to the south):

<u>Area 4D</u>		<u>Extension</u>		<u>Area 4A</u>	
<u>Station</u>	<u>CPUE</u>	<u>Station</u>	<u>CPUE</u>	<u>Station</u>	<u>CPUE</u>
31	118	32	77	34	43
58	4	33	73	35	56
59	6	55	161	36	74
61	12	56	61	37	23
62	98	57	35	52	278
63	11	64	133	53	62
66	26	65	35	54	32
Average:	39		82		81

Although the stations in the area of the proposed extension and in the adjoining portion of Area 4A show a higher nominal average CPUE than in the adjoining portion of Area 4D, neither of these differences is significant at the 95% confidence level. Thus, it is not possible to reject the hypothesis that the halibut density in the portion of the continental slope contained in the proposed extension is typical of the surrounding slope.

2.2 Likely Impacts on the Halibut Resource

When the CBSFA presented its initial amendment proposal to the IPHC earlier this year, the IPHC staff indicated that the proposal was unlikely to have significant conservation implications, since the area involved in the proposed boundary change was perceived to be one of low halibut abundance. However, the current amendment proposal is different from the one presented to the IPHC in that it includes a southward extension in addition to the westward extension initially proposed. The proposed southward extension is comprised largely of territory along the continental slope, which might be expected to contain a higher halibut density than the (predominantly shelf) waters contained in the proposed westward extension. Thus, it is not clear whether the IPHC staff will conclude that the proposed amendment has no conservation implications.

Advisory Panel split evenly on a vote to drop the subject permanently (i.e., "kill the rat"). Industry support for the proposal seems to come mainly from those who would enjoy a windfall profit through the allocation of shares.

IV. Precedent - Offshore Processors

Under the proposal the catcher-processor fleet is awarded very little quota in the fisheries, and is permanently prevented from acquiring more through the market - efficiency, product quality, and possible willingness to pay more for quota share notwithstanding. This scheme would set a frightening precedent for other fisheries.

V. Limitations on Ownership of Shares

Provisions limiting individual, collective and corporate ownership of shares are also troubling. Efficiency may require some consolidation. Further, the 1% and 1/2% limitations would set an impossible precedent for other fisheries, where single vessels often exceed such proportions of the catch (vessel catch limits raise the same concern). Some limits may be desirable, but the levels proposed are far too restrictive.

VI. Foreign Control

Concern has been expressed that despite limitations on ownership and other protective measures, foreign interests will find ways to control ITQ's.

VII. Implementation, Administration, Monitoring and Enforcement

Despite diligent work by the implementation teams it is apparent that implementation, administration, monitoring and enforcement will be extremely complicated. It is fair to ask whether NMFS has or can acquire the capacity to administer such a program.

VIII. Funding

It is also apparent that implementation, administration, monitoring and enforcement will be very expensive. The source of funding remains a mystery. There is no legal authority under the Magnuson Act to extract fees from industry. Who will pay, and how much?

IX. Future Extraction of Economic Rents

Establishment of an ITQ system will be an open invitation for the extraction of economic rents from the fisheries (one way to offset a windfall). Congressional attitudes and intentions in this regard should be considered

carefully before we commit to any such program and make our industry vulnerable to further fiscal burdens.

X. Environmental Impact Assessment; Cumulative Impact

Two separate and independent analyses of the impact of the sablefish and halibut ITQ proposals on the human environment have been prepared - each as though the other proposal did not exist. Has there been any assessment of the possible cumulative impacts of these two actions? Also, the environmental assessments are generic, intended to address the general impacts of all of the alternatives. Has a specific analysis of the preferred alternative been performed?

XI. Economic Impact Analysis; Cumulative Impact

Again the economic impact analyses were done independently, using incompatible methodologies, assumptions and data - and the actions were later combined. Is the cumulative economic impact different from the individual impacts? The analysis is also generic - will the public and the Council review a full analysis of the preferred alternative?

The Council has announced its intention to develop ITQ programs for all fisheries under its jurisdiction. This is a revolutionary proposal, and its components are all part of a single scheme. This privatization may well have an annual effect on the economy of \$100 million or more, and if the programs are designed after the sablefish/halibut proposal, they will certainly have an adverse effect on competition, productivity, and the ability of U.S.-based enterprises to compete with foreign-based enterprises in domestic or export markets. This overall plan should be subjected to thorough analysis under E.O. 12291 and the NMFS guidelines on fishery regulation - these analytical requirements should not be evaded through a fishery-by-fishery piecemeal approach.

XII. Community Development Quotas

The preferred alternative calls for the creation of sizeable Community Development Quotas (CDQ's), to be taken from fully-subscribed fisheries. It does not appear that there is any conservation rationale for this action, nor is it necessary "to achieve optimum yield" under Section 303(b)(6) of the Magnuson Act. For all practical purposes the CDQ's would create perpetual rights to public property, in certain Alaska coastal communities. Washington state coastal communities which are equally disadvantaged would be barred from applying. This intentional geographic exclusion may raise questions of impermissible discrimination.

Conclusion

We share the view of Dr. Fox that the primary purpose of an ITQ system is to extricate government from the allocation process, and to replace it with the market mechanism. The current sablefish/halibut preferred alternative does not achieve that goal - it is hardly an ITQ program, and would establish a frightening precedent. If the Council really favors the ITQ approach it should abandon this elaborate construct and design a simple program with freely transferable quota shares. Consideration should also be given to a plan for all fisheries, so that industry knows what to anticipate.

Thank you for your attention.

Sincerely,

Thorn Smith
Executive Director

SELDOVIA NATIVE ASSOCIATION, INC.

P.O. DRAWER -

SELDOVIA, ALASKA 99663

(907) 234-7625 • 234-7890

December 2, 1991

To the North Pacific Fishery Management Council:

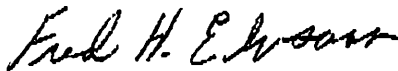
The Seldovia Native Association, Inc. is opposed to the Halibut and Sable Fish IFQ plan of November 1991, as presented.

This plan will eliminate many fishermen of the Seldovia area.

The IFQ plan will restrict many small boat Fishermen from being able to improve their boats and gear in future years.

IFQ's will be like other limited entry Fisheries, in that, before long only rich lawyers and doctors will have the permits. Then the Alaskan Fishermen will starve.

Please Vote no on this crucial issue, until a plan acceptable to all who participate in the Fishery is worked out.



Fred H. Elvsaa President
Seldovia Native Association, Inc.

Seldovia Village Tribe

P.O. Drawer L

Seldovia, Alaska 99663

(907) 234-7625 Fax: 234-7637

December 2, 1991

To the North Pacific Fishery Management Council,

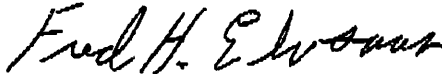
The Seldovia Village Tribe is opposed to the IFQ plan as presented.

This plan if adopted will devastate Villages like Seldovia. The Natives of Seldovia are at an economic disadvantage for being able to participate in the Halibut and Sable Fisheries.

The Fishery is so costly to enter, The Native people have not been able to get into it on a par with 'Outside' boats.

Seldovia Village Tribe needs to be designated and participate in the Community Development quota.

There is no valid reason to limit C.D.Q's to only Western Alaska and prohibit Natives along the Central Gulf of Alaska from participating and growing in this vital fishery.



Fred H. Elvsaa President
Seldovia Village Tribe

SPONSOR: Hallgren/Fager

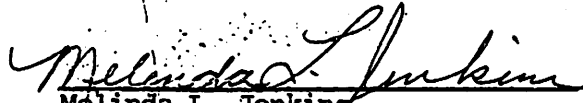
RESOLUTION NO. 91-487

BE IT RESOLVED THAT THE CITY AND BOROUGH OF SITKA REQUESTS THE NORTH PACIFIC FISHERIES MANAGEMENT COUNCIL AND ALL OTHER AUTHORITIES NOT TO APPROVE THE INDIVIDUAL FISHING QUOTA PROGRAM FOR THE SABLEFISH AND HALIBUT FISHERIES UNTIL AN ECONOMIC AND SOCIAL IMPACT ANALYSIS OF THE PROGRAM ON THE COASTAL COMMUNITIES OF ALASKA IS COMPLETED AND SHARED WITH THE AFFECTED COMMUNITIES FOR THEIR CONSIDERATION AND AFTER PUBLIC HEARINGS ON THE SPECIFIC INDIVIDUAL FISHING QUOTAS PROPOSED ARE HELD IN AFFECTED COASTAL COMMUNITIES

PASSED, APPROVED AND ADOPTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF SITKA THIS 29th DAY OF NOVEMBER, 1991.


Dan Keck, Mayor

ATTEST:


Melinda L. Jenkins
Municipal Clerk

ROBERT C. BYRD, WEST VIRGINIA, CHAIRMAN

DANIEL K. INOUE, HAWAII
ERNEST F. HOLLINGS, SOUTH CAROLINA
J. BENNETT JOHNSTON, LOUISIANA
QUENTIN N. BURDICK, NORTH DAKOTA
PATRICK J. LEAHY, VERMONT
CASSER, TENNESSEE
DISCONCINI, ARIZONA
MPPERS, ARKANSAS
R. LAUTENBERG, NEW JERSEY
HARKIN, IOWA
BARBARA A. MIKULSKI, MARYLAND
HARRY REID, NEVADA
BROCK ADAMS, WASHINGTON
WYCHE FOWLER, JR., GEORGIA
J. ROBERT KERREY, NEBRASKA

MARK O. HATFIELD, OREGON
TED STEVENS, ALASKA
JAKE GARN, UTAH
THAD COCHRAN, MISSISSIPPI
ROBERT W. KASTEN, JR., WISCONSIN
ALFONSO M. D'AMATO, NEW YORK
WARREN RUDMAN, NEW HAMPSHIRE
ARLEN SPECTER, PENNSYLVANIA
PETE V. DOMENICI, NEW MEXICO
DON NICKLES, OKLAHOMA
PHIL GRAMM, TEXAS
CHRISTOPHER S. BOND, MISSOURI
BLADE GORTON, WASHINGTON

United States Senate
COMMITTEE ON APPROPRIATIONS
WASHINGTON, DC 20510-8026

JAMES H. ENGLISH, STAFF DIRECTOR
J. KEITH KENNEDY, MINORITY STAFF DIRECTOR

December 4, 1991

Richard B. Lauber
Chairman
North Pacific Fishery Management Council
P.O. Box 103136
Anchorage, AK 99510

Dear Rick:

I'm informed that the Council plans to take final action at its current meeting on a proposal to implement Individual Fishing Quotas (IFQs) for sablefish and halibut. I continue to hear from Alaska fishermen who are concerned about the impact of the proposal on them and the communities who depend on income from these fisheries. Some have gone so far as to ask me to oppose IFQs altogether. I understand that Congressman Young has also written you regarding the IFQ proposal.

Last June I wrote to you to express a number of concerns about the IFQ concept. It is still not clear from the Council's November 22 decision document what this proposal will cost and how it will be funded. It appears that the proposal could cost at least \$4 million annually. If those funds are to come from the already tight National Marine Fisheries Service budget, other important fishery programs, such as stock assessment and high seas fishery enforcement, may suffer.

The Council's decision document has only been available to the public for 12 days, so many fishermen have not yet had time to assess the impact the IFQ proposal will have on them or their communities. Given the time and effort that the Council has spent developing the IFQ concept and the importance of this decision, I urge you and other members of the Council to allow more time for public comment on, and further review of, the IFQ proposal's impact before taking final action. Thanks for your consideration of my views.

With best wishes,

Cordially,


TED STEVENS

Table 4.2 Number of halibut vessel owners during 1984 through 1990 and calculated number of quota share (QS) recipients according to each of five quota share apportionment rules, by vessel class and region of owner residence.

Vessel Class Set	Number of vessel owners							Number of QS Recipients by Apportionment Rule				
	1984	1985	1986	1987	1988	1989	1990	1	2	3	4	5
All	3149	2538	3082	3597	3770	3464	4024	6118	7702	9335	9335	6118
Alaska	2518	2118	2593	3050	3361	3010	3410	5240	6475	7711	7711	5240
Other States	201	163	230	290	265	266	316	452	577	658	658	452
Unknown	430	257	259	257	144	188	298	426	650	966	966	426
% Alaska	80	83	84	85	89	87	85	86	84	83	83	86
% ≤ 35 ft	66.0	59.7	55.3	54.3	49.5	46.3	44.8	51.2	54.6	58.6	58.6	51.2
% 36-60 ft	30.7	36.1	39.4	40.4	45.0	47.9	48.8	42.5	39.2	35.6	35.6	42.5
% ≤ 60 ft	96.6	95.8	94.7	94.7	94.5	94.2	93.5	93.7	93.8	94.2	94.2	93.7
% > 60 ft	3.6	4.6	5.5	5.5	5.9	6.1	6.8	6.3	6.2	5.8	5.8	6.3
% 61-90 ft	3.4	4.1	5.0	4.9	5.0	5.2	5.7	5.2	5.2	4.9	4.9	5.2
% > 90 ft	0.2	0.5	0.6	0.6	0.8	0.9	1.1	1.1	1.0	0.9	0.9	1.1
C/B	100.0	100.0	100.0	99.9	99.8	99.8	99.8	99.8	99.8	99.9	99.9	99.8
F/L	0.0	0.0	0.0	0.1	0.2	0.2	0.2	0.2	0.2	0.1	0.1	0.2
≤35 ft All	2077	1516	1705	1954	1865	1604	1801	3131	4206	5472	5472	3131
Alaska	1634	1260	1457	1709	1741	1462	1595	2819	3675	4618	4618	2819
Other States	53	31	35	60	37	38	48	68	94	120	120	68
Unknown	390	225	213	185	87	104	158	244	436	734	734	244
% Alaska	79	83	85	87	93	91	89	90	87	84	84	90
36-60 ft All	966	915	1215	1454	1696	1658	1963	2600	3019	3321	3321	2600
Alaska	817	784	1020	1213	1485	1420	1655	2174	2491	2736	2736	2174
Other States	118	107	158	180	167	170	195	279	353	398	398	279
Unknown	31	24	37	61	44	68	113	147	175	187	187	147
% Alaska	85	86	84	83	86	86	84	84	83	82	82	84

Table 4.2 continued.

Vessel Class Set	Number of vessel owners							Number of QS Recipients by Apportionment Rule				
	YEAR							1	2	3	4	5
	1984	1985	1986	1987	1988	1989	1990					
≤60 ft All	3043	2431	3408	2920	3561	3264	3762	5731	7224	8793	8793	5731
Alaska	2451	2044	2922	2477	3226	2882	3250	4993	6166	7354	7354	4993
Other States	171	138	193	240	204	208	243	347	447	518	518	347
Unknown	421	249	250	246	131	172	271	391	611	921	921	391
% Alaska	81	84	85	86	91	88	86	87	85	84	84	87
>60 ft All	112	117	171	197	221	213	274	387	478	542	542	387
Alaska	72	83	124	134	144	139	173	247	309	357	357	247
Other States	31	26	38	52	64	58	73	105	130	140	140	105
Unknown	9	8	9	11	13	16	28	35	39	45	45	35
% Alaska	64	71	73	68	65	65	63	64	65	66	66	64
61-90 ft All	106	105	154	175	190	181	228	321	400	457	457	321
Alaska	66	71	111	118	124	117	141	202	256	297	297	202
Other States	31	26	36	49	58	51	65	92	114	124	124	92
Unknown	9	8	7	8	8	13	22	27	30	36	36	27
% Alaska	62	68	72	67	65	65	62	63	64	65	65	63
>90 ft All	6	12	17	22	31	32	46	66	78	85	85	66
Alaska	6	12	13	16	20	22	32	45	53	60	60	45
Other States	0	0	2	3	6	7	8	13	16	16	16	13
Unknown	0	0	2	3	5	3	6	8	9	9	9	8
% Alaska	100	100	76	73	65	69	70	68	68	71	71	68
C/B All	3149	2538	3081	3592	3763	3457	4017	6107	7689	9322	9322	6107
Alaska	2518	2118	2592	3049	3359	3007	3407	5237	6471	7707	7707	5237
Other States	201	163	230	286	260	262	312	444	568	649	649	444
Unknown	430	257	259	257	144	188	298	426	650	966	966	426
% Alaska	80	83	84	85	89	87	85	86	84	83	83	86
F/L All	0	0	1	5	7	7	7	11	13	13	13	11
Alaska	0	0	1	1	2	3	3	3	4	4	4	3
Other States	0	0	0	4	5	4	4	8	9	9	9	8
Unknown	0	0	0	0	0	0	0	0	0	0	0	0
% Alaska	-	-	100	20	29	43	43	27	31	31	31	27

Table 4.2a Number of halibut vessel owners during 1984 through 1990 and calculated number of quota share (QS) recipients according to each of five quota share apportionment rules by region of owner residence for Areas 4C and 4E.

IPHC area	YEAR										
	1984	1985	1986	1987	1988	1989	1990	Rule 1	Rule 2	Rule 3	Rule 4
4C											
Local	12	13	13	14	19	21	24	35	37	45	45
Other	17	15	13	23	7	10	21	29	52	64	64
Unknown	8	8	3	2	2	4	6	2	3	9	9
% Local	32.4%	36.1%	44.8%	35.9%	67.9%	60.0%	47.1%	53.0%	40.2%	38.1%	38.1%
4E											
Local	13	6	4	42	18	14	75	92	130	137	137
Other	-	3	2	2	2	1	20	24	29	32	32
Unknown	59	59	56	60	1	2	32	31	102	150	150
% Local	18.1%	15.8%	6.5%	40.4%	85.7%	82.4%	59.1%	62.6%	49.8%	42.9%	42.9%

* Note: The number of owners under Rule 5 equals the number of owners under Rule 1.

Rule 1: Best 1 of 3 years for 1988-90

Rule 2: Best 3 of 5 years for 1986-90

Rule 3: Best 5 of 7 years for 1984-90

Rule 4: Best 6 of 7 years for 1984-90

Rule 5: Best 5 of 7 years for 1984-90 and a landing between 1988 and 1990

Table 4.3 Catch of Pacific halibut off Alaska, in thousands of pounds (net weight), by region of owner residence, during 1984 through 1990, for three sets of vessel class options, and calculated amount of IFQ within each vessel class according to each of the five share (QS) apportionment rules.

Vessel Class Set	CATCH							IFQ QS by Apportionment Rule				
	1984	1985	1986	1987	1988	1989	1990	1	2	3	4	5
All	35040	45182	57784	56271	61011	56017	52946	108260	256403	352748	360835	286028
Alaska	23205	32219	42400	42040	46943	40536	37673	77727	183051	247353	253322	204555
Other States	8872	9782	11790	10712	10811	11350	10705	21109	52155	74558	76444	59268
Unknown	2963	3181	3594	3519	3257	4131	4568	9424	21197	30837	31069	22205
% Alaska	66	71	73	75	77	72	71	72	71	70	70	72
% ≤ 35 ft	15.3	11.7	11.6	14.8	12.2	10.0	9.7	10.4	9.8	9.5	9.5	9.2
% 36-60 ft	51.2	54.7	55.1	58.4	56.6	56.1	60.3	55.0	55.6	55.1	55.2	56.7
% ≤ 60 ft	66.4	66.4	66.7	73.1	68.9	66.2	70.0	65.5	65.4	64.6	64.7	66.0
% > 60 ft	33.6	33.6	33.3	26.9	31.1	33.9	30.0	34.5	34.6	35.4	35.3	34.0
% 61-90 ft	32.4	30.9	30.2	24.3	28.0	30.1	26.7	29.6	29.8	30.8	30.7	29.7
% > 90 ft	1.2	2.7	3.0	2.6	3.1	3.8	3.3	31.2	17.5	12.8	8.0	4.3
C/B	100.0	100.0	99.9	99.5	99.3	99.0	99.4	99.1	99.4	99.5	99.5	99.5
F/L	0	0	0.1	0.5	0.7	1.0	0.6	0.9	0.6	0.5	0.5	0.5
≤35 ft All	5356	5283	6731	8303	7453	5619	5150	11289	25230	33637	34246	26376
Alaska	4402	4470	5732	7197	6714	4759	4196	9673	22032	29430	29986	23498
Other States	214	179	281	417	255	175	148	341	813	1084	1119	817
Unknown	740	634	718	689	484	685	806	1275	2385	3123	3141	2061
% Alaska	82	85	85	87	90	85	81	86	87	87	88	89
36-60 ft All	17924	24702	31826	32848	34560	31437	31913	59572	142552	194285	199190	162272
Alaska	12970	18835	24240	25764	29017	25340	24661	47844	110980	149758	153977	129396
Other States	3597	4411	6139	5516	4339	4616	5127	8667	21602	29985	30468	22255
Unknown	1357	1456	1447	1568	1204	1481	2125	4061	9969	14542	14745	10621
% Alaska	72	76	76	78	84	81	77	79	78	77	77	80

Table 4.3 continued

Vessel Class Set	CATCH							IQs Q S by Apportionment Rule						
	YEAR		1984	1985	1986	1987	1988	1989	1990	1	2	3	4	5
	1984	1985												
≤60 ft All	23280	29984	38557	41151	42011	37055	37062	70860	167782	227923	233434	188648		
Alaska	17372	23305	29972	32962	35731	30099	28856	56516	133013	179188	183962	152893		
Other States	3811	4589	6420	5932	4596	4790	5275	9008	22415	31070	31587	23072		
Unknown	2097	2090	2165	2257	1687	2166	2931	5336	12354	17665	17885	12683		
% Alaska	75	78	78	80	85	81	78	80	79	79	79	81		
>60 ft All	11760	15196	19227	15120	18999	18962	15883	37400	88621	124825	127400	97380		
Alaska	5832	8914	12428	9078	11212	10437	8817	21211	50039	68165	69360	51662		
Other States	5061	5192	5371	4780	6218	6560	5430	12101	29740	43489	44857	36196		
Unknown	866	1091	1429	1263	1570	1965	1636	4088	8843	13172	13184	9522		
% Alaska	50	59	65	60	59	55	56	57	56	55	54	53		
61-90 ft All	11339	13983	17475	13658	17089	16849	14135	32051	76319	108703	110925	84962		
Alaska	5412	7700	11184	8148	9884	8861	7514	17297	40591	55395	56237	41395		
Other States	5061	5192	*	*	5898	*	5231	11462	28795	42483	43851	35351		
Unknown	866	1091	*	*	1307	*	1390	3291	6933	10825	10837	8216		
% Alaska	48	55	64	60	58	53	53	54	53	51	51	49		
>90 ft All	421	1213	1752	1463	1911	2112	1749	5349	12302	16123	16476	12419		
Alaska	421	1213	1244	930	1328	1575	1303	3914	9447	12770	13123	10267		
Other States	0	0	*	*	320	*	199	639	945	1006	1006	845		
Unknown	0	0	*	*	263	*	247	796	1910	2347	2347	1307		
% Alaska	100	100	71	64	70	75	74	73	77	79	80	83		
C/B All	35040	45181	*	55998	60585	55447	52622	107240	254741	351087	359173	284559		
Alaska	23205	32219	*	*	*	*	*	*	182226	246528	252497	203832		
Other States	8872	9782	*	*	*	*	*	*	51318	73722	75607	58522		
Unknown	2693	3181	*	*	*	*	*	*	21197	30837	31069	22205		
% Alaska	66	71	*	*	*	*	*	*	72	70	70	72		
F/L All	0	0	*	273	426	570	325	1020	1662	1662	1662	1469		
Alaska	0	0	*	*	*	*	*	*	825	825	825	723		
Other States	0	0	*	*	*	*	*	*	837	837	837	746		
Unknown	0	0	*	*	*	*	*	*	0	0	0	0		
% Alaska	-	-	*	*	*	*	*	*	50	50	50	49		

* Due to confidentiality restrictions, this information could not be released.

Table 4.4a Distribution of IFQs by regulatory area and region of owner's residence for quota share apportionment rule 5 based on 1991 TACs.

Owner's region of residence	IPHC area								Percent of total AK catch
	2C	3A	3B	4A	4B	4C	4D	4E	
Southeast	89.6%	13.6%	6.9%	5.1%	6.0%	1.3%	2.3%	.0%	23.3%
Southcentral	.5%	29.0%	11.9%	20.4%	6.7%	2.9%	2.3%	12.0%	19.6%
Kodiak	.1%	29.3%	25.3%	16.0%	20.8%	.3%	7.2%	.1%	22.5%
Western AK	.2%	.4%	15.4%	10.1%	3.3%	56.7%	2.5%	62.5%	4.5%
WA state	7.0%	19.1%	31.7%	30.5%	55.4%	26.1%	80.0%	12.9%	22.1%
Other areas	.5%	6.4%	6.8%	15.4%	5.7%	5.6%	5.6%	.1%	5.8%
Unknown	2.2%	2.2%	2.0%	2.5%	2.0%	7.1%	.0%	12.4%	2.2%
Total	31.8%	46.6%	11.4%	4.0%	1.8%	1.0%	.7%	2.7%	100.0%

Rule 5: Best 5 of 7 years for 1984-90 and a landing between 1988 and 1990

Table 4.9 Cumulative number of vessel owners with each level of either landings by year or IFQs by apportionment rule.

Landings (1000 lbs)	1984	1985	1986	1987	1988	1989	1990	IFQS by Apportionment Rule				
								1	2	3	4	5
≤0.1	69	93	90	95	100	83	141	449	1190	2108	2133	793
0.1-0.2	133	198	174	190	203	172	259	862	1875	3025	3054	1258
0.2-0.5	280	396	405	465	444	429	612	1657	2844	4275	4297	2003
0.5-1.0	465	589	645	757	752	743	906	2300	3665	5213	5237	2645
1-2	675	841	940	1103	1120	1116	1293	3103	4565	6217	6241	3344
2-3	832	1016	1137	1329	1376	1340	1559	3591	5119	6804	6830	3796
3-4	948	1116	1298	1531	1592	1530	1760	3935	5514	7162	7173	4098
4-5	1057	1208	1427	1683	1757	1682	1929	4202	5787	7481	7495	4340
5-6	1148	1292	1557	1807	1916	1812	2090	4433	6011	7718	7721	4559
6-7	1204	1351	1653	1921	2031	1927	2222	4621	6213	7883	7895	4732
7-8	1262	1419	1745	2027	2144	2010	2332	4779	6369	8031	8035	4846
8-9	1307	1473	1824	2097	2225	2097	2434	4912	6486	8151	8163	4958
9-10	1348	1525	1877	2175	2321	2177	2523	4997	6590	8253	8253	5058
10-20	1631	1790	2308	2734	2815	2623	3121	5546	7173	8806	8805	5594
20-30	1769	1945	2508	2943	3055	2833	3346	5757	7353	8990	8991	5778
30-40	1836	2024	2609	3065	3183	2948	3498	5854	7457	9100	9100	5871
40-50	1875	2071	2679	3140	3250	3030	3583	5921	7516	9161	9161	5929
50-60	1894	2109	2719	3200	3313	3075	3641	5972	7549	9200	9200	5966
60-70	1916	2133	2746	3237	3363	3108	3670	5997	7599	9233	9229	6000
70-80	1933	2153	2769	3263	3397	3131	3702	6027	7619	9247	9247	6020
80-90	1951	2168	2788	3288	3423	3148	3723	6049	7635	9266	9263	6037
90-100	1962	2177	2812	3310	3439	3166	3740	6067	7648	9281	9279	6045
100-110	1977	2189	2829	3321	3458	3178	3757	6081	7661	9291	9287	6059
110-120	1987	2203	2835	3338	3470	3187	3773	6088	7671	9296	9296	6071
120-130	1990	2211	2846	3348	3485	3204	3783	6092	7677	9304	9303	6076
130-140	1996	2221	2856	3361	3499	3219	3793	6099	7684	9313	9312	6084
140-150	2002	2224	2868	3372	3507	3227	3801	6101	7687	9317	9317	6092
150-160	2003	2231	2880	3382	3512	3237	3806	6107	7690	9321	9321	6095
160-170	2006	2233	2892	3388	3517	3248	3809	6112	7693	9324	9324	6099
170-180	2014	2237	2903	3393	3523	3257	3811	6115	7694	9324	9324	6101
180-190	2014	2246	2909	3400	3532	3259	3813	6115	7696	9325	9325	6102
190-200	2016	2248	2914	3404	3536	3265	3813	6115	7698	9326	9326	6105
>200	2038	2288	2952	3423	3563	3292	3823	6118	7702	9335	9335	6118

Rule 1: Best 1 of 3 years for 1988-90

Rule 2: Best 3 of 5 years for 1986-90

Rule 3: Best 5 of 7 years for 1984-90

Rule 4: Best 6 of 7 years for 1984-90

Rule 5: Best 5 of 7 years for 1984-90 and a landing between 1988 and 1990

Table 4.11 Cumulative percentage of vessel owners with each level of either landings by year or IFQs by apportionment rule.

Landings (1000 lbs)	1984	1985	1986	1987	1988	1989	1990	IFQs by Apportionment Rule				
								1	2	3	4	5
≤0.1	3.4	4.1	3.0	2.8	2.8	2.5	3.7	7.3	15.5	22.6	22.8	13.0
0.1-0.2	6.5	8.7	5.9	5.6	5.7	5.2	6.8	14.1	24.3	32.4	32.7	20.6
0.2-0.5	13.7	17.3	13.7	13.6	12.5	13.0	16.0	27.1	36.9	45.8	46.0	32.7
0.5-1.0	22.8	25.7	21.8	22.1	21.1	22.6	23.7	37.6	47.6	55.8	56.1	43.2
1-2	33.1	36.8	31.8	32.2	31.4	33.9	33.8	50.7	59.3	66.6	66.9	54.7
2-3	40.8	44.4	38.5	38.8	38.6	40.7	40.8	58.7	66.5	72.9	73.2	62.0
3-4	46.5	48.8	44.0	44.7	44.7	46.5	46.0	64.3	71.6	76.7	76.8	67.0
4-5	51.9	52.8	48.3	49.2	49.3	51.1	50.5	68.7	75.1	80.1	80.3	70.9
5-6	56.3	56.5	52.7	52.8	53.8	55.0	54.7	72.5	78.0	82.7	82.7	74.5
6-7	59.1	59.0	56.0	56.1	57.0	58.5	58.1	75.5	80.7	84.4	84.6	77.3
7-8	61.9	62.0	59.1	59.2	60.2	61.1	61.0	78.1	82.7	86.0	86.1	79.2
8-9	64.1	64.4	61.8	61.3	62.4	63.7	63.7	80.3	84.2	87.3	87.4	81.0
9-10	66.1	66.7	63.6	63.5	65.1	66.1	66.0	81.7	85.6	88.4	88.4	82.7
10-20	80.0	78.2	78.2	79.9	79.0	79.7	81.6	90.7	93.1	94.3	94.3	91.4
20-30	86.8	85.0	85.0	86.0	85.7	86.1	87.5	94.1	95.5	96.3	96.3	94.4
30-40	90.1	88.5	88.4	89.5	89.3	89.6	91.5	95.7	96.8	97.5	97.5	96.0
40-50	92.0	90.5	90.8	91.7	91.2	92.0	93.7	96.8	97.6	98.1	98.1	96.9
50-60	92.9	92.2	92.1	93.5	93.0	93.4	95.2	97.6	98.0	98.6	98.6	97.5
60-70	94.0	93.2	93.0	94.6	94.4	94.4	96.0	98.0	98.7	98.9	98.9	98.1
70-80	94.8	94.1	93.8	95.3	95.3	95.1	96.8	98.5	98.9	99.1	99.1	98.4
80-90	95.7	94.8	94.4	96.1	96.1	95.6	97.4	98.9	99.1	99.3	99.2	98.7
90-100	96.3	95.1	95.3	96.7	96.5	96.2	97.8	99.2	99.3	99.4	99.4	98.8
100-110	97.0	95.7	95.8	97.0	97.1	96.5	98.3	99.4	99.5	99.5	99.5	99.0
110-120	97.5	96.3	96.0	97.5	97.4	96.8	98.7	99.5	99.6	99.6	99.6	99.2
120-130	97.6	96.6	96.4	97.8	97.8	97.3	99.0	99.6	99.7	99.7	99.7	99.3
130-140	97.9	97.1	96.7	98.2	98.2	97.8	99.2	99.7	99.8	99.8	99.8	99.4
140-150	98.2	97.2	97.2	98.5	98.4	98.0	99.4	99.7	99.8	99.8	99.8	99.6
150-160	98.3	97.5	97.6	98.8	98.6	98.3	99.6	99.8	99.8	99.9	99.9	99.6
160-170	98.4	97.6	98.0	99.0	98.7	98.7	99.6	99.9	99.9	99.9	99.9	99.7
170-180	98.8	97.8	98.3	99.1	98.9	98.9	99.7	100.0	99.9	99.9	99.9	99.7
180-190	98.8	98.2	98.5	99.3	99.1	99.0	99.7	100.0	99.9	99.9	99.9	99.7
190-200	98.9	98.3	98.7	99.4	99.2	99.2	99.7	100.0	99.9	99.9	99.9	99.8
>200	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Rule 1: Best 1 of 3 years for 1988-90

Rule 2: Best 3 of 5 years for 1986-90

Rule 3: Best 5 of 7 years for 1984-90

Rule 4: Best 6 of 7 years for 1984

Rule 5: Best 5 of 7 years for 1984 and a landing between 1988 and 1990

Table 4.3a Catch of Pacific halibut off Alaska, in thousands of pounds (net weight) during 1984 through 1990 and calculated amount of IFO according to each of the five quota share (QS) apportionment rules by region of owner residence for Areas 4C and 4E.

IPHC area	YEAR							Rule 1	Rule 2	Rule 3	Rule 4	Rule 5
	1984	1985	1986	1987	1988	1989	1990					
4C												
Local	174,516	178,961	103,147	134,427	482,070	252,459	140,512	277,633	191,758	203,219	208,643	315,192
Other	396,215	405,704	564,971	742,580	215,184	310,589	340,962	315,121	405,182	391,254	385,904	281,120
Unknown	8,993	35,041	18,067	1,123	9,820	8,008	48,007	7,246	3,060	5,528	5,452	3,688
% Local	30.1%	38.9%	15.0%	15.3%	68.2%	44.2%	26.5%	46.3%	32.0%	33.9%	34.8%	52.5%
4E												
Local	10,620	10,782	4,161	30,716	4,729	13,257	21,103	37,105	42,601	39,707	39,707	55,856
Other	-	*	*	*	*	*	*	29,865	52,561	28,493	25,010	25,010
Unknown	24,628	25,265	38,870	59,146	4,375	^	9,387	10,334	28,906	35,283	35,283	6,415
% Local	30.1%	29.9%	9.7%	34.2%	51.9%	^	35.0%	37.1%	42.6%	39.7%	39.7%	55.9%

* Due to confidentiality restrictions, this information was added to the 'Unknown' category.
 ^ Due to confidentiality restrictions, this information was added to the 'Local' category.

Rule 1: Best 1 of 3 years for 1988-90

Rule 2: Best 3 of 5 years for 1986-90

Rule 3: Best 5 of 7 years for 1984-90

Rule 4: Best 6 of 7 years for 1984-90

Rule 5: Best 5 of 7 years for 1984-90 and a landing between 1988 and 1990

Table 4.8 Number of vessel owners with each level of either landings by year or IFQs by apportionment rule.

Landings (1000 lbs)	1984	1985	1986	1987	1988	1989	1990	IFQs by Apportionment Rule				
								1	2	3	4	5
≤0.1	69	93	90	95	100	83	141	449	1190	2108	2133	793
0.1-0.2	64	105	84	95	103	89	118	413	685	917	921	465
0.2-0.5	147	198	231	275	241	257	353	795	969	1250	1243	745
0.5-1.0	185	193	240	292	308	314	294	643	821	938	940	642
1-2	210	252	295	346	368	373	387	803	900	1004	1004	699
2-3	157	175	197	226	256	224	266	488	554	587	589	452
3-4	116	100	161	202	216	190	201	344	395	358	343	302
4-5	109	92	129	152	165	152	169	267	273	319	322	242
5-6	91	84	130	124	159	130	161	231	224	237	226	219
6-7	56	59	96	114	115	115	132	188	202	165	174	173
7-8	58	68	92	106	113	83	110	158	156	148	140	114
8-9	45	54	79	70	81	87	102	133	117	120	128	112
9-10	41	52	53	78	96	80	89	85	104	102	90	100
10-20	283	265	431	559	494	446	598	549	583	553	552	536
20-30	138	155	200	209	240	210	225	211	180	184	186	184
30-40	67	79	101	122	128	115	152	97	104	110	109	93
40-50	39	47	70	75	67	82	85	67	59	61	61	58
50-60	19	38	40	60	63	45	58	51	33	39	39	37
60-70	22	24	27	37	50	33	29	25	50	33	29	34
70-80	17	20	23	26	34	23	32	30	20	14	18	20
80-90	18	15	19	25	26	17	21	22	16	19	16	17
90-100	11	9	24	22	16	18	17	18	13	15	16	8
100-110	15	12	17	11	19	12	17	14	13	10	8	14
110-120	10	14	6	17	12	9	16	7	10	5	9	12
120-130	3	8	11	10	15	17	10	4	6	8	7	5
130-140	6	10	10	13	14	15	10	7	7	9	9	8
140-150	6	3	12	11	8	8	8	2	3	4	5	8
150-160	1	7	12	10	5	10	5	6	3	4	4	3
160-170	3	2	12	6	5	11	3	5	3	3	3	4
170-180	8	4	11	5	6	9	2	3	1	0	0	2
180-190	0	9	6	7	9	2	2	0	2	1	1	1
190-200	2	2	5	4	4	6	0	0	2	1	1	3
>200	22	40	38	19	27	27	10	3	4	9	9	13

Rule 1: Best 1 of 3 years for 1988-90

Rule 2: Best 3 of 5 years for 1986-90

Rule 3: Best 5 of 7 years for 1984-90

Rule 4: Best 6 of 7 years for 1984-

Rule 5: Best 5 of 7 years for 1984-

and a landing between 1988 and 1990

Table 4.10 Percentage of vessel owners with each level of either landings by year or IFQs by apportionment rule.

Landings (1000 lbs)	1984	1985	1986	1987	1988	1989	1990	IFQs by Apportionment Rule				
								1	2	3	4	5
≤0.1	3.4	4.1	3.0	2.8	2.8	2.5	3.7	7.3	15.5	22.6	22.8	13.0
0.1-0.2	3.1	4.6	2.8	2.8	2.9	2.7	3.1	6.8	8.9	9.8	9.9	7.6
0.2-0.5	7.2	8.7	7.8	8.0	6.8	7.8	9.2	13.0	12.6	13.4	13.3	12.2
0.5-1.0	9.1	8.4	8.1	8.5	8.6	9.5	7.7	10.5	10.7	10.0	10.1	10.5
1-2	10.3	11.0	10.0	10.1	10.3	11.3	10.1	13.1	11.7	10.8	10.8	11.4
2-3	7.7	7.6	6.7	6.6	7.2	6.8	7.0	8.0	7.2	6.3	6.3	7.4
3-4	5.7	4.4	5.5	5.9	6.1	5.8	5.3	5.6	5.1	3.8	3.7	4.9
4-5	5.3	4.0	4.4	4.4	4.6	4.6	4.4	4.4	3.5	3.4	3.4	4.0
5-6	4.5	3.7	4.4	3.6	4.5	3.9	4.2	3.8	2.9	2.5	2.4	3.6
6-7	2.7	2.6	3.3	3.3	3.2	3.5	3.5	3.1	2.6	1.8	1.9	2.8
7-8	2.8	3.0	3.1	3.1	3.2	2.5	2.9	2.6	2.0	1.6	1.5	1.9
8-9	2.2	2.4	2.7	2.0	2.3	2.6	2.7	2.2	1.5	1.3	1.4	1.8
9-10	2.0	2.3	1.8	2.3	2.7	2.4	2.3	1.4	1.4	1.1	1.0	1.6
10-20	13.9	11.6	14.6	16.3	13.9	13.5	15.6	9.0	7.6	5.9	5.9	8.8
20-30	6.8	6.8	6.8	6.1	6.7	6.4	5.9	3.4	2.3	2.0	2.0	3.0
30-40	3.3	3.5	3.4	3.6	3.6	3.5	4.0	1.6	1.4	1.2	1.2	1.5
40-50	1.9	2.1	2.4	2.2	1.9	2.5	2.2	1.1	0.8	0.7	0.7	0.9
50-60	0.9	1.7	1.4	1.8	1.8	1.4	1.5	0.8	0.4	0.4	0.4	0.6
60-70	1.1	1.0	0.9	1.1	1.4	1.0	0.8	0.4	0.6	0.4	0.3	0.6
70-80	0.8	0.9	0.8	0.8	1.0	0.7	0.8	0.5	0.3	0.1	0.2	0.3
80-90	0.9	0.7	0.6	0.7	0.7	0.5	0.5	0.4	0.2	0.2	0.2	0.3
90-100	0.5	0.4	0.8	0.6	0.4	0.5	0.4	0.3	0.2	0.2	0.2	0.1
100-110	0.7	0.5	0.6	0.3	0.5	0.4	0.4	0.2	0.2	0.1	0.1	0.2
110-120	0.5	0.6	0.2	0.5	0.3	0.3	0.4	0.1	0.1	0.1	0.1	0.2
120-130	0.1	0.3	0.4	0.3	0.4	0.5	0.3	0.1	0.1	0.1	0.1	0.1
130-140	0.3	0.4	0.3	0.4	0.4	0.5	0.3	0.1	0.1	0.1	0.1	0.1
140-150	0.3	0.1	0.4	0.3	0.2	0.2	0.2	0.0	0.0	0.0	0.1	0.1
150-160	0.0	0.3	0.4	0.3	0.1	0.3	0.1	0.1	0.0	0.0	0.0	0.0
160-170	0.1	0.1	0.4	0.2	0.1	0.3	0.1	0.1	0.0	0.0	0.0	0.1
170-180	0.4	0.2	0.4	0.1	0.2	0.3	0.1	0.0	0.0	0.0	0.0	0.0
180-190	0.0	0.4	0.2	0.2	0.3	0.1	0.1	0.0	0.0	0.0	0.0	0.0
190-200	0.1	0.1	0.2	0.1	0.1	0.2	0.0	0.0	0.0	0.0	0.0	0.0
>200	1.1	1.7	1.3	0.6	0.8	0.8	0.3	0.0	0.1	0.1	0.1	0.2

Rule 1: Best 1 of 3 years for 1988-90

Rule 2: Best 3 of 5 years for 1986-90

Rule 3: Best 5 of 7 years for 1984-90

Rule 4: Best 6 of 7 years for 1984-90

Rule 5: Best 5 of 7 years for 1984-90 and a landing between 1988 and 1990

Table 4.13 Cumulative percentage of total landings or IFQs accounted for by vessel owners with each level of either landings by year or IFQs by apportionment rule.

Landings (1000 lbs)	1984	1985	1986	1987	1988	1989	1990	IFQs by Apportionment Rule				
								1	2	3	4	5
≤0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.2	0.2	0.1
0.1-0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.3	0.5	0.5	0.2
0.2-0.5	0.2	0.2	0.2	0.2	0.2	0.2	0.3	0.7	1.0	1.3	1.3	0.7
0.5-1.0	0.6	0.5	0.5	0.6	0.5	0.6	0.7	1.7	2.2	2.8	2.8	1.7
1-2	1.4	1.3	1.2	1.5	1.4	1.6	1.8	4.2	5.0	5.8	5.8	3.8
2-3	2.5	2.3	2.0	2.5	2.5	2.6	3.0	6.7	7.9	8.9	8.8	6.2
3-4	3.7	3.1	3.0	3.7	3.7	3.8	4.3	9.2	10.8	11.5	11.3	8.4
4-5	5.0	4.0	4.0	4.9	4.9	5.0	5.8	11.7	13.3	14.5	14.4	10.7
5-6	6.4	5.0	5.3	6.1	6.3	6.3	7.5	14.4	15.9	17.3	17.0	13.2
6-7	7.5	5.8	6.3	7.4	7.6	7.6	9.1	17.0	18.7	19.5	19.4	15.6
7-8	8.7	7.0	7.5	8.8	8.9	8.7	10.7	19.4	21.2	21.8	21.6	17.4
8-9	9.8	8.0	8.7	9.9	10.1	10.0	12.3	21.8	23.2	24.0	23.9	19.4
9-10	10.9	9.1	9.6	11.2	11.6	11.4	13.9	23.5	25.3	26.0	25.7	21.4
10-20	22.3	17.4	20.1	25.3	23.1	22.7	30.0	39.8	42.5	42.3	41.8	37.1
20-30	31.8	25.8	28.6	34.3	32.7	31.9	40.3	50.6	51.9	51.5	51.1	46.6
30-40	38.3	31.8	34.7	41.8	40.0	39.0	50.3	57.6	59.5	59.4	59.0	53.4
40-50	43.3	36.4	40.1	47.7	44.8	45.5	57.5	64.0	65.1	65.2	64.8	58.8
50-60	46.2	41.0	43.9	53.5	50.5	49.9	63.5	69.8	68.9	69.7	69.3	63.1
60-70	50.2	44.5	47.0	57.7	55.7	53.7	67.1	73.2	75.7	74.3	73.2	67.7
70-80	53.8	47.8	49.9	61.1	59.9	56.8	71.6	77.9	78.8	76.4	76.0	70.9
80-90	58.1	50.6	52.7	64.9	63.5	59.3	75.0	81.9	81.6	79.9	78.8	73.9
90-100	61.1	52.5	56.6	68.5	66.0	62.4	78.0	85.5	84.3	82.8	82.0	75.5
100-110	65.5	55.3	59.7	70.6	69.3	64.6	81.4	88.5	87.1	85.1	83.8	78.6
110-120	68.8	58.8	60.9	74.0	71.6	66.5	84.9	90.2	89.5	86.3	85.9	81.5
120-130	69.8	61.1	63.3	76.2	74.6	70.3	87.3	91.3	91.1	88.4	87.8	82.8
130-140	72.1	64.0	65.6	79.4	77.7	73.9	89.9	93.3	93.1	90.9	90.4	85.1
140-150	74.6	65.0	68.6	82.2	79.6	76.0	92.0	93.9	94.0	92.1	91.9	87.5
150-160	75.1	67.4	71.8	85.0	80.9	78.7	93.5	95.8	95.0	93.4	93.2	88.5
160-170	76.5	68.1	75.2	86.7	82.2	82.0	94.4	97.6	96.0	94.5	94.3	89.9
170-180	80.4	69.6	78.5	88.3	83.9	84.9	95.1	98.7	96.4	94.5	94.3	90.6
180-190	80.4	73.3	80.5	90.5	86.7	85.5	95.8	98.7	97.2	94.9	94.7	91.0
190-200	81.5	74.2	82.1	91.9	88.0	87.6	95.8	98.7	98.0	95.3	95.1	92.3
>200	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Rule 1: Best 1 of 3 years for 1988-90

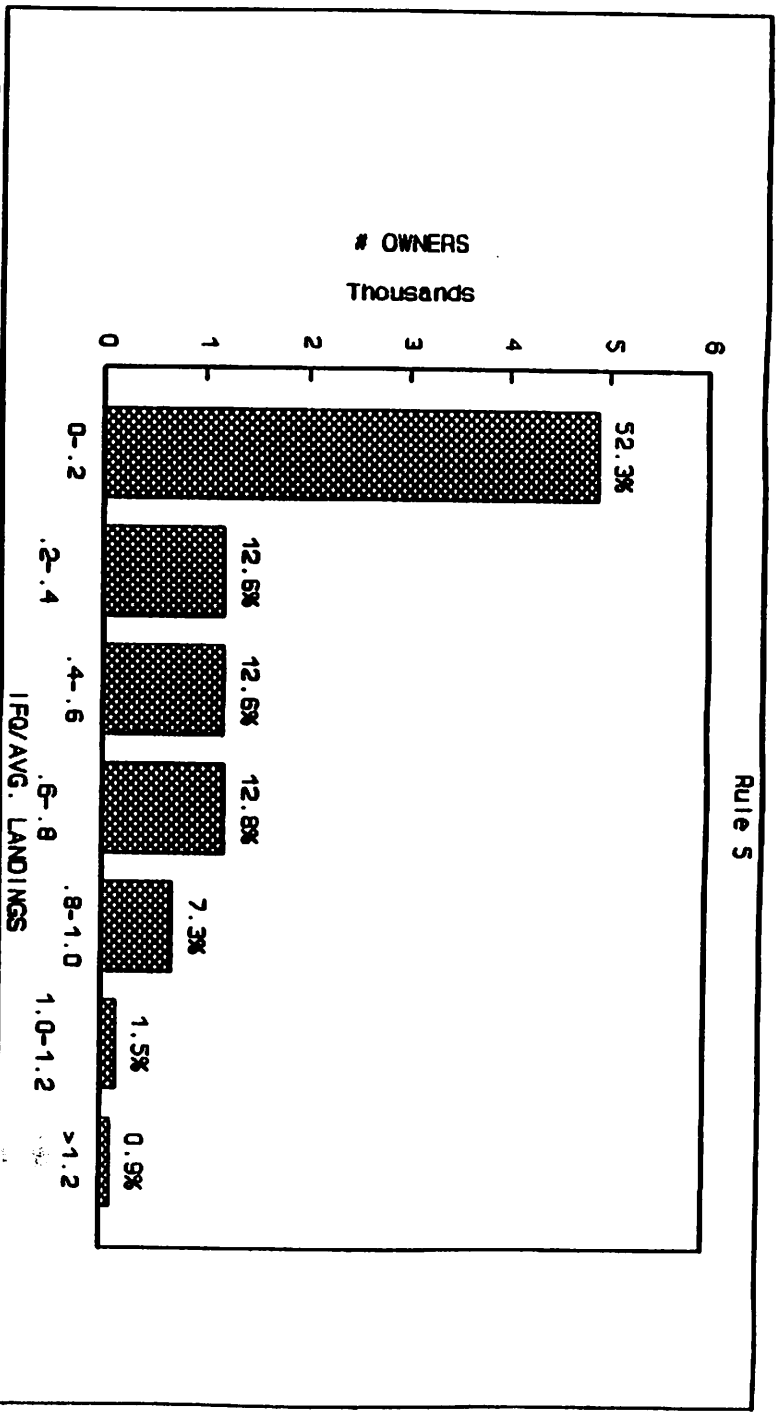
Rule 2: Best 3 of 5 years for 1986-90

Rule 3: Best 5 of 7 years for 1984-90

Rule 4: Best 6 of 7 years for 1984

Rule 5: Best 5 of 7 years for 1984 and a landing between 1988 and 1990

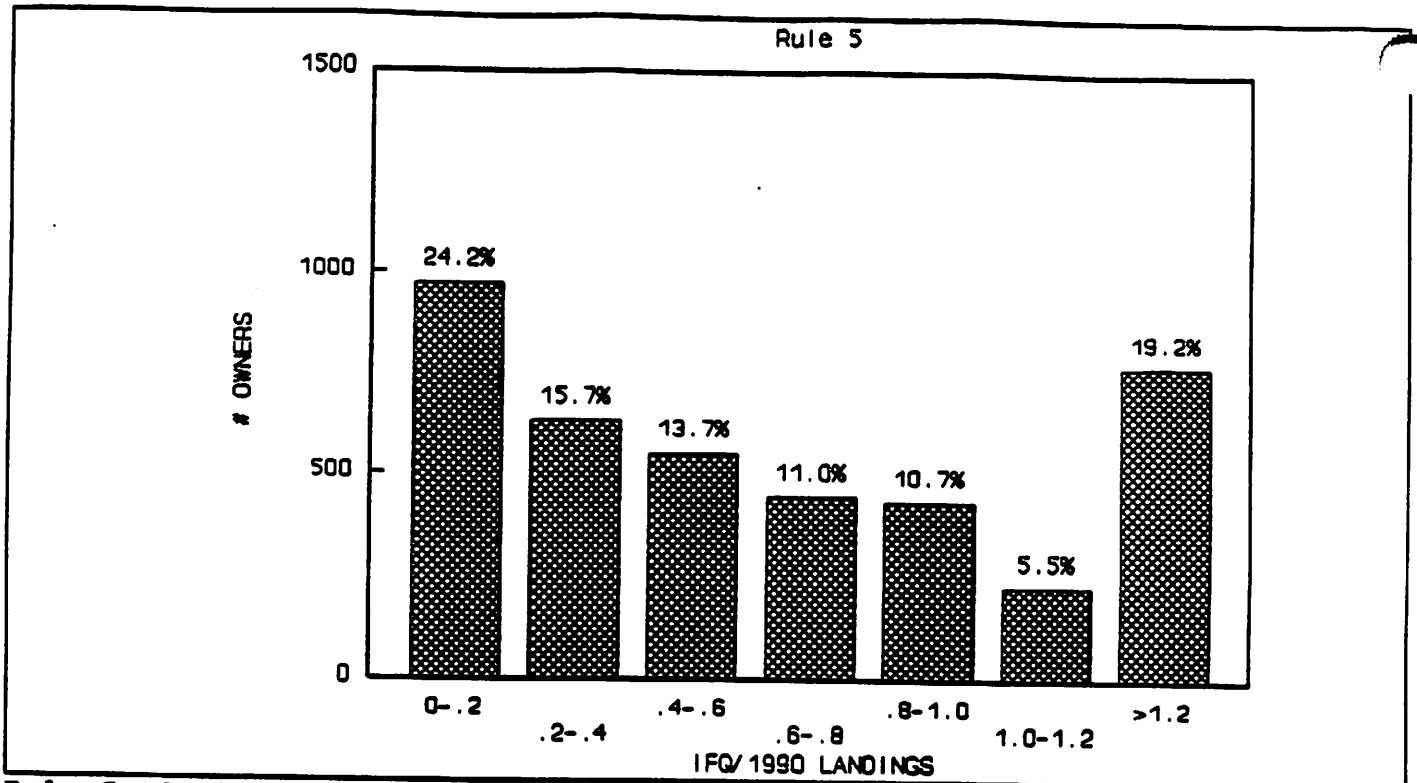
Figure 4.2a Estimated number and percentage of vessel owners by the ratio of IFQs to average landings for QS apportionment rule 5.



Rule 5: Best 5 of 7 years for 1984-90 and a landing between 1988 and 1990

Note: The average landings for each owner is for the number of years fished from 1984-90.

Figure 4.4a Estimated number and percentage of vessel owners by the ratio of IFQs to 1990 landings for QS apportionment rule 5.



Rule 5: Best 5 of 7 years for 1984-90 and a landing between 1988 and 1990

Note: Only owners with 1990 landings are included.

Table 4.12 Percentage of total landings or IFQs accounted for by vessel owners with each level of either landings by year or IFQs by apportionment rule.

Landings (1000 lbs)	1984	1985	1986	1987	1988	1989	1990	QS Apportionment Rule				
								1	2	3	4	5
≤0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.2	0.2	0.1
0.1-0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.2	0.3	0.3	0.1
0.2-0.5	0.1	0.1	0.1	0.2	0.1	0.2	0.2	0.6	0.7	0.9	0.9	0.5
0.5-1.0	0.4	0.3	0.3	0.4	0.4	0.4	0.4	1.0	1.2	1.4	1.4	1.0
1-2	0.9	0.8	0.7	0.9	0.9	1.0	1.1	2.4	2.7	3.0	3.0	2.1
2-3	1.1	1.0	0.8	1.0	1.0	1.0	1.3	2.5	2.9	3.0	3.0	2.4
3-4	1.1	0.8	1.0	1.2	1.2	1.2	1.3	2.5	2.9	2.6	2.5	2.2
4-5	1.4	0.9	1.0	1.2	1.2	1.2	1.4	2.5	2.6	3.0	3.0	2.3
5-6	1.4	1.0	1.2	1.2	1.4	1.3	1.7	2.7	2.6	2.7	2.6	2.5
6-7	1.0	0.8	1.1	1.3	1.2	1.3	1.6	2.6	2.8	2.3	2.4	2.4
7-8	1.2	1.1	1.2	1.4	1.4	1.1	1.6	2.5	2.5	2.3	2.2	1.8
8-9	1.1	1.0	1.2	1.1	1.1	1.3	1.6	2.4	2.1	2.1	2.3	2.0
9-10	1.1	1.1	0.9	1.3	1.5	1.4	1.6	1.7	2.1	2.0	1.8	2.0
10-20	11.4	8.3	10.6	14.1	11.6	11.3	16.1	16.3	17.1	16.2	16.2	15.8
20-30	9.6	8.4	8.5	9.0	9.6	9.2	10.3	10.8	9.5	9.2	9.3	9.5
30-40	6.5	6.0	6.1	7.5	7.3	7.1	10.0	7.0	7.5	7.9	7.9	6.8
40-50	4.9	4.6	5.4	5.9	4.9	6.5	7.2	6.4	5.6	5.8	5.8	5.4
50-60	2.9	4.5	3.8	5.8	5.6	4.4	6.0	5.8	3.8	4.5	4.5	4.3
60-70	4.0	3.5	3.1	4.2	5.3	3.8	3.6	3.4	6.8	4.6	3.9	4.6
70-80	3.6	3.3	2.9	3.4	4.1	3.1	4.5	4.7	3.1	2.2	2.8	3.2
80-90	4.3	2.8	2.8	3.7	3.6	2.6	3.4	4.0	2.9	3.4	2.9	3.0
90-100	2.9	1.9	3.9	3.7	2.5	3.1	3.1	3.6	2.6	3.0	3.2	1.6
100-110	4.4	2.8	3.1	2.0	3.3	2.3	3.4	3.1	2.8	2.2	1.8	3.1
110-120	3.3	3.6	1.2	3.4	2.3	1.8	3.5	1.7	2.4	1.2	2.2	2.9
120-130	1.1	2.2	2.4	2.2	3.1	3.8	2.4	1.1	1.6	2.1	1.8	1.3
130-140	2.3	3.0	2.3	3.1	3.1	3.6	2.6	2.0	2.0	2.5	2.6	2.3
140-150	2.5	1.0	3.0	2.8	1.9	2.1	2.2	0.6	0.9	1.2	1.5	2.4
150-160	0.4	2.4	3.2	2.7	1.3	2.8	1.5	1.9	1.0	1.3	1.3	1.0
160-170	1.4	0.7	3.4	1.8	1.3	3.3	0.9	1.7	1.0	1.0	1.0	1.4
170-180	3.9	1.5	3.3	1.5	1.7	2.8	0.7	1.1	0.4	0.0	0.0	0.7
180-190	0.0	3.7	1.9	2.3	2.7	0.7	0.7	0.0	0.8	0.4	0.4	0.4
190-200	1.1	0.9	1.7	1.4	1.3	2.1	0.0	0.0	0.8	0.4	0.4	1.2
>200	18.5	25.8	17.9	8.1	12.0	12.4	4.2	1.3	2.0	4.7	4.9	7.7

Rule 1: Best 1 of 3 years for 1988-90

Rule 2: Best 3 of 5 years for 1986-90

Rule 3: Best 5 of 7 years for 1984-90

Rule 4: Best 6 of 7 years for 1984-90

Rule 5: Best 5 of 7 years for 1984-90 and a landing between 1988 and 1990

Appendix 6 Estimated qualifying pounds by IPHC area and quota share apportionment rule (1,000 pounds).

Area	Rule 1	Rule 2	Rule 3	Rule 4	Rule 5
2C	17,394.8	45,137.3	63,666.7	65,879.7	56,648.5
3A	63,004.5	147,039.0	198,102.8	202,892.9	171,109.5
3B	16,531.2	37,488.6	56,307.7	57,177.0	47,363.0
4A	4,254.8	12,138.3	15,231.5	15,280.3	12,780.0
4B	3,876.9	7,111.8	9,580.6	9,683.8	8,594.7
4C	1,323.0	3,230.6	4,485.7	4,547.9	3,683.8
4D	1,802.5	4,043.3	5,086.5	5,086.5	4,275.5
4E	72.6	213.9	286.9	286.9	144.4

Rule 1: Best 1 of 3 years for 1988-90

Rule 2: Best 3 of 5 years for 1986-90

Rule 3: Best 5 of 7 years for 1984-90

Rule 4: Best 6 of 7 years for 1984-90

Rule 5: Best 5 of 7 years for 1984-90 and a landing between 1988 and 1990

12

Name
Anna Borland

City, State
Homer, AK

Date received
November 25, 1991

Favors/opposes IFQ plan

opposes

Comments:

- 1 Allocation is to vessel owners not to all crew, therefore IFQs negate her future in the fishery.
- 2 Fishery will evolve into the hands of corporate America/Bankers in Houston.
- 3 Derby fishery needs to be changed.
- 4 Allocate non-transferable shares to deckhands, which after death/retirement will be transferred to another worthy recipient, make shares a right to fish-not a marketable resource.
- 5 Trip/gear limits should be tried.
- 6 2 hour opening every other Friday.

13

Name
Alaska Small Boat Coalition

City, State
Anchorage, AK

Date received
November 25, 1991

Favors/opposes IFQ plan

Neutral but concerned

Comments:

- 1 Insufficient public notice.
- 2 In addition to CDQs, 50% should be reserved for Alaskans.
- 3 Monitoring and enforcement problems and high-grading are a concern.
- 4 Slow down and reconsider, get more public input.

14

Name
William Dignon (3 letters)

City, State
Hoonah, AK

Date received
November 25, 1991

Favors/opposes IFQ plan

opposes

Comments:

- 1 IFQs are not free enterprise, lead to a bureaucratic system like Soviet Russia.
- 2 IFQs will force small boat owners to sell because of restrictions for primary ports.
- 3 Does not advocate the derby system.

36

Name	City, State	Date received
William G Marinelle, III	Homer, AK	November 18, 1991

Favors/opposes IFQ plan opposes

Comments:

- 1 No compensation to crew members.
- 2 Would like to see detailed implementation plan and Socio-economic analysis.

37

Name	City, State	Date received
Peter & Barbara Neville Johnson	Wrangell, AK	November 25, 1991

Favors/opposes IFQ plan oppose

Comments:

- 1 High management cost.
- 2 Landings at only 10 ports.
- 3 Does not compensate present owners (American Public).
- 4 High cost of QS make entry prohibitive.
- 5 QS will be a fixed cost because not purchasable as needed, and therefore it will be very difficult to adjust to TAC downturns, etc.
- 6 Maximum ownership level should be 0.5%.
- 7 Set vessel classes by gross tonnage.
- 8 CDQs arbitrary and capricious.
- 9 Recommend annual IFQs allowing qualifier (must have fished in 1988, 1989, or 1991) to bid for fish. Bidding and payments will be in ex-vessel percentage to be paid to the government to be used in monitoring and enforcement.
- 10 Traditional methods might also work: trip limits.

38

Name	City, State	Date received
Klause R. Enze	Snohomish, WA	November 25, 1991

Favors/opposes IFQ plan opposes

Comments:

- 1 Not fair and equitable to crew members and skippers who have always be share partners with the vessel owner.

39

Name	City, State	Date received
Petersburg Fisheries	Petersburg, AK	November 25, 1991

Favors/opposes IFQ plan opposes

Comments:

- 1 Less halibut and sablefish in their plant as it migrates to Seattle, also reduces fish tax revenue.
- 2 Monitoring and enforcement may not prevent high-grading, under reporting, fish-taxes.
- 3 Who will pay for the system.

40 Name Cary Baldwin City, State Petersburg, AK Date received November 25, 1991

Favors/opposes IFQ plan opposes

Comments:

- 1 Fish will be marketed out of state to the detriment of processors.
- 2 Fewer processing crew will be needed.
- 3 High-grading will be a problem.
- 4 Longer trip times would mean lower quality.

41 Name Petition (43 signers) City, State Cordova, AK Date received November 25, 1991

Favors/opposes IFQ plan Oppose

Comments:

- 1 Unfair to small boat fishermen.
- 2 Qualification period conflicts with proposed moratorium.
- 3 Oil spill prevented participation.
- 4 May and September derby opening discriminate against small boat fleet.

42 Name Paul Seaton City, State Anchor Point, AK Date received November 22, 1991

Favors/opposes IFQ plan opposes

Comments:

- 1 No public comment period.
- 2 Bonafide crew member criteria favors sablefish crew members at the expense of halibut crew members.
- 3 Pots should not be explicitly excluded in the IFQ plan.
- 4 Propose that any fish harvested under IFQ plan should be harvested with most selective gear available (pots).
- 5 Discard exemption for freezer longliners and elimination of bycatch cap contradict best reasons to have IFQs, ie, reduction of bycatch.
- 6 Section 2(F)(2) would allow trawlers in and should be deleted.

43 Name Brad Miller (2 letters) City, State Seattle and Ketchikan Date received November 8, 1991

Favors/opposes IFQ plan Favors

Comments:

- 1 Derby opening is dangerous, unpleasant, causes great waste.
- 2 IFQs save the fishery and is fair.
- 3 Not everyone can win.

57 Name City, State Date received
Rick Oltman Sitka, AK October 23, 1991

Favors/opposes IFQ plan opposes

Comments:

1 Unfair, small boat owners will be crushed.

58 Name City, State Date received
Jim Bodding Anacortes, WA October 22, 1991

Favors/opposes IFQ plan favors

Comments:

1 IFQS satisfactorily addresses product quality, disadvantaged communities, business planning for the fisherman, safety concerns, gear loss, and discards.

2 Would prefer open access if it didn't have so many problems.

59 Name City, State Date received
David W. Ericksen Friday Harbor, WA October 22, 1991

Favors/opposes IFQ plan favors

Comments:

1 IFQs solve problems of discard, excessive pace of current fishery, gear conflicts, grounds congestion. Also make for better marketing and safety conditions.

60 Name City, State Date received
James T. Swift Sitka, AK October 21, 1991

Favors/opposes IFQ plan favors

Comments:

1 Without IFQs: more of a derby, shorter openings, more boats, more gear, each vessel getting less.

61 Name City, State Date received
Jim Hubbard Seward, AK October 21, 1991

Favors/opposes IFQ plan Favors

Comments:

1 Concerned however about how his shares will be allocated, as he made all blackcod landing iced, but installed freezer equipment for rockfish, etc. and would rather freeze blackcod except for the race for fish.

62 Name Peter Soileau City, State Seattle, WA Date received October 21, 1991

Favors/opposes IFQ plan opposes

Comments:

- 1 Not allocating to all fishermen as dictated by the MCFMA.
- 2 Must include crew members in allocation.

63 Name James Chesnut & Son & Brother City, State ? Date received October 16, 1991

Favors/opposes IFQ plan favors

Comments:

- 1 They haven't met any longline fishermen opposed to the plan.

64 Name Cpt. E.A. Caldwell, CO City, State Naval Air Station, Adak, AK Date received November 26, 1991

Favors/opposes IFQ plan Neutral

Comments:

- 1 All Adak fishermen are part of the military complex which requires rotation out of Adak every two years.
- 2 Virtually impossible for Adak residents to qualify for quota.
- 3 Would like a CDQ for Adak of 6% of 4A to be allocated monthly May - October.

65 Name Sitka Fish & Game Advisory Comm. City, State Sitka, AK Date received November 26, 1991

Favors/opposes IFQ plan 4 favor, 7 oppose

Comments:

- 1 Council has not had enough meeting in concerned communities (10-1-0)

66 Name City of Homer City, State Homer, AK Date received November 26, 1991

Favors/opposes IFQ plan Neutral/opposed

Comments:

- 1 Do not approve until an Economic Impact Analysis on coastal communities of the program is completed.
- 2 Concerned about: fewer deckhands, shift of resource ownership out of Homer, decreased number of vessels, conflicts with sports fishermen.

67

Name
North Pacific Longline Assoc.

City, State
Seattle, WA

Date received
November 26, 1991

Favors/opposes IFQ plan opposed

Comments:

- 1 Opposed to current IFQ plan as it does not extricate government from the allocation process.
- 2 Council should design a simple system eliminate elaborate constructs, with freely transferable shares.
- 3 Consideration should be given to a plan that incorporates all fisheries/gears.
- 4 Other points:
 - 1 Allow market forces to work.
 - 2 Current system does not allow market to work.
 - 3 Industry does not support proposal.
 - 4 Catcher processors receive little and are prevented from expanding, a frightening precedent.
 - 5 Ownership level too restrictive if used as a precedent in other fisheries.
 - 6 Foreign interests may control IFQs.
 - 7 Overly complicated system to implement, administer, and enforce.
 - 8 Funding is uncertain.
 - 9 Extraction of rents would now be possible, is that really what is wanted.
 - 10 Economic Impact Analysis is incomplete and inadequate.
 - 11 CDQs go against optimum yield goals.

68

Name
Tom Sandel

City, State
Dutch Harbor, AK

Date received
November 27, 1991

Favors/opposes IFQ plan opposes

Comments:

- 1 IFQs add incentives to high-grade, and are a conservation risk.
- 2 IFQs are undemocratic.
- 3 Enforcement costs will be excessive and will be borne by either the taxpayer or fishermen.

69

Name
City of Unalaska

City, State
Unalaska, AK

Date received
November 27, 1991

Favors/opposes IFQ plan opposes (5-1)

Comments:

- 1 Where is the economic impact statement?
- 2 IFQs do not address or solve the conservation problems.
- 3 The source of funding is unknown.
- 4 Small to medium sized vessels will be adversely impacted.
- 5 Foreign interests will dominate.
- 6 Other fisheries, will be impacted by persons who did not receive quota.
- 7 Traditional tools not analyzed.

70

Name City, State Date received
S. Finley, Emerald Res. Mgmt. Seattle, WA November 27, 1991

Favors/opposes IFQ plan neutral

Comments:

- 1 The proposal does not allow vessels grandfathered by the anti-reflagging to purchase QS, and should be revised.

71

Name City, State Date received
Petition (264 signers) Sitka, Pelican, Port Alexander, November 22, 1991
Ketchikan, AK.

Favors/opposes IFQ plan opposed

Comments:

- 1 Lack of public hearings.
- 2 Plan may allow trawlers to get QS/IFQs.
- 3 Rockfish is not included.
- 4 Reduction of fleet to 100 vessels is likely.
- 5 Enforcement costs have not been addressed.
- 6 Crewmen not adequately represented.

72

Name City, State Date received
Wards Cove Packing Co. Seattle, WA November 27, 1991

Favors/opposes IFQ plan opposed to current program

Comments:

- 1 IFQs or limited entry is important but current plan unacceptable.
- 2 IFQs plan will force a reduction of shore side buyers.
- 3 IFQs add incentives to high-grade.
- 4 More product will be independently market, probably outside Alaska.
- 5 Potential for overages and gross under reporting.
- 6 Funding and cost of enforcement yet to realistically examined.
- 7 Salmon fishermen will not be able to get into longlining.
- 8 Tendering vessels will have to install expensive communications equipment.
- 9 IFQs will cause social and economic hardships.

73

Name City, State Date received
Petition (44 signers) Juneau/Douglas, AK November 27, 1991

Favors/opposes IFQ plan opposed

Comments:

- 1 Few supporters, countless others opposed to IFQs.
- 2 IFQs rewards violators.
- 3 More expensive than moratorium.
- 4 Rewards vessel owners who may not have had hands-on participation.

78

Name City, State Date received
Petition (202 signers) Homer, AK November 27, 1991

Favors/opposes IFQ plan opposes

Comments:

- 1 IFQs will put the resource in the hands of a few and will adversely affect the community.

79

Name City, State Date received
Halibut Assoc. of No. America Seattle, WA November 27, 1991

Favors/opposes IFQ plan opposes

Comments:

- 1 Ironic that while contemplating IFQs for Halibut and sablefish, Council staff is working on a comprehensive rationalization plan, and Dr. Fox has a task force examining IFQs.
- 2 Unresolved issues: crew rights, eligibility and transfer requirements, appeals process, overages, boundary lines, primary ports, funding, administrative infrastructure.
- 3 Need 100% enforcement.
- 4 Propose to wait until task force completes work to benefit from the work of experts.

80

Name City, State Date received
Deep Sea Fishermen's Union Seattle, WA November 27, 1991

Favors/opposes IFQ plan favors

Comments:

- 1 Some way to limit access to longline fisheries has been in front of the Council for a long time.
- 2 Failure to implement moratorium in 1983 led to the current mess in halibut, the same will happen in sablefish.
- 3 IFQ system could provide for a better, safer, fishery with more economic benefits.
- 4 Negotiations with owner's association will provide necessary crew security.

81

Name City, State Date received
John Clausen Dutch Harbor, AK November 19, 1991

Favors/opposes IFQ plan opposes

Comments:

- 1 Fears IFQs could be used in the crab and P. cod fisheries.

92

Name
Timothy Martin

City, State
Seattle, WA

Date received
November, 1991

Favors/opposes IFQ plan

favors

Comments:

- 1 Halibut and Sablefish will see continued shortened seasons without IFQs.
- 2 Pressure mounts to fish in marginal conditions where safety is ignored.
- 3 Salmon fishermen are being squeezed and wish to enter, but longline fishermen may not enter the salmon fishery.
- 4 It is "politically correct" to dump on outside boats but outside boats started both the sablefish and halibut fisheries.
- 5 Both halibut and sablefish grounds are saturated.
- 6 Smaller boats are now fishing unobserved in shallow water for sablefish with high halibut bycatch.
- 7 We're giving up fresh markets to Canadians and incurring huge cold storage costs.
- 8 Canadians fishermen prefer their IVQ system, although they point out problems with it.
- 9 Expects to get a smaller allocation than his average and expect to have to pay for the program but will accept that.
- 10 Give the IFQ system a chance to work.

93

Name
Donna Donohoe

City, State
Sitka, AK

Date received
November 29, 1991

Favors/opposes IFQ plan

opposes

Comments:

- 1 Southeast has predominantly a small boat fleet.
- 2 Growth seen from 1984-1990 is a sign of diversification rather than new entry.
- 3 Fleet stratification has remained essentially the same in the last 8 years.
- 4 IFQ plan threatens the complex balance of the diversified fishing fleet in S.E. Alaska.
- 5 1% cap won't maintain stratification.
- 6 Supports Sitka block proposal.

94

Name
Peter Michael Farris

City, State
Anchorage, AK

Date received
November 29, 1991

Favors/opposes IFQ plan

opposes

Comments:

- 1 IFQs have proven to work only in fisheries where no other means of control existed.
- 2 Put IFQs on hold, and impose interim gear limits.
- 3 Study quota share management schemes being used elsewhere.
- 4 Be sure IFQs do not cause hardships on communities.
- 5 Provide for new entry into fishery and allow crew members to obtain.
- 6 End government subsidization of fleet increases.
- 7 End conflict of interest by Council members.
- 8 Drop Section 2(F)(2).

111 Name City, State Date received
Ira Merrill Wrangell, AK November 12, 1991
Favors/opposes IFQ plan favors
Comments:
1 The proposed program will relieve the overcrowding, gear loss, and waste caused by the one-day openings

112 Name City, State Date received
? Homer, AK November 7, 1991
Favors/opposes IFQ plan opposed
Comments:
1 Opposes giving publicly owned fishery resources to private interests
2 The initial allocation proposed will allocate to vessels based on illegal landings, since crucifiers are used on almost all of the large boats in Area 3A

113 Name City, State Date received
John Armstrong Oceanside, CA November 4, 1991
Favors/opposes IFQ plan opposes
Comments:
1 The IFQ proposal discriminates against crewmembers, and allocates in favor of vessel owners
2 The IFQ proposal does not provide for any means of paying for the enforcement and management of the system

114 Name City, State Date received
Francis E. Caldwell Port Angeles, WA November 22, 1991
Favors/opposes IFQ plan favors
Comments:
1 The present fishery results in a loss of vessels and lives
2 The crews have only a few dollars invested, and can always work in the fishery even after IFQs

115 Name City, State Date received
David Lubin Auke Bay AK November 22, 1991
Favors/opposes IFQ plan opposes
Comments:
1 Please explore alternative management plans; IFQs will: a) be prohibitively expensive to implements, b) lead to economic collapse in small fishing ports, c) be extremely difficult to enforce, d) encourage development of black markets, and e) force the unemployment of thousands of men and women

119

Name	City, State	Date received
William J. Clark	Seattle, WA	November 18, 1991
Gary Moore	Seattle, WA	November 18, 1991
Patrick Douglas (form letter)	Seattle, WA	November 18, 1991

Favors/opposes IFQ plan opposes

Comments:

- 1 Adoption of the proposed IFQ program will result in annual harvests exceeding the TAC, since fishermen will deliver the exact amount or more of their quotas
- 2 The IFQ system will result in a great deal of dishonest selling of product because of the limited number of full-time ports of sale; monitoring and enforcement will be extremely difficult
- 3 Recommends that Council staff generate a listing of how much each fisherman could be expected to receive based on the 1992 TACs
- 4 Thorough scrutiny of an alternative should be undertaken

120

Name	City, State	Date received
R. Kevin Robins	Homer, AK	November 18, 1991
John G. Baird	Seward, AK	November 21, 1991

Favors/opposes IFQ plan opposes

Comments:

- 1 Concern that this program will negatively impact Icicle's plants in Homer and Seward, and Alaskan coastal communities in general
- 2 Implementation will create new problems such as high grading, under reporting, administration, and monitoring costs
- 3 Thinks that there are other efficient ways of addressing the problems without eliminating jobs and reallocating the resource

121

Name	City, State	Date received
George Kirk	Kodiak, AK	November 20, 1991

Favors/opposes IFQ plan opposed

Comments:

- 1 Why won't the Council listen to the concerns raised by those who will be devastated by the IFQ program?
- 2 Most of the IFQs will go out of state, and the shoreside processors will lose because the fish are going to go to Seattle for a higher price
- 3 The majority of small boat owner/operators will not get enough shares under the IFQ program to survive, so they will sell out to a few big guys
- 4 A lot of crew members will be out of a job, as well as boat operators working for a boat owner

126 Name City, State Date received
Norman Stadem Anchorage, AK November 15, 1991

Favors/opposes IFQ plan opposes

Comments:

- 1 The council has no reason to, and is without authority to impose the IFQ program under the present provisions of the Magnuson Act.
- 2 Action on access limitation entry can only be justified in order to achieve optimum yield, and this is already accomplished by the establishment of TACs under open access

127 Name City, State Date received
Dean J. Adams November , 1991

Favors/opposes IFQ plan favors, with additions

Comments:

- 1 The longline fishery should ultimately be structured as an "owner-operator" system
- 2 "Owners-on-shore" should be allowed to continue operation for a set time, but then be phased out requiring owner-operation.
- 3 Owner-operators are better able to monitor and conserve the fishery resources
- 4 Quota prices will be lower under this requirement, since there will be fewer speculators buying permits
- 5 The IFQ system offers a means of resolving the safety, waste, gear conflict, etc. concerns

128 Name City, State Date received
William M. Blake Kasilof, AK November 18, 1991

Favors/opposes IFQ plan opposes

Comments:

- 1 The proposed IFQ program is very unfair, especially for someone who has been fishing for several years, but only recently (1989) was able to purchase a boat.
- 2 The proposed system will cost thousands of people their jobs, and make it very difficult for small or independent fishermen to break into these fisheries.

129 Name City, State Date received
Jeff Peterson Old Harbor, AK November 18, 1991

Favors/opposes IFQ plan opposes

Comments:

- 1 The IFQ plan effectively shuts out recent entrants, in this case a young fisherman recently invested in the halibut fishery as a long-term family and lifestyle commitment
- 2 The proposal scrambles their way of life, in terms of fishing alternatives, ability to earn a living, and support a family
- 3 Something like a community catch limit for Corporate Share Holders who can only pass limits down to next of kin is one alternative 52

134 Name City, State Date received
Paul Lints Kasilof, AK November 18, 1991

Favors/opposes IFQ plan opposed

Comments:

- 1 The proposed system will displace many small boat operators, and will have a negative economic impact on many Alaskan communities and their families
- 2 The plan does not allow future access for the younger generation

135 Name City, State Date received
D. Justin Fort Bragg, CA November 18, 1991

Favors/opposes IFQ plan favors

Comments:

- 1 Even though some boat owners won't get must quota under the IFQ system, under status no one will make a living
- 2 IFQs will help solve the bycatch problem is halibut IFQ can be sold as bycatch

136 Name City, State Date received
Jim Benton Anchorage, AK November 18, 1991

Favors/opposes IFQ plan favors

Comments:

- 1 Distributing shares based on past catch records will hurt the skiff fisherman who were limited by bad weather during the short openings
- 2 Recognizing trip limits by vessel length and total number of boats could be factored into the allocated catch

137 Name City, State Date received
James R. Richards November 15, 1991

Favors/opposes IFQ plan noncommittal

Comments:

- 1 Please do something, anything; do not allow the blackcod fishery to turn into a two-day derby like halibut

December 2, 1991

Public Hearing on Sablefish and Halibut IFQs

9:07am

Council Members present: Hegge, Judith Freeman for Blum, Dyson, Alverson, Lauber, Mitchell, Tillion, Cotter, Kyle

9:09am **Michael G. Wiley, Seward.**

Been involved in fishery (halibut) since 1970 as a small boat fisherman. Would like to see an end to the 24-hour halibut fishery. Congratulates Council on action, but identifies shortcomings. Nothing to address sport fishing. In Seward and Homer guiding and fishing for halibut very important. Designated ports another problem. It is not reasonable for small boats to travel too far to deliver. Can't get rid of those delivering 1,000 pounds or less but plan structured that way now. Designed plan basically for sablefish and now imposing that on halibut fishermen. Big boats will be more efficient but this will harm small boats and take free enterprise out of the system. Make plan flexible.

9:16am **(Dave Flannagan responding to questions about primary port delivery)**

If you want to land outside state, have to clear through primary ports; tranship, will also have to do so; if want to ship in foreign commerce, through primary port; all other landings can be done through out state at any port; advance notice requirements will all be the same.

9:20am **Geo Plagenz Homer.**

Sect. 3.5, initial allocation and quota share; has submitted written testimony; presented for Council members' notebooks; (Great Expectations) Does support IFQs to safeguard biomass, reduce danger in fisheries, better product for consumer and better price for fisherman: problem -- all quota goes to owner; halibut fishery conducted now on a share basis; not fair or legal to give all fish to vessel owners just because it's easier to figure out. In order for vessel owners to own fish they would have to have paid tax, workers' compensation, etc. They have benefitted by not paying these. Doesn't believe they can have their cake and eat it too. Wants Council to amend the language of initial allocation to allow for the legal rights of crew and skippers.

9:26am **Warren Brown, City of Seldovia.**

17 years as a fisherman and a City Councillor. City Council passed a resolution stating please do not approve IFQs until economic analysis completed on coastal communities affected. Implementation of plan as stated would have a devastating effect. Inconveniences of selling in a non-primary port will make it difficult to sell the two canneries for sale now in Seldovia. Seldovia depends solely on fishing and processing. If any of that is taken, devastating to its economy. Fish & Game Advisory also voted in favor of the City Council's resolution. The IFQ program as stated is unacceptable. There are too many flaws in the proposal and it's not the answer yet. Bona fide crew member a joke. An alternative would be to keep qualifying years for vessels 89-90, with the same for a crew member and then maybe 6 months commercial fishing time. Don't keep deck hand completely out of it. Throw the bona fide crew-member provision completely out and let shares be sold on the open market. Estimates the small boat fleet in Seldovia could be cut by about 60%.

9:35am **Commander Larry Hardwig Adak Naval Station**

Two types of people on Adak, military and civilian. Period on island only two years. A lot of people stationed on island do fish commercially. Hope Council will change plan to accommodate Adak. Atka would receive a CDQ in area 4B, but Adak would not. Proposed that shares be allocated for two year periods. Not fair that those stationed on Adak in past, but no longer there would receive QS, while those there now would get none. 5th or 6th largest town in Alaska but they've never had a Council hearing there. The whole IFQ question is a surprise to them. They are not suffering from too many fishermen and congested grounds like other communities, they don't have too many boats.

9:42am **David Wittmire, Homer**

Long lining for 12 years for salmon and herring. Has questions on plan

1. p. 9, Section 2 discards. Don't understand why freezer long-liners are exempt.
2. p. 8, c(ii) leasing. Freezer/long-liners may sell shares for use in that category, but catcher boats may lease up to 10 percent. It appears there are two standards for the two categories. Curious why the different rules for the two vessel categories.

Jay Ginter noted that the implementation team noted the same discrepancy as far as discards were concerned. Mr Hegge stated that the matter was addressed at the last Council meeting and was left to the implementation team. Assumed that freezer long-liners would remain under a PSC cap. Mr Cotter stated that it was the Council's intention that freezer long-liners not be allowed to own QS or IFQs, and that they would have to discard. They can own sablefish QS and IFQs. Mr Hegge stated that leasing was prohibited by freezer long-liners because they were not owner operated, and it was the Council's intention to maintain the fleet as it has been operating.

9:50am **John Woodruff Icicle Seafoods.**

Council must consider downstream effects of its actions. He had four concerns as follows:

1. implementation plan not available long enough for adequate airing; more time needed to review plan and its impacts carefully;
2. enforcement and costs. Primary ports have increased coverage and some others may have none. Enforcement from fishing grounds will be virtually impossible, leaving potential for under-logging.
3. the percentage of fish caught and processed in Alaska by Alaskans will drop;
4. unclear whether IFQs and QS would stay with the long-line fleet or be available to other gear groups. Council should give more time and seek as much public input as possible before adopting a final version of the plan.

9:54am **Stan Weikal, Mount Vernon, Washington**

Individual vessel owner for 13 years. Opposed to privatization of the resource even though he would come out OK. Concerned about the short time available to review and comment. The two committees established by the Council did not have representatives of individuals, they were composed of "lobbying"

groups. Differentiation between those who own and lease boats. There is nothing to verify that waivers come from filers of fish tickets. This could be open to forgery, unless some definite means of determining who signed documents. Concerned that allocating by-catch to people in other fisheries and not passing on to those in directed fishery an amount of fish because they won't be discarding. Concerned about the leasing aspect as presently drafted. Cannot lease more than 10%. Many will receive small quotas that will not be feasible to use in some areas. Concerned about transfer of shares--i.e., his wife has been business partner but never worked on boat. Upon his death, the Quota Shares will not be able to be transferred to his wife. She will be precluded from running the business the way they would like.

10:00am Kevin Hogan

Own and operate own boat, since 1974. Small operation. Received plan 19 hours prior. Thinks implementation plan will create a large bureaucracy. Has four years College and he can't understand it. Believes fishermen will have trouble understanding the system. The use of past catch histories to determine quota will reward those who cheated. Concerned that halibut just added in to implementation plan, it should be addressed separately. Sablefish and halibut are two separate and different fisheries. Crew classification is objectionable should have opportunity to participate in the fishery. Traditional management such as gear limitations, area management, could be used instead.

10:20am Sylvia Ettefagh

Small boat fisherman out of Wrangell. totally opposed to allocating the resource, but something has to be done. Agree with the Seldovia testimony regarding small communities. Have been working in fisheries for 10 years to accrue enough to get a permit, mostly in salmon. Not in fisheries long enough to accrue quotas. If hadn't been for the halibut opening, they couldn't have made it this year. Need to provide for crewmen, too. Consider downstream effects. Those who have been trying to get into a fishery over the years are being left out.

10:25am C.K. Weaverling, Mayor, City of Cordova

Submitted written testimony. In case of Cordova fishermen, quota would be too small to be economically feasible. Others would be locked out completely; will affect employment, with downstream effects on community. Urge Council to consider more traditional management schemes. Cordova should get a CDQ. IFQs will create winners and losers. The losers will be small boat owners and those wanting to get into the fishery.

10:30am Donald C. Nesbitt

Small boat fisherman. Glad Council making decision, doesn't agree with it. Halibut and sablefish fisheries should be separated, not considered together. Basing qualifications on poundage is a problem for those like him who just started last year. He didn't get any fish, therefore not eligible. He does not believe that is right;

10:33am Laura Cooper, North Pacific Fisheries Protection Association

Submitted synopsis of testimony. Thinks it's impossible to implement and enforce this program. It cannot be fixed by fine tuning, it should be thrown out. Does not believe it can be implemented and enforced for \$4 million per year. Commander Kyle has stated that some parts of the system are unenforceable. Excludes large number of fishermen--crewmen, they could be included and required to prove their participation, same as owners. Thinks the proposed system violates the Magnuson Act. Wants to see everyone treated fairly and equitably. System is likely to annihilate the small boat fleet. It is structured so that bigger boats with financial backing will be able to buy shares and small boats forced out. Believes 75 percent of quotas will change hands in a short period. This is economic engineering to protect those who have. Also financial backing will come from foreign investors. Putting quotas into foreign control defeats

purpose of Act. The plan will devastate local Alaska communities; and related business and services. Need social impact assessment. The last SEIS was 2-3 years ago, with an update earlier this year. Major response to IFQs is negative and the Council needs to address this. Need to rationalize fisheries, but this particular program has too many flaws. Throw it out and immediately impose a moratorium and stringent management techniques to buy time, then review quotas with use it or lose it provision, auction, etc. A full SEIS should be prepared for each management proposal and then put out for public review. There are less radical and more equitable programs available. It has been rumored that those Council members voting for IFQs are doing so because of a link with the inshore/offshore issue. It is believed that members have to vote for this proposal in return for an inshore allocation. Believes if vote for this, will confirm that Council system is not working.

[Applause]

10:44 am Jim Eastwood

Petersburg vessels and crew member for 12 years. In favor of the IFQ plan. Only plan to solve wastage of the resource. He does have some concerns. These include:

1. in the case of crewmen who have been on board vessels, poundage should be taken from fish ticket landings.
2. the cost of the plan is going to be expensive. He believes the estimates contained in the plan are naive. Residents of Petersburg willing to pay a fish tax to cover administrative costs. He sees difficulties with the next two years. He believes a moratorium should be instituted immediately.

10:48am Stanley H. Mack, Mayor of Sand Point.

Submitted a resolution with regard to the IFQ program. Sand Point in similar situation to Cordova, Seldovia, and other small communities. Appreciates Council's efforts. Sand Point is a fishing community; there are not other resources there to depend upon. Fishing supports their economy, through taxes on fish. This is also relied upon for capital improvements. Pride at being able to keep up their education system. Only boat owners who have participated personally should get Quota Shares. Fishermen need to seek a year round operation. This will deny them that flexibility. Also, one of the benefits of the system has been seen as the provision of fresh fish all year round. He is not sure that canneries will want to remain open to process this fish all year.

10:57am Anna Borland, Homer

Fished 10 years, long lining halibut 8 years. When started in halibut fishery, thought she would be able to work her way up in fishery. Will be precluded from doing this under plan because of crew-member definition. She has risked her life on deck, but will get nothing out of it. All she has ever done is fish, and this plan will prevent her from continuing. Believes in preserving the industry, but not this way. Thinks there are other ways to preserve fish, such as trip limits, big and little boat quotas, spread season over summer when weather is good and gear restrictions. Urges Council to change definition of bona fide crew member and allow someone who has been in the industry to buy into system. Also make quotas non-transferable, with unused shares going into a pool for re-allocation to new people. A quota share a right to fish, not a right to sell the right to fish to somebody else.

11:02am Steve Hoag, representing the IPHC

Supports IFQ program. Thinks it will solve many problems in the fishery. Has technical comments regarding implementation. Largest concern is that of monitoring and funding for monitoring. Accurate catch statistics are critical to their work, and monitoring may be difficult. IFQ program means longer seasons and burden on data collection programs. Supports exemption of halibut long-line fleet from PSC. Think there will be lower by-catch rates with this program. If not, return to PSC limits. Re, exemption of freezer long-liners - don't see it as a serious problem. Supports having some sort of PSC limit for freezer long-liners as well as an incentive program to eliminate the perception that they're being allowed privileges.

11:10am Mako Haggerty, Homer

Fished halibut for last seven years. Doesn't like IFQ program. Doesn't think it's an equitable program or addresses the issues that should be addressed. Bona fide crewmen definition will eliminate a lot of people who have participated in the fishery. Believe the costs will be prohibitive especially for those who have to buy into the program, or those who receive very small quota shares. If conservation is the aim of the system, it has been negated by the freezer long-liner category. p. 9 C(iii) of the plan, concerning hired skippers should be deleted. Does not believe there should be two classes of people created in the halibut fishery. High-grading is a problem. Need an economic impact analysis for communities. He thinks the Council could have gotten away with implementing black cod IFQs, but since they added halibut they are experiencing widespread opposition.

11:17am Bill Kaltenecker, Cordova

Fished for eight years. Worked every year to increase the quantity and quality of fish they delivered. If allocate IFQs based on what he did three years ago, will not be able to meet present day costs. Cordova will not survive if this plan is introduced. Most people are against the system because it does not allocate quotas fairly. Resources should be allocated fairly to those who are in the industry.

11:21am Brad A. Kimberlin Fairbanks

Few fishermen in Fairbanks. Started in skiffs in 1984, building up their participation. Now have three boats. Under plan, may as well sell up. By putting halibut in with sablefish will force all small boats out of industry. Suggestions:- anyone with fish ticket landings should get a minimum quota with an additional amount for each year fished; crew classification is unacceptable. Current program favors out-of-state owners. Don't want the whole fishing industry ending up in Washington. Small coastal communities will suffer if this plan goes ahead. Vessel classification is a problem. A 54 foot boat is under 60 feet, but this is very different from a very small boat.

11:27am Paul Lints, Kasilof

Represent small boat fleet. Been halibut fishing for 13 years. Small boat fleets and small communities will be adversely affected if this plan is implemented. System isn't geared for small boats. Something has to be done; but this program is not for small boat fleet. Thinks projected costs of implementation and enforcement are projected too low; the cost will be passed onto the fisherman. There is no "small boat" category; they can't go out to fish during inclement weather like the 60 foot boats in the same category. Economic impact analyses of affected communities should be done.

11:32am Paul K. Seaton, K. N. S Marine, Anchor Point

Has two boats over 60 feet. Wants sablefish and halibut to be allowed to be harvested by pots in the Gulf of Alaska. Submitted comparison of fisheries by pot and long-line. IFQ plan does not solve the problems it

purports to solve. There are other ways, such as the use of alternative gear.

11:37am **John Rate, Homer**

Fished salmon for 20 years, with 14 in halibut. Wishes to re-iterate comments of previous speaker. There are alternatives to IFQs, need compelling reasons to do this. Submitted August issue of National Fisherman with photo on cover. Shows what has happened under salmon limited entry. More than 40 percent of salmon fishermen having trouble meeting loans. Same will happen in halibut fishery. Learn from history, no such thing as a stable fishery. People crash as stocks fluctuate. This is the nature of the beast.

11:42am **Shari Gross, HANA**

35 companies represented in the group, both big and small, up and down the coast. HANA is an integral part of the industry. Troubled with proposal. Major concern is for the resource and the impact on health of stocks. IFQs pose a serious threat to the resource unless monitoring and enforcement is tight, which is costly. Plan will cause transportation delays resulting in even lower quality fish. Remote places like Hoonah will have to pile fish up until there is enough to justify transportation. The regulations are unworkable for processors. Can't imagine how data will flow from remote locations. Not in favor of IFQs, but if it must be, at least it should be a well thought out and designed system with 100 percent enforcement. The program should protect small coastal communities, and not discriminate between Alaska, Washington and Oregon.

11:49am **Bill Dignon, Hoonah Cold Storage**

Hoonah is 50 miles west of Juneau. It is 100 percent U.S. owned, and processes 2.5 million pounds of sablefish and halibut. Submitted letter objecting to IFQs on the basis that there was not enough time to review plan. Believes monitoring and enforcement will be inefficient and expensive. Hoonah is a small boat community which will lose out under this plan. It would be handicapped by not being a primary port. They are seeking the designation of Hoonah as a primary port.

11:53am **Terry Barry, Manager, Hoonah Cold Storage**

Same comments as previous testimony. Plan leaves a lot of questions unanswered and unclear, don't think it's the time to implement, more study is required. The plan will not only affect Hoonah Cold Storage, it would affect the whole town. Believes quotas will migrate out of the hands of small fishermen. Hate to see fishermen lose their livelihood.

11:56am **Questions to Dave Flannagan from Mr Cotter.**

Is it true that fish cannot be unloaded at a primary port?

Mr Flannagan replied: There is no difference between a primary port and a non-primary port. Both need six hours advance notice. Fish received in Hoonah would only have to go through a primary port if it were involved in foreign commerce.

11:59am lunch

1:16pm reconvene

1:18pm **Larry Powers, Kenai**

Would lose about \$350,000 investment in last 3 yrs under this program. Has fished halibut since 1978 until 1984. Because of the safety factor, need larger boat. Feel larger boats have had an advantage for quite some time. After brother drowned, began investing in a larger boat. 1989 buying halibut license year after year, but between 1984 until the present trying to get bigger boat. Still in process. Has not bought any gear yet. Concerned about his children, how will they get into fishery? Fish belong to everyone who wants to fish for them. Quota program good one, but everyone should have same amount. Should file for quota by certain day every year and fish for them during a certain time every year.

1:23 **Matt Donohoe, Sitka**

Fished for six years. Representing people who feel they have not had their point of view represented before the Council. Submitted petitions with over 200 signatures from people involved in the fishing industry. Also submitted Sitka resolution (No. 9147) requesting the Council not to approve IFQs. Have not had a public hearing in Sitka or the South east for years. Public process has not been adequately followed because there has not been adequate information available. The plan was only available in the last week, and people have not had time to digest it and comment. Council doesn't realize that plan has potential to destroy the economic base in the coastal communities. A social and economic study needs to be done on what this plan will do to their economic base specifically, not in general.

1:30pm **Buck Laukitis, False Pass Fish and Game Advisory, City of False Pass**

Read letter from Mayor of False Pass. They would likely be eligible for CDQ. They have been expanding the dock to assist in getting into groundfish, and development of current fisheries. IFQ plan not acceptable unless acceptable CDQ plan is incorporated. Current CDQ provisions in plan not acceptable because IPHC area 4A is not included at this time. All waters in BS/AI should be included. Still too many questions to be answered and inappropriate to vote on it at this time.

1:34pm **Howard Pendell, Sitka**

Some current concerns center around migration of IFQs into a few hands and larger boats. His suggestion to allay this concern is to tie initial QS allocation to a permit. A person would be allowed to buy and fish one more permit. This would allow for upgrading through the sale of a lower value permit, and the purchase of a higher value one. This would be like a multi-tiered limited entry system. Guarantees the diversity of the fleet and addresses the concerns of small communities. Guarantees are also there for larger vessels.

1:40pm **Linda Behnken, ALFA**

Thinks the implementation plan goes a long way in working out questions and concerns of various groups. One reservation they have, section 2F(2) allowing trawlers to purchase IFQs for halibut; they want it removed. This is a fixed gear fishery, and trawlers shouldn't be included in the plan. Unless fleet can be assured they can harvest their IFQs without the PSC cap there will still be a race for fish. Mortality will be reduced without race for fish. It is essential that the Council make that commitment to the fleet. Discards for which IFQ not held should be allowed. Generally speak in favor of plan. Like to see work groups continue their work.

1:46pm **Charlie Spud, Nunivak Island Fishermen's Association.**

Representing over 1,000 fishermen in their villages. Main concern has to do with the proposed CDQ program. Prefer a strong CDQ program, as described in Council preferred alternative. For halibut management, continue to receive 50% of catch limit for Area 4B as CDQ. Current poundage is not enough

for development in their area. CDQs were seen as a way of helping the communities get into fishing.

1:54pm **Steve Tvenstrup, Kenai**

Been in fishing since 1978. In 1986 purchased a Cook Inlet permit. He estimates he would get 10,000 pounds, but most of the money from this would go to enforcement. Does not want to get paid and watch the grass grow, like from Exxon. Just started black cod last year.

1:59pm **Ed Fuglvog**

Support IFQs and urge Council to move ahead with implementation of plan.

2:00pm **Brian L. King, Cordova**

Salmon and herring fisherman. Has problems with limitation on transferability. IFQ holders can buy salmon or herring permit, but salmon or herring permit holders cannot buy QS. IFQs can work as a management tool without restricting their sale. Only restriction on transferability should be that buyer be a U.S. citizen.

2:03pm **James Swift, Sitka**

Congratulate Council on work so far. Original idea was to reduce fleet in an overcapitalized fishery. Need an IFQ program. Needs to be done as soon as possible. There are more salmon boats coming into sablefish and halibut fishery this year. One concern is Section 2F(2) regarding by-catch for draggers and pot fisherman under a by-catch program. Doesn't think that is needed.

2:05pm **David O. Osterback, Sand Point**

Third-generation fisherman in long-line and other fisheries. With Peninsula Marketing Association. Current system involves death and damage to people and vessels. Management system needs to be changed but do not agree with current plan. A lot of unknowns. No opportunity to review the implementation document thoroughly. Concerns are:

1. small boat fleet would just about be eliminated from Halibut fishing - quotas will be too small to warrant participation (boats up to 50 ft);
2. QS will be too expensive for Alaska residents to buy.

Believe small communities should get preferential treatment in all fisheries. Not allowed fish shrimp, tanner crab or king crab in our own area. IFQs as presented here is not a solution. Council should establish a committee of halibut fishermen from all areas to develop a plan.

2:10pm **Alvin D. Osterback, Aleutians East Borough. Peninsula Marketing Association**

Reiterate comments above. Set aside a portion of fishery to area where residents of area will fish. If continue with plan as is, will create a class of large-boat fishermen.

2:35pm **Will Tillion**

Submitted a card only, "please vote yes on IFQs."

2:36pm **Drew Sparlin Southcentral Longliners Association**

Fished from age of ten. Current problems formed by greed. Fishermen able to overcome problems, but not possible to have a viable business under IFQs. Fishermen able to solve problems without bureaucratic involvement. Small guy without financial backing cannot survive. Plan needs to be reassessed in the context of the resource not how fishermen will benefit or how to cut them out. Pot fishery good idea. Tier method is great. Don't remove opportunity. Please continue efforts, but more in resource conservation mode.

2:46pm **Jeff Stephan, United Fishermen's Marketing Association**

Like to have public hearings immediately adjacent to Council deliberation. Draw attention to need for a Social Impact Analysis on this issue. Council needs to be fully aware of the social impacts before taking action. Draft implementation plan does include most of the issues needing clarification, but many matters are policy issues the Council needs to address. Continue to be opposed, but social impact assessment necessary if Council plans to go ahead.

2:52pm **Charlie Johnson, boat owner**

Sablefish, Crab, Pacific Cod fisherman from Kodiak. If this plan goes through, he might receive a good windfall, but not in favor of IFQs. Need impact studies regarding the impact on coastal communities. Believes coastal communities will shrivel up and die. There are a lot of other options which could be considered prior to this type of plan.

2:54pm **James E. Phillips**

A lot of things in implementation plan he doesn't like but a lot of things he does like. Doesn't satisfy everyone's needs, but neither did the Magnuson Act. Invited the Council to go ahead and implement the plan, please.

2:55pm **Jerome Selby, Mayor of Kodiak Borough**

Kodiak Borough stands opposed to concept of IFQs. Sees no conservation advantage from the plan, and the economic devastation of Alaskan coastal towns. System not in accord with Magnuson Act. Will cost a lot to implement. Create privileged class of fishermen and deny access to others. Quotas end up in overseas control through financial control. 72 percent of salmon permits are not owned by Kodiak Island residents. Thinks IFQs would be even worse than this. Should be no vested interest on Council -- suggest none of them or families should be eligible for quota shares. Table issue until April, publish changes, hold public hearings in April before going any further with policy.

3:03pm **Drew Scalzi, North Pacific Fisheries Association, Homer.**

Although their association endorsed plan, they still have concerns. The vote was 58 percent in favor. This reflects the level of concern. Participated in implementation team and feel the group put aside personal thoughts and worked on the issues at hand. Concerns:

1. Bona fide crewman, intent is great, but in halibut fishery it will penalize those who work toward eligibility and reward those who

falsify records;

2. also section 2F(2), door could conceivably be opened for trawl to buy long-line IFQs. If this is possible, take it out.
3. Still endorse 32 foot boat class to keep small boat fleet intact.

Believe work groups should continue.

3:07pm Steve Fish

Has been fishing halibut since 1975 and black cod since 1979. A vote not for IFQs is a vote for the status quo which stinks. Happy to pay implementation costs, and happy to buy Quota Shares. Plan is not perfect, but nothing is. Council has been working on this program for a long time, those who come up at the last minute have not followed the process and don't understand all the ramifications. Critical to maintain the combined implementation team/group to continue working into implementation. The other concern - by-catch provision for trawlers, take it out.

3:10pm Kris Norosz, Petersburg Vessel Owners Association

Association been in existence since 1930s. Witnessed all year fishery reduced to 24 hours. This is economically and ecologically disastrous. Industry participation is crucial in developing management regime. The implementation plan has helped to clarify many of the questions and problems. Still believe IFQ best solution to problems facing industry. Imperative that adequate enforcement, violators vigorously prosecuted and stiff penalties. There is no difference between primary ports and secondary ports, and the difficulty in selling salmon canneries in Seldovia is a result of the salmon market and poor performance. The transition into IFQs must be thorough, and should be done for 1994. Bareboat charter agreements section needs to be expanded. Agree that with IFQ system in place there will be no need for PSC limits, Council needs to clarify whether all permit holders have bona fide crew member status, and halibut fishermen in over 10 years but not qualified. Feel the trawl by-catch provision is inappropriate and suggest it be removed. Hope Council passes IFQs at this meeting.

3:17pm Ron J. Kuczek, Anchorage

This is first appearance before Council. Amazed at decisions Council has made in name of conservation. IFQs is worst yet. Sablefish and halibut plan before council blatantly against conservation. Develop a program which does not discriminate. Addressed a number of comments to the Secretary of Commerce. Cited conflicts of interest. An in-depth analysis is required to determine impacts.

3:24pm Rick Weber, False Pass commercial fisherman

Fished since 1977. Three aspects of concern: Social and economic, implementation costs, and qualification determination. Social/economic impacts of the plan will devastate many coastal communities in this state. Many rural coastal communities have developed through open access fishery. Oppose this plan, not specifically IFQs. Need social impact analysis. Vessel ownership is an irrelevant criteria for initial allocation.

3:29pm Jere Murray, Seldovia.

Seldovia Native Association is opposed to halibut and sablefish plan as presented. Eliminate many of those in Seldovia and limit upgrading. Seldovia Village Tribe, opposed as presented. Need to participate in CDQ program. Personal comments: concept of bona fide crew member be removed from plan completely; remove the 1988-90 participation -- go back to 84. To ensure that fishing power not be concentrated, lower

QS cap especially in 3A/3B to 1/10 of 1%. After initial allocation, let free enterprise system work. Immediately implement an alternative plan to eliminate derby and spread fishing throughout year.

3:38pm **Nancy Lande, South/Central Alaska Long-line Enterprise**

Represents a small boat organization of vessels 38 feet and under. Majority are in halibut fishery. Haven't had enough time or opportunity to comment on the plan. A plan of this magnitude deserves a one-on-one meeting in their own community. Need clarification of the freezer long-line exemption on by-catch, and where they fit in under definitions. Do halibut fishermen need sablefish IFQs for by-catch? Stressed halibut fishery is different from sablefish, they want the opportunity to work with the Council on specifics of halibut management, not have it lumped in with sablefish.

4:07pm **Jack Hill**

26 years in fishing. Statement that halibut will be available year round is incorrect. IPHC has asked for four or five month closure of the fishery. Costs of implementation too high. Plan flawed in who will qualify for shares, e.g. can crew of halibut boat for three years and not qualify, but fish for shark in Florida for four months and qualify? Should fix the flaws now before going any further. Sablefish and halibut are two different fisheries. Should be addressed separately. Teams should have more time to address the issues.

4:11pm **David T. Wenzlau, Juneau**

Been a crewman for 12 years on black cod and halibut vessels. Crew are back bone of industry, and should be included. Oppose transferable permits. Boat owners should not get all quota. If the present plan is implemented, there will be a loss of crewman. The Council's actions do not serve the public interest, they serve narrow sectional interests.

4:14pm **Chris Moss, Homer**

Although in favor of IFQs, current plan needs some changes. Crewmen should be included in the system. IFQs for by-catch in trawl fisheries should be removed. Quota in 3A and 3B should be valid for either area. When the TAC in one area is reached it should be closed, with the balance available in the other area.

4:17pm **Neil Huff**

Fishing sablefish for 15 years. In favor of IFQ plan. High time something was done. Not looking forward to having to participate in present saturated fisheries.

4:18pm **Beth Stewart, Peninsula Marketing Association, Aleutian East Borough.**

Representing fishermen on Aleutian Islands. While opposed to the scheme have tried to be constructive. Still cannot support. Program will result in lost revenues to communities because more fish will be landed outside their communities which rely on fish taxes. Enforcement is a problem. The system invites abuse. Vessel owners will be rewarded, not those who actually fished. The program removes the ability for communities to rely on the sea for livelihood and survival.

4:21pm Leroy Cabana

Owner/operator of a 45 foot vessel. System far too complicated. Council has tried to please everybody, but plan works to advantage of large processors and large companies. No-one will get a large allocation, and will have to buy quotas. Not fair in market because having to compete with large companies with money.

4:26pm Tim Cabana

Operates, 54 foot vessel. Too many questions about current plan. Too complicated. Something needs to be done, but this isn't it.

4:29pm Bill Sullivan, Homer

Limited time to review plan and to discuss with other fishermen. Plan says it aims to create minimum disruption, but it could destroy the industry. Fished halibut since 1981 but won't qualify as a bona fide crewman, yet salmon fishermen can qualify. Allowance should be made for small boats in the system. Strongly opposed to this system of IFQs.

4:36pm Margaret Salmon

Speaking on behalf of crew members who have worked their way through to owning their own vessel. They will not qualify as bona fide crew members. Women and natives will not be able to purchase quota unless they can borrow money. IFQs will not protect most small boat owners. Socio/economic impact has not been studied. This needs to be done prior to implementing the plan. All agree something must be done, but the up and coming young have no say in how this thing is being developed.

4:41pm Paul Clampitt

In favor of the plan. Been working on the program now for ten years. Current plan not perfect, nothing will be, but nothing insurmountable that could not be corrected. Tired of fishing in any weather that comes up during an opening. Cannot enforce what is happening now. Crew will lose jobs with trip limits. Can allow crew to buy into system, so they can have ownership.

4:46pm Thorn Smith North Pacific Long Line Association

Unable to obtain copy of plan to read thoroughly. Attended meetings of implementation groups in Seattle and got impression that enforcement and monitoring would be complicated. Don't know what it will cost, and where the money will come from. Freezer long-liners will be out of the system because of limits on transferability. Sablefish and halibut are two distinct fisheries and should be treated as such. Opposed to this particular system. Should design a system which is simple with free transferability. Would recommend a moratorium in the meantime. These comments related more to Pacific cod than the halibut or sablefish.

4:54pm Per Odegaard

2nd generation halibut fisherman. Safety is a major factor. Time to do something. The proposed system is not perfect, but there are still good reasons for it. The number of injuries per year has risen dramatically. This is clearly the result of the derby style of fishing. It is time to get on with it.

4:56pm **Mark Lundsten, F/V Masonic**

Think the document is good, despite typing and spelling errors. Covers questions well. Proofreading needed. Continuing the two committees and the holding of public meetings are good ideas. Question of the lifting of PSC is a tricky one. Overage and underage needs to be looked at. Overage could be deducted from next years catch. IPHC is a conservative organization, if it says it can make the system work, then that is a vote of confidence. The CDQ program is good. Should be flexibility in bare boat charter provisions. The idea from Sitka has some merit and is worthy of consideration.

5:02pm **Eric Olson, Jack Knudsen Fishing Vessel Owners Association**

[Eric Olson] Owner/operator for 8 years, fishing for 23 years. Easy to tear the system apart. Haven't heard anything new today. Have heard that conservation not taken care of. Without plan - no conservation. At least with plan there is a chance. The plan is designed to preserve the structure of the fleet, the status quo won't do that. Vessels will have to diversify into other fisheries. It is time to get on with it.

[Jack Knudsen] Can support 1 year moratorium on PSC, but still thinks will need to do something like quarterly by-catch limits in the future to avoid a race for fish. Favors an even more restrictive bona fide crew member definition. Like to see crucifiers legalized for halibut again. Better trained observers would be able to tell if crucifiers being used too harshly.

5:12pm **Jack Crowley, Fishing Vessel Owners Association**

Long line fishermen are operating 2 - 3 days without sleep. This is no way to run a rail road. If the Council has any feeling for its fellow man, put the system in place. Currently getting fresh Canadian fish all year round, but it is not as good as Alaskan fish. All the fresh fish is a result of the Canadian ITQ program. Alaskan fish is available for a few days.

5:16pm **John Crowley, Fishing Vessel Owners Association**

Everyone opposing system today had little participation. If these people get in, those with a long history of participation will lose out. In favor of ITQ system. Hope the fishery can be preserved.

5:18pm **Bruce Forde, Deep Sea Fishermens Union**

Fishing since 1965. Have been writing to Council to preserve open access so I could buy boat. But have now changed my mind. Too many boats. IFQs along with a provision that you have to be on board the vessel should keep quotas in the hands of the industry.

5:20pm **Bruce Jackson, Deep Sea Fishermens Union**

Union established in 1912, with 304 members. Most frightening concern is status quo. Urge Council to put system to Secretary of Commerce.

5:21pm **James Herman**

Agrees with quota on halibut. Bad weather prevented his fishing full day from 1987 - 1990. 1991 good weather, but no halibut in Cook Inlet. A quota based on a three year catch would not be good. On the whole the scheme is good, may get cheaper insurance rates because of improved safety. Hope to be able to pick a day of good weather when can make money.

5:24pm Brian Harber, Deep Sea Fishermens Union

Eight years since the halibut moratorium crashed in Washington DC. The issue of the cost of implementation is not an issue. Fishermen will pay the cost. Believes a bureaucratically managed fishery is better than no fishery at all. Members won't get anything out of this other than the right to fish the species from which they make the majority of their income. Support bona fide crew member provision, freezer long-line split, and ownership cap.

5:31pm Jerald D. Eidem

Attended last meeting and presented comments, will continue at this meeting. Support IFQs, but need an additional allocation to Cook Inlet fishermen to take account of bad weather and the Exxon oil spill. Have three daughters who have fished with him, but who do not qualify under the definition of bona fide crew members. May need a CDQ for Cook Inlet. May need 50 percent CDQ for women. Hopes it is not true that people with under 1,000 pounds will not be able to participate.

5:36pm Chris Chavasse

Resource is a common stock. There is no data west of the international date line The subsistence issue is not addressed. In the estimates of funding, nothing is included for educating fisheries managers and those in the industry.

5:39pm Pete Farris.

Against IFQs at this stage. Plan seems far from perfect. Plan needs to be re-worked a lot. Against plan the way it is, but not against IFQs per se.

5:42pm Robert Newman, King Cove

Had 30 years fishing in King Cove. Also King Cove Council Member. Oppose IFQs. Concerned younger generation will not be able to participate. The system will create bankruptcies. Heard the decision on IFQs had already been made. Concerned about this given expense of travelling from King Cove.

5:45pm Don Bridges, Kenai

Against present plan. Too complicated. Sablefish and halibut are two separate and distinct fisheries.

5:46pm Vic Horgan, Ocean Beauty Seafoods

IFQs are a catch-22 between resource protection and something that can be afforded. Any system must be able to be monitored and enforced adequately. This program will result in losses to the State of Alaska. It favors other States over Alaska. The Canadian system requires more money, and Alaska has more boats and more fishermen. Advocates licence limitation with use it or lose it trip limits. Urges Council to reject program now and move on.

5:50pm Paul Gronholdt, Sand Point

Everyone he talked to in Sand Point is opposed to IFQs. It is poor policy. There is no money for monitoring

and enforcement. It is unAmerican, it is management from Hell.

5:51pm Linda Kozak, Kodiak Long-line Vessel Owners Association

Provided written comments. The Magnuson Act places conservation first. Believes high-grading will occur. The IPHC recommends 5 percent for overages, but what about sablefish? Sees difficulties in allocating ABC under an IFQ system. Fish stocks may shift. Under an IFQ system there is pressure to hold TACs at higher levels. The restrictions imposed in the plan could lead to inflexibility. The provision for an owner to be on board is OK, but could run into difficulties with corporations or partnerships. Feels Council needs legal opinions on this. Restrictions on transferability should be dropped. Any-one who wants to buy quota should be able to do so. Implementation cost of \$4 million is too conservative. IPHC has said that it is not happy with the monitoring and enforcement proposal. Based on Canadian and New Zealand experience, believe \$10 million more realistic. Concerned at concerted push for IFQs. Need to step back and examine program before moving forward. Wants to know why social impact analysis not completed.

6:00pm Marty Phelps

Opposed to IFQs. Further work needs to be done.

6:01pm Lloyd Cannon, All Alaska Seafoods

46 years fishing. Against IFQs. Been involved in 5 or 6 fisheries which have cycled down and up. Would have been bankrupt if couldn't have switched sideways. Under IFQs, in a few years everyone will be broke. Under IFQs people cannot switch sideways. IFQs would disenfranchise a lot of young people in Alaska. If there are too many people let some of them go broke. Let the capitalist system work.

6:06pm Linda Behnken, personal behalf

Wish to lend strong support to the Sitka proposal of allocations of blocks of quota, and having them tied to permits. Have seen the IFQ issue polarize the industry in Sitka. Believes this measure will ensure added support. Not new, raised three years ago, and again nine months ago. System would prevent quota accumulation as some fear. Fleet will remain diverse. Will ensure entry level will be able to be maintained. Will simplify the system. Vessel classes will become less relevant. Would like the Council to discuss this idea seriously.

6:09pm Adjournment

**KODIAK LONGLINE
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HALIBUT • SABLEFISH • PACIFIC COD • CRAB

November 29, 1991

Mr. Rick Lauber, Chairman
North Pacific Fishery Management Council
Anchorage, Alaska

SENT BY FAX: 271-2817

RE: SABLEFISH AND HALIBUT IFQ IMPLEMENTATION

Dear Chairman Lauber,

The KLVOA has participated in the IFQ discussions for several years. We have been very involved and interested in this issue. It is of great concern to the members that they have had almost no time to review the draft implementation plan. It was received in our office on Tuesday, November 26, 1991 and the deadline for comments is November 29, 1991. As you know, this week was the Thanksgiving holiday. It seems that the rush to have something approved is not allowing industry the time to review plans for implementation of this very complex and controversial program.

We have some initial comments and concerns that I will attempt to summarize and briefly address. These are listed below.

CONSERVATION

In order to achieve the goals of the Magnusen Act, it is important to consider conservation of the resource first and foremost. While we believe that initially some conservation concerns were addressed in developing the concept of an IFQ plan, it has long been forgotten.

It is a known fact that highgrading and underreporting will occur. It is unclear as to what extent this will be. There is a halibut size limit, but the industry work group has recommended that no size limit for sablefish be established. What amount of discards will result from this?

The IPHC is recommending that overages be handled in such a manner that each vessel would receive 5% less on his halibut quota initially and that the overages would be deducted from his "bank". Why is a sablefish "bank" not being considered? In fact, this whole idea of "banks" is something that industry has not had an opportunity to review and comment on. Many fishermen are concerned that every time they turn around, another "little percentage" of quota is being deducted from their quota.

We have commented previously that the political pressure on the Council could make it difficult for any quota reductions to be implemented, should the stocks decrease. One issue that has not been addressed adequately is the anticipated shift in stocks from one management area to another. In the Gulf of Alaska 1992 Stock Assessment Summary (sablefish portion) it states that there could be a problem in apportioning ABC's under an ITQ program. The reason is that ITQ's will be area specific and stocks will shift and change from time to time. This could result in a shift of stocks from one management area to another and if the scientists wish to adjust quotas to compensate for the shift, there may be tremendous political pressure from the quota share holders in the area which will receive a reduction. This could be a serious problem. In fact, it appears that such a shift may be happening in sablefish from the Southeast areas to the Central Gulf. This could become extremely contentious and political.

In the 1992 SAFE document it states for sablefish that "under a pessimistic recruitment level and constant catch at the recommended ABC's, the population as projected by the SRA model, would fall below the 1980 biomass level in 1994". In looking at what the 1980 quota was, it is very concerning that this number (8,542 mt) is significantly lower than the projected quota for 1992 of 20,800 mt. It is important to note that under an IFQ plan, there may be tremendous pressure to keep the stocks at an artificial level, thus causing conservation problems.

PLAN RESTRICTIONS

OWNER REQUIRED TO BE ON BOARD - In requiring the owner to be on board the vessel, the Council is attempting to resolve the concern of large scale corporate investment and a "sharecropper fleet". The current corporate and partnership vessels are grandfathered in to allow them to operate with a hired skipper. Any change in corporate or partnership structure requires the owner to be on board the vessel. What constitutes a change? Could it be a simple additional investment by one or more partners, changing the % of ownership? How can you force a partner not to get out of the corporation, if he wants to? Are these restrictions even legal? We think that the Council needs to have some sound legal guidelines when dealing with corporate law.

CAPS APPLY TO VESSEL - This restriction will provide a disincentive for crew members to purchase quota and try to fish on a high producing vessel. If the owner already has his cap and that entire quota will be fished on the vessel, then no one else can fish their quota on that boat. What if an owner's vessel sinks or burns? He will not be free to lease or try to fish his quota on the vessel of his choice. He will be limited to those vessels which don't have their cap. What if he has to fish on a vessel which is not seaworthy because of this restriction and what if he dies? This is an unfair and irresponsible restriction.

CAPS APPLY INDIVIDUALLY AND COLLECTIVELY - This restriction again, may have been well intended, but it falls short of being realistic in the "real world". If an individual owns interest in multiple vessels which are of themselves,

corporations, and his interest in these vessels exceeds the cap, then none of the corporations in which he has any level of ownership will be allowed to purchase quota. If he is forced to sell out of a corporation in order to allow the other owners more flexibility, then the grandfather clause doesn't apply anymore. The tax consequences could be devastating as well. This restriction must be eliminated.

CAP SUMMARY - The caps are not appropriate and will cause severe hardship to the participants. If caps are implemented, they should be less restrictive and allow more flexibility by the quota share holders.

PERMIT HOLDERS - The permit holders may not be considered bona fide crew members in order to purchase quota. This is not appropriate. Permit holders who have been running vessels for the halibut fishery should be able to purchase quota.

FIXED GEAR CREW MEMBER - Again, this definition is designed to restrict those individuals who can purchase quota. The Council has two definitions of what fixed gear is, and it is unclear as to whether the pot fisheries would qualify as fixed gear. It is very important that fishermen be able to purchase quota. Anyone who wishes should be able to purchase quota.

MANAGEMENT AREAS - There are approximately 60 management cells under the proposed sablefish and halibut IFQ plans. These include management areas, sub-areas, and vessel classes within each area. The ability for fishermen to exist within these cells will be very difficult, if not impossible. It would be more appropriate to reduce these cells by eliminating some management areas and vessel classes.

FREEZER/LOGLINER DEFINITION - There are a few vessels which have participated in the Pacific cod fishery with plate freezers on board, but have fished for halibut and sablefish as a catcher vessel. These vessels will be classed in the freezer/longliner category automatically, unless the Council allows some flexibility. These vessels must be allowed a one time choice to be in either the catcher boat or freezer/longliner category.

ANTICIPATED COSTS

Current estimates are approximately four million dollars. This is far too conservative. There is insufficient money allocated for the monitoring and transferring of quota shares. The IPHC has indicated that they are not comfortable with the level of enforcement. They feel it won't be enough to monitor the many small halibut deliveries. We agree.

In reviewing the Canadian and New Zealand programs, it is more realistic to project a cost of over ten million dollars annually. Where will this money come from? It is suggested that the industry will pay for this. Will the implementation wait for a change in the Magnusen Act to allow for this tax or user fee? How much of a fee will the industry support? If we don't wait for this change, then where will the money come from? Will existing programs be

cut, and if so, which ones? According to NMFS enforcement personnel, they need a substantial increase in personnel even without IFQ's. Will they get it? If not, how will IFQ's be affected? These "minor" details are extremely important and need to be answered before a decision is made by the Council.

INCONSISTENCIES

DISCARDS - The Council has in one place prohibited discards, yet does not require that vessels purchase IFQ's for incidentally caught fish. Having freezer/longliners removed from this restriction doesn't make sense. This doesn't seem to fit within the "keep what you catch" idea.

FIXED GEAR - The fixed gear definition seems to have two meanings. In one place it means hook and line. In another, it includes crab fishermen in order to qualify to purchase quota.

GRANDFATHER CLAUSE - There is some discrepancy in when the grandfather provision ceases for a corporation or a partnership. For a corporation, a death of a member does not constitute a change, but this statement doesn't appear to apply to partnerships.

SUMMARY

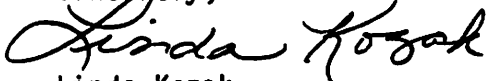
We are very concerned that the "push" for IFQs has superseded any common sense approach to the problems in the fishery. We need to step back and take a look at this program from all angles before a decision is made.

The idea of an IFQ program is to allow the most flexibility among those quota share holders, not to socially engineer the program in such a way that "nothing changes". In order to achieve what an IFQ program is designed to do, some changes need to be implemented. If not, then the exercise will surely fail. The analysis states over and over again that the benefits of the program will be reduced with each restriction imposed. It is believed by some that we have reached the point where the costs far outweigh any potential benefits.

The technical team and industry work group have not completed their work. There are many questions which remain unanswered, as well as Council clarifications on inconsistencies. Costs remain uncertain, as well as funding sources. The conservation aspects of this plan have not been adequately addressed. Again, we ask, why has a social impact analysis not been completed? The ramifications of this program will be far-reaching. It is imperative that an appropriate social impact analysis be completed.

We are asking that the North Pacific Council consider delaying final action on this plan until the concerns have been addressed. We feel that the Council has not completed the job on this issue.

Sincerely,



Linda Kozak
Executive Director

NORTH PACIFIC LONGLINE ASSOCIATION
720 West Blaine St.
Seattle, WA 98119
(206) 283-7700

December 2, 1991

Mr. Richard B. Lauber, Chairman
North Pacific Fishery Management Council
P.O. Box 103136
Anchorage, AK 99501

RE: Sablefish/Halibut ITQ Proposal

Dear Mr. Lauber:

Our association submitted comments on the above subject in September. Our views have not changed, and we would like to incorporate those comments by reference. Please consider the following summary:

I. The Purpose of ITQ Systems

Dr. William Fox, Assistant Administrator for Fisheries, NOAA, recently stated the purpose of ITQ systems: "We need to extricate the government as much as possible from the allocation process, moving...to programs that allow market forces to work effectively at the harvesting level."

II. This Proposal Defeats the Purpose of an ITQ System

The preferred alternative for the sablefish/halibut ITQ proposal contains so many restrictions and constraints that the market is severely inhibited. Chief among these is the prohibition against exchange of shares between vessel classes. At the recent Ninth Annual Fishery Law Symposium in Seattle, Dr. Lee Anderson, father of the surf clam/ocean quahog ITQ program, stressed the need for free transferability of shares. He stated that because of the numerous constraints on transferability, "The sablefish/halibut proposal is almost not an ITQ system."

III. Industry Does Not Support the Proposal

If an ITQ system is to work, it must enjoy the support of industry. Oral and written testimony on this proposal has been overwhelmingly negative. Fishermen and fishermen's associations, processors and their associations, catcher-processors and their associations, the IPHC, Alaska State Legislators, Congressman Don Young and Senator Stevens have all announced outright opposition to the proposal or have registered serious concerns about its feasibility. The

Advisory Panel split evenly on a vote to drop the subject permanently (i.e., "kill the rat"). Industry support for the proposal seems to come mainly from those who would enjoy a windfall profit through the allocation of shares.

IV. Precedent - Offshore Processors

Under the proposal the catcher-processor fleet is awarded very little quota in the fisheries, and is permanently prevented from acquiring more through the market - efficiency, product quality, and possible willingness to pay more for quota share notwithstanding. This scheme would set a frightening precedent for other fisheries.

V. Limitations on Ownership of Shares

Provisions limiting individual, collective and corporate ownership of shares are also troubling. Efficiency may require some consolidation. Further, the 1% and 1/2% limitations would set an impossible precedent for other fisheries, where single vessels often exceed such proportions of the catch (vessel catch limits raise the same concern). Some limits may be desirable, but the levels proposed are far too restrictive.

VI. Foreign Control

Concern has been expressed that despite limitations on ownership and other protective measures, foreign interests will find ways to control ITQ's.

VII. Implementation, Administration, Monitoring and Enforcement

Despite diligent work by the implementation teams it is apparent that implementation, administration, monitoring and enforcement will be extremely complicated. It is fair to ask whether NMFS has or can acquire the capacity to administer such a program.

VIII. Funding

It is also apparent that implementation, administration, monitoring and enforcement will be very expensive. The source of funding remains a mystery. There is no legal authority under the Magnuson Act to extract fees from industry. Who will pay, and how much?

IX. Future Extraction of Economic Rents

Establishment of an ITQ system will be an open invitation for the extraction of economic rents from the fisheries (one way to offset a windfall). Congressional attitudes and intentions in this regard should be considered

carefully before we commit to any such program and make our industry vulnerable to further fiscal burdens.

X. Environmental Impact Assessment: Cumulative Impact

Two separate and independent analyses of the impact of the sablefish and halibut ITQ proposals on the human environment have been prepared - each as though the other proposal did not exist. Has there been any assessment of the possible cumulative impacts of these two actions? Also, the environmental assessments are generic, intended to address the general impacts of all of the alternatives. Has a specific analysis of the preferred alternative been performed?

XI. Economic Impact Analysis: Cumulative Impact

Again the economic impact analyses were done independently, using incompatible methodologies, assumptions and data - and the actions were later combined. Is the cumulative economic impact different from the individual impacts? The analysis is also generic - will the public and the Council review a full analysis of the preferred alternative?

The Council has announced its intention to develop ITQ programs for all fisheries under its jurisdiction. This is a revolutionary proposal, and its components are all part of a single scheme. This privatization may well have an annual effect on the economy of \$100 million or more, and if the programs are designed after the sablefish/halibut proposal, they will certainly have an adverse effect on competition, productivity, and the ability of U.S.-based enterprises to compete with foreign-based enterprises in domestic or export markets. This overall plan should be subjected to thorough analysis under E.O. 12291 and the NMFS guidelines on fishery regulation - these analytical requirements should not be evaded through a fishery-by-fishery piecemeal approach.

XII. Community Development Quotas

The preferred alternative calls for the creation of sizeable Community Development Quotas (CDQ's), to be taken from fully-subscribed fisheries. It does not appear that there is any conservation rationale for this action, nor is it necessary "to achieve optimum yield" under Section 303(b)(6) of the Magnuson Act. For all practical purposes the CDQ's would create perpetual rights to public property, in certain Alaska coastal communities. Washington state coastal communities which are equally disadvantaged would be barred from applying. This intentional geographic exclusion may raise questions of impermissible discrimination.

Conclusion

We share the view of Dr. Fox that the primary purpose of an ITQ system is to extricate government from the allocation process, and to replace it with the market mechanism. The current sablefish/halibut preferred alternative does not achieve that goal - it is hardly an ITQ program, and would establish a frightening precedent. If the Council really favors the ITQ approach it should abandon this elaborate construct and design a simple program with freely transferable quota shares. Consideration should also be given to a plan for all fisheries, so that industry knows what to anticipate.

Thank you for your attention.

Sincerely,

Thorn Smith
Executive Director

Council asks for study of IFQ impact

By Bill Spence
Staff Writer

The Homer City Council Monday voted unanimously to pass a resolution asking the North Pacific Fisheries Management Council not to adopt an individual transferable quota share system before conducting a thorough analysis of the economic impact such a system would have on Alaska's fishing communities.

The city council passed the resolution opposing precipitous action by the fisheries management council on the so-called IFQ (Individual Fishing Quota) proposal for sablefish and halibut. It also asked the fisheries council to share any information it gleanes from an impact study with the coastal communities likely to be affected by a quota system.

In passing the resolution, introduced by councilwoman Cathy Godfrey, the Homer council followed other coastal cities and organizations who have passed similar resolutions, including Kodiak, Cordova and Whittier, as well as the Kodiak and Kenai Peninsula borough assemblies and the Alaska Municipal League.

At Monday's meeting, the council heard from local fishermen who showed up in numbers.

The fisheries council will take public comment on implementation of the IFQ proposal Monday at the Anchorage Hilton Hotel. The final vote is expected during the council's meeting, which begins Tuesday.

The adoption of IFQs will affect Homer's economy, said Homer fisherman George Ploganz. It could mean the loss of a significant number of jobs, if, as opponents of IFQs suspect, limiting shares to vessel owners will encourage owners to hire fewer crewmen and turn human jobs over to machines, he said. "There are glaring problems with the proposed assign-

ment of shares," he said. "It's illegal!"
"The management council would give 100 percent of the shares to vessel owners when they are, in fact, minority owners of the fish."

Ploganz said many vessel owners, especially those living Outside, don't pay Alaska taxes and haven't complied with the legal requirements to be considered employers because under the definitions, they are not employers, but contractors.

Ploganz said the management council represents large-vessel owners who stand to profit from the proposed assignment of shares. They do not, he said, represent the individual interests of fishermen. That, he added, was the position of bodies such as the Homer City Council.

If the IFQ plan passes as currently written, Ploganz said, the owner would not be having his refrigerator fixed at Brian's Appliance (Councilman Brian Svetren), or his back adjusted at Godfrey Chiropractic, a reference to the office of Councilwoman Cathy Godfrey's husband.

Other fishermen offered similar testimony. But not everyone at Monday's meeting opposed IFQs. Drew Scatzl, president of the North Pacific Fisheries Association, an organization of Alaska fishermen, said he could refuse much of the testimony about the possible effects of IFQs the city council had heard, but declined to do that Monday. He debated the issue at the Homer Chamber of Commerce luncheon Tuesday and again on KBBJ's Coffee Table program Wednesday.

"This is a very complex issue," Scatzl told the city council.

The quota proposal has been discussed and debated for years, he said Tuesday evening. The council has entered the fray at the 11th hour, he said.

OPINIONS

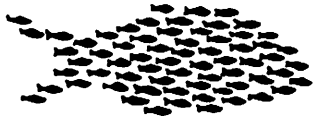
EFFECT OF LONGLINE ITQ SYSTEM VERSUS HARVEST BY POT ON THE SABLEFISH AND HALIBUT FISHERIES.

<u>Problem</u>	<u>Longline ITQ</u>	<u>Sablefish, Pacific Cod, Harvest by Pot Gear</u>
<u>Resource:</u>		
Juvenile halibut bycatch mortality	continuing	solved
Halibut highgrading of legal sizes	starting	solved
Ghost fishing of lost gear	continuing	Biodegradable strip and escape from pot tunnels
Discard mortality of incidental species	continuing	solved
Killer Whale interactions and mortality	continuing	solved
Steller Sea Lion interactions and mortality	rare but continuing	solved
<u>Safety:</u>		
Weather postponed retrieval of gear fish mortality	continuing	solved
<u>Market:</u>		
Season closure from halibut PSC	continuing	solved
<u>Economic Problems:</u>		
Concentration of wealth to few vessel owners	yes	no
Eliminates diversity options for local fleet	yes	no, with 100 pot limit
Elimination of local ports of delivery	yes	no
Reduction in local vessel and on-shore jobs	considerable job loss	no
Cost of implementation and enforcement	high	minimal, tags for pots, observers on large vessels
Volume of paperwork	high	minimal increase

EFFECT OF ITQ SYSTEM VERSUS FIVE TRIP LIMIT SEASON ON THE HALIBUT FISHERY

(Trip limits apply to entire quota, five 24 hr. trips, May through September. Under harvest or overage applied to next opening. Vessel classes percentages as per IPHC clean-up openings)

<u>Problem</u>	<u>Longline ITQ</u>	<u>Five 24 hr./Trip Limits</u>
<u>Resource:</u>		
Highgrading by size	starting	starting
More gear set than can be retrieved	solved	solved
Retention of other species	possible	possible
Tangling and loss of gear	solved	reduced
<u>Safety:</u>		
Weather	Can choose good days	Can choose more protected secondary grounds
Overload vessels with product	potential	no
Proximity of vessels for rescues	widely spaced	closer proximity
<u>Market:</u>		
Distribution of fresh product throughout year	solved	better than current
Product fresh upon delivery	no, long trips allowed	yes
Economy of scale: Volume processing and shipping	no	yes
<u>Economics:</u>		
Concentration of wealth to few vessel owners	yes	no
Eliminates diversity options for local fleet	yes	no
Elimination of local ports of delivery	yes	no
Reduction in vessel and on-shore jobs	considerable job loss	no
Cost of implementation and enforcement	high	low, current vessel classes
Volume of paperwork	high	minimal increase
Fishermen harmed under program	80% "consolidated". out of fishery	only highliners above average for vessel class



North Pacific Fisheries Protection Association

6610 Fremont Avenue North • Seattle, WA 98103 • (206) 781-0336

**SYNOPSIS OF TESTIMONY ON IFQS FOR BLACKCOD AND HALIBUT
at the NPFMC Meeting, Anchorage, AK, December 2, 1991**

We object to the implementation of the proposed IFQ system for the Blackcod and Halibut fisheries on the grounds that:

- 1) The issue of conservation of the resource has been ignored.
- 2) The program excludes the vast majority of fishermen.
- 3) The program will destroy the small boat fleet in favor of big money concerns.
- 4) The program will devastate many coastal communities and businesses.
- 5) The overwhelming majority of people concerned reject this program.

We propose that the Council instead recommend the following:

- 1) Throw this IFQ proposal out.
- 2) Impose a moratorium and some traditional management techniques.
- 3) Devise a comprehensive management program with several different alternatives.
- 4) Conduct a SEIS for the alternatives and distribute the information for public review, BEFORE you vote on a final plan.

The current IFQ proposal is bad public policy. What you vote for is going to set a national precedent for all fisheries. **YOU HAVE AN OPPORTUNITY TO MAKE GOOD PUBLIC POLICY BY VOTING AGAINST THIS PROPOSAL AND FOR A MORE EQUITABLE AND FAR-SIGHTED PLAN.**

CITY OF CORDOVA



December 2, 1991

Mr. Rick Lauber, Chairman
North Pacific Fisheries Management Council
P.O. Box 103136
Anchorage, Alaska 99510

Dear Chairman Lauber:

I am submitting comments regarding Individual Fisherman's Quotas (IFQ's) on behalf of the Cordova City Council. The Cordova City Council remains very concerned about the impacts an IFQ management scheme would have upon local fishermen, the economy of Cordova and the lifestyle of residents of Cordova. We are aware that you have received a great deal of testimony regarding the expected impacts upon individual fishermen; especially the small boat owners and those just getting into the longline fishery. Our comments will focus on the impacts upon small coastal communities like Cordova; communities whose economy is dependent upon the fishing industry. Following is a list of specific comments:

1. Cordova's economy has historically been based upon the seafood industry. The Exxon Valdez oil spill, world market conditions, and other factors have combined to produce hard economic times for many local fishermen. Local fishermen have always depended on flexibility and the ability to participate in a number of fisheries to make ends meet. Many have gotten involved in the longline fishery over the past decade. Most of these fishermen are small boat owners, but they have made substantial investments in longline gear and equipment and have been working hard to increase their catch each year. An IFQ system would hurt these fishermen because it would "lock" them into a quota. In most cases, this quota would be so small that they couldn't afford to fish it. The only rational economic decision for people in this position is to sell their quotas. Other fishermen who planned to get into the fishery or who have only fished it the last few years could be locked out completely. This means a loss of jobs and income and reduced revenue from raw fish and sales taxes.

2. Local processors have been gearing up to handle increased deliveries of halibut and black cod. If IFQ's go into effect, the likely outcome is that it will become uneconomic for the processors to handle these fish because deliveries from local boats will decline. Again, this translates into a loss of local jobs and a loss of tax revenue for the community.

3. The Council has set aside Community Development Quota's (CDQ's) for disadvantaged communities in the Bering Sea. CDQ's are designed to prevent communities who have not yet participated in those fisheries from being locked out if an IFQ scheme limits access in 1993. Those longliners displaced by Bering Sea CDQ allocations will be given shares of the Gulf of Alaska quota. We have two comments about this. First, we believe that compensating longliners who are displaced in the Bering Sea with Gulf of Alaska shares is unfair to Prince William Sound Fishermen who are just getting into the fishery. This also has the effect of driving local fishermen out of the business because there will be less poundage available for harvest in the Gulf. Second, we would argue that Cordova should be eligible for a CDQ also since it has great potential to participate in the longline fishery but is likely to be locked out under the IFQ scheme. Cordova is just beginning to emerge as an important bottomfish port.

In summary, the Cordova City Council believes that an IFQ system will have very definite winners and losers. The losers will be small boat owners, people just getting into the fishery, and fishing communities like Cordova. We would urge the North Pacific Fisheries Management Council to look very closely at more traditional management schemes. We understand that management is necessary to protect the resource, to reduce waste, and to increase safety. However, we see no need to rush into an IFQ system; a system which has not yet proven itself in other areas of the world. For example, evidence from the east coast of Canada and New Zealand suggests increasing conservation problems, enforcement problems, and economic disaster for many inshore fishermen and the communities they live in.

Thank you for the opportunity to comment. Please contact us if you have any questions or need more information.

Sincerely,



Mayor Charles K. Weaverling
City of Cordova, Alaska

Excerpt of Enforcement Report for IFQ Implementation, relating to primary ports.

Dave Flannagan, NMFS Enforcement: The next item is vessel clearances. Harvesting vessels, catcher-processors, motherships and tenders landing catch outside Alaska would have to obtain a vessel clearance at a primary port before departure from Alaska. Vessels would have to enter a primary port to receive clearance. At time of clearance the vessels may undergo inspection and have its hold sealed. The vessel would have to present a quota share card with IFQ fish for all fish on board. The additionally must hail its catch and provide intended date, time and location of offloading. All such vessels would have to provide the same advance notice of landing requirements as a vessel landing in Alaska. Harvesting vessels would have to become registered buyers and report their landings in the same manner of dockside sales in Alaska. Primary port locations are displayed on the chart. There are sixteen primary ports, fifteen of them are the top fifteen ports in Alaska and St. Paul has also been added on there because of its unique geographic location. They are pretty much spread out through Southeast, Southcentral and Western Alaska with the farthest west being St. Paul and then Dutch Harbor in the Aleutian Chain.

Larry Cotter: Mr. Chairman, a number of questions here. First of all, it says that harvesting vessels would have to become registered buyers and report their landings in the same manner as dockside sales in Alaska. Well, what if I'm going to run my fish down to Seattle and sell it to whatever the cold storage is down there, Bellingham. They can't be registered buyers?

Flannagan: No, in the workgroup we decided they can be registered buyers. Yes, in that instance you could have a registered buyer down there.

Cotter: O.K., what if I go to British Columbia?

Flannagan: British Columbia, you're out of the country and I can't do anything with you at that point. However, in British Columbia they also have a IFQ program for halibut and we would be sharing information with their enforcement folks also.

Cotter: Alright, but what if I'm registered buyer and I check through Ketchikan and I go down to British Columbia where they don't have any jurisdiction over my IFQ program and I decide to sell my fish and not record it. I guess you'd deduct it anyway, wouldn't you, because I had to check out and you'd know how much is on there.

Flannagan: We at that point would initiate an investigation, and there are requirements in the program, for you to do that you're going to have to be a registered buyer and you are going to have to report your own fish.

Cotter: O.K., one more question. I think any vessels leaving the state, probably 99.9% of them probably are going to be headed south and it seems to me that somebody that may check in to St. Paul or something like that and get a clearance that might well impose an enforcement problem because they might stop and catch a few fish along the way. Why don't you just say that any. . .you know, pick one port, Ketchikan, if you're heading south you have to go through Ketchikan, that's the only clearance port there is. Otherwise, exceptions could be made by the Regional Director.

Flannagan: If you want to restrict all clearances to Ketchikan, that's fine with me. I have the various ports on there to assist the fleet in making those decisions themselves. Some vessels are going to go west to Japan out of Dutch Harbor so I need to be able to clear vessels there.

Cotter: Fishing vessels are going to go west?

Flannagan: No, transport vessels.

Cotter: Right. I'm trying to differentiate between the fisherman who goes out and catches his quota share and is going to deliver it outside the state and some commercial transport vessel.

Flannagan: I got some indication from industry that there are folks that, say, want to clear at Sand Point or Kodiak and go straight across the Gulf and not go into Southeast Alaska at all.

Dale Evans (NMFS-AKR): Dave, what are the implications of simply foregoing this section of the program and relying on cooperation with the people in B.C. or landings made in Seattle or the other ports?

Flannagan: My feeling is if you don't have a vessel clearance program clearing vessels leaving the state, that that fish is lost. Seattle and Puget Sound is a giant sea of . . . vessels go down there and they can get lost. If you don't have them clearing out of Alaska and get some indication of where they're going to land and give the advance notice requirement, you have problems with them fishing in Canada on the way down; you have problems with them fishing off the Washington coast. My counterparts down there feel that's happening also, and there's just too many possibilities for the fish to disappear.

Alverson: If a vessel wanted to go into Prince Rupert or go into Canada, all those buyers there issue a form of fish ticket and since these would be U.S. citizens going in there it seems to me that the Council could establish a regulation that requires them to submit to you in a timely fashion a copy of that fish ticket to verify the poundage offloaded.

Flannagan: That requirement has been in place in the past and I don't think it was well adhered to. In my mind, if I make the requirement for the vessel to be a registered buyer, he goes to. . . [tape change - no overlap]

Alverson: The problem I see with that is that there's no third party to question the poundage offloaded if you make the U.S. citizen that's just fished that ITQ, to also report it. You understand what I'm saying?

Flannagan: I understand what you're saying but also in my opinion once they leave our jurisdiction there is no third party. I would, however, bring out that I have talked to my counterparts in Canada and their view on the IFQ fish, halibut and sablefish, they will have to go through their program; they will have to be monitored landings in Canada.

Alverson: If our fish go in there it would seem as a countercheck to whatever they, if they have the right type of telephones, to call you; a copy of the landing ticket should also be sent to you. It seems to me that you've got the leverage of taking the guy's fishing quota away from him, you should get a little better compliance.

Flannagan: I think maybe we're missing. . . he's still required to submit fish tickets.

Alverson: I was under the impression all he had to do was plug in . . .

Flannagan: No, to clarify, the credit card is in addition to any fish ticket requirements that already exist.

Hegge: What constitutes a registered buyer, is it a state license, federal license?

Flannagan: There would be a federal registration. Part of the process would be you would then get your credit card machine through that process and you'd have to designate where you were going to operate, . . .

Hegge: Would that overrule the state requirements or would that be in addition to?

Flannagan: No, that would be in addition to. I would assume and hope that at some point the two could be merged.

Tillion: I worry, too, not only about the fish leaving the state, but for instance the fish leaving the Bering Sea. Are you going to have some monitoring to make sure vessels leaving Area 4 don't fish all the way down to Ketchikan and then claim all those fish in Area 4? Are we going to have, like you used to require just a few years ago, that the fish leaving the Bering Sea be sealed?

Flannagan: No, there's nothing built into the current program that requires vessels to check in and out of management areas. Of course, the patrol effort is going to be looking for that during the patrol activity but there's nothing currently built into the program.

Tillion: Is there consideration of requiring a vessel to fish one area for his load, because if you have them fishing several areas you're liable to find out that Area 2C gets hammered pretty hard and the fish are called Bering Sea.

Flannagan: Granted that that is a possibility but there's nothing built into the program right now to do that. We have the same problem with openings of 3A and 3B right now. Some vessels will claim their catch came from 3B when in fact it came from 3A. I don't know other than we've discussed a check-in/check-out procedure which I think the plan team would need to discuss and fish management would have to talk about putting it into the regulations, but that's a doable thing, to require a check-in/check-out between areas.

Alverson: Dave, two issues. In Area 3A and 3B, if you go an ITQ system the philosophy of having 3B in the first place goes away. It was an attempt to get the fleet to move out of the central area and start fishing further to the west. It would seem that you could have one area again so you wouldn't have people cheating like that anymore and I believe IPHC manages that whole area as one unit anyway. There does seem to be some utility, at least in the halibut regs right now, of clearing through Dutch. It may not prevent all illegal fishing outside of Area 4 but when someone does cheat, he cheats closer to the area he's supposed to be in.

[rest of report and Council questions do not relate to the issue of ports and check-in/check-out]

Motion and discussion of vessel clearance before leaving mgmt areas.
December 8, 1991

Clem Tillion: Mr. Chairman, amendment number two has to do with enforcement and one of the fears often raised is that fish that were caught in area 2C, for instance, by vessels that had come down from the Bering Sea or 3B would be counted as 3B or Bering Sea when they actually had been taken in places like 2C and so it was recommended by several people that an amendment like: "Quota share owners transporting their catch outside of a fishery management area or to areas outside the jurisdiction of the Council must first check in their catch at a NMFS-specified site and have the load inspected and sealed." I do not really wish to do any more with this than highlight the NMFS need to ensure that not only our fish not bootleg through places like Canada or arrive at a black market out of state, but they are also credited to the correct area in which they were taken. The fear that was raised that 2C where the fishing is fairly easy would get hammered and the fish would be called 3B fish in the statistics but they'd actually lead to a depletion of that area's fish. I've talked to Mr. Flannagan and I would have no objections if NMFS made some minor changes so long as this particular problem was solved. I move the amendment.

Rick Lauber: Where would we put this, Mr. Tillion?

Tillion: Section 2D(3)(iii).

Clarence Pautzke: On page 5 of the document in your notebooks, top of page 5.

[I believe Cotter seconded; hard to determine voice]

Lauber: Could you read it again, Mr. Tillion?

Tillion: Amend Section 2D(3)(iii) to read: Quota share owners transporting their catch outside of a fishery management area or to areas outside the jurisdiction of the Council must first check in their catch at a NMFS-specified site and have the load inspected and sealed.

Alverson: Just to clarify the intent, Clem, if a vessel is in Area 3 and wishes to run to Southeast Alaska to sell the fish the vessel is required to go to one of the ports that we saw on the screen yesterday and get his hold sealed and then run to wherever he wants to market the fish.

Tillion: Correct, Mr. Alverson. There doesn't seem to be any other way to assure that the vessel will log his fish from an area where he actually caught it.

Alverson: I'd like to ask enforcement representative if, is Joe Kyle here, or someone from NMFS Enforcement, oh, there's Dave. What is your reaction to this versus to what already proposed by NMFS Enforcement?

Dave Flannagan: Our current proposal just requires a vessel clearance before you leave the state. This one would require a vessel clearance between management areas and our ability to physically inspect vessels between management areas, especially all vessels, is very limited. If this was altered to some extent that we had a check-in/check-out similar to what we have for our current processors, and with the option of bringing a vessel into port, that might be more doable. I certainly can't inspect all vessels going between management areas. I just wouldn't have the staff for that, but if we had the option to do it and if we had a problem vessel we could call them in.

Tillion: I have no objection to that, I just wish this subject to be addressed and you to have the power to order a vessel in if you had suspicions.

Hegge: The only thing I wouldn't want to see happen with this is for instance some of the Homer 32 ft. fleet fishes down by Alatak. Under this provision they'd have to run all the way to Sand Point to clear to take their fish back to Homer through pretty open seas if they're fishing in 3B.

Tillion: Well, I believe NMFS should have the right for radio critique where a vessel can call in, make its request and be granted by radio if the NMFS agent so wished, but if there's a suspicion. . . you know what I really worry about is Area 2C where the fishing is easy and a fella has quota to the westward and he fishes there and calls it to the westward, so as long as NMFS understood it, but I'd like to see it written in the plan, so how would we address that, sir, Mr. Flannagan?

Flannagan: Maybe the easiest way is for a check-in system requiring vessels to check in and out of management areas; they'd check in to 2C to fish and then if they want to fish in 3A, then check out of 2C, check into 3A. That way if a vessel comes in and he hasn't checked in 3A he's going to be hard pressed to claim the fish came from 3A.

Tillion: All right, then it merely takes a change on the amendment that said NMFS may grant radio clearance.

Flannagan: We could do it all by radio, yes.

Cotter: I think it's pretty clear what folks are looking at doing. One possible way to do it would be just to insert a new 'iii', or make the existing 'iii' be a small 'iv'. You might just say, quota share owners wishing to transport their catch outside of a management area must check in with the National Marine Fisheries Service prior to exiting the management area, check in and receive approval, perhaps.

Tillion: Would that be satisfactory, Mr. Flannagan?

Flannagan: Yes, we could do that.

Tillion: I would consider that a friendly amendment.

Lauber: You had indicated that you wanted them to check in and check out? But this would only require checking out.

Flannagan: It limits it, you can do it either way. This one would have the effect that if someone had actually fished in 3A and then slipped down south of the line in 2C without telling us, we wouldn't have any way to detect that unless we saw him on the grounds. You have a check-in the area, then if he's found fishing in an area and he hasn't checked in, then you have some leverage.

Cotter: It all sounds like we're dealing with two different issues, though. One may have to do with an individual who's been fishing in one management area and wishes to transport their catch outside that management area, and the other sounds like it could be that circumstance or it could be a circumstance where somebody is just beginning to commence fishing activity and is not transporting any catch, from one management area to another. Are you saying, Mr. Flannagan, that you'd like to cover both of those scenarios?

Flannagan: Well, to get at the second one I think you have to have more inclusive program where you have them check in and check out unless you want to require, restrict vessels that only have quota in one area to staying in that area, might be another way of doing it, to say if you only have a quota in 2C, that's the only area you can fish, you don't need to check in and out, but if you have quota in more than one area, then you'd have to check in and check out.

Cotter: Just trying to move this along. To address that, what if you were just to say that "prior to commencing any fishing activity on quota shares in any management area, the vessel must first check in with the NMFS. Then have that other one that we talked about stay in there as well for transporting catch outside of an area.

Flannagan: You could just require everybody to check in to any area they're going to fish in and leave it at that, and then if they want; to fish in another area they're going to have to check into that area.

Cotter: What if they don't want to fish in that area, they just want to transport the fish out of the area that they were in.

Flannagan: Well, for instance, if they've checked into 3A and now they want to land in 2C, they wouldn't have to make any further check in, however, if they were seen fishing in 2C then they would have violated the check-in provisions and you'd have some leverage then.

Tillion: Actually, the first one of covering the fish aren't charged to a different area than they were caught, was my amendment. I believe you're empowered under regulations to cover the rest, are you not? I was just looking into putting this other into the plan, do you want both put in the plan to begin with?

Flannagan: I think a simple check-in to a management area would cover everything.

Pautzke: May I have Mr. Cotter please read his number iv?

Cotter: I'm not sure it's pertinent any more, but "quota share owners wishing to transport their catch outside of the management area must first check in with NMFS prior to existing the management area." It doesn't sound like that's what we're talking about anymore.

Tillion: Do you wish something added to that, Mr. Flannagan?

Flannagan: I would suggest you change it to quota share holders who wish to fish in a management area must first check in with NMFS.

Mitchell: How many hours prior do you have to check in?

Flannagan: Six.

Mitchell: Is the agency going to have enough people to take all these calls from people check in in a six-hour period or are you going to have more time to allow for enough manpower in place to receive the calls.

Flannagan: Our plan currently calls for a 16-hour day, 6 to midnight hotline, 7 days a week, and that should be able to do it. The prior check-in, I don't know if 6 hours is necessary to have a prior check-in, but if that's what you want to require. . .

Tillion: It's not specifying the hour.

Flannagan: Any prior check-in would do, there wouldn't have to be a wait on that.

Tillion: Is that satisfactory, then?

Lauber: Well, if somebody would put it in the form of a motion we can vote on it and find out.

Tillion: Would you state the motion as amended, Mr. Pautzke?

Pautzke: I think what we've gone to is, right now, leaving iii alone and putting in a new iv, which would have to do with QS holders who wish to fish in a management area must check in before fishing. That's the last thing I came up with. I think it's more appropriate to read in both iii and iv would be 'IFQ users.' I think that's more encompassing than QS holders.

Tillion: Would that cover the logging in the wrong area, then, . . .Mr. Flannagan.

Flannagan: Yes, I believe so.

Tillion: Then I call for the question.

Lauber: Further discussion? Objection? Passes.

[end of discussion on this subject]

Transcription of comments on staff tasking as a result of the motion to "fast track" the moratorium analysis.

December 9, 1991

Motion on the floor: to adopt the problem statement and work plan for expedited advancement of the moratorium plan amendment:

1. draft EIS to be released for public review by April 1992 Council meeting;
2. staff, in conjunction with all other agencies identified in Agenda item C-3, Page 9, shall readjust the schedule proposed on pp 9-10 of the work plan to effect final consideration of a moratorium plan amendment by the June 1992 Council meeting.

Collinsworth: Mr. Chairman, before we proceed to vote on his motion I would like to have a short break because I have to consult with staff, both Council staff and NMFS staff, because this kind of accelerated program is going to mean that other things are not going to get done and I'm definitive on that--other things are not going to get done in order to achieve this, and I want to identify for you what those other things are. Now I appreciate the fact that the Council's impression is that there's all of this analysis out there, there's all of this data, and clearly there is analysis and data out there, but that analysis and data has to be put into an analysis of these proposed alternatives to achieve this regulatory objective.

Lauber: It might be worth our while to take that time now because I'm sure other people's debate would be dependent somewhat upon that, so why don't we give you ten minutes?

-----after the break-----

Collinsworth: Mr. Chairman, I can tell you, you have one hell of a workhorse staff here that is very eager to try to please the Council and accede to their wishes. There are a few things that are probably going to have to drop. The staff is going to try to proceed within the general timeframe that was identified in the motion, but it's going to require the Council to be definitive in terms of the options and to refrain from tinkering the options if you're going to get it done in the timeframe and with making some very clear decisions with regard to the alternatives which are to be analyzed. Clarence has a list of a few items that are probably not going to receive any treatment as we deal with the moratorium. We do have quite a number of regulatory actions subject to this Council meeting that have to be taken care of, the final specifications for the TAC and that rulemaking process, the final regulations to implement the sea lion protective measures; we have, of course, the Council's taken action with regard to ITQs, there's work that has to be done there, we have an inshore-offshore amendment that's being processed through the Secretarial offices now; the 45-day comment period is going to expire in about 40 days; there will be comments that will have to be responded to, additional work that has to be done there, as well as the moratorium. The staff says that as long as we have some fairly clear direction and that the Council at the January meeting does not change these options very dramatically, we can probably go ahead and have a document ready for your review in April. I think the staff is going about 110% of what I think their full capacity is to get this done and in January we're just going to have to make a progress report to you and tell you at that time where we are and what we can and can't do. We're going to start. . .maybe Clarence could point out a few things that are just going to have to be on hold for a while.

Pautzke: The ones that are going to have to be delayed--it doesn't mean that they couldn't necessarily be put in place for 1993 with an emergency rule of some sort, but the analysis is going to have to be delayed on anything to do with gear or quarterly allocations for Pacific cod, delay of the B season for pollock, the bycatch amendment could be in place for 1993, but it will not be ready for April; the comprehensive rationalization program would have to be delayed. Essentially we would concentrate our efforts on the moratorium and then after we swing that out to public review and Council decision is when we would take up the comprehensive rationalization program. The schedule that we have to the moratorium, as I said, is ambitious, it's optimistic. The more we can go through these elements that are in the alternatives in your books and narrow those down, the better, but certainly in January you're going to have to lock in and then if you decide in April that you want to add elements or get them analyzed, or whatever, '93 is not doable then, at least not the first of '93, so I don't know what else to say. The other thing that Don did not mention, we have the North Pacific Fisheries Research Plan, too, which we're trying to get out, the user-fee program, and that's going to take some staff time.

Lauber: I think it's kind of fish or cut bait time.

Tillion: I'd say the moratorium is such a priority, but I understand that there'll be some cuts. I hope we'll be able to come forward on some of those cuts; let's take it and run.

Mace: I think that the Council individually and collectively will have to exercise a lot of constraint and discipline with respect to new things that come up. We simply have to decide what the priorities are and if we decide this is Number 1 priority, other things are going to have to be delayed and we're going to have to live with that even though they may be individually quite important.

Tillion: Well, what's the next step, Mr. Chairman?

Lauber: We have a motion on the floor.

Alverson: These items, though, are in a holding pattern then for about six months? Plus or minus on some of them, but . . .

Tillion: I don't think they'll all necessarily come to a dead stop; there's things that are going on; it's just that you are going to have to pull your economists off.

Alverson: That's fine, I just want to . . . they're not dead . . .

Collinsworth: No, these are still activities of the Council, it's just recognition that we don't have the staff to do it all simultaneously.

--more discussion on the moratorium motion, but no other comments on the delay of other projects.--

TAPE 81
Dec '91

Dale Evans (NMFS-Region) asked:

What are the implications of simply foregoing this inspection program and relying on cooperation with the people in BC or landings made in Seattle or the other ports?

Flanagan:

My feeling is if you don't have a vessel clearance program clearing vessels leaving the state that that fish is lost. Puget Sound is a giant sea of . . . vessels go down there and they can get lost. If you don't have them clearing out of Alaska and get some indication of where they're going to land and have them give you the advance notice requirements you have problems with them fishing in Canada on the way down, you have problems fishing off the Washington coast, which my counterparts feel is happening also, and there's just too many possibilities for the fish to disappear.