



P.O. Box 478 • Homer • Alaska • 99603

*To Preserve and Protect the Rights and Resources of Alaska's Recreational Anglers*

North Pacific Fishery Management Council  
605 W. 4<sup>th</sup> Ave., Suite 605  
Anchorage, AK 99501

November 28, 2016

Agenda Item C-3 Charter halibut RQE program

Dear Chairman Hull,

The Alaska Charter Association (ACA) represents over 150 charter vessels throughout Alaska. It also represents associate members, which consist of community businesses that depend on a viable charter industry. The ACA would like to recommend adoption of the RQE (Recreational Quota Entity) into regulation with the following comments on Alternatives:

Alternatives	Position	Jusification
1. No Action	Non-Support	See below.
2. Establish RQE	Support	In times of low abundance, guided anglers need protection from overly restrictive regulations that threaten to increase the gap between guided and unguided angler regulations. An RQE would provide a market-based, compensated means to transfer allocation between sectors to achieve this goal.
2. Element 1. Option 2 - One Entity with two Quota Pools.	Support	To lessen administrative burden of administrating separate Regulatory Area quota allocations.
2. Element 2. Option 2. Annual Transfer Cap 5% annual limit on transfers.	Support	Provides ability for large quota shareholders to exit fishery thereby decreasing potential impact on a larger number of smaller shareholders. Will provide ability to reach RQE goals in a reasonable timeframe.
2. Element 2. Option 3. Sub-Option 1. Total Caps Area 2C - 10 percent Area 3A – 15 percent	Support	Same percentages agreed upon for GAF Program. Goals of RQE and GAF not the same. GAF should not be part of a permanent transfer mechanism.
2. Element 2. Option 4. Sub-Option 1. Restrict D Class Quota Shares	Support	Allows entry level fishermen access into commercial fishery.

2. Element 2. Option 4. Sub-Option 2. Restrict purchase of small blocked QS ≤1,500lbs or ≤2,000lbs	Non-Support	Restricting small blocked QS would severely limit RQE from finding QS to purchase.
2. Element 2. Option 4. Sub-Option 3. Prohibit 50%, 75%, 100% of above ≤1,500lbs or ≤2,000lbs for each Class.	Non-Support	Severely restricts RQE from finding QS to purchase. (Not a Council preferred Alternative).
2. Element 3. Setting of annual management measures.	Support	Supports purpose of RQE, which is to supplement annual management measures with purchased QS.
2. Element 3. Sub-Option 5. Unused IFQ to go 50% to CQE's and 50% to QS holders ≤1,500 to 3,000lbs proportionate to holdings.	Support	Assists CQE communities and entry level commercial fishermen.
2. Element 4. Restrictions on use of funds.	Non-Support	Money should be used to buy quota and pay associated expenses only. Compliance would be done annually through Council program review.
2. Element 4. Option 1. RQE responsible for IFQ Program fees and fish taxes.	Support for NMFS Cost Recovery fees. Non-Support of Observer fees and fish taxes.	Payment of NMFS administrative costs associated with the RQE program is reasonable. However, ACA agrees with NMFS to the questionable cost-benefit of collecting potential lost observer fees and fish taxes. These have offsetting benefits besides complexities in collections.
2. Element 5. Mandated Organizational Structure.	Non-Support	The protections provided in the Alternatives will guide the behavior of the RQE. There is no need for mandating a board composition at this time. The Council required CQE's to submit their organizational documents and provide annual reporting. A particular board composition was not required. A mandated board may limit future funding sources for the RQE as these sources may not agree on the board composition selected or may require board members of their own.

In order for the RQE to find sufficient QS to purchase, it needs to operate in the least restrictive environment as possible (Davis, Sylvia, Cusack, 2013, CATCH Economic Analysis). Overly restrictive transfer limits may disrupt the economic supply and demand forces normally associated with an open-market system that seeks economic efficiency. The availability of QS to purchase will determine how long the RQE will be in the market and thus any potential negative impacts may be minimized if this period is as short as possible. The ACA encourages the Council to take this into consideration when determining the level of transfer restrictions placed upon the RQE.

The ACA would also like to thank the Council staff and NMFS for the time and effort given to this proposed change in Alaska halibut management that will provide a long term solution to sector conflicts over allocation.

Thank you for this opportunity to comment.

Sincerely,

A handwritten signature in black ink that reads "Richard Yamada". The signature is written in a cursive style with a long horizontal flourish at the end.

Richard Yamada  
President



November 28, 2016

North Pacific Fishery Management Council  
604 W 4<sup>th</sup> Ave, Suite 306  
Anchorage, AK 99501

Subject: C3 Charter Halibut Recreational Quota Entity (RQE)

Dear Chairman Hull and Members of the Council,

I am submitting these comments on **Agenda Item C3** on behalf of the Alaska Longline Fishermen's Association's over 100 members and their families. ALFA is committed to sustainable fisheries and thriving fishing communities. Our members harvest halibut in both Areas 2C and 3A, and deliver high quality fish to Alaska's community-based processors. Many ALFA fishermen are also members of the Seafood Producers Cooperative, hence have investment in both the harvesting and the processing sectors. Finally, ALFA runs a Community Supported Fishery program that provides high quality seafood, including halibut, to subscribers in Sitka, Juneau, Anchorage, Fairbanks and the lower 48. In sum, the halibut fishery is of primary importance to our organization and to our membership.

## **OVERVIEW**

**ALFA opposes the Guided Sport Quota Entity amendment.** The amendment allows a one-way reallocation of commercial quota to the charter sector, reducing access for commercial fishermen, processors, support sector businesses, distributors, retailers, restaurants, and the American consumers. As the Council knows, ALFA worked for 20 years to end the reallocation of halibut from commercial to charter sectors, and thought we had, finally, ended that battle with adoption of the Halibut Catch Sharing Plan. The CSP established percentage based allocations for the guided sport and commercial sectors, tied both to the same index of abundance, and created a limited market-based mechanism for transfer between sectors. To remind the Council, the amount of quota that can move from commercial to charter fishermen under the CSP represents the maximum amount that industry and the Council believed could transfer between sector without destabilizing that halibut industry. Now, just three years after adoption of the CSP, the Council is being asked to again reallocate quota from the commercial to the charter sector.

The reallocation proposed in the RQE amendment poses high costs to historic halibut sectors while offering questionable benefits to guided sport clients or operators. ALFA members are extremely concerned that authorizing an RQE to purchase halibut QS will further exacerbate the already high entry level costs faced by commercial deckhands and other community-based fishermen, worsen local depletion around Alaska communities, and undermine important domestic markets. The Council should weigh these impacts against the potential benefits: allowing charter clients in Area 2C, who are 95% non-resident, to retain halibut that are a few inches longer than halibut they can currently retain, and Area 3A charter clients to retain halibut that currently fall in the Area 3A size limit—from our perspective, minimal benefits when weighed against the negative impacts to commercial, subsistence and non-guided sport sectors. In fact, a preference study cited in the analysis (p. 172) found no statistical significance in non-resident anglers' willingness-to-pay for stricter reverse slot limits in Area 2C (2015), and no (Area 2C) or very slight (Area 3A) change in angler demand with the imposition of the reverse slot limit (see figures 4-29 and 4-30).

We ask that the Council think hard about the widespread impacts of this action. We appreciate the work dedicated to the CATCH/RQE plan by a small group of charter operators and the more reasoned preliminary preferred alternative adopted by the Council last April, but good work on a flawed idea does not necessarily make the flawed idea good. From our perspective, the reasons for adopting Alternative 1 FAR outweigh the rationale for adopting Alternative 2, and we believe it is time for this amendment to be dropped. As the Council is well aware, ALFA has submitted lengthy comments on this amendment package before, and we hereby incorporate those comments by reference. We also support comments submitted this week by the Halibut Coalition. Additional rationale for our objection to this action is included below.

### **NATIONAL STANDARD 8**

ALFA maintains that Alternative 2 of this amendment is inconsistent with initial goals and principles of the halibut IFQ program; it is also inconsistent with National Standard 8, which charges Council's with providing for the sustained participation of fishery dependent communities. We would remind the Council that the commercial halibut fishery is primarily prosecuted by small, owner operated fishing families who deliver their catch into Alaska's coastal communities where the jobs, income and revenue generated by this economic activity is crucial. In fact, over 80% and 70% of Area 2C and 3A (respectively) halibut QS holders are Alaskan, and 67 % are now second generation QS holders who have worked hard and invested heavily to gain access. Support sectors in the communities depend on these fishing businesses, as do restaurants and retail operations. Unlike most Alaska fisheries, the halibut fishery feeds a domestic market and halibut remains one of the premium fish enjoyed across America. Approximately 10 million consumers access the Area 2C and 3A halibut resource each year through the commercial fishery—a number that far eclipses the number of anglers accessing the halibut resource through the charter sector.

The subsistence halibut fishery is culturally important to Alaska's coastal residents and provides access to this healthy and necessary traditional food. By definition, subsistence harvesters are from Alaska rural areas, and in the case of halibut the majority are residents of coastal fishing communities. Likewise, Alaska's non-guided sport fishermen depend on access to the halibut resource for recreation and sustenance. Disadvantaging these sectors to provide a few inches of additional harvesting opportunities to the guided sport clientele, most of whom do not reside in a "fishery dependent community," seems misguided and inconsistent with National Standard 8.

### **NATIONAL STANDARDS 1 AND 5**

The subsidized reallocation of halibut QS proposed in Alternative 2 in no way allows economic efficiency to "optimize" allocations. Instead, individuals who are qualified to purchase halibut QS will have to compete in the already tight QS market against a purchasing entity funded by an as yet undefined revenue stream. It is ludicrous to expect this distorted version of a market-based mechanism could achieve economic efficiency. Alternative 2 is also likely to result in quota being left unharvested when halibut stocks recover if the RQE is allowed to purchase QS to meet perceived needs during times of low abundance, as well as a shift in the size composition of the catch to immature fish, both of which impede achievement of optimal yield.

### **NEPA CONCERNS**

Our membership is also concerned that neither the Council nor the public has adequate information on the funding source for RQE purchase of QS because the Council choose not to identify or analyze this aspect of the RQE plan. Because costs are likely to be borne by charter clients, either directly through a halibut stamp or indirectly through increased charter rates, both the public and the charter operators should understand the potential magnitude of these costs. To our mind, making a decision in the absence of this data seems inconsistent with NEPA requirements to provide the public with a full range of reasonable alternatives and the analysis to support informed decision making between the alternatives.

### **COMMENTS ON ELEMENTS AND OPTIONS**

Should the Council elect to proceed with Alternative 2 despite strong opposition from the commercial sector and thin support from the charter sector<sup>1</sup>, we urge the Council to take steps to minimize the anticipated negative impacts to historic halibut harvesters and processors. Critical components include the following elements and options under Alternative 2.

**Element 2, Option 2. Restrictions on Transfers.** ALFA supports the **0.5% cap** on annual transfers to minimize inflation of the QS market. As the analysis notes, at 1% the RQE would be

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<sup>1</sup> LEW, D. K., D. PUTNAM, and D. M. LARSON. 2016. Attitudes and preferences toward Pacific halibut management alternatives in the saltwater sport fishing charter sector in Alaska: Results from a survey of charter halibut permit holders. U.S. Dep. Commer., NOAA Tech. Memo. NMFS-AFSC-326, 58 p.  
<http://www.afsc.noaa.gov/Publications/AFSC-TM/NOAA-TM-AFSC-326.pdf>

the largest buyer on the market, accounting for 16% of QS transfers in an average year and over 40%-60% in years of low abundance. As such, the RQE will assert major upward pressure on QS prices, which are already beyond the reach of many commercial sector deckhands and community-based residents. Again, the RQE threatens the “sustained participation of fishery dependent communities” in the halibut fishery, a goal that was an initial cornerstone of the IFQ program and a goal to which the Council recently recommitted.

**Element 2, Option 3A. Total cumulative limit on QS held by RQE and leased under GAF.** We strongly support a combined GAF/RQE cap. ALFA supports a **10% cap for each area for the following reasons:**

A 10% cap in Area 2C would increase (at low stock abundance) the charter allocation of the combined catch limit from 18.3% to 26.4% -- a 44% increase. A 10% cap in Area 3A would increase (at low stock abundance) the charter allocation of the combined catch limit from 18.9% to 27% -- a 42% increase. ALFA strongly requests that limits be placed on reallocation of quota from the commercial to the charter sector, and that the limits be no more than those agreed to when the CSP was adopted—i.e., 10% in Area 2C and 15% in Area 3A. We take exception to the editorializing in the analysis that claims the GAF limits were never intended to restrict the amount of quota that could move between sectors. Our association was highly engaged in developing the CSP, and we vouch for the fact that participants in those discussions viewed the individual GAF limits as the maximum amount of QS that could move from the commercial to the charter sector without causing substantial disruption to commercial and subsistence sectors. These limits should remain the *maximum* cumulative limit, although ALFA believes information in the current analysis suggests a lower number would be more appropriate for Area 3A. To illustrate: The Area 3A graph and discussion on page 19 establish that guided angler management measures could be meaningfully liberalized with a 10% cumulative reallocation limit. In fact, a 15% limit will allow excess RQE purchase and the complexity of reallocating IFQ to the commercial sector or failing to achieve optimal yield.

**Element 2 Option 4: Restriction on QS purchase by RQE:** As stated above, concerned relative to the impact of this subsidized reallocation on the commercial QS entry level is one of the primary reasons ALFA opposed Alternative 2. The following sub-options are necessary to mitigate these impacts.

**Sub-Option 1:** QS entry level occurs in all size classes, with vessel owners and deckhands on C or B class vessels interested entry level buyers. However, since D class QS sell for less per pound in both areas (by approximately \$10/pound in Area 2C, for example), the RQE would be expected to purchase as many D QS as possible unless D QS purchase is restricted. If no D QS can be purchased, the RQE market pressure will heavily impact the C class and B class entry levels. For these reasons, ALFA recommends the RQE purchase of D shares be limited to 10% of RQE QS purchases in any one year. Because B class halibut QS is in such short supply

in Area 2C and can be fished on any size vessel, ALFA also supports restricting RQE purchase of Area 2C halibut QS to 10% of the RQE annually purchased by the RQE.

**Sub-option 2:** If the Council adopts Alternative 2, ALFA supports the 2,000-pound minimum block size to provide a measure of protection to the commercial entry level.

**Element 3. Option 1. Sub-option 2. Excess IFQ.** The analysis clarifies that RQE purchase of QS in Area 3A at low levels of abundance will likely lead to the RQE holding millions of dollars-worth of excess IFQ in the future, creating a new management challenge for NMFS. If IFQ is left in the water, as NMFS suggests, important revenue will be forgone and optimal yield from the halibut fishery will not be achieved. ALFA strongly recommends IFQ in excess of what is estimated to provide charter clients with a two halibut daily bag limit be returned equally to all catcher vessel QS holders proportionally. ALFA does not support the PPA of returning IFQ to CQEs or to people who hold only small amounts of QS. CQE communities are not currently equipped to manage or harvest IFQ, and returning IFQ to a very small subset of QS holders will create inequities and distortions of fishing opportunity relative to fishing investment.

**Element 4. Limit on use of RQE funds.** ALFA strongly supports retaining proposed restrictions on the use of RQE funds for lobbying. All non-profits are bound by lobbying restrictions and the RQE should not be the exception.

**Element 4. Option 1. IFQ /Observer Fees/Fishery Business/Landing tax.** Without question the RQE should pay business and landing taxes as well as the IFQ and observer fees associated with any QS purchased. The State of Alaska and the fishery dependent communities of Alaska cannot afford to lose this important revenue, nor can the halibut resource afford the reduced accountability associated with lower observer coverage rates. Charter operators have as much to gain from observer coverage as commercial halibut fishermen, hence the RQE should contribute to the observer program.

## SUMMARY

For the reasons explained above and detailed in past comments on charter reallocation efforts, ALFA does not support the Guided Angler Quota Entity amendment. As proposed, the subsidized reallocation will destabilize and undermine subsistence, non-guided sport, and commercial sectors to provide a few more inches of halibut opportunity to guided sport clients. The very title (“recreational quota entity”) is a misnomer—this amendment fosters *charter client* opportunity at the expense of non-guided *recreation* opportunity. The Halibut Catch Sharing Plan, which took the Council over 20 years to develop and has only been in place for three years, balanced the concerns of all sectors in arriving at an allocation AND provided charter operators with a market based opportunity to increase harvesting options for their clients; the subsidized reallocation established through the RQE will raise the cost of entry to commercial halibut

fisheries, undermine the viability of the commercial processors, support sectors and communities, and reduce public access to Alaska's halibut.

Alternative 2 is inconsistent with Halibut Act objectives of optimizing yield from the halibut resource and inconsistent with MSA National Standards 1, 5 and 8. We urge the Council to adopt Alternative 1 and, finally, to stop the endless reallocation. If the Council elects to adopt Alternative 2, the options and sub-options identified above are crucial to mitigating impacts to historic halibut harvesters. Establishing a cumulative cap on the amount of QS that can be reallocated from the commercial to the charter sector of 10% in each area (2C, 3A) is of particular importance, as is minimizing market impacts that escalate QS costs.

Thank you for the opportunity to comment.

Sincerely,

A handwritten signature in cursive script, appearing to read "Linda Behnken".

Linda Behnken  
Executive Director, ALFA

Mr. Dan Hull

Chair

North Pacific Fishery Management Council

604 W 4th Ave, Suite 306

Anchorage, AK 99501

RE: **Agenda Item C-3 Charter Halibut RQE**

Chairman Hull and Council Members,

I've been a deck hand in the commercial halibut fishery off and on since 1994. Last year I was finally able to purchase my first quota and I oppose agenda item C-3, Charter halibut Recreational Quota Entity.

The IFQ program, although not close to perfect, was set up to protect individual fishermen from corporate takeover and competition from entities. The creation of an entity that will compete in the open market, possibly using government taxes, with individuals goes against one of the core values of the IFQ program and sets a very dangerous precedent. What's to say that if the Charter sector can have an entity to own commercial quota the sectors that use halibut removals for bycatch won't claim they should have an entity to purchase commercial quota?

The protection of coastal communities is one of the jobs of the Council as mandated by National Standard 8 of the Magnuson Stevens Act. According to the analysis if an RQE purchased only 1% of the quota that represents 19% to 49% of the annual transferred quota in 2C and 3A and will be the "largest individual player in the quota market". Quota price is already at a level that makes it very difficult to become a new entrant or expand your business, and adding an RQE in the market place has the potential to raise quota values to levels that would prohibit individuals from the ability to purchase it. That would result in a negative effect on the livelihood of coastal communities and worsen the "Graying of the fleet" problem. I believe the Council should have a better understanding of impacts on communities and individuals before moving on. If the RQE was in place last year I don't think I would have been able to buy into the fishery and if it is implemented now I don't think I will be able to buy more quota like I plan on.

The Catch Share Plan (CSP) was implemented in January 2014 and three years is not nearly enough time to assess the impact the program is having. I believe that we should wait until the five year review of the CSP before moving on with such a radical change as the RQE will bring. The CSP includes a market-based mechanism to transfer quota through Guided Angler Fish that was supposed to end Council

reallocation. Without a review of the effects that GAF is having on the compensated reallocation of quota. Why are we considering a new program for the same affect?

Low abundance of halibut affects all users and we all need to contribute to the conservation efforts. The Charter sector in 3A has harvested over their quota the last few years and what's to stop them from continuing that even with an RQE? The purpose and needs statement for RQE only considers the regulatory effects on the guided anglers due to low abundance, but does not take into consideration the effects on the commercial sector. All stakeholders are affected and to just consider the effects to one sector is not looking at the big picture.

I understand that the Council wants to stay out of the funding mechanism of the RQE, but I feel that to ignore the impacts of various funding sources is a mistake. The unintended consequences of creating an entity that competes with the commercial sector potentially using government or NGO money could be huge and I strongly believe that there needs to be more analysis of all aspects of the program before moving to final action.

As commercial halibut quota holders we pay IFQ cost recovery fees, observer program fees, and state taxes. The observer program is already struggling to provide adequate coverage and any quota removed is a loss of revenue to this program. According to the analysis "NMFS does not recommend that the Council adopt a preferred alternative that includes assessing observer fees on the RQE at this time." At the same time the analysis states that if a RQE held 10% in 2C and 15% in 3A that would represent forgone revenues of 3%-4% of the total observer fee liability in the GOA, resulting in the loss of 26 observer days in 2C and 117 lost days in 3A. If the council adopts C-3 it will weaken the observer program. The state of Alaska is also in the middle of a fiscal crisis right now and every penny of tax money counts. The council does not have the authority to levy a state or local tax or make an RQE pay taxes, resulting in the loss of tax revenue to the State. Given that an RQE will remove tax revenue from the State, I think we should have analysis of the effects on the State coffers before moving on.

For the reasons stated above, I oppose agenda item C-3 Recreational Quota Entity at this time and encourage the council to have more analysis done of all the intended and unintended consequences before moving to final action.

Sincerely,

Matt Alward

Owner-Alward Fisheries LLC



NPFMC comments - NOAA Service Account &lt;npfmc.comments@noaa.gov&gt;

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**Re: Recreational Quota Entity**

1 message

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kings@ptialaska.net <kings@ptialaska.net>  
To: npfmc.comments@noaa.gov

Tue, Nov 29, 2016 at 11:57 AM

Dear Chairman Hull,

My name is Luther Andersen and I operate king of kings fishing lodge in Happy Valley. We are a family run business that has been in operation for 25 years. I am the second generation running the business after my parents and hope to pass it down to my boys someday. We have four employees besides family members. We have customers from the lower 48 that stay with us for three or six day packages.

Considering I take fewer clients each year but stay for longer periods of time, the past few seasons has seen my business go into decline. This is solely due to the tighter restrictions. The amount of clients we take each year has been cut in half. The few clients that remain that I cling to to stay afloat have all told me if the restrictions get any tighter they will all stay home. They tell me they could possibly wrap their heads around these restrictions if there was a worry about the biomass. But when it is simply taken away from them and given to the commercial fleet they find it unfair and don't want to spend their money in the state. That is all taxable revenue lost. It is very hard to book clients when the day of the week closure changes year-to-year, and they fly all this way for for fish. Just drive through the local fish and communities, ninilchik, anchor point, etc. you'll see how these rules have changed these towns a fraction of the boat launch there nowadays, and many businesses have gone under.

The RQE will provide a program that everyone will win on both sides of the table and bring customers back to the state. Thank you and another thank you to the entire council for all the hard work. Please consider moving the RQE forward.

Thank you for your time.

Luther Andersen



NPFMC comments - NOAA Service Account &lt;npfmc.comments@noaa.gov&gt;

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**C-3 Charter halibut RQE**

1 message

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ashtikan907@yahoo.com <ashtikan907@yahoo.com>  
Reply-To: ashtikan907@yahoo.com  
To: "npfmc.comments@noaa.gov" <npfmc.comments@noaa.gov>

Tue, Nov 29, 2016 at 12:34 PM

November 28, 2016

Chairman Dan Hull  
North Pacific Fisheries Management Council  
605 West 4<sup>th</sup>, Suite 306  
Anchorage, Alaska 99501-2252

Re: C-3 Charter Halibut RQE program

Dear Chairman Hull,

My name is Bryan Bondioli. I have owned and operated a charter business in Homer for the last 20 years and been involved in the charter fishery since 1992. Prior to the passage of the Catch "Sharing" Plan (CSP) I ran a very successful business which brought hundreds of thousands of dollars to the Alaskan economy annually. Since the implementation of the CSP and the resulting harvest restrictions, I have witnessed my neighboring coastal communities (Ninilchick, Deep Creek, and Anchor Point) crumble to dust and become virtual ghost towns. In Homer, our Chamber of Commerce sponsored Halibut Derby has over 50% decline in ticket sales. Local vendors have experienced a comparable decline in sales of fishing licenses. Our community has realized an exponential decrease in fishing related tax revenue as Individual charter businesses have spent more days tied to the dock than ever before.

My personal business has suffered greatly. The past 2 seasons with one day per week ban on halibut chartering represents over 15% of my potential income.....gone. In the last 3 years, my business has experienced more than a 40% loss in overall angler numbers. Prior to the CSP, a large percentage of my clientele were repeat customers who would come to Homer annually or every 2 years and fish 3 to 7 days. These people would spend tens of thousands of dollars in Alaska to harvest halibut to feed their extended families, ranches, or church communities. I had numerous clients who had been coming to our State for 15-25 years and now most of these people will not return to Alaska. They can no longer justify coming here to spend their money. As a direct result of CSP restrictions, I have easily lost 80-85% of my long term repeat business.

For the past 25 years, this Council has focused a huge percentage of its time on creating an insufficient allocation to the charter sector in order to create an artificial marketplace for a "compensated reallocaon" . I wasted over 12 years participating in the "Council Process" in an effort to help guide this Council in creating a "fair and equitable" initial allocation from which to move forward. As you well know, Mr. Chairman, I attended nearly every "stakeholder's meeng " for almost 3 years. You and the other longline representav e on the commi ee staunchly refused to discuss the dreaded "A-word" unless it was a "compensated reallocaon" . There is now a well thought out mechanism for you to achieve that end.

I encourage you to support the creation of the Recreational Quota Entity with the least amount of restrictions on purchases to allow natural markets to function. The concept of “willing buyer/willing seller” is negated when you pare down the potential “sellers” to minimize the opportunities for the RQE to purchase Quota shares. I am disgusted by the fact that this Council finally has a mechanism for compensated transfer of allocations and yet you will consider such restrictive guidelines that a meaningful transfer can never actually occur. I have read the argument that these restrictions are necessary to provide opportunities for “entry level” longline participants. I submit to this Council that if “entry level” opportunities were of import to current participants, the asking price of Quota shares in 3A would not have risen exponentially to around \$60/lb, based on the speculation of “compensated reallocaon” .

Although this Council has repeatedly stated that it wished to “minimize the economic hardship” to the charter sector, the implementation of the Catch “Sharing” Plan has rapidly and significantly damaged many of our coastal communities, disenfranchised countless families, and caused many successful fishing related businesses to go under. I believe that this Council has a moral obligation to create a truly “fair and equitable” mechanism for “compensated reallocaon” .

I recommend that this Council move forward with the RQE, to support the idea of “willing seller/buyer”, allow purchase of any available quota based on A, B, C, or D vessel class without limits on block size amounts, and no mandates on its RQE board composition; and to allow any unused RQE Quota to be available for commercial lease well before the end of the commercial season.

Sincerely,

Bryan Bondioli  
Captain B’s Alaskan C’s Adventures  
P.O. Box 66  
Homer, Ak 99603  
[\(907\) 235-4114](tel:9072354114)

Sent from Yahoo Mail. [Get the app](#)



NPFMC comments - NOAA Service Account &lt;npfmc.comments@noaa.gov&gt;

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## RQE Comments

2 messages

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Bryan Baker <bryan@slipperyfishing.com>  
To: npfmc.comments@noaa.gov

Tue, Nov 29, 2016 at 2:34 PM

Chairman Dan Hull

North Pacific Fishery Management Council

605 West 4th, Suite 306

Anchorage, Alaska 99501

[npfmc.comments@noaa.gov](mailto:npfmc.comments@noaa.gov)

Re: RQE

Chairman Hull,

My name is Bryan Baker and I am owner/operator charter fishing company Slippery Fish Adventures in Homer, Alaska. I have been a guide for 4 years now and have seen my business stall and not grow based primarily on the ever-changing halibut regulations. No amount of social media marketing nor traditional marketing has advanced my business forward. My wife and 5 kids moved to Alaska 4 years ago to follow a dream of growing a business and living the Alaskan lifestyle. That dream is now resting on the hopes that charter halibut regulations will ease up soon and the charter industry for new entries such as myself will start to flourish.

I take approximately 450 anglers out to Cook Inlet each year to fish for the prized pacific halibut. Not only do I take these guests out fishing, but I allow them to experience a part of the world that many can only dream of. These guests stay at local B&Bs, eat the local cuisine and partake in the local sightseeing. They contribute to our economy and in so doing create an economic engine that should not be stalled, but continually fed fuel.

The RQE program is one such remedy for our industry that helps bridge the gap during times of low abundance. One of the main points of the RQE that I can appreciate is its market based solution to a problem by creating a willing buyer for willing sellers. As a business owner, these market based approaches to problems are always a preferable solution as many parties can benefit at once.

My business is tourism based and anyway I can attract more visitors to my community the better. That is what the RQE will do for me. It is a creative way to maintain and attract new clientele to our area by helping resolve the regulation inconsistencies. Returning clientele will return less and less as the regulations become more cumbersome.

I don't want to have to rely on the RQE forever, but I do know that I need it now as a business owner/operator. If the halibut biomass increases to a point when we do not need all the quota the RQE has purchased, I am in full support of not holding onto it. It needs to be fished and what better way to do that then providing new commercial entrants or CQEs a chance to use it. Just as the RQE will help me as a new business owner, so would I support it going the other way.

In conclusion, the RQE program as supported by the Alaska Charter Association, Homer Charter Association and the Southeast Alaska Guides Organization is what I need as an owner/operator charter company. Please support the program and I thank you for your time and consideration.

Sincerely,

Bryan Baker



Bryan Baker  
Slippery Fish Adventures  
Charter Fishing in Homer, Alaska  
561-632-5654  
[bryan@slipperyfishing.com](mailto:bryan@slipperyfishing.com)  
<http://www.slipperyfishing.com>

---

Bryan Baker <[bryan@slipperyfishing.com](mailto:bryan@slipperyfishing.com)>  
To: [npfmc.comments@noaa.gov](mailto:npfmc.comments@noaa.gov)

Tue, Nov 29, 2016 at 4:39 PM

Bryan Baker, President

Homer Charter Association

Box 148

Homer, AK 99603

North Pacific Fishery Management Council

605 West 4th, Suite 306

Anchorage, Alaska 99501

[npfmc.comments@noaa.gov](mailto:npfmc.comments@noaa.gov)

Re: RQE

Dear Chairman Hull,

The Homer Charter Association (HCA) represents a majority of the charter fishing fleet in Homer, Alaska. We are in full support of the RQE program with the following comments on alternatives:

- We do not support restrictions on small blocked QS. This would severely limit RQE from finding QS to purchase.
- We would like the use of funds to be decided by the RQE administration and RQE Managing Board, not by the Council. Safeguards are already in place to allow for oversight by the Council

- We would like to see the organizational structure setup by the RQE Managing Board and RQE Administration. Setting up a mandated organizational structure would limit how the RQE can function effectively.

We support an RQE with the least restrictions possible to allow for a true market place buyer while still having safeguards in place. Over restriction will not allow the RQE to properly purchase and support the Charter community to sustain a more balanced and long-term regulated industry. Thank you for your hard work and consideration.

Bryan Baker

President

Homer Charter Association



Bryan Baker  
Slippery Fish Adventures  
Charter Fishing in Homer, Alaska  
561-632-5654  
[bryan@slipperyfishing.com](mailto:bryan@slipperyfishing.com)  
<http://www.slipperyfishing.com>

James Baumann

PO Box 33  
Sitka, AK 99835  
Jamesbaumann43@gmail.com

November 29, 2016

Chairman Dan Hull  
North Pacific Fishery Management Council  
605 West 4th Suite 306  
Anchorage, AK 99501

RE: RQE

Chairman Hull,

My name is James Baumann, I live and work in Sitka, Alaska. I am a licensed Charter Captain for Angling Unlimited and I have worked for this company for 10 years, starting as a deckhand and working up to Captain. I work an average of 100 days/summer with this past year, 2016, having 108 days on the books. Each day I take 4-6 guests out on my boat, which helps bring 400-450 people each summer into the local community. Sitka, like most of Alaska, thrives on summer tourism and my clients, most of whom return every year, bring in a lot of revenue into town. Most clients eat dinner out every night, they spend money on souvenirs, buy fishing licenses, liquor, they tip well and they appreciate what Sitka has to offer, not only its world class sport fishing, but its hospitality. Every year I have watched the Halibut regulations change and so have my clients. There is constant talk of it on deck while fishing for halibut. They all understand and respect the resource, but have felt the changes in similar ways that I have.

The Charter and Commercial sectors of fishing are always at odds with each other over regulations. The RQE program helps to integrate their interests, stabilize the charter fishing industry and promote the long term goals of both parties. I also hold a commercial hand troll license and also look into other ways to diversify my opportunities. Halibut IFQ is always up for sale and I have considered that as a personal option as well. If there are IFQ holders willing to sell, there is no reason it shouldn't be open to all willing buyers, including Charter fishing operations or an organizations representing them. In a single search now, there is over 20,000 lbs of IFQ for sale in areas 2C and 3A. This is federally allocated quota available to fish that is not being fished and if purchased by an operation held to the sport fishing regulations it will be fished in a more economically and ecologically beneficial manner than commercial fishing. The sport fishing standards are stricter than the commercial in size limits and catch limits and will bring more money into the local economy than a single IFQ holder with 1300 lbs of unfished quota.

I am strongly in support of this program and the interest it serves to both community and fisherman. Thank you for hearing our concerns and helping us to support our livelihood and communities.

Sincerely yours,

James Baumann

Chairman Dan Hull  
North Pacific Fishery Management Council  
605 W. 4<sup>th</sup> Avenue, Suite 306  
Anchorage, AK 99501-2252

Re: Recreational Quota Entity (RQE)

Dear Chairman Hull:

My name is Forrest Braden. Twenty years ago, I started my charter company, True North Sport Fishing, with a business model based strongly on the excellent halibut fishing opportunities near Glacier Bay in Southeast Alaska. I spent the first decade building a customer base that valued the opportunity of catching two halibut per day of any size. I grew to two charter boats in 2003, with business revenues supporting me, my wife, and our six children, living in the rural Southeast Alaskan community of Gustavus.

In 2008, I was surprised to find that most of my customers adjusted well to the one fish rule adopted by the Council. It turned out that they were still able to take home a reasonable amount of halibut (important to them) and the "fish of any size" part of the new regulation allowed them the freedom to choose a halibut of their liking (also important to them), and saved the essence of what made our destination unique- the chance to catch and keep larger halibut.

Beginning in 2011, restrictive maximum size limits on 2C guided anglers stripped our fishing destination of its unique appeal and turned off much of my customer base, devastating my business model and bookings. Customers were not only bothered by the limits on their opportunities, but also couldn't understand what made them different from people fishing on other boats without a guide. In our area (ADFG area G- Gustavus and Elfin Cove) it didn't make sense to our fisherman why they had to release so many nice fish, looking for a relatively small halibut that still yielded some meat. As a result, it's been very difficult to attract former and prospective customers based on a traditional guided fishing trip model.

Though the damage is somewhat irreparable, the Council can help by supporting the passage of the RQE.

To be effective, the RQE program should include the following elements:

- 1) A minimum of a 1% annual transfer cap. (0.5% would make the six largest 2C blocks and the four largest 3A blocks unpurchaseable, where the RQE might be the only financially qualified buyer to make an offer)
- 2) Allow a total (cumulative) transfer large enough to provide 2C and 3A guided anglers with a minimum daily bag limit of one fish of any size in low abundance years.
- 3) Allow purchase of all quota classes, but prohibit purchase of any block size less than or equal to 1500 pounds (2015) to protect new entrants.
- 4) Leave unallocated RQE IFQ in the water. (Allocations under the CSP and RQE would belong to guided anglers, and leaving fish in the water is the only sub-option that may offer some benefit to them directly.)

The RQE has genuine potential to increase public recreational fishing access to halibut if properly put together.

It's fair because it is a compensated transfer based on a willing buyer-willing seller scenario.

It would help to negate what some refer to as "leakage" (uncompensated transfer) into the unguided recreational sector, as fisherman are provided with a safer and more comfortable situation to catch and keep halibut with a professional guide.

Ultimately, the RQE is a move toward restoring fishing rights to the public, while minimizing the financial impacts to commercial fisherman who are trying to make an honest living.

Thank you for your efforts in trying to manage a complex situation for the good of the American people.

Sincerely,

Forrest

### **Comment to the NPFMC on Agenda item C3, the RQE proposal**

Judy Brakel, Gustavus, Alaska phone 907-697-2287

The proposal would make possible an expansion of the charter fleets' catch, but without enlarging those fleets (i.e. more fish for the same number of permits). It would establish an entity, the RQE, to buy and hold IFQ from the commercial fishing fleet, transferring it to the charter allocation. This would make it possible to relax charter bag and size regulations, at least for a while. This would occur in the midst of a situation, notably in Southeast Alaska, where there is a large and growing "work-around" of the charter regulations, in terms of both its limited entry permits (CHPs) and its bag and size regulations. The Self-Guided work-around is growing and unconstrained – it simply comes off the top, before the allocation to the commercial setline fishery and the charter fishery - and the Council has preferred to look away. Some operators received and use Charter Halibut Permits (CHPs) and also advertise highly assisted "self-guided fishing" for the express purpose of avoiding the charter regulations, a combo that the NPFMC should consider particularly surprising. (I worked for the Alaska commercial fisheries limited entry program and we never saw anything like this.) Other Self Guided businesses have started up without any CHPs. I hope you will see the report on Self Guided fishing lodges from a member of our group.

We are worried about the proposed enlargement of charter catches on top of the unconstrained growth of the Self Guided sector, combined with a management system for Alaska halibut fisheries that does nothing to prevent local depletions. Because both charters and self-guided fishermen do day trips, closer to communities than the commercial fishery boats, this is a recipe for local depletions around coastal communities including ours. Please remember that halibut and salmon are exceedingly important local foods in Alaska, all the more so now that in many places sea otters have wiped out the clams, the 'food stamps' of the old days.

The Council's Preferred Alternative of purchasing 10% of Area 2C halibut IFQ to put in the RQE would effect a 45% increase in the region's charter harvest. The 10% cap would be a cumulative total of RQE plus GAF, but note that GAF fish currently add only about 5% to the charter allocation.

Most charter business models center around catching large quantities of fish rather than the experience of fishing. In Southeast Alaska 98% of charter clients, and probably a similar percent of Self Guided clients come from out of state. On websites they've seen many photos of fishermen with numerous large halibut. They are likely innocent of concerns about the halibut stocks. In our community we produced a brochure about

responsible sport fishing for halibut in the hope of improving visitors' good sense about the resource.

Over time the professional, well-equipped, aggressive charter fishery will likely put pressure again on any enlarged charter allocation, again necessitating tighter bag, size, etc. regulations. Some years ago NPFMC worked to create an IFQ system for the halibut charter fishery. Charter organizations pushed against that idea and it was dropped, but if enacted it would have resulted in self-limitation by IFQ holders and made your job here much easier.

Here I want to speak as a life-long resident of several parts of Southeast Alaska. Most of the Southeast AK IFQs, 82%, are owned by fishermen who live in this region. With the RQE proposal purchasing some of these IFQs commercial fishing opportunities in this region will be reduced. But shifting fish to the charter fishery will not provide additional charter opportunities because that is now a (federal) limited entry fishery. It will simply increase incomes for the existing number of charter operators. Your staff analysis showed that transfer of a substantial amount of IFQ from the commercial to the charter fishery would have a negative benefit on the national level. I would argue that the same is true on the Southeast Alaska region level.



# Captain Greg's Charters

Capt. Greg Sutter

**P.O. Box 2202, Homer, Alaska, 99603-2202**

**email: [captgreg@alaska.net](mailto:captgreg@alaska.net) website: [www.CAPTGREG.com](http://www.CAPTGREG.com)**

**Toll free (877) 235-4756 (907) 235-4756 Cell: (907) 399-4856**

November 28, 2016

Chairman Dan Hull and Council Members  
North Pacific Fishery Management Council  
605 West 4th, Suite 306  
Anchorage, Alaska 99501-2252

Re: C-3 Charter halibut RQE program

Dear Mr. Chairman and Members of the Council,

I urge you to support the creation of the Recreational Quota Entity (RQE) with the least amount of restrictions on purchases as practical to allow natural markets to function more efficiently. The concept of a "willing buyer and seller" should be maintained. It will benefit both recreational anglers seeking greater opportunities and commercial quota shareholders by expanding their market options.

Since the Catch Sharing Plan (CSP) has been in place with its reduced allocation and "lease only" Guided Angler Fish (GAF) provision, benefitting a very small fraction of anglers, the majority of charter anglers' opportunities have diminished--resulting in lost revenues for charter businesses, other related businesses, reductions in sales tax collections for local boroughs and municipalities and decreased fishing related tourism activities. This can be changed and help to fiscally benefit Alaska. The RQE, slowly over time, could provide help to remedy these situations for the benefit of future generations, without adversely affecting the commercial longline industry.

My recommendations based on the current options are to have a single entity manage area 2C and 3A quota pools, a minimum of a 5% annual transfer limit with a buffer (e.g. two large blocks available would place the annual amount at 5.75%, hence the purchase would be artificially restricted) and a 15% cumulative limit of all commercial quota shares, allow purchase of any available quota based on A, B, C or D vessel class without limits on block size amounts, and no mandates on its RQE board composition. Ideally, when considered practical, projected unused RQE quota should be available for commercial use by class designation well before the end of their season.

I thank you for your consideration in advance.

Sincerely yours,  
Greg Sutter

Captain Nik's Sportfishing  
Captain Niklas Ranta  
PO Box 54  
Seward, Alaska 99664  
November 28<sup>th</sup>, 2016

North Pacific Fishery Management Council  
Attn: Chairman Dan Hull

RE: C-3 Charter RQE program

I am writing to provide public comment on your agenda item C-# Charter RQE, final action.

I came into the charter fishery some 15 years ago, as a paid captain. I worked my way into a modest 28' six passenger charter boat and then a larger 46' 14 passenger boat. I started at the true entry level and have the years have worked my way into a reasonable business in Seward, Alaska. I am not new to fisheries management or federal policymaking.

I am supportive of the preliminary preferred alternatives articulated by the Council at the last meeting. I am really writing today to talk about the GAF component of the CSP. I have been one of the few that actually participated in the GAF program since the beginning of the CSP. After the first year, the costs associated with GAF have been prohibitive but I have been forced to use it, in order to keep long time groups coming back. It has been expensive, and the restrictions on the program have really insured that it would only work for the few of use who knew commercial fishermen and could negotiate a fair lease rate. Even then, I have left GAF unharvested every year, that I paid for and I know for a fact the fisherman I lease from has also left thousands of pounds of fish in the water because of the fact that IFQ gets converted back in to harvestable IFQ so late in the season, that it is a safety concern to harvest those fish and many choose not to go out in October fishing in the Gulf of Alaska.

My concern is that every additional restriction this Council chooses to put on the RQE program, diminishes the likelihood of the program working successfully. In particular if you select an annual transfer rate of .5 percent, you will have built a program that will take a minimum for 20 to thirty years to achieve the desired results. This will effectively kill the RQE program.

I am really writing today to explain the perspective of both myself and my business partner Steve Zernia of ProfishNSea charters. We both have leased GAF and will continue to do so, until such time as the RQE begins to eliminate GAF and at that time, we will be happy to participate fully in the RQE program and stop leasing GAF. We are happy with this proposed change. We both feel like the 15% of commercial harvest available for leasing now, has already been agreed to as part of the allocation between sectors that has been in play in the past, so if this fish becomes part of the RQE it is consistent with the goals of the CSP and will very likely help this CSP be a more successful program for both sectors.

Subject: RQE  
Chairman Dan Hull

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

Re: Recreational Quota Entity (RQE)

Dear Chairman Hull,

My name is Frank Casey owner of Alaska Wildrose Charters located in Clam Gulch (area 3A). I've been in business for the last 16 years and the most asked question by my clients is why are we killing the baby Halibut? In reference to the 28" six pound or under 2nd fish. Sports fishermen don't deal in pounds, they want to catch a 2nd fish that's not a baby. The RQE is the way back to the traditional 2 fish daily limit, and no day of the week closures that have cost me revenue the last couple of years.

The RQE (Recreational Quota Entity) will provide a market-based, willing seller and willing buyer, tool by which commercial IFQ can be purchased to add to guided angler allocations — thereby decreasing the pain of strict harvest rules during times of low abundance.

I would like to thank the Council for their efforts and to encourage you to pass the RQE into regulation and bring some stability to our industry.

Regards,  
Captain Frank Casey

Alaska Wildrose Charters  
PO Box 343  
Clam gulch, AK 99568



NPFMC comments - NOAA Service Account &lt;npfmc.comments@noaa.gov&gt;

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**CATCH program**

1 message

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bryan christensen <itsthebc@gmail.com>  
To: npfmc.comments@noaa.gov

Mon, Nov 28, 2016 at 4:15 PM

Chairman Dan Hull

North Pacific Fishery Management Council

605 West 4th, Suite 306

Anchorage, Alaska 99501

[npfmc.comments@noaa.gov](mailto:npfmc.comments@noaa.gov)

Chairman Hull,

Hi, my name is Bryan Christensen and I work as a charter fishing guide for Angling Unlimited out of Sitka, Alaska. I feel compelled to email you my thoughts on the CATCH Program as I believe it has great potential to

help maintain the charter business, community and fishery through improved regulations. I have seen first hand the direct correlation between decreased regulations and decreased business as it happened in 2008 when

the halibut regulations were cut from two per day of any size to 2010's, one under 37 inches. I understand that measures have to be taken to preserve the health of the fishery, which I am grateful for, but what makes

CATCH so appealing is that it should at least help maintain regulations so we don't have reduced regulations, and thus, decreased business in the future. The reason that I believe the charter fishing business must stay

strong is that the economy of Sitka thrives on the business of charter fishing customers and employees. Everyone goes out to eat, shop and help spread the good word of the community and fishery that in turn make for a

strong future. Another important aspect is the added revenue for Alaska Fish and Game from all the fishing licenses sold. Between Angling Unlimited's eight boats, we purchase roughly 1,000 fishing licenses per year.

Combine that with all the other charter outfits and you have significant revenue for such an important organization. I sure hope this passes to help ensure a strong fishery and livelihood that so many that depend on it.

Thank you for your consideration,

-Bryan



NPFMC comments - NOAA Service Account &lt;npfmc.comments@noaa.gov&gt;

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## CATCH Program Letter

1 message

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spencer chute <spencerchute@gmail.com>  
To: npfmc.comments@noaa.gov

Mon, Nov 28, 2016 at 9:26 PM

To whom it may concern,

Hello my Name is Spencer Chute and I live in Sitka Alaska. I have been in the charter fishing business in Sitka since 2007 and also an Alaskan resident . 90% of my income is from my job as a charter captain during the short summer fishing season (May-Sept.) Over the years that I have been in Sitka, I have seen constant changes in Halibut regulations for sport caught fish as well as on the commercial fisheries. the lack of consistency in regulations has been a challenge to explain to my clients who are often asking about whether or not there will be retention of halibut for the following year.

Although Sitka is most famous for its King Salmon and Coho we also have very healthy and sustainable offshore Halibut fishery that my clients feel is just as important as the salmon. The vast majority of guests have been fishing in Sitka longer than a decade so they have seen the limits go from 2 fish a day to 1 halibut under 37", and then jump around with reverse slot limits for the number of years there after.

A program like RQE can provide long term conservation and over time improve catch opportunities and also create stability and consistency in regulations.

Please take my letter into consideration for the RQE program.

Sincerely

Spencer C. Chute

P.O. Box 1441

Sitka AK 99835

[spencerchute@gmail.com](mailto:spencerchute@gmail.com)

[\(907\)738-4777](tel:(907)738-4777)



NPFMC comments - NOAA Service Account &lt;npfmc.comments@noaa.gov&gt;

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## Recreational Quota Entity (RQE) Program

1 message

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Chuck Cohen <kodzoff@alaskan.com>  
To: npfmc.comments@noaa.gov  
Cc: Halibut Coalition <halibutcoalition@gmail.com>

Sat, Nov 26, 2016 at 1:38 PM

Dear Council Members:

We oppose the RQE Program. Abundance shortages affect all fishers who simply need to catch less during times of low abundance. Sport fishers need to learn that they too have a role to play in conservation of halibut resources. The halibut Catch Sharing Plan already provides a market-based mechanism for transfer between sectors. There is no need for further transfers. The Council established a charter limited entry program that protects charter operators from new entry into their sector. The Council should focus on tightening the charter limited entry program rather than allowing additional reallocation of quota from the commercial to the charter sector. The Council's recent review of the halibut QS program identified the high cost of entry as a significant challenge to meeting IFQ program objectives. The RQE program will exacerbate entry level costs, which is contrary to Council goals. Greater guided sport allocation near population centers will harm resident non-guided sport fishing opportunities.

Best regards.

Chuck & Kathryn Cohen  
FV LADY BARBARA  
PO Box 020670  
Juneau, Alaska 99802



NPFMC comments - NOAA Service Account &lt;npfmc.comments@noaa.gov&gt;

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## Support for the RQE Program

1 message

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Joe Connors <kenaiguide12@gmail.com>  
To: npfmc.comments@noaa.gov

Tue, Nov 29, 2016 at 3:05 PM

Chairman Don Hull  
North Pacific Fishery Management Council  
605 West 4th Ave, Suite 306  
Anchorage, Alaska 99501

RQE

Chairman Hull,

My name is Joe Connors, I am a 46 year resident of Alaska who for the first 30 years taught at the University of Alaska, Anchorage and fished. Upon retiring some 20 years ago I moved to the Kenai Peninsula where I could actually do more fishing. My residence is in Sterling at mile 36 on the Kenai River. While I have owned a guide service there since 1972, these days we have during the summer a minimum of 10 employees with charters boats on both the Kenai River and out in Cook Inlet. My family and I provide quality fishing and lodging experiences to folks from all over the world each summer here at Big Sky Charter & Fishcamp, on the web at:[www.kenaiguide.com](http://www.kenaiguide.com)

While we use to have a river fishing schedule that started in May and went through August, now our fishing is primarily from July through August since the early run of Kenai kings has not been available for fishing and or harvest for several years. Our average client group consists of 4 people who stay with us for 6 days during which they lodge with us and fish 4 or 5 trips. Included is a halibut trip into Cook Inlet, usually out of Deep Creek but sometimes out of Homer. They also fish on the river on different days for different species depending on the their timing. Our clients are actually extended members of our family as they often come back on a set schedule; every year, every other year and some now and then. When they check in they purchase the needed and required State of Alaska license and stamp/s. They eat locally in Sterling at our great eateries while also going into Soldotna for more excellent places to eat. These same folks shop in Soldotna at a variety of local stores for their needs such as groceries and outdoor supplies; places like Safeway, Fred Meyers and Trustworthy Hardware benefit for our guests. The Kenai Peninsula Borough also benefits greatly as the sales we made at camp pay a 3% sales tax on the entire sales since we are required to cost their visit on a per person per day and with a \$500 cap that is seldom exceeded. Additionally, the borough benefits greatly from all the sales in Soldotna which are at a 6% rate.

Management changes can have a drastic impact on our ability to do business since lots of our business is booked already and has been done so based on the current rules and regulations. Changes that will affect next summer's fishing but have yet to be made can result in cancelations.

I and my crew are completely in favor of any and all actions that you will make and put into effect that level the playing field as to when we can fish and for what and how much. We like very much the idea of market-based solutions for willing buyers (RQE) and willing sellers (IFQ) as such an approach will added consistency and thus stability of our ability to bring folks as quests to Alaska and provide quality/predictable halibut fishing experiences.

I thank you for your time and consideration

Joseph F. Connors/P.O. Box 1085, Sterling, Alaska 99672/cell phone [907-398-1360](tel:907-398-1360)



NPFMC comments - NOAA Service Account &lt;npfmc.comments@noaa.gov&gt;

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## I oppose RQE

1 message

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Richard Curran <seaward99835@yahoo.com>

Sun, Nov 27, 2016 at 6:42 PM

Reply-To: Richard Curran <seaward99835@yahoo.com>

To: NPFMC Comments - NOAA Service Account <npfmc.comments@noaa.gov>

The RQE is a lose-lose for all halibut users except the charter industry: Subsistence and local sport fishermen will find more competition on the fishing grounds; Halibut Processors will lose 10-30% of their business forever; The largest halibut user, the American consumer, will have 10-30% less halibut available and the price to them will be higher; IFQ prices will be even higher than they already are, making it difficult for new commercial entrants.

The halibut resource appears to have bottomed out and is now poised for a rebound. With continued conservative management all halibut users will benefit. Why give a higher percentage of the resource to the charter industry at the expense of all other users groups at this time of low abundance?

It is past time for the charter fleet to pay its fair share of management fees. The Commercial Fleet pays 5% of gross income for IFQ tax and observer fees. Its time for the charter fleet to do the same.

Thank you for considering my comments.

Richard Curran  
F/V Cherokee



NPFMC comments - NOAA Service Account &lt;npfmc.comments@noaa.gov&gt;

**(no subject)**

1 message

Richard Davis <westbank47@yahoo.com>  
To: npfmc.comments@noaa.gov

Sun, Nov 27, 2016 at 6:56 PM

Greetings Chairman Hull, and North Pacific Fisheries Management Council.

I'm Rich Davis, a 52 year Alaska resident commercial fisherman. I have longlined halibut with my vessel, for the past 29 years.

The creation of a recreational halibut quota entity has virtually no appeal to commercial halibut quota share holders. Additional hungry buyers could potentially increase demand for, and drive up the prices of halibut quota shares.

Over time, impact to the commercial Fishery will include reduction of available commercial quota, suppressing existing participants and creating even greater economic obstacles to new entrants.

Reduced commercial quota leaves consumers less access to halibut.

Costs of quota Fishery management by RAM division, and NMFS observer assessments will increase for fishermen left in the shrinking pool of halibut quota.

State funding sources garnered through taxes paid on commercially harvested halibut will diminish.

Absent any reciprocal conveyance mechanism, we are simply considering a program to reallocate halibut from the commercial Fishery to the guided halibut charter industry.

Who would fund an RQE, and how?

Will I be allowed to refuse to sell quota to an RQE?

Overall the RQE concept, though novel, is a loser for the commercial fishing, processing, and marketing sectors.

On behalf of myself, family, and numerous like minded fishing industry associates, we encourage you to oppose RQE, or creation of any halibut user group reallocation.

Sincerely, Richie Davis.  
2347 Kevin CT.  
Juneau Alaska 99801

Sent from my Galaxy Tab® A

# Deep Sea Fishermen's Union of the Pacific

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



Established 1912

November 27, 2016

Mr. Dan Hull  
Chairman  
North Pacific Fisheries Management Council  
605 West 4<sup>th</sup> Street, Suite 306  
Anchorage, AK. 99501-2252

RE: Agenda Item C3, Charter Halibut RQE Program

Dear Chairman Hull:

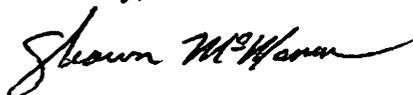
On behalf of the Deep Sea Fishermen's Union (DSFU), I am writing to you today to vehemently oppose the formation of a halibut charter RQE(s) for the following reasons:

- Proponents of an RQE program claim that current charter allocation “may not be sufficient to ensure long-term planning and stability in regulation for all guided anglers.” However, under an RQE program, the charter sector's share of the halibut resource would increase while the commercial share of the halibut resource would decrease at a time of near record low halibut abundance.
- Funding for RQEs has not been defined. They could use federal funds, state loans, private grants or a tax on charter clients to purchase commercial quota, thus rivaling outside funding against individual commercial fishermen in the QS market. This action will drive QS prices up even further, thus making it extremely difficult for entry level participants to enter the halibut fishery. Case in point, area 3A and 2C QS prices increased significantly on the passing of the Guided Angler Fish (GAF) program. QS prices in these areas are now in excess of \$60 per pound.
- The GAF program was adopted by the Council several years ago as a market-based mechanism to transfer quota between commercial and charter sectors as an end all solution to any future Council reallocation of the halibut resource.

- The Council should focus on tightening the charter limited entry program rather than allowing additional reallocation of quota from the commercial sector to the charter sector. This issue will be further exacerbated as charter permits which were moth balled during the recession are brought out of dormancy during the improving economy.
- Since the inception of the IFQ system, the Council has unwaveringly supported owner/operator on board requirements for 2<sup>nd</sup> generation IFQ fishermen. Therefore we cannot consciously sit back and sanction the Council to form an RQE which takes away from the Council owner/operator on board philosophy. To do so, would be tremendously hypocritical.

In closing, I would like to reiterate that the charter sector isn't the only one feeling the hardships of low halibut abundance. The commercial sector is feeling these same pains and is heavily penalized through the imposition of fines by NMFS should they exceed their harvest limits. Meanwhile, the charter sector continues to exceed their "GHLs" in some areas with little to no repercussions outside of public scorn. Despite additional halibut through the GAF program, the charter industry continues to surpass charter "GHLs" in some areas. The Charter sector has not proven to be responsible stewards of the halibut resource. Furthermore, halibut fishermen have worked for over twenty years to get the halibut charter catch sharing plan (CSP) in place. To reopen the allocation issue after only three years of the CSP is deplorable and immensely destabilizing to the commercial fishing industry. Lastly, commercial fishermen faced an "allocation" issue in the late 80s and early 90s under the derby system. The answer to the conundrum at the time was the IFQ system which ultimately led to attrition through consolidation of the fleet, but a handsome rebound of the halibut resource, benefiting not only the commercial fishing industry, but also remote coastal communities, processors, subsistence users, and consumers who purchase halibut in stores and restaurants. My point, the charter sector isn't faced with an "allocation" issue, but the reality of too many participants in the charter industry. Should the Council be so obtuse as to not see the many obvious pitfalls to this amendment, we strongly recommend that the cumulative amount of quota that can transfer between sectors under the RQE or GAF programs not exceed 10% in area 2C and nor more than is necessary to achieve a two-halibut daily retention limit for charter clients in Area 3A. Additionally, we recommend an annual transfer cap of .5%. Lastly, should an RQE hold a surplus of halibut IFQ during times of abundance, the IFQ surplus should be returned to active 2<sup>nd</sup> generation crew in the form of a lottery system. Thus, compensating crew who faced lost wages and further fleet consolidation as a result of this short sighted amendment all the while returning said IFQ to the Council's mantra of the owner operator on board requirements.

Sincerely,



Shawn McManus  
President  
Deep Sea Fishermen's Union



North Pacific Fishery Management Council

Attn: Chairman Dan Hull

RE Agenda Item C3 Halibut RQE-Final action

Dear Chairman Hull,

My name is Daniel Donich I live and fish in Homer Alaska I am going into my 25<sup>th</sup> year in the Charter Business and we are looking at additional cuts for 2017 Halibut season again for the past 3 years we have not been able to stay under are allocation and I believe we will be over ever year as more boats become more active because the economy gets better and Halibut fishing is high on people's bucket list.

We the Charter industry are looking for a way to stabilize are regulations and have them be more consistent are clients don't like to hear that there is a change every year.

I believe the RQE as described in C-3 could provide reasonable way to shift allocation from the commercial sector to the Charter sector from a willing seller to a willing buyer at or above market price and I think if the RQE is less restrictive on transfer rates from B AND C class QS the quicker we can buy the maximum 10 or 15 percent needed. So, we can get into the market and then get out. I believe if the program is to restrictive it will become a deadbeat program like the GAF program only the ultra-rich can afford to use it. It makes more sense to go buy their halibut at Costco it is cheaper and it is Guaranteed.

Let's make this a great program for the commercial users and the Charter sectors. The whole nation is looking at this type of program to see if something like this would work in other ports around the country. As a way for the Sport Fishing Industry to buy it's far share of the Resource.

Thanks for taking the time to read my letter.

Daniel Donich

907-399-7202



Chairman Dan Hull  
North Pacific Fishery Management Council  
605 West 4th, Suite 306  
Anchorage, Alaska 99501  
[npfmc.comments@noaa.gov](mailto:npfmc.comments@noaa.gov)

Re: RQE

Chairman Hull,

I am a 2nd generation remote lodge owner, born in Alaska, and have been at a fishing lodge every summer of my life (45 years). My parents started a remote fishing lodge in the Bristol Bay region in the late 1960's where I grew up year round. Their fishing lodge provided 100% of our entire family income during my childhood. Flash forward about 35 years and I am a remote fishing lodge owner (in area 2C) supporting my Alaskan family from the proceeds of this business. The lodge/ charter fishing industry is just as much a way of my Alaskan life, as is any commercial fishing Alaskan family, and its fisheries allocation needs should be protected just as the commercial industries allocations have been protected for decades.

For the past 30 years we have re-invested every dime we could back into El Capitan Lodge. From its humble beginning when my father and I landed on the shore of Sarkar Cove on Prince of Wales Island, where we built a very rustic lodge designed for six guests per trip, up until today where we have the pleasure of hosting 20 anglers per group (620 guests per season). One thing that has remained vital for our continued success is halibut retention for our customers. Over the past 30 years, we have hosted thousands of mostly out of state anglers. The main deciding factor of their decision to travel thousands of miles to Alaska, spending thousands of dollars in Alaska, is their opportunity to retain one of the most desired species in Alaska, the Pacific Halibut. Charter retained Halibut is a major reason I have been able to succeed as a 2<sup>nd</sup> generation lodge owner supporting my family throughout the years.

It's time to implement a system that allows the purchase of IFQ from willing sellers to a willing buyer (RQE) regardless if the buyer is an IFQ holder or not. I support the RQE program and feel it should be approved with the following:

1. RQE annual transfer limit of 5%- having a lower transfer limit will make this program ineffective
2. RQE total transfer limit of 15%- this should not include GAF as GAF isn't a permeant transfer
3. Unallocated RQE IFQs- should not be left in the water; they should be issued back to the CQEs

I ask each of the council members to comprehend how important the Alaskan lodge/ charter industry is to the coastal community's economic stability, so much more important now than just 10 years ago. Charter caught and retained halibut is a very important piece of ANY saltwater lodge/ charter business in Alaska, and, without an adequate stable supply that doesn't continuously teeter on the edge of disastrous retention levels, this industry, and the many local businesses that benefit from this industry, will be at risk of failure for years to come. Thank you to the council for hearing my thoughts and serious concerns on this continuing issue.

  
Scott Van Valin



NPFMC comments - NOAA Service Account <npfmc.comments@noaa.gov>

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## AREA 2C: C1 CHARTER HALIBUT MEASURES FOR 2017 AND C-3 CHARTER HALIBUT RQE PROGRAM

1 message

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Pf6262 <pf6262@aol.com>  
To: npfmc.comments@noaa.gov

Sat, Nov 26, 2016 at 7:59 AM

GENTLEMEN: MY NAME IS CAPT. PAUL EWING. I CURRENTLY GUIDE FOR EAGLE CHARTERS, ELFIN COVE, AK. AND THIS WILL BE MY 14TH YEAR. I HAVE ALSO GUIDED OUT OF NINILCHIK, AK. AND HAVE FISHED ALASKA WATERS OVER THE PAST 20 YEARS. I AM VERY CONSERVATION MINDED RELATIVE TO OUR OCEAN FISHERIES. BASED ON MY EXPERIENCE FISHING FOR HALIBUT IN ALASKAN WATERS, I SHOULD LIKE TO MAKE THE FOLLOWING COMMENT FOR YOUR CONSIDERATION:

COMMENT: BUSINESSES THAT PROVIDE SELF-GUIDE FISHING SERVICES (IN THE NAME OF CONSERVATION) HAVE THE SAME HALIBUT REGULATIONS AS THE CHARTER BUSINESSES OTHER THAN THEIR NEED FOR CHARTER HALIBUT PERMITS.

CATCH LIMIT: (1) HALIBUT PER DAY AS DEFINED IN CHARTER REGULATIONS WITH A (4) FISH ANNUAL LIMIT FOR NON-RESIDENTS EITHER SELF-GUIDE(KFISHING FROM A SELF-GUIDE BUSINESS) OR CHARTER BUSINESS.

CATCH RATES: SELF-GUIDE ANGLERS OPERATING FROM SELF-GUIDE BUSINESSES ARE CURRENTLY ALLOWED TO CATCH (2) HALIBUT ANY SIZE WITH NO ANNUAL LIMITS FOR NON-RESIDENTS WHO CAN RETURN MANY TIAMES DURING THE SEASON THEREBY DEPLETING THE RESOURCE FOR FUTURE GENERATIONS.. AS IN THE CHARTER FISHERY, IF ANYONE WANTS A SECOND FISH OF "ANY SIZE", THEY CAN PURCHASE IT FROM THE COMMERCIAL CATCH SHARE PROGRAM.

AREA 2C MANDATED YEARLY QUOTA: ENACTING THIS COMMENT ON REGULATIONS WILL ALSO LOWER THE IMPACT ON THE IPHC MANDATED RECREATIONAL YEARLY QUOTA AS WELL AS CONSERVE THE HALIBUT RESOURCE.

THANK YOU,  
CAPT. PAUL EWING



NPFMC comments - NOAA Service Account &lt;npfmc.comments@noaa.gov&gt;

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## 2c proposed charter halibut regulation changes

1 message

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michael finnegan <mj.finnegan@hotmail.com>  
To: "npfmc.comments@noaa.gov" <npfmc.comments@noaa.gov>

Tue, Nov 29, 2016 at 8:09 AM

To whom it may concern,

I writing regarding the proposed changes currently being reviewed for regulation adjustments in area 2c. After review, I feel the changes would have a negative impact on how my business is currently run.  
For my situation, I would be in favor in keeping the regulations as they are today. Thank you for your consideration.

Best Regards,  
**Michael Finnegan**  
Cell: **+1-619-261-5093**  
[Mj.finnegan@hotmail.com](mailto:Mj.finnegan@hotmail.com)

Chairman Dan Hull  
North Pacific Fishery Management Council  
605 West 4th, Suite 306  
Anchorage, Alaska 99501  
npfmc.comments@noaa.gov

Re: RQE Chairman Hull,

My name is Paul FitzGibbon, I am an owner / operator of a single party lodge, Alaska Getaway here in Sitka, AK for the last 16 years. I have been a fishing guide in Alaska for 30 years. My small business brings unique visitors to Southeast, Alaska from across the country for the express purpose of appreciating our magnificent natural environment, most specifically our marine fisheries. Alaska Getaway's clients support the economy of Sitka in myriad ways. From bed & sales taxes to shopping for t-shirts to purchasing real estate, my clients have invested in Sitka at every possible level over the years and they continue to do so today.

Halibut fishing is one important aspect of their decision to come and sustain Sitka economically. People who fish with me support conservation wholeheartedly and unequivocally. Me and my clients support fair, logical, and sustainable regulations.

Right now, it can be said that there are 4 types of halibut fishermen.

1. Commercial fishermen
2. Subsistence fishermen
3. Unguided sport fishermen
4. Guided sportfishermen

Typically, a family of 4 to 6 people for one day of fishing costs between \$1,500 and \$2,000 / day for the boat, another \$500 for lodging, with meals, shopping and travel added on top of that. So, to explain to someone who many be paying \$2,000 to \$3,000 per day to be a fishermen here in SE, AK that they have to release a 50 pound halibut - AND that any of the other fishermen who fish those same waters, on that same day, may take that very fish - at no cost to those to anglers and to no monetary benefit to the State of AK or the United States...that is a tough explanation. There is no two ways about it. This example highlights why we support the RQE.

To provide a market based solution to increase the equity for guided angler opportunity only makes sense and is only fair. Participation is completely voluntary on the commercial side, and industry safeguards are written into the RQE proposal. So, the only explanation for an objection to this opportunity would be a reactionary bias against an industry that offers public access to the small remaining fraction of this resource that is still publicly accessible. To block implementation of the RQE would certainly call into question the validity of the management regime of the North Pacific halibut fishery. Please support passage of the RQE.

Thank you in advance for your understanding and consideration of our perspective in this challenging management scenario. We appreciate your service to all the stakeholders.

Please feel free to contact me if I can be of any assistance in the future.

Most sincerely,

Paul FitzGibbon  
Owner / Operator Alaska Getaway, LLC  
1009 Halibut Point Road  
Sitka, AK 99835

Cell phone - 907-966-3474

Chairman Dan Hull  
North Pacific Fishery Management Council  
605 West 4th, Suite 306  
Anchorage, Alaska 99501  
[npfmc.comments@noaa.gov](mailto:npfmc.comments@noaa.gov)

November 28, 2016

Re: Recreational Quota Entity

Dear Chairman Hull,

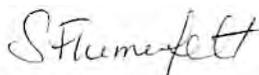
My name is Sherry Flumerfelt, and I am the former project manager of the Catch Accountability Through Compensated Halibut (CATCH) project, which first analyzed the concept of a recreational quota entity (RQE). I am now the executive director of the Monterey Bay Fisheries Trust (MBFT), a nonprofit organization working to advance the social, economic, and environmental sustainability of fisheries in Monterey Bay, California. This letter represents my views and not those of the MBFT.

Before the CATCH project was initiated, members of the halibut charter sector had discussed versions of the RQE concept for years as a way to increase the guided sector's allocation while compensating commercial fishermen wanting to leave the fishery. In 2011, with a National Fish and Wildlife Foundation *Fisheries Innovation Fund* grant, the Southeast Alaska Guides Organization (SEAGO) and the Alaska Charter Association (ACA) collaborated to explore the idea further. The team conducted extensive research, consulted a range of experts, and went to great lengths to incorporate stakeholder feedback and address concerns raised by the commercial and recreational sectors. Council staff have since researched and vetted this concept further, and proposed different limits and caps to prevent consolidation and mitigate other potential impacts. Significant work has been done to reach this point, and I believe that the RQE program is now ready to be implemented.

This is a unique and creative solution for increasing the recreational sector's allocation while compensating commercial fishermen who have made investments in the program. It has the potential to provide greater stability and predictability for the charter sector, support Alaska's coastal economies with tourism dollars, and maintain the goals of the catch share program. I believe that this innovative program could have applicability nationwide as regional fishery management councils and coastal communities address the challenges and opportunities presented by catch share programs.

I appreciate the Council's careful consideration, and hope to see the RQE program passed into regulation.

Sincerely,



Sherry Flumerfelt  
sflumerfelt@mac.com

# FISHING VESSEL OWNERS' ASSOCIATION INCORPORATED

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

SINCE 1914

November 28, 2016

Mr. Dan Hull, Chairman  
North Pacific Fishery Management Council  
605 W. 4th Ave., Suite 306  
Anchorage, AK 99501-2252

RE: **C-3 Charter Halibut RQE**

Dear Chairman Hull:

The following comments reflect the recommendation of the members of the Fishing Vessel Owners' Association (FVOA) on the Recreational Quota Entity (RQE) amendment, Agenda Item C-3. FVOA is a trade association of 95 commercial halibut and sablefish quota share-holders operating as vessel owners, hired skippers and crew.

The North Pacific Fishery Management Council (NPFMC) has made several significant changes to the Halibut/Sablefish IFQ program, all of which has resulted in encumbering new entrants and fishing families with higher costs of entry. The Council's action to establish Community Quota Entrants (CQE) that are tax exempt and are allowed to buy up to in excess of 20 percent of the commercial quota has put upward pressure on quota share prices. The CQE program is a constant concern on future stability for fishing families. The buy-up provision for C and D class vessel owners to buy B Class has resulted in B class prices being increased above C and D class quota even though all three vessel classes receive similar prices for their product. This has encumbered crew and vessel owners that operate B class vessels. The recent action to disallow initial recipients to buy additional quota without being on board the vessel has slowed the movement of quota shares resulting in increased cost of quota shares. Should the Council now adopt their preferred options for the RQE amendment to allow 15% of regulatory area 3A commercial quota and 10% of 2C to be purchased by an RQE, the price of entry will be prohibitive for new commercial entrants until the RQE is out of the market.

The RQE concept should eliminate the perpetual demands placed on the Council to reallocate the limited halibut resource between commercial and charter interests. It will come at a great cost to entry-level commercial fishermen. The loss of QS from the commercial fishing will impact market supplies and could result in the economic loss of shore-based processing. The Council seems to have made a choice with its preferred option that these disruptions to the commercial fishing result in a better situation overall.

Chairman Dan Hull  
November 28, 2016  
Page 2

The members of FVOA believe the impacts will be significant and recommend the following in order to mitigate some of the economic impacts of the Council's "Preferred Action".

1. Implement the RQE program when the commercial harvest levels for 3A and 2A have increased an additional 10% above current levels. This will help mitigate the market impacts facing new entrants to the commercial fishery.
2. The members of FVOA recommend an RQE transfer in Area 3A of no more than 7%. The Council's June assessment on this amendment indicated that a 7% transfer would put the Charter fleet back to a two fish limit. We also recommend no more than a 10% transfer in Area 2C.
3. Limit the annual transfer rate in both regulatory areas to .5%.
4. When the RQE has excess IFQ, our preference is to return it proportionately to all QS holders. We can also support the NMFS recommendation of leaving it in the water.

Sincerely,



Robert D. Alverson  
Manager

RDA:cb



NPFMC comments - NOAA Service Account &lt;npfmc.comments@noaa.gov&gt;

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## Recreational Quota Entity

1 message

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Eye of the Storm <eots@gci.net>  
To: npfmc.comments@noaa.gov

Tue, Nov 29, 2016 at 12:07 PM

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

Re: Recreational Quota Entity (RQE)

Dear Chairman Hull,

My name is David (Dave) Goldstein and I own Prince William Sound Eco-Charter, LLC...a mainly fishing based charter operation based in Whittier, Alaska. I run the business on the "Eye of the Storm", a custom-built, sub-chapter "T" boat...capable of carrying up to 12 clients and 2 crew. The boat was built in Anchorage and splashed at the end of 2008. Prior to the arrival of the "Eye of the Storm", I operated a smaller, 6-pack boat from the business inception in 2000 through 2008. Over the last 17 years, my client lists have included in-State residents, tourists from nearly all parts of the world, U.S. Senators and Representatives, state, local and other federal groups and officials, representatives from well-known businesses/corporations, etc. We strive to provide a top-quality experience for our clients, and a big part of this has been the opportunity to catch halibut.

I have been involved in the 'halibut regulation process' since the late 1990s and have served on several boards and committees related to the fishing industry. Currently, I am the Vice President of the Prince William Sound Charter Boat Association (PWSCBA), a member of the Whittier Board of Fish, the Alaska Charter Association (ACA) and the National Association of Charterboat Operators (NACO). I am active in Whittier politics, a member of the Whittier Port and Harbor Commission and a decade long member of the OSPR committee of the PWSRCAC. My past included an extensive, and highly rewarding, career in NOAA (the NWS). While we all understand the need to regulate the halibut fishery, my biggest problem with regulations imposed on the recreational charter halibut fleet are simply that we are a small round ball that is being squeezed into a square hole. The "round" being the recreational sector and the "square" being the commercial sector. That said, the litany of now yearly regulations that tighten restrictions on the charter halibut fishery not only increase the burden on charter halibut businesses, but mainly impact recreational clients who happen to use charter boats.

The disparity between recreational halibut fishing regulations that apply to charter fishers vs. non-charter fishers continues to grow...and that's not good for anyone. This past season, in 3A, our clients could catch 1 halibut of any size, 1 halibut of 28" or less, couldn't fish on Wednesdays, could only retain 4 halibut per year and had to log their catches on the back of their licenses, while other recreational halibut fishers could catch 2 halibut of any size, on any day of the week, with no seasonal limits. Like in games of chess or checkers, for nearly every move there is a counter move. In the recreational halibut fishery, this manifests itself by halibut charter businesses becoming 'non-charter' businesses and clients becoming 'non-guided' halibut fishers. I am convinced that the greater the disparity is between recreational halibut fishers, the more widespread this problem will become...and the charter halibut industry will shrink or be limited to basically larger, party boats. This is a dismal picture. Perhaps the simplest solution is to mandate 1 halibut/day catch, across the board, throughout the recreational halibut sector. This would parallel what is done with every other species in Alaskan waters with regard to the recreational sector.

In the past, I have written about, and commented on, unfair aspects of the Charter Halibut Permit (CHP) process, the unintended, major problems with non-transferable CHPs, the Community Quota Entity (CQE) and other latent permits, the increased paperwork and legal requirements placed on charter halibut businesses, the antiquated time lags built into the current halibut management/regulation system (despite the arrival of instantaneous communication systems decades ago), the added burdens placed on the recreational, charter halibut angler, etc. These programs were ‘top down’ actions. Although the Guided Angler Fish (GAF) program has its own problems, at least this was an attempt to work with the charter halibut industry to increase client possession limits to what other recreational halibut fishers have.

Most recently, instead of management options being ‘top down’, the trend is for ‘bottom up’...and I, for one, very much appreciate this. Now the charter halibut industry can recommend measures that are designed to keep the fishery within its allocation.

The optimal solution, however, is to find a way to standardize the recreational halibut fishery, regardless of whether the individual uses a guide, a Oui·ja board, a friend, flips a coin, guidance from above, or whatever. The Recreational Quota Entity (RQE), a program that has been thought through, discussed, vetted and originated from the “bottom-up” *is the answer*. Now, the ‘halibut pie’, that has been pretty rigid in the past, can begin to be divided fairly as conditions and demand change. The RQE will provide a market-based (willing seller and willing buyer) tool through which commercial IFQ can be purchased to add to guided angler allocations — thereby decreasing the pain of strict harvest rules during times of low abundance. This has the tremendous potential to ‘close the gap’ between recreational halibut fishers, eliminate incentives for charter halibut businesses to morph from guided to non-guided operations and, ultimately, to stabilize the charter halibut industry for the many, many who depend on it for their livelihoods, for their businesses and for their enjoyment and enrichment. This includes the travel, hospitality, processing and many other support industries that the halibut fishery supports.

Once again, thanks for the opportunity to comment and participate in this ‘process’. In closing, please not only allow the RQE to move forward into regulation, but work to help make this innovative program a major success.

Respectfully,

Capt. Dave Goldstein  
PWS Eco-Charters  
(907) 244-0234



NPFMC comments - NOAA Service Account &lt;npfmc.comments@noaa.gov&gt;

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**RQE**

1 message

david gross &lt;djgross7@yahoo.com&gt;

Sun, Nov 27, 2016 at 5:26 PM

To: "npfmc.comments@noaa.gov" &lt;npfmc.comments@noaa.gov&gt;

Chairman Dan Hull  
North Pacific Fishery Management Council 605 West 4th, Suite 306  
Anchorage, Alaska 99501 [npfmc.comments@noaa.gov](mailto:npfmc.comments@noaa.gov)

Re: RQE

Chairman Hull,

My name is David Gross. I am I guide and charter boat operator for Angling Unlimited in Sitka, Alaska. I have lived in Sitka for the last 6 years and have been working in the charter industry there for the past 14. In a typical year, I take about 150 customers fishing over a hundred day season. One of the main species desired and targeted by these fisherman is halibut. Since the regulations changed from two fish any size to the much stricter rules implemented about ten years ago, these customers have become much less enthused about the halibut fishery. In addition to employing many people in the charter industry, these clients typically spend three days in Sitka and are crucial to sustaining the local economy.

I, therefore, am in full support of the RQE program, as I feel it will very much promote fishing in our area and encourage those customers who became discouraged with the halibut regulations to return. This program will also make the halibut regulations much more stable and eventually let people retain that "fish of a lifetime" once again. I believe the program will only do good for the economy of Sitka, making new entry into the fishery more feasible, consequently, bringing more tourism to our town.

Thank you for reading how I feel about the RQE and please consider it when you make your vote.

Sincerely,  
David J. Gross

28 November 2016

Memorandum for:  
Chairman Dan Hull  
North Pacific Fishery Management Council  
605 W. 4<sup>th</sup> Avenue, Suite 306

From:  
Melvin B. Grove Jr.  
2281 E. Sun Mountain Ave, Ste. B  
Wasilla, Alaska 99654

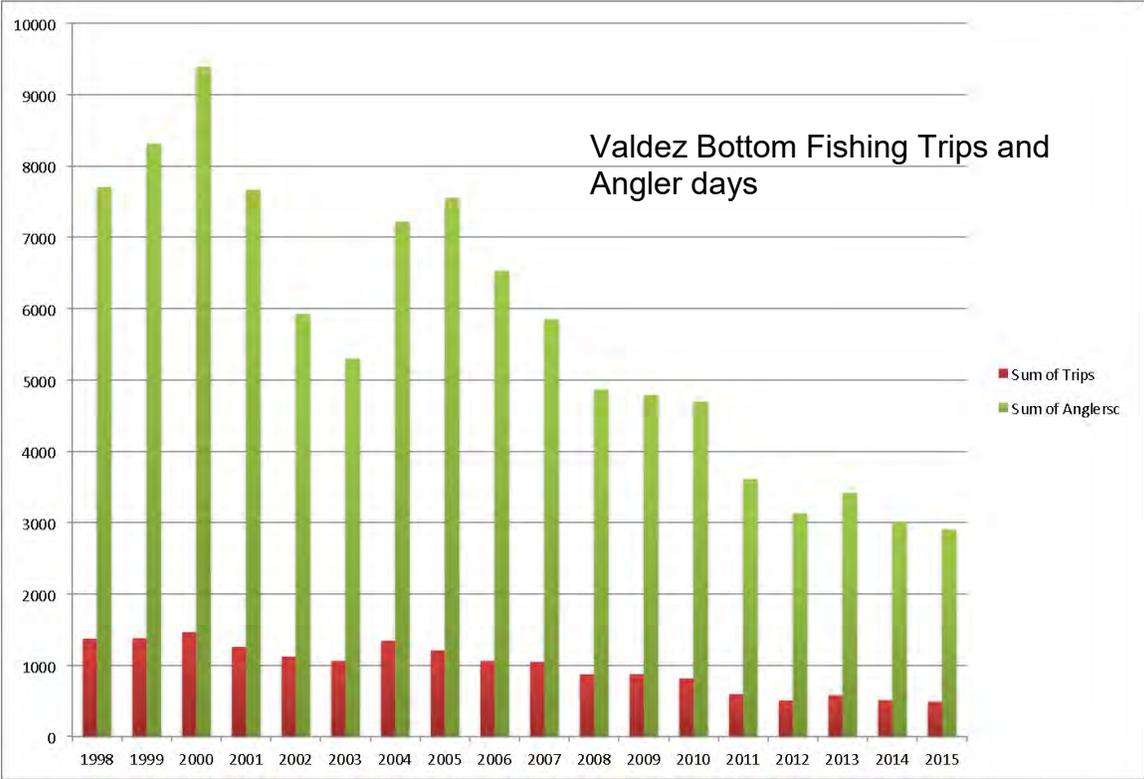
I have owned and operated Alaskan Adventures Unlimited, a halibut charter service, in Valdez since 2004. Over the last twelve years I've slowly and at times quickly watched fellow operators disappear from the business and witnessed how fewer fisherman coming to Valdez have impacted individuals and businesses relying on tourism dollars to make a living.

Since the implementation of the IFQ program, the Charter Halibut Permit system, and the recent area wide catch limit restrictions Valdez has seen a dramatic decline in charter trips and supported angler days. The declines have drastically impacted the local economy in a once great fishing destination. The attached Alaska Fish and Game data for bottom fishing angler days and trips is proof the current management system hasn't worked.

The RQE may be the last hope for a charter industry of any significance to continue operating in Valdez and for those small businesses struggling to survive on the fewer anglers now visiting this small town. The current management system shoe simply does not fit Valdez. Weekly closures, minnow rules, and the continued uncertainty of what the next year's management scheme will be, negatively impacts businesses. To make matters even worse, another charter service with two boats and permits is up for sale and will most likely be leaving Valdez. If those CHP seats leave Valdez, it will have an immediate impact on those counting on those fisherman dollars. The logbook data cannot not be overlooked and is proof there is a major problem with unforeseen consequences of our current management. The RQE, is possibly the last hope the Valdez community has of returning reasonable and predictable management measures that will bring fisherman back to this once great halibut fishing destination. The RQE would purchase halibut quota shares to increase allocation, and spread the benefit across 3A with consistent, less stringent regulations. The highest transfer limit possible should be considered without the convoluted GAF program and unallocated RQE should be issued to small boat operators wanting to enter the commercial fishery. If one shoe management is the rule, then we need one that fits every community across the state and it's needed sooner rather than later.

I appreciate the opportunity to address this issue and respectfully ask that you consider moving the RQE forward

Sincerely,  
Melvin Grove  
//Signed//  
President, PWSCBA





PO Box 22073  
Juneau, AK 99802-2073

[halibutcoalition@gmail.com](mailto:halibutcoalition@gmail.com)  
[www.halibutcoalition.org](http://www.halibutcoalition.org)

November 29, 2016

Mr. Dan Hull  
Chair  
North Pacific Fishery Management Council  
604 W 4<sup>th</sup> Ave, Suite 306  
Anchorage, AK 99501

Dear Chair Hull and Members of the Council.

**Subj: C3 Charter Halibut Recreational Quota Entity (RQE)**

Ref: (a) Halibut Coalition letter of 29 March 2016

## OVERVIEW

I am submitting these comments on behalf of the Halibut Coalition's 13 member organizations and our over 500 individual members. The HC is committed to sustainable management of the Alaska halibut resource and sustained access to that resource by historic harvesters, processors and consumers. As the Council is aware, the Halibut Coalition does not support the guided sport quota entity reallocation plan, and we **recommend you adopt Alternative 1 (No action)**. In our view, the RQE is still a campaign in search of a problem. Since 1993, there has been an erosion of the commercial sector's portion of the harvest and consumer access. The Catch Sharing Plan and the Charter Halibut Permit limited entry program were designed to limit the charter sector's harvest in Areas 2C and 3A. During times of low abundance ALL sectors must make do with less—that is the nature of resource dependent businesses. Trends analyzed in the document indicate that demand for charter services in Area 2C have increased with the one fish slot limit in place, dispelling any claim that charter businesses "need" more halibut (p. 138, Table 4-29). The 2016 GAF Annual Report indicates usage of the GAF program in 2016 compared to 2015 (pounds increased from 5,158 to 9,332 pounds harvested (+80%). Transferring more quota to the charter sector will destabilize the commercial sector, undermine IFQ program goals, and reduce the public's access to halibut. We would remind the Council that the CSP, which has only been in place for three years, includes a market-based

Alaska Longline Fishermen's Association • Cordova District Fishermen • Deep Sea Fishermen's Union • Fishing Vessel Owners Association • Halibut Association of North America • Kachemak Bay Fisheries Association • North Pacific Fisheries Association • Petersburg Vessel Owners Association • Sea Food Producers Cooperative • Southeast Alaska Fishermen's Alliance • United Cook Inlet Driftnetters Association • United Fishermen's Marketing Association • United Southeast Alaska Gillnetters Association

mechanism (GAF) for transfer between sectors, allowing charter operators to provide increased harvesting opportunities to their clients. We would also remind the Council that the CATCH or RQE campaign was launched as halibut stocks declined, and that the problem statement is premised on this trend – the 2C charter quota increased 19% from 2014 to 2016. At this point, IPHC assessments indicate halibut stocks are stabilized and slowly increasing, hence any benefits of the amendment are overstated. Finally, the analysis fails to identify the funding source for RQE QS purchase, rendering it impossible for the public and the Council to fully understand impacts, and the economic implications of reallocation to the State of Alaska and Alaska communities is not fairly addressed. Quite simply, the complexity, cost and negative impacts to the commercial, sport and subsistence sectors of this amendment far outweigh any perceived benefits to the charter sector or presumed benefits to charter anglers, and Coalition members urge the Council to drop, or at minimum table this amendment.

In the event that you decide to move forward with Alternative 2 (RQE), we ask in the strongest possible terms that you minimize the harm being done to subsistence/non-guided harvesters as well as commercial harvesters, processors (\$23 million at risk in lost first wholesale value based on 2014 numbers), crew, consumers, markets and infrastructure.

Before addressing specific elements and options, the Halibut Coalition would like to thank the Council for changes made to the problem statement and analysis since the last meeting. **In particular, Coalition members note that the Preliminary Preferred Alternative identified by the Council in April 2016 mitigated the most egregious aspects of the December 2015 charter reallocation motion (i.e. the 40% upper limit on transfers and separate limits on RQE/GAF), and we thank Council member Mezirow for taking the lead on that action.**

#### **COMMENTS ON ELEMENTS AND OPTIONS**

**Regarding Alternative 2, we offer the following recommendations regarding elements, options and sub-options.**

**Elements 1 and 5. Number of RQE and Board Makeup.** These are internal matters for the RQE.

**Element 2, Option 2. Restrictions on Transfers.** We support the 0.5% cap on annual transfers to minimize the harm being inflicted on the commercial sector. As the analysis notes, at 1% the RQE would be the largest buyer on the market, accounting for 16% of QS transfers in an average year and over 40% in years of low abundance. As such, the RQE will assert major upward pressure on QS prices, which are already beyond the reach of many commercial sector deckhands and community-based residents. Increasing entry level costs is contrary to Council goals following the 15-year review of the halibut/sablefish QS program and contrary to the goals of our Coalition.

**Element 2, Option 3A. Total cumulative limit on QS held by RQE and leased under GAF.** We strongly support a combined GAF/RQE cap. For Both Areas 2C and 3A we recommend a 10% cap for each area for the following reasons:

A 10% cap in Area 2C would increase (at low stock abundance) the charter allocation of the combined catch limit from 18.3% to 26.4% – a 44% increase. A 10% cap in Area 3A would increase (at low stock abundance) the charter allocation of the combined catch limit from 18.9% to 27% – a 42% increase. The

Halibut Coalition's bottom line request relative to the RQE amendment is that cumulative GAF/RQE limits be placed on reallocation of quota from the commercial to the charter sector, and that the cumulative limits be no more than those agreed to during the hard-fought development of the halibut Catch Sharing Plan. We would ask the Council to consider a further reduction in the cumulative limit for Area 3A, where the data indicate a 15% cap is excessive, since meaningful improvement can be made to guided angler management measures at the 10% level (See page 19 for discussion on the impact of a 12% cap). With improving stock levels, a rigorous cleanup of existing leasing loopholes, revocation of "non-transferable" permits with ownership changes, the natural attrition/retirement of Area 3A "non-transferable" charter permits (92 CHP/557 seats as of 11/19/16), efforts by the charter sector to manage growth to the available resource, a 10% cumulative limit provides adequate opportunity. A 15% limit will allow excess RQE purchase and the associated complexities identified in this analysis by NMFS.

**Element 2 Option 4: Restriction on QS purchase by RQE:** Coalition members are deeply concerned by the impact of this subsidized reallocation on the commercial QS entry level.

*Sub-Option 1:* QS entry level occurs in all size classes, with vessel owners and deckhands on C or B class vessels interested entry level buyers. However, since D class QS sell for less per pound in both areas (by approximately \$10/pound in Area 2C, for example), the RQE would be expected to purchase as many D QS as possible unless D QS purchase is restricted. If no D QS can be purchased, the RQE market pressure will heavily impact the C class and B class entry levels. For these reasons, the Coalition believes restrictions on RQE purchase of D shares is necessary, but a complete prohibition may unfairly impact entry level in the larger vessel size classes.

*Sub-option 2:* The Halibut Coalition considers sub-option 2 necessary to protect the commercial entry level, and urges the Council to adopt the 2,000 pound minimum.

**Element 3. Option 1. Sub-option 2. Excess IFQ.** The analysis clarifies that RQE purchase of QS in Area 3A at low levels of abundance will likely lead to the RQE holding millions of dollars-worth of excess IFQ in the future, creating a new management challenge for NMFS. If that IFQ is left in the water, as NMFS suggests, important revenue will be forgone and optimal yield from the halibut fishery will not be achieved. If NMFS cannot modify software to handle the redistribution of IFQ back to the commercial sector, then the RQE amendment should be tabled. Again, from the perspective of the Coalition, the complexity, impact and cost of this program outweigh any potential benefits. If the Council soldiers on with this amendment despite the legal, logistical and economic challenges and negative impacts, the Coalition strongly recommends IFQ in excess of what is estimated to provide charter clients with a two halibut daily bag limit should be returned equally to all catcher vessel QS holders proportionally. This will avoid the waste/economic inefficiency of leaving fish in the water and is fair to existing QS holders who have invested capital. The Halibut Coalition does not support the PPA of returning IFQ temporarily to CQEs or people who hold only small amounts of QS. The RQE should not "launder" IFQ to the CQE communities, especially since, as the analysis points out, the RQE communities are not currently equipped to manage or harvest that QS, and returning IFQ to a very small subset of QS holders creates strange inequities and distortions of fishing opportunity relative to fishing investment.

**Element 4. Limit on use of RQE funds.** The Halibut Coalition urges the Council to maintain the restriction on use of RQE funds for lobbying (described on page 158). Most non-profits have figured out how to comply with rules against using government provided funds and find other funding sources for lobbying.

**Element 4. Option 1. IFQ /Observer Fees/Fishery Business/Landing tax.** The RQE should pay the IFQ and observer fees. As a condition of authorizing the RQE to exist, the RQE shall be required to reimburse the State of Alaska for any lost Fishery Business or Landing Tax for IFQ held or used by the RQE. Observer program funding shortfalls have already caused disconcerting low coverage rates in GOA fisheries, and since charter operators have as much to gain from observer coverage as commercial halibut fishermen, the RQE should be taxed.

## **ADDITIONAL COMMENTS**

**Public Denied Information.** The Council's decision to not identify how the RQE will be funded denies anglers and charter operators information on how this action will impact them. The purpose of NEPA is to allow informed decisions and this analysis does not meet the public awareness standard. Public testimony in April 2016 indicated that in Area 3A, principle and interest payments for a loan would be approximately \$1.2M/year, a cost that would likely be passed on to charter clients (Section 4.8.1.8, Page 168). As the analysis suggests, some charter clients may be extremely price sensitive and unwilling to the cost of a halibut stamp or the costs passed on by charter businesses if the self-taxing option proves the only viable funding option. The Coalition strongly maintains that before the Council takes action, the Council and the public should understand the legal and financial implications of this action.

Coalition members continue to oppose a funding mechanism that does not require charter operators to invest their own money to purchase quota. One basic tenant of IFQ programs is that investment tends to encourage resource stewardship. There is also an issue of fairness if one sector pays and the other uses someone else's money to purchase quota, not to mention the market distortion caused by a subsidized revenue stream. The September 2016 NMFS study<sup>1</sup> on attitudes and preferences shows marginal awareness of the CATCH/RQE program even among charter operators and an unwillingness to pay unless the program is financed by someone other than the charter operators themselves (see Enclosure 1). In short, an RQE funded by charter anglers may be unpalatable to anglers and is strongly opposed by the commercial sector, and an RQE funded by charter operators appears to be strongly opposed by the majority of charter operators, which leaves no viable option.

Coalition members note that the analysis includes an unbalanced and only negative view by charter operators of the GAF program, but ignores information attached to these comments that capture the charter sector's opinion of the RQE concept. Support seems very thin, particularly when weighed against the documented impacts to commercial, subsistence and non-guided sectors.

**Impact on Halibut Stocks.** The environmental analysis identifies that shifting allocation from commercial to charter sectors will result in an increased harvest of small and sexually immature fish, but goes on to conclude that this action will have no environmental impacts. Given the current low levels of halibut biomass and the historically low size at age, the Halibut Coalition respectfully disagrees with this conclusion. Protecting immature fish from mortality is critical to rebuilding halibut stocks. Any management change that shifts additional mortality to this component of the stock should not be dismissed as insignificant.

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<sup>1</sup> LEW, D. K., D. PUTNAM, and D. M. LARSON. 2016. Attitudes and preferences toward Pacific halibut management alternatives in the saltwater sport fishing charter sector in Alaska: Results from a survey of charter halibut permit holders. U.S. Dep. Commer., NOAA Tech. Memo. NMFS-AFSC-326, 58 p. <http://www.afsc.noaa.gov/Publications/AFSC-TM/NOAA-TM-AFSC-326.pdf>

**Phase Out of Non-Transferable CHP.** The Coalition understands that some non-transferable CHP have been extinguished. A better understanding of the time line for the phase out of non-transferable permits will

better inform the public if there is even a need for an RQE. Section 4.4.2.1 (Page 52) needs to be expanded in this regard. The analysis needs to include information on use rates of regular CHP; some of this was included from the prior analysis but was dropped from this analysis.

**RQE Purchase of CHP.** Section 4.8.1.5, Page 150. During the April 2016 testimony was clear about authorizing the RQE to purchase CHP, even if Alternative 3 was deleted. The Council should authorize the RQE to purchase CHP as part of this action or adopt a trailing amendment. The RQE could purchase and hold CHP to better control the harvest and minimize the need for restrictive management measures. The Halibut Coalition strongly supports this action.

**RQE Board Composition.** Section 4.8.1.6, Page 167. From the Coalition's perspective, it seems strange that on one hand the analysis says the Council cannot seek reimbursement of lost Fishery Business/Landing taxes but on the other hand tasks ("...shall include ...") the State of Alaska with providing free advisory services from the Departments of Fish and Game and Revenue. We request consistency between these sections.

**Fish Taxes.** Section 4.8.1.5.3, Page 164. We understand that the Council cannot levy taxes, however, as a condition of approving the RQE the Council should require that the RQE reimburse the state of Alaska for lost Fishery Business/Landing Tax. In addition, the RQE should not be harming state general fund revenues. Using 2015 as an example, the 2C 10% and 3A 15% charter cap would result in a of \$317,512 loss to the State general fund.

**Commercial Fishing Economic Impacts (Page 190-191).** The Coalition recommends that the RQE analysis be expanded to include information on the prospective loss of first wholesale value for halibut in Areas 2C/3A. The *Economic Value of Alaska's Seafood Industry (McDowell/ASMI Dec 2015)* is a good starting point and McDowell should be able to provide a specific breakdown of halibut numbers. <http://www.alaskaseafood.org/industry/seafood-market-info/economic-value-reports/>  
In general, seafood economic value reports prepared by McDowell (2011 and 2013/14) and Northern Economics (2007, 2009) have a multiplier effect of 2.3 from ex-vessel to first wholesale value. Using the 2014 lost ex-vessel value (Tables 4.92 & 4.93) in Area 2C-10% and 3A-15%, the loss to processors would be \$23M.

In addition, the halibut values (for FTE, labor income, etc.) in Tables 4.94/95 for 2C/3A should be broken out so that the public can see the impact of the Council's action rather than describe a statewide number.

**Page 192. Tables 4.96 and 4.97 "Total Regional Harvest Values (Southeast/South Central, All Species) Compared to Lost Halibut Value.** These tables attempt to minimize the loss to the commercial sector, yet do not show a comparison of halibut in the charter sector. In 2013, in the ADFG Southeast region (Area 2C plus Yakutat), the charter sector harvested 63,459 halibut (11.8%) out of an all species harvest of 536,982 fish<sup>2</sup>. Increasing the number of halibut harvested by 10% would only increase the total charter "all species" harvest by 1.2%. The analysis should be amended to show how this plays out for charter "all species" harvest in both areas to provide a measure of balance to the analysis.

<sup>2</sup> ADFG Fisheries Data Series No. 14-23, Participation, Effort, and Harvest in the Sport Fish Business/Guide Licensing and Log Book Programs, 2013. <http://www.adfg.alaska.gov/FedAidPDFs/FDS14-23.pdf>

**IN CLOSING.** The Halibut Coalition strongly supports Alternative 1, no action. The Halibut Catch Sharing Plan was the result of 20 long years of controversy to stop the reallocation of halibut from the commercial to the charter sector and it has only been in place for three years. The CSP includes a market-based mechanism for transfer, which was intended to remove the reallocation battle from the Council arena—yet just three years later the Council is preparing to adopt another reallocation mechanism. The proposed reallocation has only negative consequences for historic halibut sectors, driving localized depletion near coastal communities, reducing resident subsistence and sport harvesting opportunities, raising QS costs in the commercial fisheries, reducing product available to commercial processors, distributors, retailers and, ultimately, reducing access for the millions of Americans who enjoy halibut available through grocery stores and restaurants. We believe the analysis fails to include critical information on the RQE funding mechanism and potential loss of fee and tax revenue. We believe charter anglers are not adequately informed of the costs they will be expected to pay, should the RQE be established, and that any potential benefits to clients are overstated and overshadowed by costs and impacts to other sectors. Should the Council forge ahead with this action, the Halibut Coalition requests in the strongest possible terms that cumulative limits be set on the amount of QS that can transfer from the commercial to the charter sector via GAF and/or RQE, and that those limits be no more than those identified as part of the CSP. We believe there is strong rationale provided by the analysis for reducing the Area 3A cumulative cap to 10%, since this limit provides adequate harvesting opportunities even at low levels. Finally, the Coalition requests that a measure of protection be provided to commercial entry level opportunities and costs by limiting the annual amount of QS the RQE can buy to .5%, and limiting the class and size of blocks available to the RQE for purchase.

Thank you for the opportunity to comments. Coalition members will attend and testify on this issue in December.

Additional minor comments and edits are included as Enclosure (2).

Thank you for the opportunity to comment.

Sincerely,



Thomas M Gemmell  
Executive Director

Enclosures

**Enclosure (1) Extract from study by: LEW, D. K., D. PUTNAM, and D. M. LARSON. 2016. Attitudes and preferences toward Pacific halibut management alternatives in the saltwater sport fishing charter sector in Alaska: Results from a survey of charter halibut permit holders. U.S. Dep. Commer., NOAA Tech. Memo. NMFS-AFSC-326, 58 p. <http://www.afsc.noaa.gov/Publications/AFSC-TM/NOAA-TM-AFSC-326.pdf>**

Table 28. -- How familiar are you, if at all, with the CATCH Project?

Not at all familiar (2C + 3A). 31.28%  
Somewhat familiar (2C + 3A). 27.57%

Table 29. -- If the CATCH Project were adopted, how supportive, if at all, would you be of funding the project with a CHP fee?

Not at all supportive (2C+3A). 76.96%

Table 30. -- If the CATCH Project were adopted, how supportive, if at all, would you be of funding it with a charter halibut tax?

Not at all supportive (2C+3A). 78.95%

Table 31. -- If the CATCH Project were adopted, how supportive, if at all, would you be of funding it with a halibut stamp?

Not at all supportive (2C+3A). 30.13%  
Extremely supportive (2C=3A). 36.4%

Table 32. -- Would you vote in favor of the CATCH Project if it required you to pay a CHP fee of \$[X] per angler endorsement you have each year?

No (2C+3A). 92.34%

Table 34. -- I would support the CATCH Project no matter what the fee was.

Strongly disagree (2C+3A). 71.12%

Table 35. -- If adopted, I believe the CATCH Project will be effective.

Strongly disagree (2C-3A). 46.96%.

Table 37. -- Charter businesses, like mine, should have to fund the CATCH Project (it is the industry's responsibility).

Strongly disagree (2C+3A). 67.53%

Table 38. -- Funding the CATCH Project is a responsibility that should be shared between charter businesses and anglers.

Strongly disagree (2C+3A). 43.29%

**Enclosure (2) Minor corrections**

Page 26. Change National Fisheries and Wildlife Foundation to National Fish and Wildlife Foundation.

Page 34. This sentence is no longer valid: Additionally, this document analyzes the retirement of latent Charter Halibut Permits (CHPs).

Page 88. When did the Council decide to expand the scope of the RQE to include purchase of sablefish quota share?

Page 146. Table 4-71 is for 2C and 4-74 is for 3A, yet the numbers in the tables are identical.

Page 165. Passenger for Hire fees. The Juneau example needs to be revisited. Most charter boats operating out of Juneau are not INSPECTED; halibut charter vessels in Southeast Alaska are limited to a maximum of six lines/passengers. Charter boats ("six packs") with 6 or fewer passengers are not inspected and are subject to a lower fee structure than inspected vessels which are licensed to carry more than 6 passengers. In addition many charter vessels are exempt from the passenger for hire fee if they are paying for a city boat stall, which many do.

[http://www.juneau.org/law/regulations/documents/2015-04-08\\_EFFECTIVE\\_05\\_CBJAC\\_20\\_Small\\_Boat\\_Harbor\\_Fees\\_and\\_Charges\\_Regulations.pdf](http://www.juneau.org/law/regulations/documents/2015-04-08_EFFECTIVE_05_CBJAC_20_Small_Boat_Harbor_Fees_and_Charges_Regulations.pdf)

Page 171, Footnote 44. The attitudes/preferences study was published in September 2016.

Page 198. "Brining the scope of net benefits"



NPFMC comments - NOAA Service Account &lt;npfmc.comments@noaa.gov&gt;

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## Recreational Quota Entity comment

2 messages

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Kent and Bev <bevandkent@hotmail.com>

Tue, Nov 29, 2016 at 3:23 PM

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

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

Re: Recreational Quota Entity (RQE)

Dear Chairman Hull,

I encourage you and other Council members to approve the creation of a Recreational Quota Entity (RQE) for recreational anglers. I understand that the halibut "pie" is only so big and must be shared. The RQE will allow recreational anglers to acquire and use a more equitable share of the resource.

I operated a fishing charter boat out of Sitka, Alaska, for 28 years and retired in 2013. I started chartering in the "good old days" of the 1980s. The daily bag limit was 2 halibut per person, of any sized halibut. Currently the recreational daily bag limit is only one halibut in a reverse slot size in southeast Alaska. I operated during the evolution of these regulations and without trying to open up old wounds, I will simply say that at this time the creation of an RQE is the most logical next step in recreational halibut management.

In 1986, my clients could catch 2 halibut of any size and 2 king salmon over 28 inches per day. Some refer to recreational fishing as sport fishing, but in the 28 years that I ran a charter boat business, I had less than 10 clients who wanted to sport fish, ie, catch and release. Almost everyone, whether local or nonresident, paid to go fishing for food, and have fun catching it. Recreational angling for halibut is the ultimate value added fishery, supporting the charter operator, crew, lodging, restaurants, retail stores, airlines, cabs, fuel docks, boat and engine building, boat repair shops, tackle stores, construction etc.

As the regulations evolved to be more complex, unpredictable, and restrictive, many of my clients began looking for, and found, alternatives to coming to Alaska. I found it harder to convince former clients and potential new clients to come to Sitka. My fishing business notably declined before I retired.

I see the RQE program as a positive, user conceived option that will benefit recreational anglers and the economies of charter friendly communities.

I strongly urge you to vote yes for the Recreational Quota Entity. Thank you for your time and attention.

Kent Hall

Oregon

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Kent and Bev <bevandkent@hotmail.com>  
To: "npfmc.comments@noaa.gov" <npfmc.comments@noaa.gov>

Tue, Nov 29, 2016 at 3:25 PM

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

Re: Recreational Quota Entity (RQE)

Dear Chairman Dan Hull,

I encourage the Council to pass the Recreational Quota Entity (RQE) into regulation. I owned a charter boat business in Southeast Alaska from 1986 to 2013, and I witnessed the charter boat industry's expansion and decline due in large part, to the Council's halibut management.

The Council has been struggling with trying to manage a sport fishery as a commercial fishery. The RQE will provide a remedy for this confusion. The RQE provides a market-based, willing seller and willing buyer tool by which commercial IFQ can be purchased to add to guided angler allocations. This will provide relief for the sport angler especially in times of low halibut abundance. Sport fishing, especially in Alaska, where so many variables are involved, is dependent upon predictability .

An RQE will serve to improve halibut management for the sport angler and the economy of the State. I hope the Council makes the correct decision and establishes a Recreational Quota Entity.

Thank you.

Bev Minn

Oregon

# HALIBUT ASSOCIATION OF NORTH AMERICA

**P.O. Box 872  
360-592-3116**

**DEMING, WA 98244  
CELL: 360-319-6208**

November 28, 2016

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

Re: C-3 Charter Halibut Recreational Quota Entity (RQE)

Dear Chairman Hull and Council Members,

The Halibut Association of North America stands with the quota holder groups and individuals throughout Alaska who recommend Alternative 1, status quo.

The Council approved the Catch Sharing Plan just three years ago. It was the outcome of massive efforts by Council members, Council staff, both commercial and charter industries and other agencies, most notably ADF&G and IPHC.

The CSP was to be the end of allocations between charter and directed fleets. It provided buffers for a growing charter industry but brought them shoulder to shoulder with the commercial fleet during times of low abundance or high abundance. It provided for annual transfers of commercial quota to the charter fleet based on a market-driven mechanism that was fair and predictable to both business sectors.

The proposal to create an RQE turns these good outcomes on their head. It introduces an opportunity for allocations to shift to the charter sector in alarming amounts, but with no plan for a market driven mechanism. This mechanism was designed to trigger ripple-effects on future entry into the directed fishery, stability of effort in both sectors, and the sustainability of Alaska's coastal communities, and residents' investment in Alaska's future.

HANA members, who are processors with large and small operations in Alaska, recognize the tremendous amount of work Council members and staff have dedicated to RQEs to date. But in the end, they are concerned about two things.

First, the relentless erosion of the availability of the resource. Additional halibut quota allocated to a new entity made up of charter operators translates, for my members, to halibut disappearing from restaurant menus and store shelves in more markets.

Worst of all, it's not due to a natural phenomenon, it's due to an allocation of the resources from consumers to individual charter boat operators. Rebuilding markets that have collapsed due to an unreliable supply is a difficult, long-term, expensive effort.

Second, the impact it will have on their investments in Alaska's coastal communities. As an economic driver, halibut accounts for less than two percent of the seafood landings in Alaska, but more than 18 percent of the value. Small reductions in pounds landed mean significant losses in profits to every processor in Alaska, and to those communities and the state they support.

We believe the RQE proposal, as presented, is incomplete. There is no discussion on how its purchases will be funded, leaving open the real possibility that quota shares will become over-valued and under-used.

We believe the proposal is antithetical to the Council's obligations to achieve optimal yield in the directed fishery (National Standard #1), take into account the importance of fishery resources to fishing communities (National Standard #8), and consider efficiency in the utilization of fishery resources (National Standard #5.)

If our argument is appreciated but not compelling, we urge you to mitigate damage to the commercial fishery by capping annual transfers in Area 3A to 7%, the amount needed for a second fish for charter customers, and to 10% in Area 2C. These amounts should be a part of the existing GAF limits, not in addition to. We also agree that the annual transfer rate in both regulatory areas should be limited to .5%.

We also believe any excess of quota that is held by an RQE should be returned to the commercial fleet.

Thank you for the opportunity to comment.

Sincerely,

\sPeggy Parker  
Executive Director



NPFMC comments - NOAA Service Account &lt;npfmc.comments@noaa.gov&gt;

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## Catch share plan

1 message

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Horizon West <hwest@teleport.com>  
To: npfmc.comments@noaa.gov

Sun, Nov 27, 2016 at 10:35 AM

My name is Bruce Gipple and I own Horizon west guides out of Sitka where we've been in business for 25 years and on the Kenia for 9 years before that.

The catch plan is the only plan that is workable for the charter industry. The lease option that is currently in place doesn't work for our industry and never will. When given the choice to "lease" another halibut of any size most people thought is was cheaper to buy it in the store and zero customers took advantage of it. Transferring quota at fair market price is the only way to someday bring our damaged fishery back to profitability.

Thank you for your consideration

Bruce Gipple

Sent from my iPhone

James C Hughes  
Astrolabe  
Sitka, Alaska

Nov 27, 2016 FV

Chairman Hull and members of the North Pacific Fisheries  
Management Council:

I submit these comments on Agenda Item C-3, the Recreational Quota Entity (RQE) program Final Action. I am a Sitka based troller that longlines halibut as well. I have worked in the commercial fishing industry since 1984 and operated my own vessel in Southeast Alaska since 1994. I am also a 20 years member of Seafood Producers Cooperative and sell all my fish through SPC. It is through this lens that I will make my comments as my entire life's investments are in my boat, permits and SPC equity requirements.

I purchased my first 1100 pound halibut quota share block in 1995 as I was not awarded any initially. Since then I have purchased more quota, in some cases utilizing bank loans. I have taken quota cuts and managed my business through them without using public money. Currently I have about 3600 pounds of 2C halibut, all of which is sold to SPC.

I am opposed to the RQE concept on the principal that those that operate the businesses that will gain the most from the program are not being asked to pay in to it. Further, the lodge owners and charter business owners have always demanded stability in a natural resource harvest venture that is by its nature subject to abundance fluctuations. Regardless of how the perceived stability is achieved for the charter sector, it comes at the expense of the longline sector, which serves the public every bit as much by providing halibut for consumers in the restaurants and grocery stores around the United States. The funding mechanism, taxing charter clients, and the management of these funds to benefit a group that is not paying into the pool of money will cause prices of halibut quota share to

increase well beyond the current high prices. Not only will entry into the 2C and 3A halibut fisheries become extremely difficult for entry-level fisherman in the commercial longline sector but I suspect the purchasing power of the RQE(s) will become limited as well. I suspect the tax on charter clients will have to be increased soon after implementation.

As an SPC member, I want younger members who own vessels or crew on longliners to be able to afford to purchase halibut quota share so that the halibut pools perform well. In Area 2C, the quota is finally starting to rise after years of cuts and I want to see the SPC halibut pools start to increase in size with the quota. This of course is my own business self interest. I want the halibut longline fishery and SPC halibut pools to be stable so that I can plan my business around that. I am not asking for public funding to do this.

Having stated my reasons for opposing RQEs, here are some suggestions that I support if an RQE program is to be eventually implemented.

1. Protect entry level blocks of quota from RQE purchase. Not just D class quota but small blocks of C and B class (<5000 lbs) as many entry level people work as crew on boats that are C and B class. This is how I got started. (Element 2 does not offer adequate options)
2. Limit the total percentage of combined GAF and RQE to 10% in 2C and 7% in 3A. (Element 2 does not appear to offer adequate options for 3A, I would support 2C at 10% Option 3A in part)
3. The GAF program, which does not utilize public funds should be expanded so that individual charter operators can qualify to purchase IFQs so that they can GAF them to themselves. This was suggested to the Council at the Dec 2015 meeting. (Did not find discussion of this concept in the review)

4. When abundance increases occur so that the charter sector is unable to harvest the entire RQE quota that has been accumulated, the unused portion should have a method of returning to the commercial longline sector such that the original proportions of B, C and D class quota are maintained. (Element 3, Option 1, sub option 2)
5. The RQE quota that is accumulated should pay it's own share of the RAM management tax and observer program tax to the Federal Government. (Element 4, Option 1)
6. The RQE quota that is accumulated should pay its own share of the Raw Fish Tax to the State of Alaska so that this revenue source is not lost to the State. (Element 4, Option 1)
7. The RQE funding mechanism and the management bodies of the money pools should be clearly defined so that the system is transparent. Who will sit on these boards that manage the RQE assets? What will be done to eliminate conflicts of interest? Will the RQE management bodies be non-profit organizations? Is that even possible? (Element 5 with options 1-4 deals with much of this)

Personally, I hope that the RQE program is not implemented at this time. I would prefer a self-GAFing program. A self-GAFing program would be funded by those folks that will derive the most economic benefit from a market based reallocation. That said, you have my suggestions; thank you very much for taking the time to read them.

Yours truly, Carter Hughes



NPFMC comments - NOAA Service Account &lt;npfmc.comments@noaa.gov&gt;

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**RQE**

1 message

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Steve Jangaard <sejd@me.com>  
To: npfmc.comments@noaa.gov

Mon, Nov 21, 2016 at 1:25 PM

Dear North Pacific Fisheries Management Council,

Attn: Dan Hall

I have been a Commercial Halibut Fisherman since 1972. I've lived through the ups and downs of the stocks. I had the history to receive initial quota. Since then, I've experienced quota reduction by the Charter Fleet. While their piece of the pie gets bigger, mine shrinks.

The Recreational Quota Entity program (RQE) seems like somewhat of a compromise. However, I have some major concerns:

- 1) The more quota the charter fleet is allowed to buy, the higher the quota share price will go.
- 2) Originally I supported the IFQ program because I felt that safety was a big problem. I also felt that new entrants would be able to buy into the program, especially after initial recipients aged, which has been happening. If the price for quota shares keeps going up new and existing entrants will not be able to buy them.
- 3) How many fish do the sport fisherman need per day? I buy 100 pounds (round) per year from myself and it's not cheap!
- 4) It seems like, to be fair, the charter industry should experience the same reductions that commercial fishermen are faced with when the overall quota is reduced.
- 5) I've heard rumors that the charter fleet thinks that they should get funding from the public to acquire their shares, how could that be?
- 6) Allowing the RQE or GAF to acquire more than 5% in either 2C or 3A would be a detriment to existing commercial fishermen that are trying to make a living, raise a family and pay their taxes.

Steve Jangaard  
5017 168th PL NW  
Stanwood WA 98292  
(425) 238-0477

**2016 Board of Directors**  
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C3 Public Comment  
December 2016  
**2016 Members at Large**  
Duane Cummings  
Chris White  
Richard Yamada  
Louis Juergens

**RQE Comment Letter Assistance**

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

November 13, 2016

Dear Chairman Hull,

We are the Juneau Charter Boat Operators Association. We represent 14 charter businesses and 3 lodges in the Juneau area. Most of our member businesses operate in Area 2C and we do also have one member with a lodge that operates in both 2C and 3A. We have the following concerns:

**Area 3A:**

- a. Annual limits have driven local Alaskans to use private boats for halibut fishing or to stop halibut fishing completely.
- b. Weekly closers have been disruptive to businesses, in terms of decreased revenue and vacation planning for clients.
- c. If there is a one fish per day bag limit, this will negatively impact the marketing of fishing packages to residents and non-residents.
- d. Reduced halibut fishing opportunities pushes angler effort toward other species with unintended negative consequences.

**Area 2C:**

- a. Every inch loss on the size of halibut being retained means more fish will be released. Every fish having to be released contributes negatively to an angler's fishing experience and increases released mortality that we must account for in our allocation.
- b. Communities that do not have access to abundant alternative fisheries such as salmon and rockfish have lost business, as clients will go elsewhere to fish.
- c. Reduced halibut fishing opportunities pushes angler effort toward other species with unintended negative consequences.

The RQE (Recreational Quota Entity) will provide a market based, willing seller and willing buyer, mechanism in which commercial IFQ can be purchased to supplement guided angler allocations thereby lessening the severity of harvest measures during times of low abundance. We firmly believe the RQE program will slowly relieve the impacts of the problems stated above and help to maintain a vibrant and sustainable halibut fishery.

We would like to thank you and all the members of the Council for all your hard work in this effort and we strongly encourage the passage of the RQE into regulation.

Regards,

Capt. J. Kevin Burchfield  
President  
JCBOA



NPFMC comments - NOAA Service Account &lt;npfmc.comments@noaa.gov&gt;

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## RQE Letter from Charter Captain Wesley Jones

1 message

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Wesley Jones <wesleydotjones@gmail.com>  
To: npfmc.comments@noaa.gov

Tue, Nov 29, 2016 at 10:09 AM

Hi Chairman Hull and Thank You,

My name is Wesley Jones, I am 27. I fished my first season as a captain this year in Homer, AK. It was an awesome year for me and all the clients from around the world. Both me and my charter owners have big dreams of contributing to the continuation of Alaska being a fun and epic destination for adventure and fishing. We want to keep the Alaskan fishing community strong and we need your help.

I am writing today in support of the proposed RQE program and in response to the recently released program document. I support having a single quota entity with two quota pools. I think that a 5% annual transfer limit and a 15% cumulative limit of all commercial quota shares would be best for our business and local community. I know that most new fishermen enter on C class vessels, so restricting D class vessels is unnecessary, but blocks of 1500lbs or less should be protected. Unallocated RQE IFQs should not be left in the water, but issued back to all shareholders proportionately. Finally, there are latent CHPs which the RQE should be able to purchase over time.

An RQE is the best option for guided sportsfishing and the Alaska economy. For my clients, the size of the fish they can catch is important in making their booking decisions. The less restrictive our fishing conditions, the more happy customers we have frequenting our community. As a business owner, I cannot afford to take time every year to reassess whether I can lease more IFQs to ensure my clients have a good time. This is a great, voluntary way to use quota shares.

Living the Dream,

Wesley Jones  
(907) 299-7155

Ospreys Swoop!



## My Turn: Opposition to the proposed halibut RQE program (C3)

1 message

Halibut Coalition <halibutcoalition@gmail.com>  
Bcc: npfmc.comments@noaa.gov

Tue, Nov 29, 2016 at 8:57 AM

# My Turn: Opposition to the proposed halibut RQE program

Posted: November 29, 2016 - 12:00am

By [JUDY BRAKEL](#) and [HEIDI HERTER DAVIS](#)  
FOR THE JUNEAU EMPIRE

The Dec. 7-9 meeting of the North Pacific Fishery Management Council (NPFMC) will decide the final action for the proposed Recreational Quota Entity (RQE) for guided halibut sport fishing operators. The program has been under discussion since 2014.

If established, the RQE would purchase and hold commercial quota (IFQs) for the charter fleet. Commercial fishermen are currently allocated 81.7 percent of the halibut to be fished in a given year and the guided sport fishery is allocated 18.3 percent. The RQE would shift halibut into the guided sport fishery.

We oppose the RQE program for the following reasons:

- Increased risk for local area halibut depletions. Halibut fisheries are managed on the basis of broad areas with Southeast Alaska is a single management unit. The system is unable to protect local areas from overharvest. Guided sport fishing is concentrated near certain coastal communities including Juneau, Angoon, Sitka, Gustavus and Elfin Cove. Since 98 percent of charter clients in our region are from out of state, increased guided sport fishing pressure would reduce halibut available as a local food to these communities.
- Increased guided sport fishing pressure would not be evenly distributed. Acceptance of the RQE proposal would result in a 45 percent increase in the pounds of halibut harvested by guided sport fishermen in Southeast Alaska and a 10 percent decrease in pounds harvested by commercial fishermen. An increase in guided sport fishing would mean further impacts on halibut in waters where charter fishing is already prevalent.
- Increased pressure on large female fish and, therefore, broodstock. Guided sport fishermen often target large "trophy" fish, including fish larger than 50", which are all females. Since the largest females produce the most eggs, acceptance of the RQE would decrease broodstock.
- More relaxed size regulations for guided fishermen. Regulations currently allow guided sport fishermen in Southeast Alaska to take one fish of either 43" and smaller or 80" and larger per person per day. Under the 2014 Catch Sharing Plan, size limitations are determined based on the charter sector's allocation. Since the RQE would increase the pounds of halibut allocated to guided sport fishermen, their size limitations would relax slightly in future years.
- Funding for the RQE program is yet to be established. RQE funding is not proposed to come by direct purchase of the IFQ by charter captains, but instead from a state halibut stamp or other public money. A funding source is yet to be determined.

Few Southeast Alaska residents seem aware of this proposal even though it appears on the NPFMC website and has been under consideration for two years. Public comments must be submitted to the council by 5 p.m. today. Submit comments to [npfmc.comment@noaa.gov](mailto:npfmc.comment@noaa.gov) in reference to agenda item 3C. For more information, visit Alaska Halibut Forever on Facebook or at [akhalibutforever.wordpress.com](http://akhalibutforever.wordpress.com).

• Judy Brakel worked as an analyst for the Alaska Commercial Fisheries Entry Commission. Heidi Herter Davis has a Master of Science degree in fisheries. Both are founding members of the community group "Alaska Halibut Forever," established by people who live on the coast, fish for their food and seek to protect Alaska's coastal communities from local area halibut depletions.



NPFMC comments - NOAA Service Account &lt;npfmc.comments@noaa.gov&gt;

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## RQE Comments

1 message

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Greg Kain <greg.kain@me.com>  
To: npfmc.comments@noaa.gov

Tue, Nov 29, 2016 at 8:34 AM

Chairman Dan Hull  
North Pacific Fishery Management Council  
605 West 4th, Suite 306  
Anchorage, AK 99501

Re: RQE

Chairman Hull,

My name is Greg Kain and I own a sport fishing lodge in Sitka, Alaska. I have been in business for 20 years and employ 13 people. Each summer we have 300-400 clients flying into Sitka to go fishing and fishing for Halibut is a big interest to these anglers.

Each summer our clients stay at local hotels, eat/drink at many different restaurants and bars. They use local taxis, take tours by land, boat and air. Clients purchase groceries, liquor and souvenirs.

As a business owner I spend thousands of dollars locally each season to operate. We purchase groceries, fuel, fishing tackle, boat supplies, lumber, etc. We pay local taxes such as bed, sales, property, fish box, etc. Our clients purchase fishing licenses and King Salmon tags and our employees.

The success of my business and the amount of dollars spent locally including taxes paid to the city each season is directly related to having Halibut to catch. Recent regulation changes in Halibut fishing have reduced the number of clients interested in coming to Alaska and fish for Halibut. The use of GAF is unaffordable to most people and is of little help to people in the sport fishing charter business.

Over the last 10 years the development of the Recreational Quota Entity program have developed into a well thought out plan to keep the guided sport fishing businesses viable into the future. Using a fare system to purchase IFQ from the commercial fishing community and in return be able to use those purchases for increased opportunities for the guided anglers.

Benefits include:

- ~ Avoids the need to return to the council and ask for uncompensated allocation
- ~ Market-based solution for willing buyer (RQE)/ willing seller (IFQ holders)
- ~ Help businesses who want to bring more clients to Alaska to fish for Halibut
- ~ Greatly helps local businesses in Alaska communities who depend on tourist traffic
- ~ Sound approach to drastic cuts under the CSP and even more restrictive regulations in the future

Moving forward with RQE in a viable way that works for good of the industry. Approving a program with restrictive road blocks only muddies the water to a clear and productive direction. Organizational structure from the council is appreciated, it is the board itself that should determine the many elements beyond the requirements of Alaska law.

Please approve the Recreational Entity Program.

Thank you,

Greg Kain



NPFMC comments - NOAA Service Account &lt;npfmc.comments@noaa.gov&gt;

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## RQE and sports fishermen

1 message

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James Kearns <jim@fairweatheradventures.com>  
To: npfmc.comments@noaa.gov

Mon, Nov 28, 2016 at 10:00 PM

Chairman Dan Hull  
North Pacific Fishery Management Council  
605 W. 4th Ave, Suite 306 Anchorage, AK 99501-2252

Dear Chairman Hull,

My name is James Kearns and I have been a charter boat captain in SE Alaska(Icy Straits, Cross Sound, Glacier Bay, and adjacent near coastal areas) since 1971. I live in Gustavus, Alaska and I take people on charter boat adventures that include sport fishing and sightseeing. I actually have no trouble with current regulations because I am glad to support good management of our halibut resource. That is because I believe that sport fishing is just that---SPORT fishing. It is not at all related to commercial use of the halibut resource.

The only problem I have is that un-guided sports fishermen have a different regulation that does not seem consistent with halibut abundance. Additionally, the only reason that people who sportfish on my boat have different regs is because they are with me. That is not right!!!

Therefore, I am opposed to the RQE because it is a bandaid on a broken system.

Sports fishermen should not be included in a catch sharing plan with commercial fishermen. Whether guided or self-guided(unguided), sports fishermen should have a separate allocation of the TAC from that of commercial fishermen. And that separate allocation of the TAC should then be managed for all sports fishermen and not just the guided anglers. It should be managed so that all sports fishermen have the same regulations to stay within the sports fishing allocation.

That sports fishing allocation should also be sensitive to local area depletions, as should the commercial allocation. And obviously, that issue needs local data to support or refute a local depletion. I mean scientific data, not just anecdotal evidence.

So I would encourage you folks on the council to simplify this whole mess by supporting a separate allocation for all sports fishing(guided or not) as well as a distinct and separate allocation for commercial fishermen.

This comment is not focused on returning the regulations for sport fishing to the former 2 fish any size, rather it is encouraging you folks as well as the IPHC people to regulate all sports fishermen the same way while keeping their harvest within a true sports fishing only allocation.

This certainly addresses the fairly recent boom in unguided sports fishing which is basically unaccountable for the number of halibut harvested, considering the 2 halibut any size regulation. That is why all sports fishermen should be under a separate allocation from that allocated to commercial fishermen. And the sport fishing regulations should be set to keep the sport fishing harvests within their allocation.

As you can see, this really takes away any conflict between charter boat operators/guides and commercial fishermen. Charter boat operators are not commercial fishermen, they are commercial boat operators who carry passengers for hire, many of who are sports fishermen. And they too are in a limited entry program based on a limited # of charter halibut permits which allow them to carry sports fishermen for hire who can fish for and harvest halibut. It is similar to the limited entry program of the commercial sector called IFQ's which allows the commercial fisherman to harvest halibut to sell.

So, again, I encourage you to forget the RQE, get rid of GAF, abolish the CSP and recommend that we make a sports fishing only allocation of the TAC that would make sure all sports fishermen are treated the same and that they are all accountable to their allocation or the resource with adequate regulations.

Thank-you for your work on the council and your consideration of my comments.

Sincerely,  
James S Kearns



NPFMC comments - NOAA Service Account &lt;npfmc.comments@noaa.gov&gt;

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## 3C Charter Halibut RQE

1 message

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Matt Kopec <matt@fishwhittier.com>

Tue, Nov 29, 2016 at 5:14 PM

Reply-To: Matt Kopec <matt@fishwhittier.com>

To: NPFMC Comments - NOAA Service Account <npfmc.comments@noaa.gov>

Chairman Hull,

As a full time charter operator since 1998 and as a member of the Charter Halibut Implementation Committee, I'd like to convey my support for a workable RQE program.

The charter industry has taken deep cuts over the past few years and even now, our future is uncertain. Without a viable long term solution we cannot rest easy. The RQE seems to be the best option to satisfy the industry's need for a long term, sustainable, and predictable future.

Please consider putting forward and fast tracking a robust RQE program.

Thank you for your time.

Matt Kopec



November 29, 2016

Chairman Dan Hull  
North Pacific Fishery Management Council  
605 West 4th, Suite 306  
Anchorage, Alaska 99501  
[npfmc.comments@noaa.gov](mailto:npfmc.comments@noaa.gov)

Re: RQE - Agenda Item C3

Dear Chairman Hull,

Kenai River Sportfishing Association (KRSA) is a 501(c) 3 charitable non-profit dedicated to fishery conservation on the Kenai River and in Alaska. Our programs focus on habitat conservation, fisheries management, research and education. In addition, we are also the voice of many recreational anglers in the Southcentral regions.

KRSA supports the Recreational Quota Entity (RQE) and urge its adoption by the Council provided that it is fully functional and efficient. As a proponent of open access for Alaska residents as well as our outside guests, we would encourage you to adopt the RQE as a solution to address the current situation that hampers our residents' ability to put food on their table and local charter captain's ability to book the clients necessary to sustain their businesses.

Under current regulations that restrict angler access and opportunity to charter halibut, Southcentral Alaska residents are questioning the value of coming to the Kenai Peninsula to fish for halibut. This not only affects the guides but also the communities in which they reside. We believe the RQE market based solution, over time, will allow more liberalized regulations that will provide charter anglers more fishing opportunities without harming the commercial fleet that is also an important of our Kenai Peninsula communities.

We believe that the proposed RQE program will also head off an otherwise looming allocation fight over this issue, which could eventually push the sportfishing industry to seek an uncompensated allocation. Under this program it is the recreational sector's responsibility to ensure success.

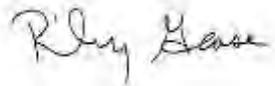
With this in mind we support:

- One Recreational Quota Entity to serve both 3A and 2C quota pools, which will make allow for a more efficient process both administratively and for funding purposes.

- Prefer an annual transfer limit up to 5 percent and not less than 1 percent, to ensure its effectiveness – transfer rates less than 1 percent will be unproductive.
- Total transfer limit of 15 percent provides the best opportunity over time.
- A total transfer limit should not consider any amount available for GAF leasing, as that program does not meet the same needs as a RQE.
- IFQ restrictions: D class and blocks of 1500lbs or less can be protected to retain cost effective entry to the commercial fishery.
- Unallocated RQE quota should not be left in the water, rather it can be issued back to COEs and small boat operators to retain cost effective entry to the commercial fishery.
- Allow the RQE board itself to determine elements of its organizational structure beyond Alaska statutory requirements, as is the standard practice for non-profits.

Thank you for your consideration on this matter and for the countless hours the Council has spent on this very important issue.

Respectfully,



Ricky Gease  
Executive Director  
Kenai River Sportfishing Association

[Dedicated to preserving the greatest sportfishing river in the world, the Kenai.](#)

[PO Box 1228 • 224 Kenai Ave., Suite 102 • Soldotna, Alaska 99669](#)  
[Phone: \(907\) 262-8588 • Fax: \(907\) 262-8582 • \[www.kenairiversportfishing.com\]\(http://www.kenairiversportfishing.com\) • E-mail: \[info@kenairiversportfishing.com\]\(mailto:info@kenairiversportfishing.com\)](#)

I write to express my opposition to the proposed RQE scheme. Like many Gustavus residents, halibut is an important part of our diet and I am having to work harder every year to put up enough for the winter. When I am out fishing, I do not see commercial halibut vessels, but I do see plenty of charter and self-guided boats. It seems pretty clear to me that transferring quota from the commercial to the charter fleet can only make a declining situation worse. Since the Council does not operate with a lens small enough to address or prevent local depletions, why adopt a formula which is going to make it more likely? All sectors of the halibut fishery need to feel the bite during periods of low abundance. The GAF was put in place for transfer between sectors and should be sufficient.

### A Report on Self Guided Outfitters

In the midst of our concerns about local depletion, it is discomfiting to see the Council planning to increase charter harvests while turning a blind eye towards the unconstrained growth of self-guided fishing operators, which we see blossoming around us. When the Council took up the “sport fishing guide service” definition in 2013, pp. 15-17 of the respective Initial Regulatory Impact Review used catch data reported in logbooks to try and infer the number of self guided operations. It concluded that the numbers were inconsequential. To whatever extent that was true, (some Gustavus people vehemently disagreed with that assessment) it is certainly no longer the case. As one local operator told our Mayor, self-guided fishing is the “hot new thing”. Spurred by what we are seeing in our area, I took a more direct route and did some basic internet research to gauge the number of self guided operations in Alaska. Since many of them don’t show up on a Google search, a non-exhaustive list follows, including website links and the number of self guided boats they offer if that information is available:

#### EXCURSION INLET

Doc Warners Exclusively self-guided. <http://docwarners.com/blog/self-guided-fishing-help/>

#### ANGOON

Whaler’s Cove 8 boats available. [http://www.whalerscovelodge.com/Self-Guided-Fishing\\_W4303.cfm](http://www.whalerscovelodge.com/Self-Guided-Fishing_W4303.cfm)

#### ELFIN COVE

Water’s Edge Exclusively self-guided; 13 boats available. <http://www.watersedgealaska.com/>

South Passage Outfitters (at Gull Cove east of Elfin Cove)

<http://www.southpassageoutfittersllc.com/About.asp>

#### GUSTAVUS

True North Sportfishing <http://gustavusalaskafishing.com/index.html>

Alaskan Anglers Inn <https://alaskananglersinn.com/>

Taylor Charters <http://taylorchartersfishing.com/>

#### KETCHIKAN

Alaska Fishing Adventures 1 self-guided boat. <http://www.alaskanfishingadventures.com/home>

Explore Alaska Charters; exclusively self-guided. <http://www.exporealaskacharters.com/node/5/>

Silverking <http://www.silverkingalaska.com/alaska-fishing-vacation-rates/>

Clover Pass Resort and RV park. <http://www.cloverpassresort.com/>

Chinook Shores Lodge 6 self guided boats,  
<http://chinookshores.com/facilities/self-guided-boats/>

Sea Otter Sound Lodge <http://www.seaottersoundlodge.com/>

Naha Bay <http://www.nahabayoutdooradventures.com/>

#### WRANGELL

Rocky Point Resort <http://rockypointresortak.com/map>

#### PETERSBURG

Island Point Lodge. Primarily self guided, at least 8 boats available.  
<http://www.islandpointlodge.com/rooms-rates/>

Green Rocks Wilderness Lodge <http://www.greenrockslodge.com/packages.html>

#### PRINCE OF WALES ISLAND

#### KLAWOCK

Alaska's Log Cabin Resort and RV Park <http://www.logcabinresortandrvpark.com/charterunguided.html>

#### COFFMAN COVE

Coffman Cove Bears Den Exclusively self-guided. <http://www.coffmancovesbearsden.com/>

#### WHALE PASS

Alaska Fish Tales Lodge <http://www.alaskafishtaleslodge.com/index-5.html>

#### PORT PROTECTION

Port Protection Adventures <http://www.greatfishingtrips.com/guidearticles.asp?AID=133>

#### POINT BAKER

The Outpost <http://pointbaker.com/outpost.html>

Calder Mountain Lodge <http://www.caldermountainlodge.com/rates-info/>

#### SITKA

Fish Baranof Advertises self guided as a way to get around the LAMP closure in Sitka Sound.  
<http://www.fishbaranof.com/sitka-alaska-self-guided-fishing.php>

#### PRINCE WILLIAM SOUND

Alaska Wilderness Outfitting Company <http://alaskawilderness.com/>

Ravencroft 4 self guided boats. <http://www.ravencroftlodge.com/location.html>

#### HOMER

Homer Boat Rental They just rents boats, don't do all the catering. <http://www.homerboatrentals.com/>

Stellar Air They fly people to fishing spots, again without the catering.  
<http://stellerair.com/services/unguided-trips/>

Data or not, the cumulative effect of this many operations is clearly significant. The best quantitative picture I can find comes from Doc Warner's lodge in Excursion Inlet—a self-guided only lodge—whose website chronicles most or all of its guests, and until 2014, their catch rates as well. In 2014, the lodge had 105 parties with at least 293 clients who caught 1113 halibut. In 2015, there were 205 parties with at least 593 fisherfolk, and in 2016, 189 parties with at least 569 people. Extrapolating the 2014 catch data to estimate succeeding year harvest yields 2253 halibut in 2015 and 2162 halibut in 2016. In the last two years, lodge clientele have considerably outnumbered the roughly 400 permanent residents of Gustavus. Disquietingly, those clients have increasingly been seen fishing Gustavus residents' traditional spots around Pleasant Island, where we are finding it ever more difficult to put up enough halibut for the winter. Everyone who fishes those waters is observing a marked decline in halibut abundance. Many of us don't have the larger boats which would enable us to travel farther afield in search of new fishing grounds.

Another indicator of the scale of the self guided fishing effort may be represented in the ADF&G charts and graphs depicted on pp. 217-18 of the Public Review Draft. That data shows non-charter harvests overtaking and exceeding charter harvests in Area 2C after 2011. Why would that be? With the population of Southeast Alaska stable during that time frame, one can posit that resident sport fishing has remained relatively constant. A substantial jump in nonresident self-guided fishermen could well be a significant component of the observed increase. That the same trend has not materialized in Area 3A, where the self-guided fleet is much smaller, buttresses this hypothesis. Doesn't something of this potential magnitude warrant Council attention?

Needless to say, Gustavus residents are not keen on becoming a casualty of this “hot new loophole”, and urge the Council to take immediate steps to rein it in. An approach that strikes me as simple and logical is to make guided and non-guided clients of lodges/guiding operations subject to the same harvest limits. The distinction between the two classes of fisherman is really quite artificial. They usually both stay on the same grounds and eat the same meals. In one instance a guide takes the client to fish and in the other they tell them exactly where to go—often using premarked spots on GPS units—and how to fish. Most lodges bend over backwards to make sure that their self guided clients are safe, catered to and on fish. As one of many examples, from the Whaler's Cove website:

“Upon arrival at the lodge, key staff members will assist in showing you to your assigned boat, take you through the operation and emergency procedures, talk over the array of tackle and aid in rigging your rods with what the fish are currently hitting on. The "Fish-Master" will also direct you to the current areas where the guides are fishing. As mentioned above, there is a radio onboard your vessel which you can use to contact the "Fish-Master", lodge or guide boats to assist you if you need any help trying to locate and catch or land a monster, which happens a lot at our lodge. Self-guided anglers will receive plenty of assistance from the dock crew and guides to make your fishing safe and productive.”

Other lodges encourage people to go out with guides for a day or two to learn all the ropes and places to fish before turning to the self-guided option.

The Council instituted charter halibut limited entry permits to place a cap on the swiftly expanding number of charter operators. The self-guided loophole is being aggressively used, not uncommonly by those very same operators, to circumvent those limits as well as the charter bag and size limits. The

Council is faced with a rapidly expanding sector with no defined allocation. It is reminiscent of the period back in the 1980's and 90's when transporter businesses were flooding hunting grounds with too many people and ADF&G and the Board of Game were forced to step in and impose some order. The time is nigh for the Council to take action!

#### Economic Benefits Overstated

On a different note, page 189 of the Public Review Draft goes through the standard recitation of ancillary economic benefits that charter operations bring to communities where they operate. While this is all well and good, it cheerfully ignores what is probably a stronger countervailing trend to the dispersal of economic benefits. It is standard operating procedure for most guiding outfits to maximize their income by building lodges where they can house, feed and entertain their clients—in part to attract them and in part to keep their cash from “leaking” to the surrounding community. Certainly in Gustavus where I live the economic multiplier seems quite small. On top of that, the overwhelming preponderance of guides and their assistants come from the Lower 48. It seems that most of those charter and self-guided fishing dollars leave rather than bounce around the community. A fairer analysis would acknowledge this issue.

Thank you for the opportunity to comment,

Larry Landry  
Box 151  
Gustavus  
697-2244.



December 1, 2016

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

Re: Recreational Quota Entity (RQE)

Dear Chairman Hull,

My name is Jim Lavrakas and I own and operate Skookum Charters, LLC in Homer. I've been chartering in Homer for 6 years and I work exclusively for a lodge on the south side of Kachemak Bay.

The main problem that I've had with the current halibut rules is that the closure on Wednesday effectively cuts my income by about 20% because I do not fish every day of the week for the lodge. Over the summer, this can add up to nearly \$10,000.

The GAF option is ridiculous, in my opinion, because it is unworkable, and insulting that my clients would have to pay even more to fish for what is a public resource.

I am heartily in favor of the RQE (Recreational Quota Entity) proposal, as it will provide a market-based willing seller and willing buyer. If it can be paid for with a stamp that customers buy, it will be a painless option for providing clients the opportunity to catch, and take home, more fish.

It will, without a doubt, improve the economy here in Homer, so I urge you to pass the RQE into regulation. Thank you and the Council for your work on this issue.

Sincerely,

Handwritten signature of Jim Lavrakas.

Jim Lavrakas

Lost in Alaska Adventures, LLC  
Capt. Kevin Burchfield  
1016 Edwin Place  
Juneau, AK 99801  
907-321-1405 (Phone or text)  
www.lostinalaskaadventures.com  
lostinalaska@gci.net



**RQE Comment Letter Assistance**

Chairman Dan Hull

North Pacific Fishery Management Council

605 W. 4th Avenue, Suite 306

Anchorage, AK 99501-2252

November 13, 2016

Dear Chairman Hull,

I am the owner/operator of Lost in Alaska Adventures in Juneau, AK. I operate a small charter fishing and whale watching business in Area 2C. I have the following concerns:

Area 2C:

- a. Every inch loss on the size of halibut being retained means more fish will be released. Every fish having to be released contributes negatively to an angler's fishing experience and increases released mortality that we must account for in our allocation.
- b. Communities that do not have access to abundant alternative fisheries such as salmon and rockfish have lost business, as clients will go elsewhere to fish.
- c. Reduced halibut fishing opportunities pushes angler effort toward other species with unintended negative consequences.

The RQE (Recreational Quota Entity) will provide a market based, willing seller and willing buyer, mechanism in which commercial IFQ can be purchased to supplement guided angler allocations thereby lessening the severity of harvest measures during times of low abundance. I firmly believe the RQE program will slowly relieve the impacts of the problems stated above and help to maintain a vibrant and sustainable halibut fishery.

I would like to thank you and all the members of the Council for all your hard work in this effort and strongly encourage the passage of the RQE into regulation.

Best Fishes!

A handwritten signature in black ink, appearing to read "J. Burchfield", is written over a white background.

Capt. J. Kevin Burchfield

Owner

Lost in Alaska Adventures



NPFMC comments - NOAA Service Account &lt;npfmc.comments@noaa.gov&gt;

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**.recreational Quotas**

1 message

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Robert Maresco <rlmaresco3200@gmail.com>  
To: npfmc.comments@noaa.gov

Thu, Nov 24, 2016 at 11:48 AM

I am a devoted fisherman never take more than I can use I've always wanted to come to Alaska Fishing I also love to eat fish but the main problem for a trip to Alaska is the total cost my bottom line is the quotes to come and fish there charter a boat for 3 or 4 days and am only allowed 1 halibut a day 4 for season is no worth the expense I know there are other species for most this is a trip of a lifetime. Commercial fisherman need to make money I understand but the greater income comes from recreational fishermen especially for charter boats there must be a way to make everyone happy foreign boats come here they have no quotas this has to be stopped thanks for the work you do. Bob Maresco



NPFMC comments - NOAA Service Account &lt;npfmc.comments@noaa.gov&gt;

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**RQE Support**

1 message

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Ben and Katie Martin <fishfringebenefit@gmail.com>  
To: npfmc.comments@noaa.gov

Tue, Nov 29, 2016 at 4:30 PM

Dear Chairman Hull

My Name is Ben Martin and I am the owner and operator of Fringe Benefit Charters in Homer AK, I fish exclusively in area 3A. I am a second-generation Charter fisherman. My parents started North Country Halibut Charters in 1979 and I grew up working for them. I started as a deckhand and worked up to Captain I started running a charter boat for them in 2007 and I purchased a Charter Halibut Permit in 2011. I recently purchased my boat from North Country Charters. I am heavily invested in this industry. The Charter fishing industry in Alaska is an important economic engine. We bring thousands of tourists here every year. Each of these people create huge tax revenue for the state of Alaska and they spend their money at local businesses in local communities. They spend money on lodging, at restaurants, they spread their money all around communities through other activities. But one major thing that brings them to Alaska is the fishing. Each year that we lose fishing opportunity do to regulation, we lose clientele and tourists. That equals less money getting spent in Alaska communities.

In times of low abundance, guided anglers need protection from overly restrictive regulations that threaten to increase the gap between unguided and guided angler regulations. An RQE would provide market-based, compensated means to transfer allocation between sectors to achieve this goal. An RQE would create an opportunity for local Alaskan fishermen to purchase allocation from IFQ holders to keep us halibut fishing and bringing revenue in for the state. I think this is a positive way to deal with the damage done to the charter industry from the implementation of the CSP. I am in full support of an RQE program with the least restrictions possible so as to allow the RQE to purchase and support the Charter Community so as to sustain a long term regulated industry.

Thank you for your careful consideration

Capt. Ben Martin

Fringe Benefit Charters

Homer Charter Association

Chairman Dan Hull North Pacific Fishery Management Council  
605 West 4th, Suite 306 Anchorage, Alaska 99501  
npfmc.comments@noaa.gov

Re: RQE

Chairman Hull,

My name is Chad Matthews and I am a charter boat operator based out of Homer. In 2016, we ran four vessels employing 4 captains and 4 deckhands but struggled to keep all boats busy enough resulting with 2 of the captains not working enough to make ends meet. In addition, our fish processing business was a financial loss due to processing being based on the pound. Without enough poundage coming in, we could not cover staff cost and our freezer maintenance. These costs added to the \$1,600 a month power bill to keep the freezer running to process that fish and house bait. The decision has been made to not process fish next year. This was a large part of our income in years past as well as 5 fish processors will lose their jobs. I get a large part of my business traveling to sportsmens shows in the lower 48 however my trips to the shows this year were met with unhappy anglers that said the trip wasn't worth the investment anymore with only being allowed one good sized fish on each trip. My family also has two mortgages on vacation cabins that I package deals with for the anglers. This was also in decline as my clients that normally stay for a week were either not booking or fishing far less due to Halibut regulations. Affordability of package deals to spread out Halibut fishing were lacking compared to years' past. In talking with past clients at the shows, there was almost animosity that their

annual fishing trips had been taken away in their eyes. They don't understand how the industry appears to support commercial fishing over sport fishing which has such a smaller impact and feeds the mouths of those who fish; as it was intended. Because of weather, regulations and time allowable on the water for anglers, I believe the effect of sending home disappointed anglers with so little fish will start a snowball effect over time of anglers realizing how much they invested and how much they got out of it at the end of the day. This can lead to a major decline in tourism and will be hard to undo. In 2017, we will be dropping down to 3 vessels and have already put a boat and permit for sale. I will return to being an operator which mean two captains have lost their jobs. The local economies here are dependent upon anglers arriving in the summer to survive the winter.

I believe approval of the RQE program with minimal oversight and based on the market and agreeable parties is the only way to save our industry. Our town of Homer is deemed the Halibut Capital of the World and is as angler-tourist-based as a town can be. Our anglers often visit Homer with large family in tow; of which not all are fishing while here. Our town is dependent on the entire family including those that are out infusing our economy by way of visiting the shops, galleries, ecotourist-based businesses and restaurants. Generous allowances to sport fishing is vital to many of Alaska's water front communities. Seward, Homer, Kenai, Whittier are all struggling with state budget cuts and increasing tourism is a necessary offset to the fiscal crisis impacting our state.

Sincerely,

Chad Matthews

O'Fish'ial Charters

907-299-6991



NPFMC comments - NOAA Service Account &lt;npfmc.comments@noaa.gov&gt;

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**RQE**

1 message

ericlehm &lt;ericlehm@gmail.com&gt;

Tue, Nov 29, 2016 at 2:46 PM

To: "npfmc.comments@noaa.gov" &lt;npfmc.comments@noaa.gov&gt;

Chairman Dan Hull  
North Pacific Fishery Management Council  
605 West 4th, Suite 306  
Anchorage, Alaska 99501  
[npfmc.comments@noaa.gov](mailto:npfmc.comments@noaa.gov)

Re: RQE  
Chairman Hull,  
1

st Paragraph:

Hello my name is Eric lehm I live in Homer Alaska. I am the owner and operator of Maverick charters I have on the business now for 2 years before that I worked for several of their Charter companies for the past 10 years all out of Homer Alaska my business takes roughly 500 clients per year fishing. His clients also stay at local B & B's eat at local restaurants and shop at local stores these clients are a huge part of Homer's economy. My business employees what other captain and a deckhand we spend thousands of dollars and tackle from our local stores and thousands of dollars and bait from our local bait and tackle stores the regulations have shown a shift in our clientele I get very few repeat customers from years past mostly due to the restrictive halibut regulations my charter fishing for halibut every day that it is possible. Many clients Express that they will not returned to Homer if the Halibut limits go down to one halibut per person some of decided not to come back due to the for annual limit that was imposed last year. Yet others have decided to do self guided fishing trips by renting boats from local companies. The RQE is looking to stabilize the Halibut regulations so we do not have such wild fluctuations year to year and what are limits would be this would give us a reliable predictor to inform our clients of what to expect for next year. Setting the rqs capacity for buying quota at less than 1% would make the arcuate ineffective and take much longer to stabilize Fishery.

Sincerely appreciate you taking the time to hear what I have to say.

Eric Lehm  
Maverick Charters  
[Eric@maverickcharters.com](mailto:Eric@maverickcharters.com)  
3025939523

Sent from my Verizon, Samsung Galaxy smartphone

November 29, 2016

Chairman Dan Hull  
North Pacific Fishery Management Council  
605 West 4<sup>th</sup>, Suite 306  
Anchorage AK 99501

Submitted by email: [npfmc.comments@noaa.gov](mailto:npfmc.comments@noaa.gov)

Chairman Hull,

Compared with lodge owners and most other outfitters/guides in the charter fishing business in Southeast Alaska, The Boat Company is unusual because we are a nonprofit organization primarily dedicated to broader, more educationally focused experiences of wilderness. That said, our guests do participate in guided saltwater fishing, we are licensed as a charter operator by the Alaska Department of Fish and Game, and we are as concerned as any other charter operator about rules and regulations pertaining to salmon, halibut and other game-fish species.

The Boat Company was established in 1979 for the purpose of introducing people to the Tongass National Forest in a unique and intimate way. By offering our guests a deep experience of wilderness and the thrill of catching and eating the region's legendary halibut and salmon, they in turn become our conservation allies to protect Southeast Alaska's fish, wildlife and scenic values.

Together, our two vessels—the *Liseron* and *Mist Cove*—host more than 700 guests in a 16-week summer season of 7-day cruises between Juneau and Sitka. Although each guest is offered the choice of purchasing a 1-day, 3-day or 7-day fishing license, most guests fish every day. We typically offer two daily activity periods, of several hours each, and guests choose between halibut, salmon and/or stream fishing in addition to hiking or kayaking.

Because halibut is our guests' most sought-after and often fished species, The Boat Company is especially concerned about the possibility of more and more restrictive regulations under the CSP. Guests are understandably disappointed when they must release the fish they are hoping to keep, eat during the cruise, or ship home, which occurs often with the current size restrictions. We therefore believe the RQE program will help, although for our operations the benefit will come in the long term, not at first.

Clearly RQE will offer immediate benefits to charter operations focusing exclusively or primarily on giving their customers opportunities to catch and keep halibut, allowing some to operate who otherwise could not. Establishing a total transfer limit of 15%—would produce real benefits for charter anglers and charter operators over a 5-year period while still avoiding the undesirable risk of creating upward pressure on the market price of IFQ.

From our perspective as a conservation organization, we support an RQE program primarily because it has the potential to allow size restrictions on charter anglers to be

relaxed. Our guests will realize the benefits of RQE when they can keep one fish per day of any size, thus releasing and/or killing far fewer fish unnecessarily and retaining more fish they can eat fresh or ship home.

Sincerely,

A handwritten signature in black ink that reads "Hunter S. McIntosh". The signature is written in a cursive style with a large, prominent initial 'H'.

Hunter S. McIntosh

Chairman Dan Hull  
North Pacific Fishery Management Council  
605 West 4th, Suite 306  
Anchorage, Alaska 99501  
npfmc.comments@noaa.gov

Re: RQE

Monday, November 28, 2016

Chairman Hull,

My name is Chuck McNamee and I am a co-owner of a charter fishing business in Sitka, Alaska. I have been involved in the charter fishing industry in Sitka since 1993. I appreciate your time and devotion to the halibut resource in Alaska and commitment to all user groups that depend on it.

I am writing you today to express my support for the the RQE Program. The RQE Program would help stabilize halibut regulations that are a major concern of visitors thinking about traveling to Alaska for a summer fishing destination. Many visitors plan as much as a year in advance, and one of the most frequent questions and concerns many of our guests have is the halibut regulations.

I also feel like approving the RQE Program and then placing transfer restrictions that are too low would make the program ineffective. It has to be able to make a difference in order to be a productive and successful.

The charter fishing industry is a vital artery that brings jobs, visitors, and most importantly funds to nearly every business in Southeast Alaska. Thank you for your time.

Sincerely,



NPFMC comments - NOAA Service Account &lt;npfmc.comments@noaa.gov&gt;

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**CATCH Program**

1 message

Eric Melland &lt;eric.melland@hotmail.com&gt;

Tue, Nov 29, 2016 at 11:12 AM

To: "npfmc.comments@noaa.gov" &lt;npfmc.comments@noaa.gov&gt;

Dear, North Pacific Fishery Management Council

I work for Angling Unlimited out of Sitka, Alaska as a charter captain. I've been in Sitka going on five years now and I really appreciate the opportunity we have as guides to expose people to a world so unique and help them understand how conservation preserves the ecosystems. I personally take out around 100 clients over a season (May-Sept) and each of them brings a large economic impact to our tourist dependent area. Clients dine at one of Sitka's great restaurants, possibly grabbing a drink at the brewery, or purchasing native crafts or other regional items at the shops. Not to mention all the other purchases: groceries, fuel, bait, licenses, and other services around town. All the money brought into the community through charter fishing adds up and helps the community remain vital and growing.

With our location so close to the open ocean we are extremely lucky to be able to fish for halibut and salmon in the same day. Halibut numbers would continue to increase and it would take a large impact off the annual halibut retention numbers if we were allowed to keep a bigger fish and bypass halibut fishing the following days. If we were allowed bigger fish it would help boost our sales, as well, thus bringing more people and more money into town making everyone's life more rewarding on many levels.

The restrictions currently in place over the past few years have made an immense rebound in halibut numbers from what I have seen, so passing the CATCH program would provide great opportunities for both charter and commercial fishermen with the sales of IFQ's and the growth of the sport fishing halibut allocation.

Thank you for your time and consideration and we appreciate all that you do behind the scenes.

Happy Holidays

Eric A Melland  
[eric.melland@hotmail.com](mailto:eric.melland@hotmail.com)  
701-330-7239



NPFMC comments - NOAA Service Account &lt;npfmc.comments@noaa.gov&gt;

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**RQE**1 message

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Jeremy Merrill <jmerrill\_ak@yahoo.com>  
To: npfmc.comments@noaa.gov

Sun, Nov 20, 2016 at 11:45 AM

Chairman Dan Hull  
North Pacific Fishery Management Council  
605 West 4th, Suite 306  
Anchorage, Alaska 99501  
[npfmc.comments@noaa.gov](mailto:npfmc.comments@noaa.gov)

Chairman Hull &amp; North Council Members:

My name is Jeremy Merrill and I am the manager at Silverking Lodge, located on Grant Island, just outside of Ketchikan.

I am writing the Council to ask for your support of the Recreational Quota Entity item on your agenda. It is time for a long-term, viable solution that will help provide the ability to liberalize bag limits in our area.

Silverking Lodge is primarily a self-guided fishing lodge. Located on West Behm canal, the area provides many salmon fishing opportunities for anglers. While halibut are available around the lodge, they are not nearly as plentiful or easy to catch as the salmon are.

Years ago, it was not uncommon for many of our guests to take a halibut charter at least one day during the week they spent with us at the lodge. With over 30 guests, we had charters departing from the dock daily. In an average season, we had somewhere between 50 – 75 charter trips that would fish from the lodge.

Although people certainly benefited from the "experience" of halibut fishing with a guide the guests' primary reason for wanting to target halibut was because they wanted to eat it. In addition to the salmon they were catching at the lodge, they looked forward to sharing some of their halibut with friends and family around the dinner table back home.

As restrictions tightened, we saw a steady decrease in the number of halibut charters taken by lodge guests. Guests simply started to do the math and realized that a halibut trip for food got increasingly cost prohibitive as the regulations got more restrictive. For example, under the 2016 regulations a 42" halibut averages 34 lbs. At 40% recovery, a guest would yield almost 14 lbs of fish. A charter from the lodge costs \$425, making the price per pound over \$30! This example assumes that all anglers harvest a 42" fish, which obviously isn't the case. Guests recognized that halibut could be purchased much less expensively than they could catch it.

In 2016 we ran four charters out of the lodge the entire season. Compared to average seasons in the past, this dramatic decrease in the number of charters taken has resulted in \$76,500 – 119,000 being removed from the local economy each season. Guests are still patronizing the lodge, but the money they used to spend on halibut trips now goes back home with them instead of being invested locally. That money used to be paid to local charter operators and spent on local good and services.

The RQE provides a mechanism for willing sellers in the IFQ market to offer opportunity to willing buyers in the recreational fishery. No one is compelled to participate unless it makes sense for the individual IFQ holder.

Having watched it firsthand, I know how bag and size restrictions drastically impact demand for these services, particularly in our case where a guest's primary consideration for taking a charter is the availability of halibut. Approval of the RQE would, over time, allow for the loosening of these restrictions and would bring some of this lost revenue back to our local economy.

Sincerely,

Jeremy Merrill  
Silverking Lodge  
Manager



NPFMC comments - NOAA Service Account &lt;npfmc.comments@noaa.gov&gt;

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## RQE Response

1 message

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Scott M. <fishsitka@gmail.com>  
To: npfmc.comments@noaa.gov

Tue, Nov 29, 2016 at 5:01 PM

Chairman Dan Hull North Pacific Fishery Management Council 605 West 4th, Suite 306 Anchorage, Alaska 99501  
[npfmc.comments@noaa.gov](mailto:npfmc.comments@noaa.gov)

Re: RQE

Chairman Hull,

My name is Scott Miller. I came to Alaska in 1985, returned in 1987, trolled and longlined through the pre-IFQ derby years, bought my first troller in 1990, began diving for abalone and sea cucumber in 1994, upgraded to a bigger troller in 1995, trolled until 2004 when I began as a sport fish guide. I've guided the past 12 years, working exclusively as a subcontractor for Kingfisher Charters LLC. It's been my pleasure to live and work in Alaska all these years.

I realize that resource management is difficult. With resource, money, and politics it's often anyone's guess which direction it will go. I appreciate the effort and difficulty of new concepts toward aiding a fishery but ask that you consider the RQE as one more option for management. It's in the beginning stages, but that is the way to begin. I fully expect it to be refined over time, but am pleased to see it on the agenda.

I realize that my time to get this to you today is limited and ask that you recognize this as one more letter of support.

Sincerely,

Scott Miller

Gracie K Charters

[\(907\) 738-2890](tel:(907)738-2890)

Chairman Dan Hull  
North Pacific Management Council  
605 West 4<sup>th</sup>, Suite 306  
Npfmc.comments

Re: RQE

Chairman Hull,

I am Ron Moyer, owner of Beacon Hill Lodge in Ketchikan, Alaska. I have owned and operated Beacon Hill Lodge for 28 years. We are strictly a full service charter fishing business that annually takes over 400 guest fishing. Our lodge caters almost exclusively to non-resident multi-day saltwater anglers. All of our employees are local resident Alaskans. Our lodge contributes over \$500,000 annually directly into Ketchikan's economy through wages, fuel, fish processing, repairs, food, supplies and taxes. Our guest also contribute tens of thousands of dollars directly and indirectly into the local and national economy through airlines tickets, car rentals and local shopping and fishing license sales.

The halibut fishery is one of the most important factors bringing guest to Alaska to fish each summer. The majority of our guest are repeat guest that have been coming to Beacon Hill Lodge and Alaska for many years. They have seen the changes in our halibut fishery first hand. The ever changing halibut restrictions have made things very challenging for the guided halibut industry. The most difficult part of all of this is trying to put a positive spin on the reasons we have these regulations and to continue to offer hope for the near future for the possibility of an increased limit.

With the chance of seeing halibut limits not increasing any time soon, I feel that the RQE is the best and most economically sound option to bring much needed stability to the guided halibut industry. Our industry is very diverse and must have the ability to book its guest several month and even years in advance. We need to have reliable and stable catch limits year to year in order to do this. The importance of the guided fishing industry cannot be underestimated. With careful and proper management I feel that the RQE is a very good idea and will have a very positive impact not only on my business but on all of Alaska.

Thank you for your time.

Sincerely,

Ron Moyer



NPFMC comments - NOAA Service Account &lt;npfmc.comments@noaa.gov&gt;

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## RQE

1 message

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Carolyn Nichols <carenichols@hotmail.com>

Mon, Nov 28, 2016 at 9:05 AM

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

Cc: Alaska Longline Fishermen's Association <alfa.staff@gmail.com>, linda <alfafish@acsalaska.net>

I wonder why the Council even needs to look at the proposed RQE as there is already a system in place (Catch Sharing Plan)(GAF) providing a market based mechanism to transfer between sectors. This was put into place by the Council and was the Council's method to end reallocation. The Council has repeatedly said that the Charter Industry needs to learn to live within their allocation and that with limited entry (so without new entrants) and CSP/GAF that there is no need for further erosion of the longline fleets livelihood to satisfy what is a small group of people in the overall picture of "Joe Public" and halibut consumers nation wide.

The high cost of halibut quota shares is a definite difficulty for all new entrants into the IFQ fishery. The RQE idea will really make this a lot worse as their funding ideas will create unfair advantage to the RQE buyers. Taxes, public and corporate donations for shares to be held for RQE is against the very idea of the IFQ program and will cause greater hardship for the new entrants into the longline fishery.

It is my belief the reason the Charter Industry wants the RQE so much is that they do not want to have to pay for these quota shares themselves as other fishermen do and want a tax on clients or donations to pay it for them. Pretty unfair playing field.

They have not identified the true source of funding for this idea yet so how can the Council even think of it? Without this source identified and written in to the proposal there can be no evaluation of its impact. Making uninformed decisions is pretty careless of the Council.

If the Council will not stand their ground and hold the Charter fleet to their previous statements of the Charter Industry learning to live within their allocation then for sure the Council needs to hold the CUMULATIVE amount of quota(GAF & RQE) that can transfer to 10% in 2C and to the amount needed to achieve the so desired two halibut limit in 3A which is 7%. If abundance increases than the RQE would be holding a surplus and it needs to be returned to the commercial QS pool to be shared equally. Absolutely no higher!

Even at the lowest levels being talked about this will cause great negative impact on all the longliners, crew, support sectors, processors and retailers and consumers. There has been enough given to the Charter Sector already. It has grown tremendously at the expense of all involved in the commercial sector from the fisherman to the consumer. Enough is enough.

What I would really like to see is just once in my lifetime the Council say NO to the Charter Fleet. Just because they are an extremely loud well financed squeaky wheel does not mean the Council has to give them every thing they ask for!! All other fisheries are held accountable for staying within their allocations and sharing in the burden of protecting a resource that is down and at times this causes significant hardship to those involved. Is there no reason the Charter Industry shouldn't be required (they have proven they will not do it voluntarily) to share the burden of conservation instead of just grabbing for the little others user groups have left?

SO I urge the Council to just say NO this idea and use the management tools agreed upon in previous decisions to manage the out of control Charter Industry.

Thank You

Carolyn Nichols

111 Knutson Dr.

Sitka, AK 99835



NPFMC comments - NOAA Service Account &lt;npfmc.comments@noaa.gov&gt;

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**RQE PS**

1 message

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Carolyn Nichols <carenichols@hotmail.com>  
To: NPFMC <npfmc.comments@noaa.gov>  
Cc: linda <alfafish@acsalaska.net>

Tue, Nov 29, 2016 at 7:27 AM

This is an add on to the letter I sent you yesterday. I missed putting in my thoughts on taxes etc.

In regards to RQE.

RQE will further the charter fleet only and to the detriment and at the expense of the commercial fleet and all associated support, the subsistence, and the non charter sport.

If you insist on giving this to the Charter Industry than it should be absolutely be mandatory observer coverage or EM the same as the commercial fleet with all the associated taxes, fees and regulations. These are the same IFQ's that the commercial fleet is taxed on and reports on and observed on. The RQE should in no way be exempt from any of them as they are NO different. There is no way the burden of enforcement and the important programs these taxes fund and the data from observer coverage should be only on the commercial fleet when the Charter Industry is using the same IFQ's!!! if you allow them to purchase IFQ then they must abide with all the same rules with no exceptions.

Best is NO RQE. it is unnecessary with the current management in place.

Thanks

Carolyn Nichols



**North Pacific Fisheries Association**  
**P.O. Box 796 · Homer, AK · 99603**

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To: Mr. Dan Hull, Chairman  
North Pacific Fishery Management Council  
605 West 4<sup>th</sup> Avenue Suite 306  
Anchorage, AK 99510  
November 29, 2016  
Re: Agenda Item C3 Charter Halibut management formation of an RQE

The North Pacific Fisheries Association (NPFA) was founded in 1955 and is a multi gear, multi species commercial fishing organization based in Homer, Alaska. Many of our members participate in the Halibut IFQ fishery and NPFA has been involved with the IFQ program management since its inception.

**We are opposed to the formation of a Recreational Quota Entity as presented and urge the Council to adopt Alternative 1 No Action.** The purpose and needs statement recognizes that “Alaska’s guided halibut anglers have seen recent increases in regulatory restriction due to declining halibut stocks and guided recreational allocations” (page 10 Public Review Draft (PRD)) but does not mention that low abundance has impacted the commercial sector. Figure 4-8 on Page 71 of the PRD illustrates the decline in the commercial sector. The proposed solution allows for potential relief for the guided sport sector while having a direct negative impact on the commercial sector. As an alternative for area 3A we’d like to draw your attention to figure 6-5 on page 216 of the PRD. 12% of the 2015 removals are attributed to bycatch, a number which I don’t believe is tied to halibut abundance. A mechanism that would reduce this removal would provide relief to both sectors.

The introduction of a large single entity with the power to purchase quota shares on the individual market has potential for severe impacts on the industry. The Halibut IFQ Program was set up with careful consideration to assure the fishery was owned by individuals with strict limitations on consolidation. The formation of an RQE would considerably alter the IFQ program contrary to some of the original intention of the program

Although we oppose the formation of an RQE we do appreciate the amount of effort and consideration that has gone into the analysis to date. NPFA supports strict restrictions on how much Individual Quota the council will allow to be held by a new entity. 10% should be the maximum allowed in 2c or 3a and the analysis shows this to be sufficient to achieve the goals as evidenced in pages 17 – 20 of the PRD. This will somewhat limit the disruption to the market and assure no more quota transfers than necessary.

In discussing the other restriction NPFA has concluded that more analysis is needed to assess how disruptive the various options may be. As part of the recent IFQ review the council identifies some areas of concern and we need to assure this new entity does not undermine those. If a certain block size or class is restricted how would that affect the ability of fishermen to trade up. The block system often requires selling one block in order to purchase a larger one, blocks available to the RQE will likely command a higher price introducing a new regulatory dynamic to the market which may end up limiting the availability of entry level blocks.

If the RQE holdings provide a charter harvest opportunity greater than the unguided recreational bag limit NPFA supports reallocating the unused IFQ equally to all catcher vessel IFQ holders (by area proportional to QS based on the percent of each class of QS purchased by the RQE).

NPFA is extremely concerned about the funding mechanism for the proposed entity. We believe the funding should come directly from the guided sport sector and the council should weigh in on this.

In closing NPFA would like cite NOAA Technical Memorandum NMFS-AFSC-326, *Attitudes and Preferences Toward Pacific Halibut Management Alternatives in the Saltwater Sport Fishing Charter Sector in Alaska: Results from a Survey* D. K. Lew, D. Putman, and D. M. Larson. In our opinion this report demonstrates the lack of support for this program within the Guided Sport Sector. The Catch Sharing Plan is a young program that needs time to mature before drastically altering Halibut Management.

Thank you for your consideration,



Malcolm Milne  
President, North Pacific Fisheries Association



# United States Department of the Interior

## NATIONAL PARK SERVICE

Glacier Bay National Park and Preserve

P.O. Box 140

Gustavus, Alaska 99826-0140

Tel: 907-697-2230 · Fax: 907-697-2654



IN REPLY REFER TO:

C38

NOV 29 2016

Chris Oliver, Executive Director  
North Pacific Fishery Management Council  
605 West 4<sup>th</sup>, Suite 306  
Anchorage, AK 99501-2252

Subject: Charter Recreational Quota Entity (C-3) for Dec. 2016 Council Meeting final action

Dear Executive Director Oliver,

Thank you for the opportunity to review and comment on the December 2016 Regulatory Impact Review "To allow a recreational quota entity to hold commercial halibut quota share for use by halibut charter anglers" and the April 10, 2016 Council Motion on the "C-3 Charter Recreational Quota Entity."

While the NPS is generally supportive of methods to alleviate commercial vs. recreational halibut harvest allocation conflict, there are specific, existing legal requirements affecting grandfathered commercial fishing activity in Glacier Bay Proper which cause us to request that this area be excluded from the proposed Recreational Quota Entity (RQE) preliminary preferred alternative (Alternative 2). Additionally, projected increased charter harvest in park waters under this alternative may require the NPS to reevaluate and perhaps restrict the number of authorized charter fishing concessions permits, which would be in contrast to the intent of Alternative 2. Due to these issues, we request that Glacier Bay National Park waters be excluded from this action. Our (NPS) concerns are detailed as follows.

Public Law 105-277 (Oct. 21, 1998) limited commercial fishing within Glacier Bay Proper by means of a non-transferable lifetime access permit for qualifying participants. A lifetime access permit (LAP) authorizes qualifying commercial halibut longline fishers to continue fishing within Glacier Bay Proper until they are no longer able. Commercial halibut fishing in park waters both within Glacier Bay Proper and in outside waters is authorized under 36 CFR 13.1130-1146, which also specifies "no new or expanded fisheries."

Alternative 2 would allow the transfer of commercial Individual Fishing Quota (IFQ) to the guided charter sector essentially allowing commercial harvest that would have likely been harvested outside the park to be fished by the charter sector directly within Glacier Bay Proper. This is contrary to the intent of Public Law 105-277 and specific NPS regulations permitting only LAP holders to fish halibut quota within Glacier Bay Proper for their lifetime. We therefore request that Glacier Bay Proper be specifically exempted from the RQE authorization.

Recreational fishing occurs in Glacier Bay National Park under federal and non-conflicting state regulations. The National Park Service authorizes commercial services, including charter fishing businesses, to provide visitor services within park units. Charter businesses allow visitors otherwise unable or unwilling to access parks on their own to experience their national park. However, authorized commercial services must have *minimal* impact on resources and values of the NPS unit (PL 105-391, Sec. 418).

In addition, the NPS is concerned that implementation of the RQE program could potentially result in localized depletion of the halibut resource outside the Bay by redistributing spatially diffuse commercial harvest to the recreational sector, which targets specific coastal areas within Glacier Bay National Park. This is especially relevant within the Glacier Bay National Park portion of the Cross Sound/Icy Strait area, which is already subject to relatively intensive charter fishing effort and is a particularly popular area with guided anglers in Area 2C because of high halibut catch rates and, on average, larger fish. The RQE program at times could potentially double harvest removals by this sector, should individual charter angler bag limits increase from one to two fish daily, provided that adequate quota share is procured for the 2C RQE pool.

In conclusion, we request that Glacier Bay National Park waters be excluded from the proposed action (Alternative 2). If a spatial exemption for the park is not possible, the NPS opposes Alternative 2 and urges the Council to select the No Action alternative (Alternative 1). The NPS is concerned that Alternative 2 would allow the charter industry to purchase and hold commercial halibut quota share for use by the guided halibut sector, ultimately allowing the removal of commercial halibut quota from Glacier Bay Proper, contrary to the intent of public law and corresponding NPS regulations. Furthermore, there is reason to believe that under Alternative 2 increased charter harvest would occur in park waters, which may force the NPS to reevaluate the number of authorized charter concessions and decrease charter opportunities, which would be contrary to the intent of Alternative 2.

We appreciate the Council's effort and guidance on this issue and support management change that will lead to the most equitable allocation of the halibut resource, provided there is no conflict with NPS regulations. Thank you for the opportunity for review and comment.

Sincerely,

A handwritten signature in black ink, appearing to read "Philip N. Hooge". The signature is written in a cursive, flowing style.

Philip N. Hooge, Ph.D.  
Superintendent



NPFMC comments - NOAA Service Account &lt;npfmc.comments@noaa.gov&gt;

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**Tim O'Connor, IFQ Holder NMFS # 78615**

1 message

TIM OCONNOR &lt;BESTREEKILLER@msn.com&gt;

Sun, Nov 27, 2016 at 6:38 PM

To: "npfmc.comments@noaa.gov" &lt;npfmc.comments@noaa.gov&gt;, Halibut Coalition &lt;halibutcoalition@gmail.com&gt;

As a commercial halibut fisherman I've seen the fish numbers go down and then back up. When restrictions were put on the charter fleet numbers started to climb up again. For to many years charter fleet was allowed to run unchecked with no size restrictions or limits on what there clients took home. With the new restrictions we are seeing more and bigger halibut now. If they are allowed to get more of the IFQ this will start a decline in size as well as numbers. We need to keep there allotment to a conservative level until there is evedince of fish increase's and size.

Thank you 😊 Tim O'Connor Craig,AK

Chairman Dan Hull  
North Pacific Fishery Management Council  
605 West 4th, Suite 306  
Anchorage, Alaska 99501  
[npfmc.comments@noaa.gov](mailto:npfmc.comments@noaa.gov)

Re: C3 Charter Halibut RQE

Chairman Hull,

My name is Tom Ohaus. I am an owner/operator of Angling Unlimited in Sitka. We've been in operation in Sitka since 1993 and service roughly 1000 anglers per year. Our clients spend somewhere between four and six nights in Sitka where they dine in local restaurants, drink in local bars, and shop in local grocery and liquor stores. We sell package trips that include fishing and lodging.

Our clients pay a 6% sales tax on everything they buy in Sitka, including our package. They pay a \$10 per fish box tax. We pay a 6% bed tax on the lodging. We don't include dinner in our package, so on any given night in the summer 30 of our customers are dining in local restaurants. Our clients buy gifts for friends and family in Sitka. Each customer buys an out of state Alaska fishing license and king salmon stamp.

Our clients fly into Sitka from all over the country and world. They come to Sitka for a single reason – fishing. Without that draw, they wouldn't visit year in and year out. The ability to catch and keep halibut is a major attraction for our clients and they hope to catch halibut nearly every day they fish with us.

The NPFMC has struggled with the guided halibut issue for 20 years now. I believe the RQE represents a chance to put those struggles behind us and move toward a long term solution. The RQE will allow for quota to flow to and from the guided and commercial sectors on a willing seller/willing buyer basis. Without this mechanism we either accept a static allocation or end up in an acrimonious fight before the council.

The RQE can help bring more visitors to Alaska for halibut to support local economies. It will also provide Alaska residents with a choice to pursue halibut on a guided vessel without suffering a regulatory penalty.

Regarding the RQE options:

I support a single Recreational Quota Entity that will serve both areas 3A and 2C. This will create a more efficient process to administer and fund. I support an annual transfer limit of 5% which will allow for the most efficient market. A limit below 1% would render the RQE ineffective as it would take 20 to 30 years for the program to reach its goals. I support a total transfer limit of 15%, independent of Guided Angler Fish (GAF). The GAF program provides no market stability for the guided fleet and encourages passive ownership of IFQ which is not in line with council intent for that program. I support D class restrictions in purchasing options or restrictions on blocks of less than or equal to 1,500, to retain purchasing options for new entrants to the commercial fishery. However, any restriction should allow the RQE to remain effective. Finally, future, unused quota shares should be distributed back to Community Quota Entities and small boat operators.

The Catch Sharing Plan passed by the NPFMC in 2008 has left the guided fleet with a shortfall of allocation. We've spent nearly 10 years developing a plan that would allow us to address that shortfall while compensating commercial IFQ shareholders for the transfer of halibut to our sector. This program has been thoroughly researched and well analyzed by the NPFMC. The use of catch shares as a means to properly manage fish suffers a major missing link – the integration of sport fisheries into the concept. The North Pacific Fishery Management Council, through CATCH, has an opportunity to demonstrate that a catch share program can be the solution to allocation issues between sport and commercial sectors. I encourage you to take that step forward.

Tom Ohaus  
Angling Unlimited, Sitka AK  
[tom@anglingunlimited.com](mailto:tom@anglingunlimited.com)



# *Pacific Airways, Inc.*

P.O. Box 5158  
Ketchikan, Alaska 99901  
Phone: 907-225-3500  
Fax: 907-247-3500

November 21, 2016

Chairman Dan Hull  
North Pacific Fishery Management Council  
605 West 4th, Suite 306 Anchorage, Alaska 99501  
npfmc.comments@noaa.gov

Re: RQE

Chairman Hull:

My name is Stephen Montanus and I am the President of Pacific Airways in Ketchikan. Our company was formed over 15 years ago when we recognized a need for quality, safe, and dependable air transportation to southern southeast fishing lodges. Our business has grown over those years but our core business of providing air transportation to Ketchikan and POW-area fishing lodges has stayed the same.

It has come to our attention that a proposal is currently before the North Council, which would allow for the transfer of halibut IFQ out of the commercial fishery and into a common pool for sport fishermen. Because our business is reliant upon our lodge and resort customers' ability to attract fishing clients, we support any measure that helps these lodges stay competitive and vibrant. The restrictions in the halibut fishery around Ketchikan over the last number of years has certainly had an impact on the number of overall visitors, extra baggage fees paid to our airline, and overall customer satisfaction with their trip.

This type of proposal does not come without consequences to all interested parties. The fact that this proposal stipulates a "willing seller, willing buyer" relationship allows all parties involved to assess their personal self-interest, the interests of their gear group, and the interests of their community before entering into a sale.

The sport fishery is a vibrant part of the local economy in Ketchikan and has played an integral part in the longevity of our company. It is important to our business, and the families of our employees, that Alaska, and particularly Ketchikan, maintain its reputation as a first-class fishing destination. Passing the RQE would put to rest longstanding allocation issues between the guided recreational fleet and the IFQ fleet and would be a step towards protecting the economic viability of the recreational fishery in Southeast.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read 'Stephen Montanus', written in a cursive style.

Stephen Montanus  
President  
Pacific Airways, Inc.

Nov. 29, 2016

North Pacific Fishery Management Council

Halibut RQE.

Dear Council Chair Hull and council members,

I am writing to voice my opposition to Agenda Item C3, the guided sport Quota Entity program.

I am a lifelong Southeast Alaska resident with D class quota. My home is Sitka where I skiff fish for Halibut and crew on larger boats for black cod.

I think the RQE program is unnecessary as a tool to give the charter industry more of the commercial quota share. This would further strain the already tight market for existing quota. Be another divisive issue between charter/commercial sectors. Compete with subsistence priority coastal community harvesters. Also, it would take a greater portion of the Halibut product off the market for American consumers.

The catch sharing plan is already in place as a measured tool for cross linking quota share with charter clients that need more fish. Let's give that more time to work.

I urge the council to adopt Alternative 1 and take no action on this item.

Thank you, Terry Perensovich  
Terry Perensovich

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

Re: Halibut Charter RQE

November 29, 2016

Members of the Council,

I have been in the fishing charter industry since 1991 in Area 3A. It was no easy task to turn my charter business into a profitable business.

I specialize in multiday charters, especially multiday fishing charters.

My gross income dropped significantly in 2014 and has continued to decline in 2015 and 2016. I have lost almost all of my repeat clients who have booked multiday fishing charters in the past. People are not willing to pay for multiday charters to go out and catch halibut that are normally thrown back on a day trip charter. The combination of the one minnow sized halibut and the 4 fish annual limit has completely destroyed my repeat client multiday repeat business. The minnow rule is also hurting day trip charters- I have 2 boats, one that does day trips and one that does multiday charters.

There are several options being considered. The only option that would work for my business model is to have a 2 fish of any size. The annual 4 fish limit is acceptable.

I urge you move the RQE forward as fast as possible and to include RQE purchases that provide enough poundage to the charter sector to return to a 2 fish limit of any size with the 4 fish annual limit as a minimum.

As far as containing the number of CHP's, I don't have the answer. I would encourage the Council to NOT to implement action that would force businesses to use it or lose it. That could be counterproductive. Eliminating permits that have not been used for several years sounds good, but is it fair to those owners? A buyback of permits through the RQE seems like the tool to be explored.

The 2016 Presidential Election boiled down to the economy and jobs. According to a 2013 NOAA study, for every 100,000 pounds of fish landed, sport fishing creates 210 jobs, while the commercial industry would create 4.5 jobs. Please keep this in mind when making your decisions.

Thank you for your time,

David Pinguoch  
PO Box 623  
Whittier, AK 99693  
(907) 715-7447  
[www.alaskagoodtimecharters.com](http://www.alaskagoodtimecharters.com)

Pioneer Alaskan Fisheries Inc.  
Coal Point Seafood Company  
4306 Homer Spit  
Homer, Alaska 99603  
11/29/16

Dan Hull, chair NPFMC  
605 West 4th, Ste 306  
Anchorage, Alaska 99501

Re: Support for Recreation Quota Entity

Greetings Chairman Hull,

We support the RQE program as a proactive tool to sustain a wider segment of Alaskan coastal communities to a sustainable state of healthy diverse and productive resilience.

Pioneer Alaskan Fisheries Inc. is a 53 year Alaskan Fisheries Corporation that has participated in many fisheries and gear types since the 1950's. While providing jobs for our local community our prime focus is education, health of fish populations, quality product and reducing waste. The precautionary principle must always prevail.

For the past quarter of a century we have specialized as a custom fish processing, smoking, canning and marketing facility called Coal Point Seafood Company located on the Homer Harbor. Our 60 employees serve customers who use the charter fleet, or private boats to harvest fish for their personal use, as well as the commercial fleet for direct marketing.

The RQE program serves all sectors of the fishing industry and their customers. An often not recognized symbiotic relationship occurs between charter and commercial sectors. The Charter fleet introduces American customers to Alaskan seafood. We have a large database of clients who fished a once in a lifetime Alaskan fishing trip. Most of these fishing clients can't afford to return to fish in Alaska so instead return as repeat customers to purchase Alaskan fish caught by the commercial fleet in the marketplace.

We have quietly observed and have deeply felt the impact of management changes over the last decade. When the halibut require conservation assistance our company has the responsibility to participate and tighten our belts to help fish populations in any way we can.

When the halibut appear to be in a state of recovery then allocative management, requires adjustment to incorporate all sectors including the custom processing sector to continue to sustain first the fish and their habitats through all life stages, then to provide diverse resilient coastal communities.

The recreational Quotas provide a fair and market based solution to not over capitalize one sector over another. This provides balanced opportunity to allow the Charter sector as ambassadors to continue the introduction of Alaskan seafood to customers who will then purchase from the commercial fleet.

Thank-you for the opportunity to voice our support for an RQE Program.

With Kind Regards  
Nancy Hillstrand

## ***ProFish-n-Sea Charters***

Zernia Enterprises, Inc.

P.O. Box 693

Seward, Alaska 99664

(907) 224-5122

November 29, 2016

North Pacific Fishery Management Council

Attn: Chairman Dan Hull

RE: C-3 Charter RQE program

My name is Steve Zernia. I own and operate ProFish-n-Sea Charters and co-own Crackerjack Charters in Seward. In addition to the charter businesses, my wife and I own/operate Captain Jack's Seafood Locker where we process sport-fish for the local charter fleet as well as processing commercial fish and seafood for our small retail fish market in Seward.

I am writing to provide public comment on agenda item C-3 Charter RQE, final action. I support the preliminary preferred alternatives approved by the Council at the last meeting. My concern is if the Council puts restrictive transfer rates (1/2%) into the RQE program it will reduce the likelihood of the program working successfully. Please include a 2% annual transfer rate in area 3A in order to create a program that will be able to have a meaningful effect.

I have been one of the few operators that has participated in the GAF program since the beginning of the CSP. After the first year, the costs associated with GAF have been prohibitive but I have used it to keep long-time clients coming back. It has been expensive but I plan to continue leasing small amounts of GAF until the RQE begins to eliminate restrictions on the guided halibut sector. At that time, I would expect to stop leasing GAF. With 15% of commercial harvest currently available for GAF leasing, I feel this percentage has already been set as part of the allocation between sectors and should be used as the transfer cap for the RQE. Then GAF can gradually be phased out and eventually sunset as the RQE pool grows.

Please move forward by passing the RQE into regulation with a 2% annual transfer rate and a 15% total transfer cap in area 3A.

Sincerely,

Steve Zernia  
Zernia Enterprises, Inc.  
ProFish-n-Sea Charters  
Captain Jack's Seafood Locker

**C3 RQE, C9 EM Integration**  
PO Box 232 Petersburg AK, 99833

**Petersburg Vessel Owner's Association**  
(907) 772-9323  
email: pvoa@gci.net

November 29, 2016

North Pacific Fishery Management Council  
Dan Hull, Chair  
605 W Ave. Suite 306  
Anchorage, AK 99501  
[npfmc.comments@noaa.gov](mailto:npfmc.comments@noaa.gov)

RE: C3 Charter Halibut RQE, C9 Electronic Monitoring Integration

Dear Chairman Hull and Council Members,

PVOA's mission statement is to:

"Promote the economic viability of the commercial fishing fleet in Petersburg, promote the conservation and rational management of North Pacific resources, and advocate the need for protection of fisheries habitat."

### ***C3 Halibut Charter RQE***

#### **Alternative 2**

While Petersburg Vessel Owner's Association members believe that the guided, unguided, subsistence, and commercial fishing sectors are all very important to the success of our community and customary lifestyles, we are opposed to the creation of a Halibut Charter Recreational Quota Entity (RQE).

Our members are concerned that negative social-economic impacts on our commercial fishing fleet will outweigh the benefits seen by the charter and tourist sector of our local economy due to the overwhelming amount of economic activity generated in our town by the commercial fishing fleet compared to that by our tourism sector. In Petersburg, the economic activity is created by the commercial fleet harvesting halibut and other seafood through fuel, bait, ice, food, processing labor, freight shipping, vessel parts and maintenance, etc.

Petersburg is listed as one of the top four communities in the State where the highest amounts of halibut are landed and therefore more likely to feel the impacts of lost community revenue sharing from raw fish taxes, (page 189).

We also believe the competition generated by a well-financed buyer will inflate the price of quota shares to current and new entrants. Additionally, the commercial halibut fleet may experience consolidation depending on the transfer restriction chosen for an RQE.

While we are opposed to the creation of an RQE, we value the public process facilitated by the Council.

## **Element 1. Number of Entities**

We have no preference whether one entity is created for both areas, or one for each regulatory area. We agree with the analyses assumption that if only one entity is created, pools for areas 2C and 3A must be kept separate and liberalize bag limits for only their own areas for management purposes and the health of the halibut resource.

## **Element 2. Restrictions on Transfers**

On page 88 of the analyses it reads, "using a structure similar to a COE, the RQE would be an eligible participant to purchase QS in the Alaska Halibut and Sablefish IFQ Program on behalf of all guided recreational anglers." This is the only mention of allowing the RQE to purchase sablefish quota shares. The analysis also only identifies impacts surrounding the transfers of halibut quota shares. We hope this is purely an error in the analysis as only halibut quota share is cited as an allowable RQE holding in the purpose and need statement, but wish to clarify that we are opposed to an RQE buying sablefish quota on spec.

PVOA members support the Council's preferred Element 2 under Alternative 2 and feel that it is essential that if quota share transfers back to the commercial sector, it retain its original quota class and block designation. Class designation ratios of quota share were set with care to preserve the composition of the fishery. Additionally, because the Council is undergoing a review of the IFQ system, we believe there is currently a better route available to analyze this outside of this policy.

The analysis points out that the only way for the Council to mitigate impacts to the commercial sector, specifically in terms of consolidation, is through transfer restrictions. We support the following transfer restrictions for Alternative 2 as measures to protect the values of the IFQ program, minimize consolidation, and protect current and new entrants.

### *Annual Transfer Limit*

We ask that the annual limit on transfers to the RQE be 0.5% for both regulatory areas to mitigate affects of an RQE's purchasing power in the open market. "Even at a one percent annual purchase limit, the RQE would be the largest individual player in the quota market, (page 14)" Because the funding source of an RQE is yet to be determined and could be substantial in a short period of time, we encourage the Council to set a low transfer rate and mitigate the impacts to the market and affected quota share prices. The analysis points out that RQE purchasing power "under lower stock conditions, when it appears that QS transfer rates slow, (page 96)" would be higher compared to conditions of high abundance.

### *Cumulative Transfer Cap*

We support the preferred preliminary alternative Suboption 3A under the Element 2 that would create a cumulative cap on the amount of quota share held by the RQE and leased under GAF. We ask that the cumulative cap be set at 10% for both areas 2C and 3A.

This would be an increase of 44% and 42% from the current Catch Sharing Plan levels of 18.3% and 18.9% for areas 2C and 3A respectively. This is huge increase, and the analysis shows how it could considerably liberalize bag limits in both areas under the various proposed transfer restriction.

#### *Restrictions on RQE Quota Share Purchases*

PVOA members do not support the option that would restrict the purchase of D class quota shares. D class quota is occasionally entry level, however, D class quota shares are fished on vessels small enough that few or no crewmembers are needed. More crewmembers are employed on vessels large enough to fish C and B class quota. These are the boats large enough to require several hands. Many crewmen looking to purchase his or her own quota shares are looking to purchase quota they can fish on the class of vessel they are currently employed on. Allowing purchases from all classes would spread out the impacts of this policy when attempting to address accessibility for existing and new entrants in the commercial fishery.

According to the analysis, restricting the RQE from purchasing D-Class shares in 2C would mean that 92.3 percent of the RQE-eligible quota would be in C-Class shares (page 95). This would create a lot of buying pressure on C class shares and drive prices up. The analysis also points out that a prohibition on D class shares would also likely disrupt the historically lower priced quota class due to increased pressure from the commercial sector pushed into this class or delaying a move to a larger vessel and class.

To ensure that quota share is available to current and new entrants, PVOA asks that unblocked quota be restricted from RQE purchases. Sometimes, while higher priced, this is the only quota a new entrant can afford due to the blocks available on the market being too expensive. We also ask that the Council amend the option to restrict RQE purchase of all blocks less than 5,000 pounds.

#### **Element 3. Use of RQE Quota Share**

If an RQE obtains more quota share than necessary in times of high abundance, PVOA members support Suboption 2 under Option 1 of this element that would distribute quota share back to the commercial sector equally to all catcher vessel quota share holders by area and based on the percent of each class of quota share purchased by the RQE. We encourage the Council to add the provision to transfer quota back at this time and not wait to use a future regulatory amendment, as NMFS suggests. We believe NMFS will have plenty of time to create the programming, as the analysis explains it will likely take many years before there is a need due to transfer limits, quota share costs, halibut abundance, and other factors.

"Despite the provisions for two-way transfers (i.e., the RQE could sell QS back to participants of the commercial halibut fishery), commercial sector stakeholders may be concerned that QS would never return to be used in the commercial sector. In a scenario where an RQE has holdings in excess of the amount of QS needed to provide charter clients with harvest opportunities greater than the unguided recreational bag limit, if transfers did not occur and

there was no mechanism to redistribute QS, optimal yield might not be achieved. However, even in times of high halibut abundance, an RQE may be unmotivated to sell QS back into the commercial sector, due to the potential of low abundance in the future, (page 187)"

Due to the concerns cited above, we strongly encourage the Council to include a mechanism for transferring quota back to the commercial sector at this time and not leave the issue to be dealt with in the future.

#### **Element 4. Use of RQE Funds**

We ask that the burden of IFQ program fees associated with transferred quota be a cost of the RQE and leveraged by NMFS through the IFQ Cost Recovery fee. NMFS programming costs of creating a structure to transfer quota share back to the commercial fleet should be an additional cost of the RQE under this fee.

More importantly, considering our State's financial situation, the RQE should be required to pay the State of Alaska for lost fisheries business tax and fisheries landing tax from IFQ held by the RQE instead of landed by the commercial fleet. This is an important source of funding depended on by the capital fund and the coastal communities that split these taxes 50/50. While it is up to Alaska's Legislature and not within the Council's jurisdiction to levy taxes, we hope the council seriously considers the impacts of these lost revenues on state and local government, especially in setting transfer restrictions for the RQE.

Using 2014 catch limits and ex-vessel values, and assuming a 10% transfer restriction for both regulatory areas, in 2C \$1,956,600 and in 3A \$5,958,731 in revenues would have been removed from commercial landings and held in the RQE, (pages 185 and 186). If these missed landings would have been made to a processor (at a 3% fisheries business tax, and not the higher fisheries resource landing tax of 4%), this is a cumulative \$237,459.93 in taxes that would have been missed by the State. An additional \$39,576 would have been removed from the Alaska Seafood Marketing Institute budget, and raw fish taxes implemented by various cities and boroughs at various rates would be a lost opportunity.

The ex-vessel values for this scenario were available in the analysis, but the value of taxes that would be lost to the state, or ratio of halibut delivered to a processor under a fisheries business tax verse direct marketed under a fisheries resource landing tax were not included.

#### **Overage-Underage Provision**

In the previous Council review of this policy, the overage-underage provision for the IFQ program has not been debated for quota share held by an RQE. We advise the Council to follow the advice from NMFS and debit the IFQ balance first when accounting for charter halibut catch in a year. This will ensure the RQE's quota share balance is zeroed out each year.

Most importantly, if a whole charter management area were to over-harvest their quota share by ten percent, this could have a much larger impact on the biomass than if an individual quota

share holder over-harvests by ten percent, due to the RQE's potential to hold more quota share than an individual fishermen.

### **RQE Purchase of CHP**

Even though Alternative 3 to allow the RQE to purchase Chart Halibut Permits has been dropped since the previous analysis, the latest analysis reads "**Element 4** would limit the use of RQE funds to the acquisition of commercial halibut quota; acquisition of charter halibut permits; halibut conservation/research; promotion of the halibut resource, and administrative costs, (page 150)"

PVOA members continue to support the option for the RQE to purchase and hold latent or under used CHP as a tool to manipulate the bag limits for guided anglers. The analysis repeatedly points out that if these permits that are currently available on the open market were to become active, quota owned by the RQE could have less of an impact in its ability to liberalize bag limits. If an RQE were allowed to purchase and hold/sell charter halibut permits as the charter sector chose, they could self-impose a permit 'buyback' or create additional access as they saw fit.

### ***C9 Electronic Monitoring Integration***

#### **Alternative 2**

PVOA members support the Council's chosen Preferred Alternative 2 that would integrate EM into the Observer Program and allow the use of EM for catch estimation on vessels in the EM selection pool. This process will allow the Council and NMFS to determine appropriate deployment tools of the EM program including fisheries, gear types, vessel size, primary ports for service, and selection rates through their Annual Deployment Plan. NMFS will also have to allocate their budget between the needs of the human and electronic observer programs.

Under Alternative 2, the catch of all species will be estimated through video review, while Alternative 3 would use logbooks audited by video review as a source of catch estimates for all species. We believe Alternative 2 will be subject to less human error and therefore supply better catch estimates for management purposes. In fishing conditions with high winds or swell, on vessels where the operator helps haul gear, or other circumstances, logbook data could unintentionally suffer.

PVOA also opposes Alternative 3 because our members believe the potential for logbooks to become burdensome to vessel operators could reduce participation in the EM program. We understand the need for enforcement to be a component of all observer programs, but have concerns that accidental clerical errors in logbooks could lead to citations. The analysis also pointed out that NMFS would have operational costs associated with reviewing non-compliant logbooks that couldn't be covered by industry monitoring fees.

In other areas outside of Alaska, where logbooks are used with an EM system, the penalty for

logbook violations requires the vessel owner to pay the costs of a full EM audit. Since the analysis says this is illegal in Alaska and also advises in a previous section that there could be a learning curve for vessel operators to understand how to properly report in a logbook, we believe Alternative 2 would be more cost efficient for NMFS.

### **Option A EM Monitoring when Fishing IFQ in Multiple Areas**

This option would allow vessel operators in the EM pool to retain IFQ exceeding the amount available in the individual area, if the vessel is carrying either a human observer or an EM system. Our membership support this option that is also supported by the EM workgroup, the Observer Advisory Committee, and NMFS as an incentive to encourage participation in the EM program.

The ability to fish multiple IFQ areas could reduce the number of fishing trips a vessel makes and thereby the costs of their trips. It could also reduce the amount of unfished quota in a year since multiple area or 'clean –up' trips would be easily flagged through the ODDS system. Without this provision, some participants may choose to stay in the human observer pool, since it is the currently the only option to fish multiple areas in a single trip.

### **Option B Rockfish Retention**

We do not currently support this option, as the Council began a separate analysis to evaluate the rockfish retention requirement for all fixed gear vessels, rather than solely fixed gear vessels carrying EM. While this could be of benefit to increase accuracy of catch accounting for EM vessels, our members prefer to wait for a fully developed analysis of potential impacts from this policy.

The analysis found that EM cooperative research program has proven successful as a tool of catch estimation for management purposes and "the research has identified that EM data can effectively identify almost all of the species or species groupings required for management, that the systems are sufficiently reliable, and that image quality is generally high, (page 11)" For these reasons, we feel that the program is successful as is and that there is no pressing reason to implement this option at this time as a part of the EM package. Rather, we feel there is sufficient time to examine the issue further.

This option would be required under Alternative 3 and is an additional reason why we do not support that alternative.

### **Annual Deployment Plan**

In the future, as the Council and NMFS determine the deployment model of the EM pool through the Annual Deployment Plan, we ask they consider allowing vessels with installed EM equipment the ability to log a trip and leave port immediately instead of logging a trip three days prior to departure.

**C3 ROE, C9 EM Integration**  
PO Box 232 Petersburg AK, 99833

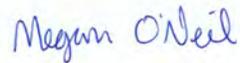
**Petersburg Vessel Owner's Association**  
(907) 772-9323 email: pvoa@gci.net

We assume these vessels would still have to complete a functions test of their EM equipment before leaving port. If there was a critical EM system malfunction, the current 48-hour rule for repairs should still stand.

We believe this privilege would encourage participation in the program since it would allow vessel owners and crews to take advantage of windows of good weather. This could be especially helpful to vessel operators that have to run for a day or more to reach the fishing grounds. It also may mitigate timing conflicts between various fisheries a quota holder may participate in.

Thank you for the opportunity to comment on these agenda items. As always, we would be happy to answer any questions.

Respectfully,



Megan O'Neil  
Executive Director

Chairman Dan Hull  
North Pacific Fishery Management Council  
605 West 4<sup>th</sup>, Suite 306  
Anchorage, Alaska 99501  
Npfmc.comments@noaa.gov

Re: RQE

Chairman Hull,

My name is Adam Reid and I have been guiding on the Kenai Peninsula waters for 18 years. I work and raise my family in Alaska year round. In my business I guide on both the rivers and saltwater. I fish around 3 months a year to supplement my income as a teacher.

I have the opportunity to fish people from Alaska and all around the country as well. My clients enjoy fishing halibut as part of their stay in the area. I have my clients utilize many local business and services. Besides required licenses to fish, my clients stay at locally owned lodges, eat at locally owned restaurants and spread their tourist spent dollars all around our community. Halibut fishing has been a harder option to sell and book with the changes to limits and unknown regulations each year.

In order to help stabilize the recreational (as charters take recreational anglers)/charter allocation and regulations, I support the RQE program. The solution would not be forced on anyone and would allow a market based solution. It would allow charters, such as myself, to have a consistent fishery in which I can honestly book clients with certainty of the limits and

regulations they will see when they arrive. I am a small operation and cannot afford to lease halibut through the GAF program. The RQE program would be of great benefit to my business and in-turn the business my clients frequent while they are in our communities.

I understand and appreciate the tough decisions that are to be made at the upcoming meetings. I thank you for taking the time to read my letter and hope you can see the benefit for small business owners of our communities.

Thank you,

Adam Reid

Big Reid Guide Service

Bigreid44@gmail.com

907-252-2116



NPFMC comments - NOAA Service Account &lt;npfmc.comments@noaa.gov&gt;

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## RQE

1 message

---

Marty Remund <remundmarty@yahoo.com>  
To: npfmc.comments@noaa.gov

Tue, Nov 29, 2016 at 3:07 PM

I oppose the RQE. Reasons why: 1. Low levels of abundance are hard on ALL sectors. All fishermen need to catch less during times of low abundance. 2. The council established a charter limited entry program that protects charter operators from new entry into their sector. The council should focus on tightening the charter limited entry program rather than allowing additional reallocation from the commercial to the charter sector. 3. The halibut Catch Sharing Plan provides a market-based mechanism (GAF) for transfer between sectors and was supposed to end Council reallocation. Why is this action even being considered? 4. The Council's recent review of the halibut QS program identified the high cost of entry as a significant challenge to meeting IFQ program objectives. The RQE program will exacerbate entry level costs, which is contrary to Council goals. 5. RQE quota purchases will exacerbate local depletion around coastal communities, making it harder for residents to harvest sport and subsistence halibut. 6. The Council and the public should understand the funding mechanism for the RQE before the Council takes final action. 7. If the Council will not drop this amendment, the cumulative amount of quota that can transfer between sectors under the RQE or GAF programs should be 10 percent in area 2C and no more than is needed to achieve a two-halibut daily retention limit for clients in Area 3A-i.e.,7 percent. 8. Likewise: If abundance increases and the RQE holds an IFQ surplus, IFQ should be returned to the commercial QS pool for proportional use by all QS holders in that area. Sincerely, Marty Remund Port Alexander, AK.

Sent from my iPad



# SEAFOOD PRODUCERS COOPERATIVE

PRODUCERS, PROCESSORS & MARKETERS OF PREMIUM QUALITY SEAFOODS

## Seafood Producers Cooperative's comments to the North Pacific Management Council on Agenda Item C-3, Recreational Quota Entities(s)

Chairman Hull members of the North Pacific Fisheries Management Council:

Seafood Producers Co-operative (SPC) is an association of over 600 commercial fishermen, 525 of whom are Alaskan fishermen. Halibut has been a core product of SPC since its establishment in 1944. SPC is the oldest existing seafood co-operative in the United States. Over the last 2 decades, our fixed gear hook and line halibut fishermen have worked within the IFQ program, amid steadily increasing costs of quota share acquisition, rising program management fees, escalating observer assessments, expanding charter Guideline Harvest Level (GHL), shrinking halibut TAC, and now potential Council adoption of Recreational Quota Entity (RQE) (or entities).

If RQE is adopted, publicly funded, competitive IFQ buyers outside the commercial fishing sector will factor into an inevitable price increase for halibut IFQ shares, and reduce the pool of quota remaining in the commercial fishery. This impending trend concerns us, as we want our younger members to be able to afford halibut IFQs so that our halibut pools can remain intact. Having endured years of quota cuts in Area 2C and 3A, the areas where most of our members own quota, SPC does not wish to see member access made unobtainable by a publicly funded charter sector buy out of halibut IFQ while our members have no equivalent publicly funded option.

The concept of a publicly funded RQE purchasing quota out of the commercial fishery, runs contrary to the intent of the IFQ program, which by the elements in its design, was intended to maintain the

stability and viability of the commercial halibut fishery. From SPCs perspective the Guided Angler Fish (GAF) program is more suitable because the removals require the individual charter operator to use their own money to lease the IFQ. SPC sees this as less likely to drive the IFQ permit costs up. Further the quota is less likely to be permanently removed from the commercial sector.

SPC has worked hard to develop its halibut markets. Halibut has been a core premium product harvested by SPC fishermen since 1944. Halibut represents 17% of the value of our core products and has the highest average price per pound. It is one of our most popular products, especially with our young and growing direct marketing program.

Substituting another product can't easily augment lost economic opportunity to processors. Virtually all of Alaska's Federal Fisheries species are already fully allocated. RQE purchases will result in gradual increased constraints on commercial harvesters, processors, and marketers. SPC is all of the above.

A reduction of 500,000 pounds of commercially harvested halibut, at \$6 per pound to the fishermen, isn't simply \$3,000,000 of product taken out of commercial production. It constitutes an annual loss of \$120,000 in marketing and fisheries business tax to the State of Alaska, and an annual \$120,000 deduction from Federal IFQ management fees and observer program assessments. This tax liability would have to be transferred as is vaguely discussed in Element 5, Options 1-4 of the Draft Review.

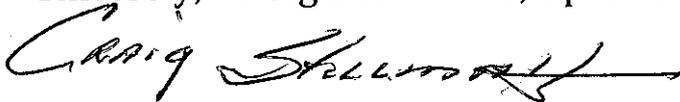
Further, A 500,000 pound loss of halibut IFQ equates to 280,000# of lost fletches to our buyers. At a generous portion of 8oz. (usually 6oz) in a restaurant are 560,000 meals. Multiply that times whatever you last saw what a halibut meal went for in a restaurant. Using \$25, it is a loss of \$14 million to customers.

The proposed action that rests before the Council is simply a new container for a familiar, thoroughly exhausted topic, reallocation of the halibut resource. The GAF program already exists and is working. The

guided halibut charter industry has continually sought means to expand harvests beyond the limits of the GHF at the expense of other user groups.

On behalf of SPC, our fishermen member owners, their dependent families, our staff, employees, and our American seafood customers, we urge you to oppose implementation of the RQE program.

Sincerely, Craig Shoemaker, Operations Manager

A handwritten signature in black ink, appearing to read "Craig Shoemaker", with a long horizontal flourish extending to the right.

Nov. 29, 2016



# SEAFOOD PRODUCERS COOPERATIVE

PRODUCERS, PROCESSORS & MARKETERS OF PREMIUM QUALITY SEAFOODS

Dear Chairman Hull and Members of the Council:

Seafood Producers Co-operative (SPC) is an association of 576 commercial fishermen, 525 of whom are Alaskan fishermen. SPC is a fisherman owned co-operative in the United States. Halibut has been a core product of SPC since its establishment in 1944. Over the last 2 decades, our fixed gear hook and line halibut fishermen have worked within the IFQ program, amid steadily increasing costs of quota share acquisition, rising program management fees, escalating observer assessments, expanding charter GHI., shrinking halibut TAC and now potential council adoption of RQE.

If RQE is adopted and publicly funded, competitive IFQ buyers outside the commercial fishing sector will factor into an inevitable price increase for halibut IFQ shares and reduce the pool of quota remaining in the commercial fishery. This impending trend concerns us, as we want our younger members to be able to afford halibut IFQs so that our halibut pools can remain intact. Having endured years of quota cuts in areas 2C and 3A (the areas where most of our members own quota) SPC does not wish to see member access made unobtainable by a publicly funded charter sector buy out of halibut IFQ while our members have no equivalent publicly funded option.

The concept of a publicly funded RQE purchasing quota out of the commercial fishery, runs contrary to the intent of the IFQ program, which by the elements in its design, was intended to maintain the stability and viability of the commercial halibut fishery. From SPC's perspective the GAF program is more suitable because the removals require the individual charter operator to use their own money to lease the IFQ. SPC sees this as less likely to drive the IFQ permit costs up and the quota is less likely to be permanently removed from the commercial sector.

What beneficial outcome for the commercial halibut fleet results from the exit of quota from the Fishery?

SPC has worked hard to develop its halibut markets. Halibut has been a core premium product harvested by SPC fishermen since 1944. Halibut represents 17% of the value of our core products and has the highest average price per pound. It is one of our most popular products, especially with our young and growing direct marketing program.

Substituting another product can't easily augment lost economic opportunity to processors. Virtually all of Alaska's Federal Fisheries species are already fully allocated. RQE purchases will result in gradual increased constraints on commercial harvesters, processors and marketers.

SPC is all of the above.

A reduction of 500,000 pounds of commercially harvested halibut, at \$6 per pound to the fishermen isn't simply \$3,000,000 of product taken out of commercial production. It constitutes an annual loss of \$120,000 in marketing and fisheries business tax to the State of Alaska and an annual \$120,000 deduction from Federal IFQ management fees and observer program assessments. This tax liability would have to be transferred as is vaguely discussed in Element 5, Options 1-4 of the Draft Review.

What rests before the Council is simply a new container for a familiar, thoroughly exhausted topic, reallocation of halibut TAC. The GAF program already exists and is working. The guided halibut charter industry has continually sought means to expand harvests beyond the limits of the GHL at the expense of other user groups.

On behalf of SPC, our fishermen member owners, their dependent families, our staff, employees and our American Seafood customers, we urge you to oppose implementation of the RQE program.

Sincerely,

Joe Morelli

President/CEO  
Seafood Producers Cooperative



November 29, 2016

Chairman Dan Hull  
North Pacific Fishery Management Council  
605 West 4th, Suite 306  
Anchorage, Alaska 99501  
[npfmc.comments@noaa.gov](mailto:npfmc.comments@noaa.gov)  
RE: C3 Halibut RQE Program

Dear Chairman Hull,

A vital component of Southeast Alaska Guides Organization's (SEAGO) mission is to ensure the long-term sustainability and profitability of Southeast Alaska guided fishing operations and the halibut resource. For a decade, the SEAGO has been listening to growing industry and angler concerns about ever changing charter halibut management. To address these concerns, SEAGO and other industry representatives conducted years of research, polling, and studies to find an efficient, economically viable regulatory mechanism. The RQE Program is a result with the potential to meet SEAGO's mission. This potential is dependent on implementing an effective program.

After discussing the RQE program and its elements with industry members, SEAGO provides the following comments on program elements and concerns expressed by Council members and the public.

Alternative 2, Element 1, Option 2

The RQE should be a single entity with two quota pools for administrative efficiency.

Alternative 2, Element 2, Option 2: Supporting a 5% annual transfer limit

A 5% annual transfer limit would be the best alternative for our businesses and local community. For SEAGO members, the size and number of the fish their clients can catch is a key component in making their booking decisions. The large majority of SEAGO member's clients fly directly in to Alaska to engage in guided sportsfishing; if they cannot catch, they do not fly. As the guided fishing regulations relax, clients will be more satisfied with their experiences and more likely to fly in and put dollars directly into our local communities, as discussed below.

After reviewing the analysis, SEAGO appreciates that the supported transfer limit would make the RQE the largest Council-authorized purchaser on the market, though not necessarily the largest purchaser which will ever enter the market. The supported annual transfer limit allows the RQE the flexibility to purchase larger amounts when there exists both available QS

and funds for purchase. As stock abundance improves, we have seen an increase in traded shares on the market.<sup>1</sup> This trend may continue, or vary by year, and an annual transfer limit should reflect the anticipated variation in availability.

Alternative 2, Element 2, Option 3, Sub-option 1: Supporting a cumulative transfer limit of up to 15% of any Quota Shares. This transfer limit is SEAGO's preferred alternative over Option 3A's sliding scale with the GAF Program.

One long-term goal of the RQE is to return charter halibut catch to the unguided catch limit. In regulatory area 2C, this means two fish of any size. As noted in the analysis, this goal ultimately relies on stock abundance and available quota over the lifetime of the RQE. Reviewing the analysis and accepting future uncertainty, the best move to reach for this goal is a higher cumulative transfer limit, which, at the very least, is shown to significantly reduce the existing reverse slot limit in various sections of the analysis.

Addressing Alternative 2, Element 2, Option 3A

The RQE cumulative transfer limit should not be affected by or account for the existing GAF program. The GAF program only benefits individual owners and operators who can afford the opportunity. The RQE is intended to benefit the entire industry and repair the unintended effect of GAF, disenfranchising smaller charter operators who cannot afford to purchase halibut QS or invest annually to lease QS.<sup>2</sup> Current GAF leasing prices are cost-prohibitive, and are "nearly as high as the standard ex-vessel value of the IFQ."<sup>3</sup>

Unless a charter operator can afford to purchase their own halibut IFQ, the GAF program is unpredictable even for the businesses which use it. As in most industries, charter business owners want to be able to accurately assess the finances needed for upcoming years. The GAF program requires business owners to reassess costs and leasing options year after year, creating a varying level of risk each season. An RQE is intended to provide significantly more stability over the life of the entity.

Additionally, the suggested sliding scale cumulative limit based on GAF leasing proved to be an inaccurate reflection of the GAF program. The proposed 10% and 15% limits with a GAF sliding scale are in fact substantially smaller percentages than the percentage of leasable QS under the GAF program.<sup>4</sup> Given that the percentages are inaccurate representations of GAF, the Council should focus its decision regarding cumulative transfers on what percentage of transfers makes the program most effective.

Knowing the different purpose, objectives, and product of GAF, in addition to the different leasing limitations, this program should be dealt with in a separate action, and not as part of the RQE Program. However, if the Council moves forward with Option 3A, SEAGO and

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<sup>1</sup> Analysis pages 95-96.

<sup>2</sup> Analysis page 87.

<sup>3</sup> Analysis page 87.

<sup>4</sup> Analysis page 107-08.

its members prefer sub-option 2, as a limit totaling the previous year's usage plus 15% accounts for the actual use of GAF.

#### Alternative 2, Element 2, Option 4

Upon reviewing the analysis, SEAGO supports the restriction of D class shares to protect the interests of new entrants to the commercial fleet. Small percentages of D class are historically the most commonly traded shares, showing that this class may frequently be used by new entrants to the fishery. Furthermore, there are sufficient purchasing options for the RQE even if D class are restricted.

SEAGO would support, in the alternative, restrictions on purchasing blocks  $\leq 1500$ , as this too appears to protect small boat fishermen. In fact, like D class shares, the purpose of QS block provisions was to maintain fleet diversity and ensure QS availability to smaller operators; there is some overlap between the two.

Excluding more than these suggestions from RQE transfers severely restricts purchasing options and is unlikely to create an effective long-term program. Combining the two restrictions removes 22.7% of QS from the potential market,<sup>5</sup> leaving large block and unblocked C class QS. Presumably, the more restrictions implemented, the more pressure is placed on the remaining shares available on the market.<sup>6</sup> The Council should consider this pressure on the remaining markets when determining which QS to exclude from purchasing.

#### Alternative 2, Element 3: Supporting Option 1, Sub-option 5

Reallocation is an issue which may not apply to 2C without significant group efforts to maintain and rebuild the halibut stock. Furthermore, determining the amount of QS which may be reallocated in 10 to 20 to 30 years is near impossible. Knowing this, SEAGO appreciates the recommendation to discuss reallocation down the line,<sup>7</sup> but does not support it. The Council should act now to affirm the need to provide support to CQEs and the small commercial operators, and get the ball rolling under the assumption that the RQE will be effective and the hope that stock will increase.

Down the line, SEAGO hopes that there are more and more active CQEs which can use the supporting QS for their communities. Though split with CQEs under this alternative, the opportunities for small operators remains significant.<sup>8</sup> Given the other options in front of the Council to protect new entrants and small operators, this final opportunity should be utilized.

#### Alternative 2, Element 4: Clarification is Necessary

Before SEAGO can express support for the listed use of funds and stated limitations, clarification is necessary regarding exclusion of funds for lobbying. The RQE Director must be

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<sup>5</sup> Analysis page 140.

<sup>6</sup> Analysis page 95.

<sup>7</sup> Analysis page 149-50.

<sup>8</sup> Analysis page 148.

able to effectively complete his or her job duties while being paid with RQE funds. A general and unclarified lobbying limitation may negatively affect his or her ability to report to or take required action in front of NMFS, the Council, or the Legislature.

Alternative 2, Element 4, Option 1:

Though not a decision point on which the Council can directly vote, SEAGO appreciates the concerns expressed regarding “lost” fees and taxes when moving IFQ from the commercial to the charter sector. As NMFS notes, it has the authority to assess and collect cost recovery fees associated with use of commercial QS, and possibly Observer Program fees.<sup>9</sup> Furthermore, SEAGO encourages the Council to consider displacement of taxes, which are determined and collected by local and State tax authorities. As laid out in the analysis, the guided sportfishing sector contributes in various ways to the State and local communities.<sup>10</sup> Given the existing economic contributions to the local communities<sup>11</sup> and the State,<sup>12</sup> long-term consistency and less restrictive catch measures are likely to balance anticipated loss by increasing these contributions.

Each year, guided sportsfishing businesses throughout Southeast host tens of thousands of sportsfishermen, bringing direct and indirect benefits to communities. Clients spend millions on State license and fees, as well as trip expenditures, fishing packages, and fishing gear all subject to taxing. A 2009 study by the Alaska Department of Fish and Game shows that non-resident guided anglers spend \$744 per day and residents spend \$466 per day on saltwater fishing trips.<sup>13</sup> In addition to these trips, clients frequent local transportation operations, accommodations, restaurants and bars, and retailers of gifts, souvenirs, clothing, fuel, and fishing gear. In Ketchikan alone, 2008 Visitor Bureau findings show a total economic impact of \$20 million, including spending in the above categories, increased employment in a variety of sectors,<sup>14</sup> and the subsequent spending of industry employees in the community.

Though there are currently no existing studies on the impact of guided saltwater sportfishing alone, sportfishing clearly has a significant, beneficial economic impact on local communities and the State of Alaska. As fishing regulations are slowly adjusted to provide

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<sup>9</sup> Analysis pages 151-52, 163.

<sup>10</sup> Analysis page 165-66, Table 4-81. All saltwater guiding operations are also subject to set State and local business license fees, guide license fees, guide operator license fees, and resident and non-resident fishing licenses for guides.

<sup>11</sup> Looking at the document cited in Table 4-81 footnote 2, while 16 municipalities do have a raw fish tax and had 2015 revenue, a significantly higher number have and collect sales and bed taxes, to which charter operations are subject. Though a direct comparison is unavailable, Southeast Alaska sales and bed taxes range between 2-7%. Some areas compound city and borough sales taxes, such as Ketchikan (4% + 2%) and Haines (1.5% + 4%). Some also clearly require both bed and sales tax apply to stays at lodges, such as Sitka (6% bed tax + 6% sales tax on room price) and Petersburg (4% bed tax + 6% sales tax on room price). Local revenue also includes property taxes assessed against lodges, not included in this analysis.

<sup>12</sup> Alaska received over \$18 million in 2016 Sport Fish Restoration funds through the Dingell-Johnson tax program. The Alaska Department of Fish & Game, Division of Sport Fisheries, Division Budget shows 53 saltwater or salt and freshwater projects funded via Federal Dingell-Johnson funds. These projects provide important data and projects whose benefits are felt outside of the sport fishery, but whose funds come largely from sport fishing.

<sup>13</sup> Economic Impacts and Contributions of Sportfishing in Alaska, Summary Report 2007. Alaska Department of Fish and Game, Division of Sport Fish. January, 2009. Anchorage, Alaska.

<sup>14</sup> Local hiring rates were estimated at 87%.

consistency and future benefits to clients, these benefits will presumably increase and supplement any perceived loss.

Alternative 2, Element 5:

Regarding the organizational structure, the Council has not previously required that this variety of details be predetermined. SEAGO can appreciate the desire to do so, as this is a new and untried program which provides for quota transfers between two major industries. SEAGO requests that the Council consider whether any of the requirements create unavoidable conflicts of interest, and specify how the RQE will show NMFS that it remains in line with any structural requirements.

Other Issues Raised

Two issues have been consistently raised by commenters and the Council which SEAGO would be remiss to ignore. First, concerns about localized depletion of halibut stock due to an undetermined change in angler efforts are unsupported by information collected over the past three decades.<sup>15</sup> Pacific halibut are considered a single coastwide stock with a wide migration area, and no available information indicates that nearshore catch would deplete or jeopardize the stock. Second, while SEAGO and the charter industry appreciate the Council and commenters' concern, it is the task of the industry and RQE to determine any funding mechanisms once the program is approved by the Council and Department of Commerce to purchase QS. We look forward to sharing information about funding opportunities and successes via the RQE's annual report to NMFS.

In conclusion, SEAGO is excited to weigh in on the Council's final action to implement the RQE. An RQE program will provide a slow, voluntary process to move allocation and, over time, provide a more marketable catch opportunity for clients. It creates a willing-buyer, willing-seller option, which business owners can plan around. It creates choice in allocations between the sport and commercial sector. Please vote to support this choice and create a program which will meet its goals and objectives in the years to come.

Sincerely,

*Samantha Weinstein*

Samantha Weinstein  
SEAGO, Executive Director  
samantha@seagoalaska.org

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<sup>15</sup> Analysis page 221-22.



PO Box 210064 Auke Bay AK 99821 (800) 877-2661

November 28, 2016

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

RE: Comments Agenda Item C-3 Charter halibut RQE program

Dear Chairman and Members of the Council:

I was born in Juneau and raised in a family operated fishing lodge business in Southeast Alaska. At the age of 18 I got my captain's license and have been taking lodge clients out fishing for close to twenty years. I am now the lodge manager and oversee a fleet of five vessels.

We have experienced the impact that the decline in our clients' bag limits has had in recent years. Not only has this led to losing some long time clients who now fish in another area with better bag limits, but has also led to the degradation of our current clients' halibut fishing experience as they now have to release fish they used to keep.

We have also seen a shift to targeting other species, as the time devoted to halibut fishing in the past has dramatically decreased as bag limits decreased. More time is devoted to fishing for rockfish and black cod to fulfill a day's fishing activity and catch expectations. These stocks have seen increased pressure.

The growth of bare-boat charters is also alarming. While we do not offer this activity, lodge businesses in our area providing unguided fishing have been growing with new businesses springing up each year. This is due to the ability of unguided anglers to keep two halibut of any size. This is an unsafe activity especially with anglers not familiar with our weather changes, sea conditions, and submerged tidal reef systems.

I am in support of the development of the RQE as this will address some of my concerns mentioned above.

Regards,

A handwritten signature in black ink, appearing to read 'Kenji Yamada', written in a cursive style.

Kenji Yamada  
Lodge Manager



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

Reservations Office  
Box 8500  
Ketchikan, AK 99901

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

November 24, 2016

Chairman Dan Hull  
North Pacific Fishery Management Council  
605 West 4<sup>th</sup>, Suite 306  
Anchorage, AK 99501

Via email: [npfmc.comments@noaa.gov](mailto:npfmc.comments@noaa.gov)

Re: Recreational Quota Entity

Chairman Hull and Members of the North Council:

My name is Larry "Mac" McQuarrie I own/operate Sportsman's Cove Lodge on the eastern shore of Prince of Wales Island, approximately 25 NM due west of Ketchikan. Our lodge employs 32 staff in-season, six year-round, serves over 600 out-of-state VISITORS annually, and contributes in excess of a million dollars to the local Ketchikan community every year. We operate a fleet of six 37' six-pack charter boats and host 30 guests a day from mid-June through mid-September. We have been charter fishing in Southeast Alaska for 33 years. We established Sportsman's Cove Lodge 27 years ago.

A month from now, I will be 77 years old. Apart from nine years in the Navy, I have fished, as a troller, crabber or charter operator, every season since 1954. As the Fleet Captain of our operation, I am on the water every day of the season (yes, every day) running one of our charter vessels. I am immersed in our industry and have been for over fifty years.

I have been involved with Alaska charter fishing issues for more than one-third of my life starting in 1984 by supporting the the six-line limit in Southeast. Having come from a failed fishery in Washington State, I knew full well there were over 400 charter boats that had just been put out of business by Federal Court decisions. They would be looking for a new home. Southeast was their closest option. The six-line limit presented an economic barrier that kept the "cattle boats" (in the heydays I operated a fleet of 17 of them) from Down South out of Southeast Alaska. The big USCG certified boats could not make a living carrying only six passengers. They did come North, primarily to Seward, Homer, and some to Kodiak. But not to Southeast.

I was a member of one of the first charter delegations to take part in the Conference Board of 1993 at the IPHC, where we were told, "Go talk to the North Pacific Council." We did. I served on the first Charter Halibut GHL Committee somewhere in the late 1990s.

A few years later, I served on the Charter Halibut IFQ Committee, where, with guidance from the likes of Tim Evers, John Goodhand and Bob Ward, I authored the letter that was the basis for the successful Council motion to integrate the charter fleet into the commercial IFQ system. The Council approved the Charter IFQ on April 14, 2001. But after eight years of work, followed by almost four years of delays, which disqualified many operators for lack of recent participation, the Charter Halibut IFQ program was rescinded by the Council, in an epic battle, on December 10, 2005. A day that will live in infamy.

Undaunted, and with a reserve of optimism that came from I don't know where, I next served on the Charter Halibut Stakeholders Committee with among others, the current Council Chair, Dan Hull. Over a year of hard work went into the Stakeholders Committee in the hope that an equitable and lasting solution to halibut allocation could at last be found. The Charter Halibut Permit came out of that work but TO THIS DAY, SIX ALTERNATIVES DEVELOPED BY THE STAKEHOLDERS COMMITTEE

[www.alaskasbestlodge.com](http://www.alaskasbestlodge.com)

*"We've been doing this awhile"*

LANGUISH IN THE ARCHIVED MINUTES OF THE COMMITTEE. None of these proposals ever saw the light of day. However, exploratory groundwork was laid by the Stakeholders to determine if it would be possible for a Non-Governmental Organization, such as a Private Non-Profit entity to buy and hold halibut quota shares for the charter industry as a whole, and further, to study how they might be financed. On March 30, 2007 I was part of a sub-committee from the Stakeholders that went to Juneau to be briefed by various agencies as to how this NGO/PNP might operate and be financed. The Charter Halibut Stakeholders Committee was placed on Inactive status but remnants of the concept of purchasing quota shares for a common pool remained and were later revived, thanks to the vision of people like Richard Yamada, and his CATCH program.

In 2008 came the Catch Sharing Plan that somehow morphed out of nowhere from something called the "Interim Solution." Passage of The Interim Solution at the Council saw a rare cumbayah moment when all in the gallery stood together in support. But the CSP that came out of it was not what we had all cheered about. The CSP reduced the charter share below the already established GHL, which the courts had previously pronounced as being "Fair and Equitable."

When the Council, in October of 2008, (including the SSC) dismissed and even ridiculed the eloquent professional and technical testimony of none other than Dr. Hans Radtke, former Chair of the PFMIC and co-author of the Alaska FEAM economic model, I, and most of the Old Charter Guard were done with the Council. Twenty years of hard work and "involvement" had produced very little for the charter industry. I had finally come to the realization why. The primary halibut regulatory agencies, the IPHC and the NPFMC were never designed, nor equipped, right from the conceptual stages, to ever deal with recreational fisheries. They were formed at the behest of commercial fishermen to address their concerns and to protect commercial fishing interests: the IPHC to save a fishery in danger of being depleted, and the NPFMC to remove foreign fleets from our shores and install U.S. jurisdiction over our offshore fishery. The recreational fishery was hardly even a consideration at the time. It was destined to be the stepchild of Federal fishery management in Alaska from the get-go. And nothing has changed.

So...why am I, at 77 years old still working and running a charter boat every day in season? Why have I not retired long ago? Why? Because I can't get out. The business, one of the larger lodges in Alaska, has been for sale for the last ten years. But it isn't worth anything. Twenty-eight years and probably eight or nine million dollars ploughed back into it over the years, and nobody wants it. It hasn't made any real money since 2006, the last year before halibut restrictions came into play. The business could not service the mortgage it would take to buy the place. It is a bad joke that my lowest paid employee makes more each season than I do. And restrictive halibut measures have a lot to do with it. \* I get by because I have been at it so long, I have very little debt, I am careful, I have a small pension from previous employment, and yes, I have my Social Security. I am not complaining, just stating the facts regarding the dismal condition of our industry, from someone who has been at it for a very long time and is considered to be successful. (It is however, still an enviable lifestyle.)

*\* Prior to 1973 there were no formal limits on the recreational catch of halibut. In 1973 a two-fish daily bag limit was instituted which remained in effect until 2007. In 2007 the first charter halibut restrictions were imposed in Area 2C, Southeast Alaska. The so-called "Minnow Rule" (32" or less) was implemented for the second fish. Charter operators felt the effects immediately. An economic downturn further exacerbated the situation in 2009 and for several years thereafter. Adding to the plight, in 2009 the rules mandated a one-fish limit. A staggering double whammy. Regulations have continued to be ratcheted downward every year. In 2016, Area 2C had a "reverse slot," one fish under 43"(about 40 pounds) or one fish over 80" (about 225 pounds). In spite of an improving economy, the charter industry has never recovered to pre-2007 levels.*

[www.alaskasbestlodge.com](http://www.alaskasbestlodge.com)

"We've been doing this awhile"

I recite all of the above for three reasons:

1. Two and a half DECADES have passed with countless hours and dollars spent by hundreds (thousands?) of people trying to find a solution that will work for charters and IFQ holders alike. All of these efforts have been stymied at the Council. There are not many people left in the industry and perhaps even some on the Council that are aware of that long and tortuous history. We need to be reminded about how frustrating and vexing this problem has been for both the industry - and the Council.
2. By knowing my history with this issue, and my experience in the industry it is my hope that you may perhaps read this letter in its entirety, and lend some credence to it.
3. The RQE is a different animal. It relies on "willing" participants from the competing segments of the fishery. For the most part it removes the regulatory agencies from the picture. For the first time, a recreational fishery will have the chance to secure an ownership position in the halibut fishery. A win-win for all.

**The RQE:** With the RQE, the Council is poised to make an historic decision, and to finally come to grips with the decades-old allocation battles between the longline and charter fleets.

You will hear all the supporting arguments from others in my sector so I won't reiterate them here, but it is important to note a few salient points:

- As I have testified before the Council many times in the past, GAF leasing just does not work, from many aspects. It is no substitute for the RQE, which is the tide that raises all ships, not just those that can afford to rent GAF year after year.
- Let's not make the RQE any more complicated than it has to be. One entity will keep it simpler to administer and fund.
- If we are going to put in all this effort, let's not hamstring it with transfer limits so small the whole thing doesn't work. Let's do it right and put transfer limits into the program high enough so the concept has a fighting chance of taking effect and doing some good. Remember this is a "willing" arrangement. Let it work as intended. It can be tweaked later if it has problems.
- By the same token, unallocated RQE IFQs should not be left in the water. They need to be issued back, again so they can do some good and so the program has enough fish to be effective.
- With the RQE, the Council has the opportunity, for the first time, to get this allocation monkey off your back, or at least acquire a smaller, more docile monkey. Don't try to micro-manage it. Step back and let it manage itself as much as possible. Don't interfere with things like the selection of Directors, for instance.
- And finally...don't approach the RQE with timid temerity. Give it the tools to allow it to work. Go boldly, then step away, and watch. Just watch, don't meddle.

As I have already said, this is an historic opportunity for the Council. As I hope I have demonstrated, past Councils have not distinguished themselves when it comes to the decades long "discussion" between halibut quota shareholders and the charter fleet. This issue has caused friction and divisiveness in our communities for too long. Visionaries from the charter fleet, and others, have put together a unique and enlightened solution in the CATCH initiative, using the RQE as the instrument of implementation. "Willing" participants will help settle allocation issues. How often does that happen. It is an idea whose time has come. Let's make history.

Respectively, and for the last time,

**Mac**

Larry McQuarrie

Still the Owner/Operator of Sportsman's Cove Lodge and captain of the *C/V Island Lady*.

[www.alaskasbestlodge.com](http://www.alaskasbestlodge.com)

*"We've been doing this awhile"*



NPFMC comments - NOAA Service Account &lt;npfmc.comments@noaa.gov&gt;

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**RQE, Item c-3**

1 message

Greg Streveler &lt;greg.streveler@gmail.com&gt;

Mon, Nov 28, 2016 at 9:49 PM

To: "npfmc.comments@noaa.gov" &lt;npfmc.comments@noaa.gov&gt;

Hello councilpeople,

As a 50-year Gustavus resident who has fished that whole time to feed my family, I urge you not to pass the RQE proposal on your agenda. This action would add considerably to the charter allotment in Area 2c, a lot of which would be fished in Icy Strait, including near Gustavus. This will only add to the list of things setting us up for local depletion.

We still have fish now, but this is changing. Now, if I want my 50# of halibut for the year, I'd better get out in the spring; by mid-summer it is very scratchy.

There are no "front burner" options on your table that would help us locals. I fervently hope that our highest priority actions you could take -- like plugging the "self-guided" loophole and devising a finer-scale management framework -- will come before you soon. But for now, please don't add to the problem by passing the CQE!

Thanks for the opportunity to testify.

Greg Streveler

Box 94

Gustavus



NPFMC comments - NOAA Service Account &lt;npfmc.comments@noaa.gov&gt;

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## Comment Letter in Support of RQE

1 message

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Russell Thomas <russellt@aseresorts.com>  
To: npfmc.comments@noaa.gov

Sat, Nov 19, 2016 at 3:16 PM

Chairman Dan Hull

North Pacific Fishery Management Council

605 West 4th, Suite 306

Anchorage, Alaska 99501

[npfmc.comments@noaa.gov](mailto:npfmc.comments@noaa.gov)

Re: RQE

Chairman Hull & North Council Members:

My name is Russell Thomas and I am the general manager for Alaska Sportfishing Expeditions. ASE Resorts is a family-owned group of three fishing lodges operated in the Ketchikan area.

I have addressed the Council numerous times on the issue of the RQE. Out of deference to your time, I won't rehash previous testimony in support of the RQE program. I simply would like to encourage you to continue moving this regulation toward final action.

As you consider moving the RQE forward, I respectfully ask you to consider the following as part of your deliberations:

1. Are the restrictions & requirements enacted as part of this final action on par with those put into place for other gear groups who have previously brought innovative ideas to the Council for action?
2. Will the final action provide enough relief and opportunity to the guided recreational sector to put to rest the perpetual allocations battles between these two sectors, even if that relief may take some time to accomplish?
3. Does the final action provide adequate opportunity for ALL IFQ holders who wish to participate as a willing seller to enter in to the marketplace to do so?

I appreciate your willingness to consider a concept that would be the first of its kind. In addition to liberalizing increasingly restrictive limits for guided anglers, finding a creative way to solve long-standing gear group battles has been an integral part of our mission. In my opinion, of all the options considered as part of the CATCH grant, the RQE provides the best opportunity for equity, choice, and the long-term sustainability of both the halibut long line fishery and the guided recreational fleet.

Thank you for your consideration.

11/29/2016

Russell Thomas

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Russell Thomas

General Manager

(907) 228-2321 - Office

(907) 617-3619 - Cell

North Pacific Fishery Management Council  
604 W. 4th Ave, Suite 306  
Anchorage, AK 99501

Re: C-3 Charter Halibut RQE

Chairman Hull and members of the Council,

I am writing to oppose agenda item C-3, halibut charter RQE. I urge the Council to adopt Alternative 1, and take no action on this issue until we give the Catch Sharing Plan more time to mature.

I am a lifelong Alaskan, commercial fisherman and licensed Captain heavily invested in the halibut and blackcod fisheries, salmon and Pacific cod. I have a number of reasons why I am opposed to halibut charter RQE. My main concern with an RQE program is its effects on market prices of halibut quota for purchase, especially for second generation IFQ holders. As an individual that has purchased all of his IFQ and was not allocated any initial shares I have seen the consolidation of the halibut and sablefish fisheries first hand. Many coastal communities have seen their longline fleets shrink or wither away as a result of consolidation. Current market prices of 3A and 2C halibut quota are already at staggering levels. I have seen halibut shares in 3A increase nine-fold since I began purchasing quota. Allowing any entity that is not an individual to hold a percentage of the overall quota in 2C or 3A is treading on dangerous ground, and moves outside of the original intention of the program.

Adding another potential buyer to the quota market can only lead to increased quota prices. Currently, second generation IFQ holders are already unfairly competing against native corporations and wealthy investors. If the Council is actually worried about the “graying of the fleet” and new entrants into Alaskan fisheries, RQE’s will only perpetuate the ongoing absentee ownership and participation that the fishery has been facing since its inception by inflating quota share prices to a level that no entry level fisherman could afford.

Furthermore, if a halibut charter RQE is implemented who’s to say a large NGO can’t buy up all available shares as a conservation measure or a sport fishing outfitter can’t invest heavily in shares to promote their industry? Two or three million dollars injected into the quota market can have a severe effect on price per share of quota. I know the Council doesn’t want to get involved in where money to fund an RQE is coming from, but I believe that approach is naïve and something that must be at least considered. Reconfiguring the program and letting a large entity invest in a relatively small amount of market shares only sets a precedence for this sort of activity to continue in the future. Charter operators already have GAF as part of the Catch Sharing Plan. Where does the reallocation end, and how much more of the commercial catch will continue to be shaved off?

Each pivotal shift the Council makes regarding these sort of decisions has a lasting effect on every management aspect of the industry for eternity. The IFQ program was implemented for individuals to hold quota that they are actively fishing, not for large groups of people investing

as an entity (with the exception of A shares). We're dealing with apples and oranges here. Unfortunately, charter halibut RQE's leave a lot of unanswered questions and potential for unforeseen negative effects that could threaten the very core of the IFQ program.

On top of the logistical nightmare in the quota markets inherent with charter halibut RQE, I would also like to ask who is going to pay for the enforcement of such a program? Will it be piggybacked onto the longline fishery's enforcement fees or will a separate tax be implemented for RQE quota holders? I hold little faith in the charter fleet staying under their GHL as they have continued to disregard it for many years. That being said, I believe enforcement will be an important tool to keep everyone honest if RQE's do become a reality. However, funding and the mechanism for enforcement should be a major concern for the council before entertaining any further thought of RQE's.

If the Council feels that RQE's are a feasible management solution I believe charter fishermen should at least be held accountable to their GHL. If they exceed their GHL, the amount exceeded should come directly off their GHL for the next year. I would like to catch more halibut most years, but I don't intentionally exceed my IFQ poundage because I want to keep fishing. Everyone is sharing in this once abundant resource, but if all sides continue to battle over reallocation issues it will complicate the program until it becomes a shadow of its former self. If charter operators are going to be players in the halibut IFQ regime, they need abide by the same rules the longliners have for the last 20 years or this idea will never function as intended. Charter operator accountability would be essential if an RQE program could ever function in the real world.

I would like to end this letter by highlighting the fact that we need not waste any more valuable Council time arguing over the reallocation of the halibut resource. We as rational beings have our minds set on issues before realizing the potential damage that our decisions can create. I understand theories and ideas seem logistical when analyzed from a neutral standpoint as the Council is attempting to do; however, halibut charter RQE's do not fit the original intentions of the IFQ program and they simply throw salt in the wound of a program that is already flawed. Let's fix the current problems in the existing IFQ program before we add convoluted management measures that could threaten the very existence and foundation of the original program. Furthermore, it is time for the Council to start listening to second generation IFQ holders, and not be influenced by the biased views of the initial recipients or those on the backside of their careers looking for a retirement program. High quota costs to those getting out of the fishery mean something totally different for those getting into the fishery, and can have a significant influence on pivotal Council decisions.

Regards,  
Erik and Lacey Velsko

Britta Sea Fisheries LLC  
Dangerous Cape Fisheries LLC  
780 Daybreeze Ct., Homer, AK 99603  
(907) 235-2080



Chairman Dan Hull  
North Pacific Fishery Management Council  
605 West 4<sup>th</sup>, Suite 306  
Anchorage, Alaska 99051  
[npfmc.comments@noaa.gov](mailto:npfmc.comments@noaa.gov)

November 22, 2016

Re: Recreational Quota Entity

Dear Chairman Hull,

Thank you, the board and the NPFMC staff for the opportunity to weigh-in on this important issue. I am the managing partner of Waterfall Resort and Steamboat Fishing Club located in southern Southeast Alaska. We are the largest remote lodge operator in the state. Last year, we hosted over 7,000 angler days at our properties. We opened Waterfall Resort in 1983 and have brought over 60,000 anglers to Alaska since we began. Our two properties only exist to host anglers. We have 18 year round employees and approximately 100 seasonal employees.

In the past, I have served on both the RQE and Charter Halibut Implementation committees. I have participated in more NPFMC board meetings than I care to remember. I was a strong proponent of the failed charter halibut IFQ proposal. I believe the current RQE proposal is a better program.

Our rates are in the top 5% of all remote Alaska fishing lodges. We participate in the GAF leasing program and are able to pass these costs on to our guests. At over \$400 per fish, this is a rich persons' game. We would prefer that the GAF program be phased out as the RQE program is phased in. Even though it provides us an opportunity to separate ourselves from our competition, we need a healthy industry overall to generate the interest to keep visitors coming back to our state. Frankly, we couldn't exist if we didn't have the exposure created by all of the participants in our industry.

Even at our rates, it is a value proposition for our guests. Fancy rooms and fantastic food will not overcome an inadequate access to the resource - our people come to fish and to take fish home. We need the ability to maintain our access to the resource and the RQE program allows us to do that with a market based solution. Sport anglers provide an extremely high value per fish to the State of Alaska. Let's use this market based solution to the benefit of both the commercial and sport industry. I appreciate the Council's desire to be cautious. However, the program needs to be designed so it will work - keep annual transfer limits up to 5%, give us a realistic long-term transfer limit to make this undertaking worth the effort and consider not limiting D class vessel transfers as long as small blocks are protected.

We need this proposal to pass with a structure that gives us something to work with. It is a good plan that has received a tremendous amount of public scrutiny and has broad industry support as a viable long-term solution. I urge your positive vote for our future.

Sincerely,

Ken Dole  
Managing Partner

P.O. Box 6440 • Ketchikan, AK 99901  
800-544-5125 • 907-225-9461 • FAX 907-225-8530  
e-mail [waterfal@ktn.net](mailto:waterfal@ktn.net) • [www.waterfallresort.com](http://www.waterfallresort.com)



NPFMC comments - NOAA Service Account &lt;npfmc.comments@noaa.gov&gt;

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## Charter RQE's

1 message

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Charlie Wilber <cwilber@gci.net>  
To: npfmc.comments@noaa.gov

Tue, Nov 29, 2016 at 3:40 PM

NPFMC  
Chairman Hull

The RQE program is another attempt of the charter industry to usurp quota from the commercial sector. This is unnecessary since the Council has already instituted a charter limited entry system which fairly allocates quota between the two sectors. I urge the Council to reject the RQE amendment because:

1. Low levels of abundance are hard on ALL sectors. All fishermen need to catch less during times of low abundance.
2. The halibut Catch Sharing Plan provides a market-based mechanism (i.e. guided angler fish (GAF)) for transfer between sectors and was supposed to end Council reallocation. Why is this action even being considered?
3. The Council established a charter limited entry program that protects charter operators from new entry into their sector. The Council should focus on tightening the charter limited entry program rather than allowing additional reallocation of quota from the commercial to the charter sector.
4. The Council's recent review of the halibut QS program identified the high cost of entry as a significant challenge to meeting IFQ program objectives. The RQE program will exacerbate entry level costs, which is contrary to Council goals.
5. RQE quota purchases will exacerbate local depletion around coastal communities, making it more difficult for residents to harvest sport or subsistence halibut.
6. The Council and the public should understand the funding mechanism for the RQE before the Council takes final action.
7. If the Council will not drop this amendment, the cumulative amount of quota that can transfer between sectors under the RQE or GAF programs should be 10% in Area 2C and no more than is needed to achieve a two-halibut daily retention limit for charter clients in Area 3A—i.e., 7%. Likewise:

Thanks for your consideration,  
Charlie Wilber. F/V Alexa K



NPFMC comments - NOAA Service Account &lt;npfmc.comments@noaa.gov&gt;

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## Need for better Halibut conditions

1 message

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Liz Wilkie <birdkrazy@msn.com>

Sun, Nov 20, 2016 at 10:12 AM

To: "npfmc.comments@noaa.gov" <npfmc.comments@noaa.gov>, Halibut Coalition <halibutcoalition@gmail.com>

Hello,

We are an IFQ holding family, I am writing this to give our opinions to the up coming Halibut Coalition meetings.

Our points are as follows:

1. The low halibut catch levels in the catch sharing plan was suppose to end council reallocation, so why is it even being considered once again?
2. Limit to charter holders so it does not go into the commercial sector's catch!
3. The RQE program would raise the entry level costs which would be contrary to what the council goals were set at!
4. This would harm the resident's sport and subsistence catch of halibut which is so important to the survival of families. Most of our resident rely on these to provide and survive! Families of the state have a greater need to feed families1
5. The IFQ surplus should be returned to the commercial market this not only benefits the commercial sector but also state taxes!

In closing I would like to state that IFQ holders have bills and families to take care of too! They are in need of a payday and food to provide best they can for their homes.

I know our family relies heavily on the income from our halibut catch to survive and be able to pay our bills and pay our taxes!

Thank you for your time,

11/29/2016

National Oceanic and Atmospheric Administration Mail - Need for better Halibut conditions  
Public Comment  
December 2016

The Wilkie family



NPFMC comments - NOAA Service Account &lt;npfmc.comments@noaa.gov&gt;

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**(no subject)**

1 message

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Karsten Wood <karstenwood@gmail.com>

Mon, Nov 28, 2016 at 11:19 AM

To: npfmc.comments@noaa.gov

Cc: halibutcoalition@gmail.com

I am writing this email to state my opposition to the Recreational Quota Entity (RQE) program. I do not understand why this action is being considered after the halibut catch sharing plan has already been adopted. It seems better management of the charter limited entry program rather than reallocation of quota should be made the focus of this issue. The adoption of this plan will only make the make the high cost of entry into this commercial fishery even greater. This will have a significant impact local communities economically. If this amendment will not be dropped the cumulative quota that can transfer under the GAF or RQE system should be kept to a MINIMUM. Thank you for your time.



NPFMC comments - NOAA Service Account &lt;npfmc.comments@noaa.gov&gt;

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## Written Comments Regarding Final Action on the RQE Proposal:

1 message

Phil Wyman &lt;philwyman@hotmail.com&gt;

Tue, Nov 29, 2016 at 11:17 AM

To: "npfmc.comments@noaa.gov" &lt;npfmc.comments@noaa.gov&gt;

My name is Phillip Wyman, a 40+ Years Commercial Fisherman out of Sitka Ak and I am writing on behalf of myself and my two grown children who are also longliners. The RQE proposal, to me, is something that has no chance of succeeding in its purpose and all it's going to do is cause hardship to the commercial longline sector, especially young commercial fisherman who wish to purchase Halibut IFQ. So, adding some reality to this La-La Land proposal; Halibut IFQ's are costing \$55-\$65 a pound currently and if you could buy 10% of the 2C and 3A Quota it would roughly be 13,000,000 Million pounds x10% =1,300,000 pounds x\$60 dollar a pound Halibut IFQ= 78 MILLION DOLLARS! Looking at the Current IFQ Market: there is very few sellers out there in 2C and 3A brought on by a lot of factors that I won't go into..but is not going to improve much even with an IFQ avg price of \$80-100 a pound. So, your non-existent RQE funding mechanism that is gonna be run by NMFS, i guess, is needing to place a 100 Million price tag on this program and needs to start looking for ways to FUND the program and then try to go on the open IFQ market and try to pry IFQ out of the commercial sector, not likely. So, in closing, here's 2 practical solutions to satisfy the issue: 1) Install a charter license buyback program paid for by the charter sector to reduce licenses by 15% 2) Get serious about reducing the Halibut Trawl By-Catch in all the Alaska Trawl Fisheries, especially in the Western Side of 3-A, which is the main area that supports the Kenai Peninsula charter fisheries.

Sincerely, Phillip Wyman F/V Archangel PO Box 2507 Sitka Alaska 99835