C3 RQE Funding

The AP recommends the Council identify the following Alternative and Options as its Preliminary Preferred Alternative (PPA):

**Alternative 2:** Establish a fee collection program for charter vessel operators to fund the recreational quota entity.

  **Option 1: Charter Halibut Stamp**

The AP also recommends that the Charter Halibut Committee review the document and present its recommendations to Council Staff, AP, and Council prior to final action.

*Motion passed 19-1*

**Rationale in Favor:**

- The intent of this motion is to provide a signal that the focus of this action will be on development of charter halibut stamps while ongoing issues related to funding continue to be addressed. While it would have been better if the Charter Halibut Committee had been able to meet prior to this agenda item coming up at this meeting, gaining input from directly affected stakeholders via a future Committee meeting is important and will allow for consideration of their input at final action.

- The Charter Halibut Stamp is selected as a PPA given concerns industry representatives have noted (following the analysis) that use of logbook data for assessing fees may incentivize misreporting numbers of halibut caught. Additionally, Alaska Department of Fish and Game logbook data was not developed to support exact catch history of individual Charter Halibut Permits (CHPs). As described in the analysis, writing down a CHP in a logbook would assess that CHP with fees associated with the RQE, whether or not that CHP is associated with any halibut caught and retained by that operator. A CHP is associated with halibut harvest, but if it’s not your CHP, NMFS doesn’t know if you have a formal agreement to use that CHP or not. Further, there is no formal “data flow” between ADFG and the NMFS to share access to logbook data. This creates a lag in data communication between ADFG and NMFS.

- A halibut stamp would add no significant burden to enforcement as anglers currently have fishing licenses checked by enforcement officers. The analysis highlights that prosecution of violations can be costly, and these costs should be considered further at the Charter Halibut Committee and by the Council.

**Rationale in Opposition:**

- Selecting a PPA at this time is not appropriate when the costs/funding mechanism associated with the RQE remain unclear.
The analyses shows costs of enforcing/managing the stamp program for the RQE would come of the IFQ cost recovery fee, which is already set at its maximum 3% and fully utilized, before the RQE owns any RFQ to begin paying into the cost recovery fee.