

# Petersburg Vessel Owners Association

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May 8, 2013

Mr. Eric Olson, Chairman  
North Pacific Fishery Management Council  
605 West 4<sup>th</sup> Avenue, Suite 306  
Anchorage, AK 99501

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**RE: Proposed regulation changes at 50 CFR 679.20(e) governing enforcement of Maximum Retainable Amounts (MRA).**

Dear Chairman Olsen and members of the Council,

The Petersburg Vessel Owners Association (PVOA) is a diverse group of over 100 commercial fishermen and businesses based in Alaska. Our members provide millions of meals to the public annually by participating in a variety of fisheries statewide with our foremost interest being the commercial halibut and sablefish fisheries managed by the North Pacific Fishery Management Council.

PVOA wishes to propose changes in the regulations at 50 CFR 679.20(e) governing the enforcement of Maximum Retainable Amounts (MRA) for catcher vessels and catcher/processors. The existing specific regulations of concern are at §679.20(e)(3)(i) and (ii).

**PROPOSAL §679.20(e)(3) Application:**

- (i) For catcher vessels, the maximum retainable amount for vessels fishing during a fishing trip in areas closed to directed fishing is the maximum retainable amount applicable in any area, and this maximum retainable **[AMOUNT MUST BE APPLIED AT ANY TIME AND TO ALL AREAS FOR THE DURATION OF THE FISHING TRIP.]** is calculated at the end of each offload and is based on the basis species harvested since the previous offload. For the purposes of this paragraph, offload means the removal of any fish or fish product from the vessel that harvested the fish or fish product to any other vessel or to shore.
- (ii) For catcher/processors fishing in an area closed to directed fishing for a species or species group, the maximum retainable amount for that species or species group **[APPLIES AT ANY TIME FOR THE DURATION OF THE FISHING TRIP.]** is calculated at the end of each offload and is based on the basis species harvested since the previous offload. For the purposes of this paragraph, offload means the removal of any fish or fish product from the vessel that harvested the fish or fish product to any other vessel or to shore.

**ISSUE:** The MRA should be calculated at the time of offload, not during a fishing trip. These regulation changes would make the existing regulations more consistent with similar regulations at §679.20(e)(3)(iii) and (iv) governing the Am.80 Pollock and the CGOA Rockfish Program participants.

Under the current regulations, in the federal sablefish longline fishery, for example, any non-target species that had an MRA without a full retention requirement would need to be immediately discarded or the vessel would be in violation, regardless of the condition of the released fish. These regulations, as currently written, actually promote wastage, is an unintended consequence and not the initial intent of the regulations. We do believe that the intent was to prevent intentional excessive bycatch of economically valuable species by limiting the bycatch to a percentage of the weight of the target species at the time of delivery/offloading.

Although we don't know of any specific problems associated with this regulation to the present time, our concerns are directed toward potential problems resulting from implementation of the restructured observer program for the small boat halibut and sablefish longline fisheries. With an increased number of observers being deployed on a larger number of vessels, and the potential for future implementation of electronic monitoring (EM) systems, situations could arise where an observer could report the above scenario as a violation, or the EM system would document the violation, resulting in enforcement action irrespective of the percent species composition at the time of delivery/offload.

**POTENTIAL PROBLEMS:** We believe that implementation of these changes would not functionally change the way the regulations are currently being enforced. It's unlikely that any MRA enforcement actions have ever been initiated on a vessel actively fishing at sea, and are routinely only initiated at the time offload. As such, we don't foresee any obvious potential problems arising from our proposed regulatory changes.

PVOA is also preparing regulatory proposals to the Alaska Board of Fisheries to address similar changes to State of Alaska bycatch retention regulations.

Thank you for consideration of our proposal.

Sincerely,



Brian Lynch  
Executive Director

**KODIAK VESSEL OWNERS' ASSOCIATION**  
**P. O. BOX 2684**  
**KODIAK, ALASKA 99615**  
**Phone: (907) 486-8824 Fax: (907) 486-6963**

May 28, 2013

Mr. Eric Olson, Chair  
North Pacific Fishery Management Council  
Anchorage, Alaska 99510

Sent by Fax: 907-271-2817

Re: Agenda D-2 - Staff Tasking

Chairman Olson:

Attached is a proposal which we would ask that the Council forward to the Halibut/Sablefish IFQ Implementation Team and request that this be added to the agenda for their next meeting.

Also attached is a summary and graph taken from data provided by the Restricted Access Management Division which show the harvest limits/TAC and vessel caps for sablefish and halibut for the years 1997-2013.

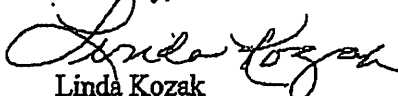
In recent years, we have had discussions about how vessel owners are dealing with the significantly reduced harvest limits and subsequent vessel caps, particularly for halibut. Shown below are the high and low vessel cap limits for halibut in Area 2C and statewide.

<b>2C HALIBUT VESSEL CAPS</b>	<b>STATEWIDE HALIBUT VESSEL CAPS</b>
Highest (2005) 109,300	Highest (02/03) 295,050
Lowest (2011) 23,300	Lowest (2013) 109,054

These numbers clearly show, as the attached documentation details, that the vessel cap has been reduced dramatically over the years. The concern is that the caps may be reduced further due to lowering harvest limits and cause significant hardship to the fishery participants.

This is an issue which we believe should initially be addressed by the IFQ Implementation Team and we thank you for considering our request.

Sincerely,

  
Linda Kozak

**HALIBUT AND SABLEFISH IFQ PROGRAM  
AMENDMENT PROPOSAL  
North Pacific Fishery Management Council  
Fax: (907) 271-2817**

**Name of Proposer:** Linda Kozak

**Date:** May 24, 2013

**Address:** P. O. Box 2684, Kodiak, Alaska 99615

**Telephone:** 907-486-8824

**Brief Statement of Proposal:** To analyze the current IFQ vessel caps and consider modifying the cap based on the annual harvest limits/TAC. While halibut is the primary concern, sablefish should also be examined in the event that the TAC is significantly reduced in the future.

This would not change the caps for quota share, simply the amount of IFQ halibut or sablefish that could be harvested on a single vessel during a given season.

**Objectives of Proposal (What is the problem?):** As harvest limits for halibut have decreased significantly in recent years, the vessel cap is now very restrictive and is creating unnecessary operating and maintenance costs for vessel owners. If the harvest limits continue to decline, it will be difficult to attract a crew to work on a boat, with little return expected. The objective is to consider creating a sliding vessel cap based on harvest limits/TAC that would allow for a reasonable amount of IFQ pounds to be harvested on a single vessel.

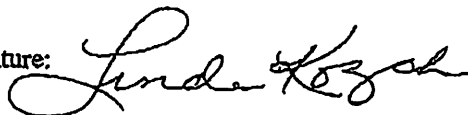
**Need and Justification for Council Action (Why can't the problem be resolved through other channels?):** The proposal, if adopted, would require Council action and a change to the IFQ regulations.

**Foreseeable Impacts of Proposal (Who wins, who loses?):** The winners would be the vessel owners, quota share holders and crew. Potential losses would be crew jobs. However, if the harvest limits are so low that a vessel owner can't attract a crew or afford to harvest the IFQ, then the losers would be the participants in the fishery, processors, communities and the public.

**Are there Alternative Solutions? If so, what are they and why do you consider your proposal the best way of solving the problem?** I cannot think of an alternative solution that would address this problem.

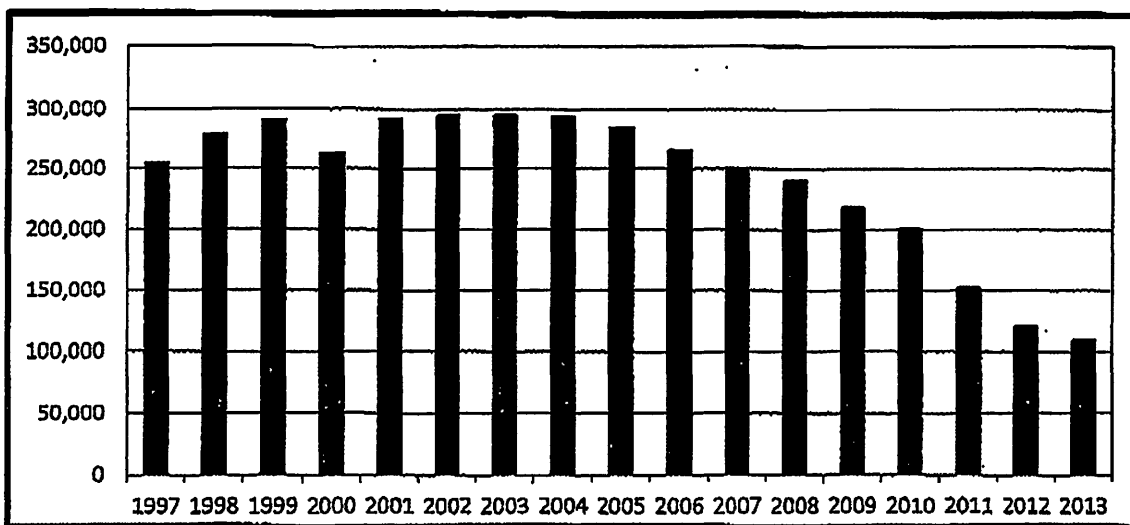
**Supportive Data and Other Information (What data are available and where can they be found?):** Attached is a spread sheet and chart derived from information obtained from the Restricted Access Management Program, which show the harvest limits and vessel caps from 1997-2013.

**Signature:**

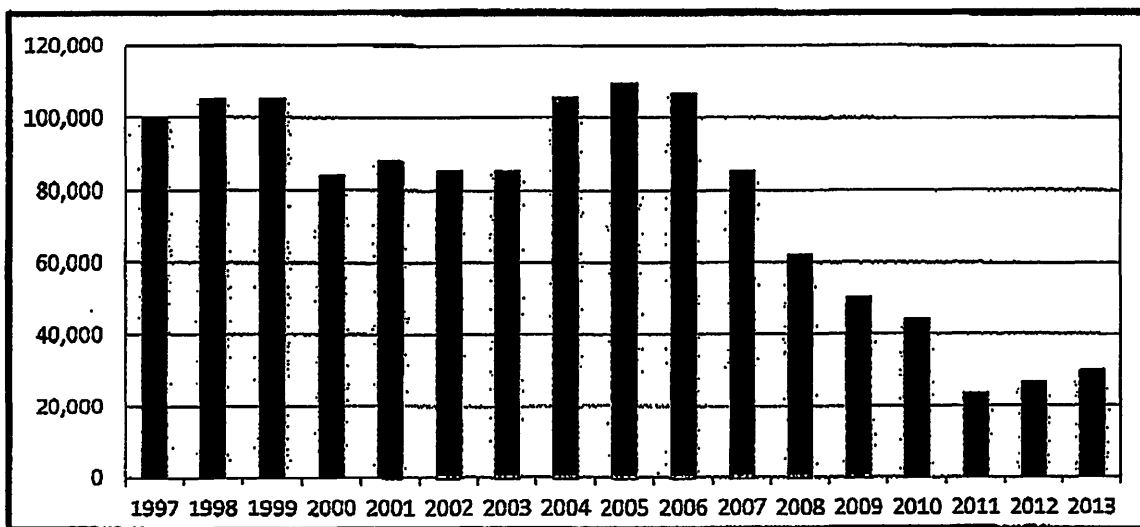


### HALIBUT IFQ VESSEL CAPS 1997 - 2013

Statewide - 1/2% of all IFQ TAC



Area 2C - 1% of IFQ TAC



Information derived from the Restricted Access Management annual cap calculations

HALIBUT AND SABLEFISH ANNUAL TAC AND VESSEL CAPS FOR 2C/SOUTHEAST AND STATEWIDE – 1997 - 2013

YEAR	2C HALIBUT IFQ TAC	2C HALIBUT VESSEL CAP	ALL HALIBUT IFQ TAC	ALL HALIBUT VESSEL CAP	SE SABLEFISH IFQ TAC	SE SABLEFISH VESSEL CAP	ALL SABLEFISH IFQ TAC	ALL SABLEFISH VESSEL CAP
1997	10,000,000	100,000	51,116,000	255,580	8,042,381	80,424	30,233,885	302,339
1998	10,500,000	105,000	55,708,000	278,540	7,687,440	76,874	29,845,875	298,459
1999	10,490,000	104,900	58,390,000	291,950	7,054,720	70,547	27,154,059	271,541
2000	8,400,000	84,000	53,074,000	265,370	7,832,944	78,329	29,926,122	299,261
2001	8,780,000	87,800	58,534,000	292,670	7,407,456	74,075	29,120,561	291,206
2002	8,500,000	85,000	59,010,000	295,050	7,076,766	70,768	29,388,199	293,882
2003	8,500,000	85,000	59,010,000	295,050	7,848,376	78,484	34,863,545	348,635
2004	10,500,000	105,000	58,942,000	294,710	8,311,342	83,113	37,936,756	379,368
2005	10,930,000	109,300	56,976,000	284,880	7,870,422	78,704	35,765,226	357,652
2006	10,630,000	106,300	53,308,000	266,540	7,760,192	77,602	34,546,083	345,461
2007	8,510,000	85,100	50,211,800	251,059	7,429,502	74,295	33,450,396	334,504
2008	6,210,000	62,100	48,040,800	240,204	7,098,812	70,988	29,967,127	299,671
2009	5,020,000	50,200	43,548,800	217,744	6,053,832	60,538	26,488,269	264,883
2010	4,400,000	44,000	40,298,000	201,490	5,687,868	56,879	24,876,707	248,767
2011	2,330,000	23,300	30,382,000	151,910	6,481,524	64,815	26,794,708	267,947
2012	2,624,000	26,240	24,003,027	120,015	6,995,196	69,952	29,326,912	293,269
2013	2,970,000	29,700	21,810,800	109,054	7,032,674	70,327	28,013,851	280,139

# Deep Sea Fishermen's Union of the Pacific

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

January 28, 2013

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

Subject: (D2) Staff Tasking February 6-12, 2013 Meeting - Deep Sea Fishermen's Union request to place agenda item C-3(B) Removing the CQE Small Block Restriction from the December Council meeting under staff tasking for the February Council meeting in Portland, OR.

Dear Chairman Eric Olson:

The Council reviewed a discussion paper concerning removing the CQE small block restriction at the December Council meeting. The Council has now sent forward a motion recommending the initiation of an amendment package to expand CQE quota share purchase opportunities. The following are the three alternatives the Council recommends for analysis in addition to the status quo:

- Allow CQE communities to purchase any size block of halibut and sablefish quota share.
- Allow CQE communities to purchase any size block of halibut and sablefish quota share only from residents of any community.
- Allow CQE communities to purchase any size block of halibut and sablefish quota share only from residents of their CQE community.

It is the understanding of the Deep Sea Fishermen's Union that initial and final action on this agenda item will take place at the June Council meeting in Juneau. We feel that initial and final action taking place at the same Council meeting leaves very little time for input or consideration from industry. In addition to further discussion on this motion, the Deep Sea Fishermen's Union kindly requests that the attached proposal be included as an alternative in the amendment package for review.

Regards;

Shawn McManus  
Vice President,  
Deep Sea Fishermen's Union

attachment

# Deep Sea Fishermen's Union of the Pacific

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Established 1912

January 28, 2013

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

Subject: Deep Sea Fishermen's Union 2<sup>nd</sup> generation IFQ block limit increase proposal.

Dear Chairman Eric Olson:

The Deep Sea Fishermen's Union is a one hundred and one year old organization representing the labor of hardworking fishermen employed in the fixed gear fisheries of Alaska and the West coast. Our proposal concerns increasing the two block limit currently enforced in the sablefish IFQ fishery and the three block limit currently enforced in the halibut IFQ fishery. We ask that these block increases be applied to 2<sup>nd</sup> generation non initial IFQ recipients only. We would also clarify that the unblocked/blocked statuses of IFQ remain unchanged so as not to affect the rules currently governing 1<sup>st</sup> generation ownership.

Objectives of Proposal: Allow 2<sup>nd</sup> generation IFQ recipients to closely mirror the block ownership privileges already established for COEs of ten halibut blocks and five sablefish blocks. At present, an individual can own two blocks of sablefish quota per fishing area or three blocks of halibut per fishing area. Second generation fishermen are being hampered by these rules. While the stock in most areas has declined over recent years, the ex-vessel price of fish has continued to increase. As a result, the cost of quota in these areas has continued to rise as well. The rising costs of IFQ make it increasingly difficult for 2<sup>nd</sup> generation fisherman to obtain loans especially given today's financial constraints in the banking industry. Typically, blocked parcels of quota are smaller in poundage than their unblocked counterparts. As a result, 2<sup>nd</sup> generation fisherman are limited in the ability to accumulate quota. Additionally, fishermen are hesitant to buy very small blocks of quota because of the two/three block rule.

Foreseeable Impacts of Proposal: This proposal could create more quota or liquidity in the market place thus allowing 2<sup>nd</sup> generation fishermen the ability to accumulate quota unhampered up to the new block and existing individual cap. We realize that the price of Unblocked and Blocked quota would eventually balance out. Additionally, this proposal would allow 2<sup>nd</sup> generation IFQ holders the ability to consolidate enough poundage to make an economically viable trip, especially



considering rising fuel costs and decreasing TAC. Furthermore, this proposal benefits all 2<sup>nd</sup> generation fishermen in Alaska, Oregon and Washington alike, thus satisfying National Standard 4 of the MSA, which states "conservation and management measures shall not discriminate between residents of different states." Considering the fact that CQEs will continue to out compete 2<sup>nd</sup> generation fishermen in the following ways: tax exemption, no owner on board requirements, higher ownership caps and no vessel class restrictions, we feel this proposal is fair in attempting to bring equality to all 2<sup>nd</sup> generation fishermen in the halibut and sablefish fisheries.


In closing, the intent of our proposal is to spread entry level opportunities, socio economic benefits and conservation minded sustainable harvest methods across the entire group of 2<sup>nd</sup> generation fishers as well as coastal communities.

Alternative Solution 1: 2<sup>nd</sup> generation fishers be allowed to own 10 halibut blocks and 5 sablefish blocks as is currently the benefits/regulations for CQEs.

Alternative Solution 2: Increase ownership of 3 halibut blocks and 2 sablefish blocks for 2<sup>nd</sup> generation fishers to a maximum of 1% of available blocks per regulatory area not to exceed the current individual ownership cap.

Alternative Solution 3: Do nothing, leave the regulations as they are, thus severely hampering all 2<sup>nd</sup> generation fishers ability to become owner/operators, while continuing to violate MSA National Standard 4, which furthers the unequal advantages currently held by CQEs.

Sincerely,



Shawn McManus, Vice President  
Deep Sea Fishermen's Union