December 2016

- Council took final action to approve an RQE as an eligible entity to purchase and hold halibut QS to be used on behalf of charter halibut anglers

October 2018

- RQE program final rule becomes effective

March 2020

- NMFS approved RQE application
April 2021

• Discussion paper examined the concept of a charter halibut stamp
• The Council initiated an Initial Review Analysis for broadly considering a federally-facilitated funding mechanism for the RQE
S.273 - Driftnet Modernization and Bycatch Reduction Act
117th Congress (2021-2022) | Get alerts

Sponsor: Sen. Feinstein, Dianne [D-CA] (Introduced 02/08/2021)
Committees: Senate - Commerce, Science, and Transportation
Latest Action: House - 09/17/2021 Held at the desk. (All Actions)

Tracker:
- Introduced
- Passed Senate
- Passed House
- To President
- Became Law

October 2021

• Initial Review Analysis on fee collection program with NMFS as the primary fee collection agency.
  • Option 1. Charter halibut stamp
  • Option 2. Annual operating fee
  • *There could be other options!*
• Council choose a PPA (charter halibut stamp) and asked for Committee input
RQE Funding – What’s next?
- **DP = decision point**, if the Committee wishes to recommend a stamp mechanism, additional points for consideration and possible recommendation

- **CP = challenge point**, not something that the Committee necessarily needs to address, but important for consideration
OPTION 2: ANNUAL OPERATOR FEE

- Tied to the renewal of a Charter Halibut Permit (CHP)
- Managed similar to Cost Recovery (using existing infrastructure)
- Administrative enforcement
- Uniform fee or fee based on angler effort associated with a CHP (per angler fee or tiered fee)
- Fee based on angler effort would need to rely on ADF&G saltwater logbooks as a data source of charter halibut angler effort.
  - There are some challenges to using these data in this way
Would require a charter operators to purchase a halibut stamp for each guided angler, for each day that the charter angler is on a charter vessel that intends to harvest halibut

- **DP**: intent to harvest halibut or when halibut was retained?
- **DP**: who is liable as “operator”?
- **DP**: what to call it?
- **DP**: would this include CQE permits and U.S. Military Morale, Welfare, and the Recreation Program?
Online sale and stamp distribution platform

- **CP:** Substantial agency costs to develop and implement
- **CP:** No existing NMFS infrastructure for implementing the program or providing user support
- **DP:** Could this system be completely digital?

Operators could purchase (or cache) stamps once a season, multiple times and season or even every day

Includes a system to validate stamps when used

Pay either when stamps are obtained or when they are validated
Requires on-the-water enforcement and Alaska Wildlife Trooper cooperation

- **CP:** Additional costs to OLE for enforcement, particularly in the case of violations which involves GC

- **CP:** Would the State of Alaska agree to joint enforcement from Troopers?
### ADF&G king salmon stamp fee structure

<table>
<thead>
<tr>
<th>Resident annual</th>
<th>Nonresident 1-day</th>
<th>Nonresident 3-day</th>
<th>Nonresident 7-day</th>
<th>Nonresident 14-day</th>
<th>Nonresident annual</th>
<th>Nonresident military annual</th>
</tr>
</thead>
<tbody>
<tr>
<td>$10</td>
<td>$15</td>
<td>$30</td>
<td>$45</td>
<td>$75</td>
<td>$100</td>
<td>$30</td>
</tr>
</tbody>
</table>

Source: Table 1 in the Appendix of the from RQE Funding Discussion Paper, page 21
## POTENTIAL REVENUE BASED ON DIFFERENT STAMP PRICES

<table>
<thead>
<tr>
<th></th>
<th>Angler Days</th>
<th>$10</th>
<th>$15</th>
<th>$20</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2C</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>High year</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(2018)</td>
<td>108,700</td>
<td>$1,087,000</td>
<td>$1,630,500</td>
<td>$2,174,000</td>
</tr>
<tr>
<td>Low year</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(2011)</td>
<td>72,934</td>
<td>$729,340</td>
<td>$1,094,010</td>
<td>$1,458,680</td>
</tr>
<tr>
<td>Average</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(2009-2019)</td>
<td>89,434</td>
<td>$894,344</td>
<td>$1,341,515</td>
<td>$1,788,687</td>
</tr>
<tr>
<td><strong>3A</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>High year</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(2013)</td>
<td>119,078</td>
<td>$1,190,780</td>
<td>$1,786,170</td>
<td>$2,381,560</td>
</tr>
<tr>
<td>Low year</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(2017)</td>
<td>101,463</td>
<td>$1,014,630</td>
<td>$1,521,945</td>
<td>$2,029,260</td>
</tr>
<tr>
<td>Average</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(2009-2019)</td>
<td>110,282</td>
<td>$1,102,823</td>
<td>$1,654,234</td>
<td>$2,205,645</td>
</tr>
</tbody>
</table>

Source: Table 19 from RQE Funding Initial Review Analysis, page 63
## AREA 2C REVENUE WHEN DISCOUNT RATE IS APPLIED

<table>
<thead>
<tr>
<th>Year</th>
<th>Days Fished</th>
<th>Total Anglers</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>2019</td>
<td>51%</td>
<td>14%</td>
</tr>
<tr>
<td>2010-2019</td>
<td>45%</td>
<td>15%</td>
</tr>
<tr>
<td><strong>Total potential revenue</strong></td>
<td><strong>$812,622.00</strong></td>
<td><strong>$1,218,933.00</strong></td>
</tr>
<tr>
<td><strong>2019 revenue from non-discounted stamp fee</strong></td>
<td><strong>$1,067,530.00</strong></td>
<td><strong>$1,601,295.00</strong></td>
</tr>
<tr>
<td><strong>Difference in potential revenue</strong></td>
<td><strong>$254,908.00</strong></td>
<td><strong>$382,362.00</strong></td>
</tr>
</tbody>
</table>

### Price structure based on daily stamp price

<table>
<thead>
<tr>
<th>Stamp</th>
<th>Year</th>
<th>Estimated 2019 Sales</th>
<th>Daily discount rate</th>
<th>1-day</th>
<th>3-day</th>
<th>7-day</th>
<th>Total potential revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$10</td>
<td>$20.10</td>
<td>$30.10</td>
<td>$812,622.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$255,100.00</td>
<td>$356,815.20</td>
<td>$200,706.80</td>
<td>$1,218,933.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$15</td>
<td>$30.15</td>
<td>$45.15</td>
<td>$1,625,244.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$382,650.00</td>
<td>$535,222.80</td>
<td>$301,060.20</td>
<td>$2,135,060.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$20</td>
<td>$40.20</td>
<td>$60.20</td>
<td>$509,816.00</td>
</tr>
</tbody>
</table>

Source: Table 20 and 23 from RQE Funding Initial Review Analysis, page 64 & 66
## AREA 3A POTENTIAL REVENUE WHEN DISCOUNT RATE IS APPLIED

<table>
<thead>
<tr>
<th>Year</th>
<th>Days Fished</th>
<th>Total Anglers</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>2019</td>
<td>78%</td>
<td>16%</td>
</tr>
<tr>
<td>2010-2019</td>
<td>77%</td>
<td>16%</td>
</tr>
</tbody>
</table>

## Price structure based on daily stamp price

<table>
<thead>
<tr>
<th>Stamp</th>
<th>Estimated 2019 sales</th>
<th>Daily discount rate</th>
<th>Price</th>
<th>Revenue</th>
<th>Price</th>
<th>Revenue</th>
<th>Price</th>
<th>Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-day</td>
<td>57,878</td>
<td>0%</td>
<td>$10</td>
<td>$578,780.00</td>
<td>$15</td>
<td>$868,170.00</td>
<td>$20</td>
<td>$1,157,560.00</td>
</tr>
<tr>
<td>3-day</td>
<td>15,017</td>
<td>33%</td>
<td>$20.10</td>
<td>$301,841.70</td>
<td>$20.10</td>
<td>$452,762.55</td>
<td>$40.20</td>
<td>$603,683.40</td>
</tr>
<tr>
<td>7-day</td>
<td>1,462</td>
<td>57%</td>
<td>$30.10</td>
<td>$44,006.20</td>
<td>$45.15</td>
<td>$66,009.30</td>
<td>$60.20</td>
<td>$88,012.40</td>
</tr>
<tr>
<td>Total potential revenue</td>
<td></td>
<td></td>
<td>$924,627.90</td>
<td>$1,386,941.85</td>
<td>$1,849,255.80</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2019 revenue from non-discounted stamp fee</td>
<td></td>
<td></td>
<td>$1,035,910.00</td>
<td>$1,553,865.00</td>
<td>$2,071,820.00</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Difference in potential revenue</td>
<td></td>
<td></td>
<td>$111,282.10</td>
<td>$166,923.15</td>
<td>$222,564.20</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Table 21 and 24 from RQE Funding Initial Review Analysis, page 64 & 67
Additional information needed for the next round of consideration at the Council?