

# PUBLIC TESTIMONY SIGN-UP SHEET

Agenda Item: C-5(a) CQE Vessel Use Caps

	NAME (PLEASE PRINT)	TESTIFYING ON BEHALF OF:
1	Chuck McCallum	GOACB & Lake and Pen. Bor.
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NOTE to persons providing oral or written testimony to the Council: Section 307(1)(I) of the Magnuson-Stevens Fishery Conservation and Management Act prohibits any person "to knowingly and willfully submit to a Council, the Secretary, or the Governor of a State false information (including, but not limited to, false information regarding the capacity and extent to which a United State fish processor, on an annual basis, will process a portion of the optimum yield of a fishery that will be harvested by fishing vessels of the United States) regarding any matter that the Council, Secretary, or Governor is considering in the course of carrying out this Act.

Comments in Support of CQE Vessel Cap Motion  
Agenda item C-5(a)

Mr. Chairman,

Choosing alternative 2 provides additional opportunity for CQE quota holders to fish CQE quota on additional vessels but it still limits the amount of CQE quota that can be fished on any one vessel to 50,000#. As noted in the analysis on page 3 and elsewhere, there is strong reason to understand that this alternative reflects the original intent of the Council's motion in 2004 when amendment 66 created the CQE program.

In addition, Mr. Chairman, the analysis on p. 34 shows that the distributive benefits from the CQE program -- and this was the Council's basis for individual and vessel use limitations -- are better achieved with the continued limitation of 50,000# of CQE quota to any one individual. As noted on page 38, the current vessel cap limit "serves to limit the flexibility of the CQE, without significant advantage toward the goal of distributing benefits fairly and broadly among community residents."

Some may argue that the CQE's don't have a need for this regulatory change. After all, the combined total of CQE purchases to date is less than 30,000# of halibut. In fact, the analysis on p. 33 indicates that new opportunities from this amendment are mostly theoretical. However, the theoretical could quickly become real Mr. Chairman. In one active CQE community the only large local vessel now has around 40,000# of area 3A halibut quota. This is the only local vessel available to fish "rollover" CQE quota later in the year. If the area 3A quota goes up 15% the one available local vessel would be restrained from helping the CQE. Consequently, Mr. Chairman, this amendment has immediate practical application for at least one CQE community and, as pointed out on page 42, the ability for the CQE to have their quota fished on larger vessels, especially late in the year, increases safety at sea.

Finally, Mr. Chairman, the analysis on page VII of the executive summary confirms that this action will not have a significant impact on other individuals involved in the halibut and sablefish IFQ fisheries.

In conclusion, Mr. Chairman, alternative two reflects the original intent of the Council, it does not compromise distributive benefit goals, it provides additional flexibility and immediate benefit to the CQEs, it enhances safety considerations and it does not have significant impacts on other IFQ program participants.

**Draft Motion**  
**Agenda Item C-5(a)**  
**Revising CQE Vessel Use Caps**

I move the AP motion with the following correction:  
Delete Bold Language.

I further move the following problem statement:

CQE communities were approved by the Council in 2002 to provide Gulf of Alaska Communities with an opportunity to mitigate the migration of halibut and sablefish quota shares from their communities. The Council sought a distribution of benefits among community residents from CQE activities by imposing CQE individual and vessel use caps. ~~Current vessel cap regulations may have developed from a misinterpretation of the Council's original CQE motion.~~ Consequently, the CQE program currently limits fishing CQE quota to vessels that fish less than 50,000# of quota – both CQE quota and non-CQE quota. The CQE vessel limitation eliminates the opportunity for community residents awarded CQE quota from fishing on a vessel that has or will fish more than 50,000# of quota, even if it is the only vessel available in a community. In addition the rule restricts the option for several residents awarded CQE quota from combining their quota on a vessel if the cumulative quota, both CQE and non CQE, exceeds 50,000#. These restrictions limit CQE use opportunities and may inhibit some CQE purchases. Changing the vessel CQE vessel cap will ease vessel use restrictions and thereby provide additional opportunities for CQE use and purchase.