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North Pacific Fishery Management Council 605 West 4th Street Anchorage, AK 99501

December 1, 2015

Agenda Item C-6 Halibut Charter RQE Amendment

Dear Chair Hull and Members of the Council,

On behalf of the Alaska Longline Fishermen's Association, (ALFA), I respectfully submit these comments on Agenda item C-6. Given the short time between publication of the initial draft analysis and the December 1 deadline for written comment, we anticipate providing additional comments at the December Council meeting.

ALFA does not support the RQE amendment as currently proposed, nor do we believe this amendment is ready to move to final action. Important information is missing from the analysis, as is a clear definition of the problem being addressed and adequate alternatives. We urge the Council to take no further action on this issue or to remand the amendment for further development by a broader-based stakeholder group. An overview of our concerns is provided below.

Purpose and Need

The analysis currently identifies the problem guiding this action as the absence of a collective charter purchasing entity. Before additional work on an RQE is undertaken, the Council should address why the lack of a collective charter purchasing entity constitutes a problem. The commercial industry also lacks a collective purchasing entity; if one is a problem certainly the other is as well.

The Council should also address how the objective of providing "stability" to the charter sector, at the expense of the commercial, subsistence and non-guided sport sectors, improves management of the halibut resource. No business that depends on a dynamic and fluctuating natural resource should expect stability. Especially during times of low abundance, all stakeholders have to learn to get by with less, although predictably all would wish for more. From ALFA's perspective, the most accurate statement in the analysis can be found on page 77: "With very specific exceptions, generally speaking, the commercial sector could use every

additional pound of halibut IFQ." In all honesty, we can't think of any "single exceptions" to this general rule. To remind the Council, both Area 2C and 3A commercial fishermen have lost up to 76% of their annual IFQ in response to declining halibut abundance. To place that loss into perspective, the Council should remember that much of that quota was purchased at great cost and that many commercial fishermen continue to make fixed payments on pounds they can no longer fish. In other words, instability has been, and continues to be, a dominant and economically painful theme in the commercial industry.

Just two years ago the Council concluded a 20-year effort to establish a halibut Catch Sharing Plan (CSP). At the start of the 20-year effort, charter halibut catch amounted to 7-10 % of the combined charter/commercial total in Areas 2C and 3A. By the end, the Council awarded the charter fleet over 18% at low abundance levels. In addition, the Council provided charter operators with a one-way market-based mechanism to increase catch (i.e., the Guided Angler Fish or GAF program)—an option not provided to commercial fishermen. In short, the charter sector secured a quota increase through the CSP and was granted a mechanism for increased opportunity. The Area 2C and 3A commercial industry, in contrast, has faced serious setbacks and no relief at the expense of the charter fleet has been provide—and yet this amendment exacerbates rather than alleviates existing commercial instability.

On page 118, the principal objective of this action is stated as facilitating long-term planning and promoting social and economic stability. Presumably the Council is speaking narrowly to stability in the charter sector, since every alternative in this amendment imposes additional instability on other sectors. If this is the Council's primary goal, then other alternatives, such as an industry-funded buyback, should be added since uncontrolled effort will undermine charter stability even with the purchase of additional quota. If economic efficiency is an objective, as is alluded to on pages 11 and 89, than this amendment should include a marketbased mechanism that allows quota to move BOTH WAYS between sectors or individual operators, rather than the proposed one way subsidized reallocation (leasing back to the commercial sector what the RQE purchases does not increase the commercial allocation relative to the status quo—it simply allows limited recapture of future reallocated quota). If enhanced opportunity for charter anglers is an objective, than the alternatives should <u>not</u> include client taxes, latent license retirement, or a permit buyback. Again, problems and purpose are difficult to identify.

Equally confounding is the minimal evaluation of impacts, particularly cumulative impacts. For example, nowhere does the analysis assess the impact of the publically subsidized RQE reallocation shift in addition to the other reallocations facing the commercial halibut industry. Would the Guided Angler Fish (GAF) mechanism remain in place? If so, would the 10% reallocation allowed under the GAF be in addition to the 10-40% allowed under this amendment? What are the cumulative impacts of allowing the RQE subsidized reallocation, the GAF reallocation, the allowance to retain halibut in pots, and the ongoing reallocation of prioritizing bycatch over directed fisheries? These multiple actions each have a direct social and

economic impact on the commercial halibut industry, and the analysis must address these cumulative impacts.

Charter proponents assert that their goal of stability demands a one fish bag limit in Area 2C and a two fish bag limit in Area 3A. I would call to the Council's attention facts that contradict the charter operators stated "need" for a specific halibut bag limit. The graph on page 97 establishes that angler effort dropped in both Areas 2C and 3A in 2009 even though management measures were changed only in Area 2C, a drop most likely associated with changing economic conditions. The same graph indicates that effort in Area 2C has now almost recovered to 2008 levels despite "restrictive" bag limits. In Area 2C at least, the problem seems to be more an issue of operator perception then defined by actual bag limits and client demand. Furthermore, the Council should note that the Area 2C RQE goal of owning sufficient quota to guarantee clients a one fish bag limit translates to the RQE holding 49% of the Area 2C **QS**—up from the 18% currently allocated to the charter sector by the CSP (p. 92-93). The analysis claims this level of reallocation falls OUTSIDE the current alternatives, although given that the 40% proposed here is in addition to the 18% allocated under the CSP, the magnitude of impacts should reflect this range. Levels anywhere close to this would result in the complete dissolution of the Area 2C commercial halibut industry—yet that is the stated goal of RQE proponents (and negative net national benefits, as the analysis identifies). In short, the purpose of this amendment is poorly conceived, the goals are narrowly focused on one small component of the halibut universe, and the potential impacts to other sectors are dramatic and under-estimated.

For these reasons, ALFA recommends that the Council:

- 1. Drop the RQE amendment or amend the problem statement to acknowledge that low levels of abundance present challenges for all sectors. If the Council advances this proposal, the ALFA requests that the Council:
- Revise the purpose of this action to reflect the charter sector's desire for increased stability and the Council's intent to provide enhanced stability to the extent it can without compromising the cultural, social or economic stability or others who depend on the halibut resource, including commercial, sport and subsistence harvesters, commercial processors, consumers, guided anglers and coastal communities.
- 3. Revise alternatives to include: 1) eliminate latent permits, 2) institute an industry funded charter halibut permit buy-back program, and 3) equitably allocate the charter halibut quota under the CSP to individual businesses.
- 4. If the Council sees a reason to add economic efficiency to the purpose and need statement, then alternatives relative to this purpose should include 1) GAF lease AND purchase (up to 10 % of combined charter/commercial quota) and 2) a two-way mechanism that allows quota to move between the charter and the commercial sectors (again, limited to 10% of the combined total). PLEASE SEE ATTACHED PROPOSED ALTERNATIVE 4

- 5. Options that protect local use areas to address localized depletion and the associated impacts on subsistence, non-guided sport, and coastal communities.
- 6. Sunset clause that terminates this program after three years if the RQE is not successful in securing funding or quota.

The paragraphs below provide additional detail.

Controlling effort—the real instability

The one alternative in the RQE amendment that addresses effort and harvest in the charter sector is alternative 3, the retirement of latent licenses. ALFA supports further consideration of this approach to charter instability, but recognizes that the analysis raises some valid questions and equity issues. These include the definition of use-does use include only trips that target halibut or all charter trips? What are the implications for an operator who recently purchased a "latent" charter license with every intention of aggressively targeting halibut with his/her new license? Clearly additional analysis is necessary to understand implications of these issues. And yet in the absence of a mechanism to address latent licenses or otherwise limit effort, any RQE halibut purchases will be quickly undermined and the charter industry quickly "destabilized" by an increase in charter sector effort and harvest. Because the latent license issues may not be resolvable, ALFA recommends the Council add to this analysis an alternative that facilitates a charter-funded buy-back program and an alternative that allocates to individual charter operators an annual halibut share based on the historic number of fish landed, anglers hosted, number of trips, or other metric. This would facilitate long-term planning, provide economic and social stability, and prevent the charter allocation overages that are becoming problematic in Area 3A. Of greater importance, these alternatives would enhance charter stability without de-stabilizing the other halibut sectors, all of which have wrestled with the instability caused by the charter fleet for the past 20 years.

Economic efficiency

The analysis claims economic efficiency is gained by establishing a market based mechanism for transfer of QS between charter and commercial sectors (p.89). Although ALFA agrees with this statement, we strongly assert that the mechanism created by this **amendment does not reflect market-demand—it is a one way subsidized reallocation**. As proposed, the RQEs will rely on grant funds or revenue generated by a tax on charter clients; charter operators will not invest in QS themselves. The RQE will be tasked with securing outside funding to purchase QS--economic tradeoffs and efficiencies are not part of this equation as proposed. If economic efficiency is a Council goal, then charter operators should have "skin in the game" rather than relying on an outside revenue stream. Likewise, market forces should be fairly balanced between individual commercial fishermen and individual charter operators, as they are in the GAF exchange, instead of distorted by an "entity" with potentially greater access to capital.

Reciprocity

Again, the market forces proposed by this amendment create a one-way door for quota share to transfer from the commercial to the charter sector. Although commercial fishermen may be allowed to lease back QS in the future, this amounts to quota recapture rather than actual

allocation increase over status quo. ALFA requests the alternatives be broadened to allow commercial fishermen to purchase charter halibut limited entry permits with associated quota, and to move that quota back to the QS pool. We have provided a brief description of this alternative, identified as the Compensated Allocation Proposal, at the end of these comments and suggest it be added as Alternative 4 to this amendment.

Impacts to communities, processors, consumers, subsistence and non-guided sport sectors As written, the analysis glosses over or ignores the magnitude of potential impacts to all noncharter halibut sectors. This includes impacts to harvesters, processors, consumers, support sectors and communities. The paragraphs below describing these impacts are illustrative but not exhaustive as a result of time constraints.

Reallocating an additional 10-40% of an area's QS would be another nail in the coffin of Alaska's isolated coastal communities. Many Alaska rural communities are struggling to survive the fleet consolidation driven by the IFQ program and recent Council policy decisions. Processors have shut down and support services have dwindled. The situation is sufficiently dire to cause Governor Walkers' transition team to flag Alaska's access to Alaska's fish as a top priority of this administration, and to make fishery access the topic of an upcoming two-day symposium. Although some of these communities host charter operations, many—if not most--of these operations are not run by Alaska residents, while in Area 2C 81% of halibut QS holders are Alaska residents and in Area 3A 73% are Alaska residents. Although charter residency is an opaque issue, the true impacts of this action cannot be understood until an effort is made to more adequately assess residency.

The section entitled Blueprint for Assessment for Economic and Social Effects (page 88) ignores by omission the effects of the RQE amendment on halibut processors. Paragraph 3 on page 100 devotes five sentences to processor impacts. Given the potential magnitude of the proposed reallocation, we strongly recommend an evaluation of impacts to halibut processors and support industries. As a point of consideration, we recommend a review and update of the study conducted in 2007 by the McDowell Group entitled: <u>"Economic Impact of the Commercial Halibut Fisheries in Areas 2C and 3A."</u> Below is a quote from this report that illustrates the magnitude of potential impacts:

In order to gauge the impacts of increases or decreases in the commercial halibut quota in Areas 2C and 3A for such reasons as changes in biomass or resource allocation, the study team estimated the labor income and total output per 100,000 pounds of halibut in each area. In Area 2C, each 100,000 pounds of halibut had an estimated direct labor impact for processors, harvesters and support sector workers of \$308,000 in 2005, and created a total output of approximately \$594,000. In Area 3A, the estimated labor income per 100,000 pounds was \$307,000, with a total output of \$590,000.

Processors provide essential services, employment and revenue in Alaska's communities. Processors are also the major conduit to Alaska halibut for approximately 25-50 million American consumers. Yet the analysis never mentions consumers. The Council has received ample testimony over the years documenting the impacts of charter harvest on community-based non-guided and subsistence halibut fishermen. Sitka spent five year grappling with this issue, an effort that culminated with Council approval of the Sitka Local Area Management Plan. Gustavus residents have repeatedly raised well-documented concerns. The Environmental Assessment acknowledges these community concerns and impacts (p. 137) and yet only the status quo alternative before the Council offers an acceptable solution.

Undermining fundamental halibut QS program goals

Page 51 on the analysis describes development of the halibut IFQ program and the Council goals that guided this development. These included providing economic stability for the halibut industry, maintaining the owner–operated characteristic of the halibut fleet, protecting the interests of coastal communities that depend on the halibut resource and providing an affordable entry level. Without question, the RQE amendment undermines each of these goals. Destabilization is a given. Authorizing a new entity to distort the QS market with outside capital will raise entry-level costs and disadvantage coastal residents. Allowing the RQE to purchase QS and lease it back to commercial fishermen will diminish the owner-operated characteristic of the fleet. In short, the narrowly focused purpose of this amendment—to provide stability to the charter sector—can only be accomplished by undermining the fundamental halibut IFQ program goals. In our evaluation, the trade-off is unacceptable and unnecessary. Alternatives exist that would increase stability in the charter sector without disrupting all other sectors.

Summary

In closing, ALFA finds little to support in the RQE amendment. The problem lacks clarity, validity and balance. The purpose is likewise confusing and narrow, and the need contradicted by facts. In a dynamic environment any business that demands stability is likely to bankrupt the resource, other users, or both. While ALFA members appreciate that charter proponents are proposing to purchase, rather than take additional quota, the subsidized reallocation proposed by the RQE will substantially destabilize other sectors that depend on the halibut resource and may do so unnecessarily, as halibut stocks recover, or without accomplishing stated goals, if charter effort and harvest increase. ALFA maintains that this amendment should be dropped or a more clear statement of the purpose and need for this action and a new list of alternatives must be developed. If the Council chooses to continue work on the RQE amendment, we request a more balanced problem statement be developed to ensure the needs of the halibut resource and all halibut users are respected and safeguarded. We also request that the Council sunset this program in three years if the RQE is not successful at securing funding in that time.

Sincerely,

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Linda Behnken

PLEASE SEE PROPOSED ALTERNATIVE 4 BELOW

PROPOSED Alternative 4: Compensated Allocation Proposal

Allow the average pounds* associated with a charter halibut permit to be leased or purchased by a commercial harvester.

Sub-option- limit the amount of quota that can transfer between sectors to 10% of the combined charter/commercial QS.

Explanation: Owners of a Charter Halibut Permits may convert their permit to an amount of pounds (determined by area allocation divided by permits or "poles") for the current year. These pounds may be leased or sold to the commercial sector at market rate.

Rationale: The GAF program provides a market-based mechanism for temporary transfer of commercial quota to the charter sector. The proposed RQE amendment allows a one-way transfer of quota from the commercial to the charter sector. The Compensated Allocation Proposal allows quota to move between sectors—i.e., leasing or permanent transfer of charter quota to the commercial sector. This market-based mechanism would allow public demand to influence the allocation between sectors and allow the stakeholders to address their business needs on an annual basis.

*The "average number of pounds" to be determined by dividing the guided sport annual allocation by the number of permits per regulatory area, weighted by number of poles per permit. An eight fishing pole permit would be assigned twice as much "weight" as a four fishing pole permit. Area 2C has 582 permits with a total of 3,034 poles licensed. Area 3A has 570 permits with a total of 4,137 fishing poles licensed. In 2015 for Area 2C, this would be 280 pounds per pole or 1,122 pounds for a four fishing pole permit. In Area 3A this approach results in 465 pounds per pole or 1827 pounds for a four fishing pole permit.

To: North Pacific Fisheries Management Council

Chairman Dan Hull

From: Matthew Alward

60082 Clarice Way

Homer, AK 996003

Re: Agenda Item C6 Halibut Charter RQE

Dear Chairman Hull and Members of the Council,

I am writing today in opposition to the creation of a Recreational Quota Entity. I started commercial fishing for Halibut as a deck hand in the spring of 1994 and have continued to deck hand off and on since. I've owned my own salmon seiner since 2004 and have always wanted to buy into the Halibut fishery. This fall I finally took the big step and bought 3A quota. With the price at \$47.00 per pound it was hard to justify the purchase, except that I'm looking at a long term investment and diversification of my fishing portfolio.

I plan to continue to purchase quota as financing allows. The potential creation of Halibut Charter RQE would create a barrier to me and everyone else who wants to buy into the commercial halibut fishery. I would have to compete for quota purchase with an entity that was funded by government and or grants. I only ask that we keep an even playing field for everyone who is eligible to buy quota. I'm not opposed to the charter industry having the ability to buy quota if it it's financed through industry or traditional bank loans, as long as the commercial industry has the ability to buy quota back.

Before we make a big change in the IFQ program that could disenfranchise Alaskan fishermen and American consumers let's give the Catch Sharing Plan some time. It took almost 20 years to get that plan in place and I feel that we should give it more than two years to see results.

Sincerely,

Matthew Alward

Homer, Alaska

Dear NPFMC,

I'm writing in opposition of **"Agenda Item C6"** that would transfer a large amount of halibut from the commercial fishing fleet to the charter sport fishing fleet because of the following points:

- 1. Plans are proceeding without the general public knowing it exists--There should be public hearings especially if this program is going to be funded with tax payer dollars. In fact, the suggestion that this should be paid for with public money is an outrage, amounting to a taxpayer subsidy that benefits a privileged few and should NOT happen.
- **2.** Current halibut management does nothing to prevent Local area depletion. This Proposal only exasperates that problem.
- **3.** The "self-guided" sports fishing industry continues despite the new NPFMC regulation, particularly in my area of Icy Strait. The council should address this growing problem first before expanding the charter fleet.
- 4. The CATCH plan will directly effect subsistence and sport fisherman making it harder to feed our families.
- 5. The charter fleet continues to hide under the guise of sport fishing. They are clearly a commercial entity and this must be addressed.
- 6. Once a new management framework is implemented they are difficult to undo. Please don't approve a plan of this magnitude and potential damage without thorough research and public input.
- 7. This proposal will decease the amount of quota in the commercial fleet and drive up the price of quota. This will make it even more difficult for a young person to buy into the fishery, which decreases economic opportunities in coastal Alaska towns.

Thank you for your consideration, Paul Barnes Gustavus, Alaska subsistence halibut user since 1972, commercial halibut fisherman since 1976

Comment to the NPFMC re Agenda Item C6, Charter Halibut RQE

To: The North Pacific Fishery Management Council

From: Judy Brakel, Box 94 Gustavus, AK 99826 phone 907-697-2287 judybrakel@gmail.com

Date: Nov. 28, 2015

The "CATCH" proposal submitted by two Alaska charter fishing organizations would establish a Charter Halibut RQE and transfer to it a large amount of halibut from the commercial fishing fleet to the charter sport fishing fleet. This would be a permanent transfer, not the one-year leasing of some halibut IFQ by charter operators that is already allowed. Targets for purchase are, for Southeast Alaska (Halibut Area 2C) 587,000 lbs. ; for Southcentral Alaska (Area 3A) 785,000 lbs. Compared to 2015 allocations, for Southeast Alaska this would be a 69% increase for charter and 16% decrease for the commercial fishery. For Southcentral it would be a 42% increase for charter and a 10% decrease for the commercial fishery.

Adoption of a Charter Halibut RQE would be a very serious step. It is the type of management action that lasts far into the future, in the manner of the Alaska Limited Entry program and the Council's IFQ program. I oppose establishment of a Charter Halibut RQE for two over-arching reasons. A. It would lead to more local depletions of halibut. You are operating within a framework of halibut regulation that does not attempt to prevent local depletions. The proposed action will increase the number and likelihood of depletions by transferring a substantial amount of catch and effort to inshore areas, often near communities. B. Approval of the proposal would undeniably decrease total fishing jobs.

Before elaborating these points, it should be noted that **the RQE plans are proceeding without general public knowledge.** Only NPFMC insiders and charter industry are informed. In 2011 the proposing charter organizations advertised public "listening sessions" on the CATCH proposal in six Southeast communities, but then cancelled them. None have been held. Public notice might generate support in Anchorage and environs where some residents go on charter trips to catch halibut, but likely be disturbing to smaller coastal communities, including in Southeast where only a negligible proportion of charter clients are Alaska residents. At least in Southeast Alaska, it is extremely rare to find anyone who has heard of this proposal.

A. INSHORE DEPLETIONS AROUND COMMUNITIES

A1. Halibut management in Alaska does nothing to protect local areas and does not track status of local halibut stocks. Arguably this is a recipe for creating numerous inshore depletions. All stock status information and management actions are on the basis of the large regional areas. You can ask the biologists at the Halibut Commission, they will verify that IPHC does not track smaller areas. Area 3A is 750 miles drawn as an offshore arc, and even for a subarea as significant as Prince William Sound we have only "anecdotal information." Anecdotal information says there are a number of local depletions, but who knows, maybe these are merely local reflections of the general halibut downturn.

Current management philosophy is that halibut off-shore spawning and subsequent larvae drift with the Alaska Current followed by counter-migration of juvenile halibut means that stocks are not really local

and local depletions will eventually be filled in by migrants, although they admit that local depletions can be maintained by continued heavy fishing pressure.* In the late 1990's – early 2000's the Council recognized local depletions of halibut as a problem to be dealt with by Local Area Management Plans (LAMPs) following the model of the Sitka Sound LAMP, but this proved infeasible. Now the Council simply denies/ignores the problem amid increasingly heavy pockets of inshore exploitation by the charter industry, the "self-guided" clients, local residents, and other users.

The halibut treaty actually allows for management on a finer scale. The Pacific Fishery Management Council has established seven halibut sport fish quota areas within Halibut Area 2A and annually to each allocates a different quota.

A2. The Council should be cautious about adding to inshore pressures via the CATCH proposal, which will shift a substantial portion of the halibut catch from the wider-ranging commercial longline fishery to a fishery that operates day trips mostly out of coastal communities. Handily for proponents of the CATCH proposal, no data is available about local depletions. But charter guides in our area (Icy Strait/Cross Sound/Glacier Bay) say that some age classes have been wiped out here.

Charter operations tend to cluster in favored locations. I live in a community that experiences this clustering, partly because large halibut are common here. There is general community concern that the pressure from commercial sport fishing in our area will lead, or is leading, to local depletion. Among other concerns, the superior gear and fish-finding electronics of these commercial sport fishers enable them to fish any area, any tide, so they now exploit places that were formerly halibut refuges.

The Magnuson-Stevens Act requires some attention to the effects of management actions on communities. In our Icy Strait/Cross Sound/Glacier Bay area most of the charter and self-guided operators and clients are from Utah. Should the communities of attention be those on the Alaska coast where people are worrying about halibut, or in Utah?

A3. The CATCH plan will decrease availability of halibut as local food due to increased competition and local depletions. Most residents of small Alaska coastal communities fish for their own food. Halibut is unavailable for purchase in many communities. In my small town you can buy it, at \$20/lb., not something most of us would do. Local food as part of food security has become a statewide policy concern for a number of reasons.

A4. Halibut research in Glacier Bay shows behavior that make halibut highly susceptible to local depletion and could cast doubt on some assumptions of halibut management. An earlier study in Glacier Bay showed rather extreme site fidelity and small movement range for most of the large female (60+ lbs.) halibut during summer months.** To learn about movement patterns during the fall, winter and spring a new study is being conducted led by some of the same scientists, Andrew Seitz and Julie Nielsen, funded by the NPRB, the National Park Service and others. Principal Investigator Andrew Seitz has also been PI or participant in recent studies for the International Pacific Halibut Commission (see IPHC Scientific Reports #85 & 82).

Pop-up archival tags (PSATs) that record depth, light, temperature, magnetic field and acceleration were attached to a number (25 tagged but 5 failed to pop up) of large fish (average 130 cm or 52 inches), all large females, in June 2013. Fifteen were also given acoustic tags and were located via hydrophones on six tracking trips. Fifteen PSAT tags were timed to pop up Feb. 1, 2014 when researchers expected them

to be outside of Glacier Bay for spawning. Another 10 were timed to pop up July 1, 2014. However, all popped up in the Bay; one was captured outside the Bay in March. They obtained data from 20 fish: 14 had remained in the Bay the entire time, 6 made winter migrations outside the Bay, and of these 4 returned to the Bay, one was taken in the commercial fishery and one unknown. The tagged fish recorded a total of 4,477 fish days, of which 4,136 were within the Bay, or 92.4% of fish days. Some of the 6 migrators showed spawning behavior (patterned up-and-down movements thought to represent one type of spawning behavior) while those that remained in the Bay did not. Possibly those spawned in the Bay and had a different, unknown, spawning patterns. Or if they did not spawn, it suggests that 70% of the adult females did not spawn in a year. Either of these would have important management implications, and spawning in the Bay would have huge implications for local depletions. One might even ask whether inshore local depletions could be important for the overall halibut population. One study objective is examination of the value of Glacier Bay, the center piece of Glacier Bay National Park, as a no-take Marine Protected Area for halibut. Commercial fishing there is being phased out but charter and non-charter sports fishing is still allowed.

The scientific papers are yet to be published but there is an excellent 18-page report to the National Park Service dated Nov. 16, 2015: Using pop-up satellite archival tags for understanding Pacific halibut movement in and around Glacier Bay National Park.

Interestingly, the IPHC in its 2014 Annual Report states that because of the question of whether halibut residing in the southern Salish Sea "represent a distinct stock component from those found elsewhere in IPHC Regulatory Area 2A" the Commission **"began an effort to begin filling some of the substantial gaps in understanding local population function"** by deploying fishery-independent PAT tags in that area. So I hope we can agree that we don't necessarily understand how local halibut populations function.

A5. The "self-guided" sports fishing industry continues despite the new NPFMC regulation on the definition of a fishing guide. Pressure on inshore areas continues and even increases from these operations. They are very substantial in our area, using several patterns to evade the charter sport fishing bag and size limits. One example from our local area: two former charter lodges in Elfin Cove were purchased and now operated as one "self-guided" business. It deployed nine boats in 2014 and expanded to thirteen boats in 2015. The "non-guided" halibut catch for our local area is now very large, despite the small resident human population. The only source for non-guided sport fishing harvest data is ADF&G's "Statewide Harvest Survey" mailed to a sample of sport fishing license holders in the fall, not highly reliable data. This sector needs more attention, including distinguishing commercial "self-guided" operations from other private sport fishers. Remember that all harvest by this sector comes off the top before allocations are made under the Catch Sharing Plan. And like the charter industry, the "self-guided" effort can cluster in a few favored places.

A6. "It is easier to prevent overfishing than to remediate it." – quote from a Russian fisheries scientist talking about Arctic Ocean fishing, citing the example of the disappearance of pollock from the Bering Sea "doughnut hole." Do we have any successful experiences with remediating local depletions of halibut in inshore areas?

B. FISHING JOBS

B1. If enacted, the CATCH proposal will decrease the total number of fishing jobs. It will substantially decrease the Area 2C and 3A IFQs available for purchase by commercial fishermen, including by new

entrants. It will not increase the number of charter permit holders because halibut charter is a limited entry fishery. It will simply increase the incomes of those limited CHP holders. That would suggest that CHP holders should be the ones funding IFQ purchases for the RQE. Instead they propose to have it funded by a state halibut stamp or other mechanism, not by themselves. Commercial fishermen and people trying to get into the commercial fishery would have to compete against a Recreational Quota Entity (RQE) in an already tight market for IFQs. The decrease in fishing jobs would not be good for Alaska's coastal communities. *Footnotes below:*

• From: Draft for Public Review, Regulatory Amendment for a Catch Sharing Plan for the Pacific Halibut Charter and Commercial Longline Sectors in International Pacific Halibut Commission Regulatory Area 2C and Area 3A Aug. 28, 2008:

1.10 Potential Impacts on Resource Components

1.10.1 The Pacific halibut stock assessment and harvest policy

"The IPHC sets area catch limits for the commercial fishery in proportion to halibut abundance. This harvest philosophy protects against overharvest of what may be separate, but unknown, genetic populations, and spreads fishing effort over the entire range to prevent regional depletion. Small scale local depletion does not have a significant biological effect on the resource as a whole. The IPHC considers the halibut resource to be a single population. Egg and larval drift and subsequent counter migration by young halibut cause significant mixing within the population. Ultimately, counter migration and local movement tend to fill in areas with low halibut density, although continued high exploitation would maintain local depletion. However, estimates of local biomass and information about immigration and migration rates on a high geographical resolution are not available to manage small areas."

 ** MARINE ECOLOGY PROGRESS SERIES
 Mar Ecol Prog Ser
 Vol. 517: 229–250, 2014
 Characterizing Pacific halibut movement
 and habitat in a Marine Protected Area using net
 squared displacement analysis methods
 Julie K. Nielsen1,*, Philip N. Hooge2,4, S. James Taggart2,5, Andrew C. Seitz3



CATCH issue Item C6

2 messages

don bryant <donbriand@gmail.com> To: npfmc.comments@noaa.gov Sat, Nov 28, 2015 at 5:55 PM

I have lived and fished in Icy Straits for more than forty years.

Since the charter fishing industry got started in this area fishing for something to

eat has gotten steadily more difficult. I have witnessed charter boats discarding

smaller fish as larger ones are caught and have spoken to charter fishing clients

who have confirmed that this illegal action is common. This is possible as there

is near ZERO policing of the charter fleet. Rather than give the charter industry

more share of the halibut catch they need to be reined in.

Donald Bryant Gustavus

NPFMC comments - NOAA Service Account <npfmc.comments@noaa.gov> Sat, Nov 28, 2015 at 5:55 PM To: donbriand@gmail.com



Agenda Item C6 Charter RQE

2 messages

Dan Miner Builder <danminerbuilder@pobox.com> To: npfmc.comments@noaa.gov Sun, Nov 29, 2015 at 5:43 AM

Re: Halibut CATCH program; Agenda item C6 Halibut Charter RQE

NPFMC board members:

I am a holder of about 2,000 pounds of Area 2C halibut quota for which I paid approximately \$110,000. I am opposed to the halibut RQE proposal for a number of reasons:

The charter group argues that the current allocation my not be sufficient for all guided anglers. But it's not currently sufficient for commercial fishers. This is a time of low abundance and the pain needs to be shared by all groups.

It took YEARS to get the current CSP in place. Despite my small amount of quota, my wife flew to Anchorage twice to testify at meetings to support various versions of what became the CSP. My view is that the CSP is working reasonably well, and I have personally twice leased a part of my pounds as GAF to charter operators, allowing them to increase the amount their customers could catch.

If there IS going to be a way for charter operators to buy QS from the commercial sector, then clearly it needs to be a two-way mechanism, allowing for both sectors to purchase so that the quota can move back and forth in a truly market based manner. To have QS only flow from the commercial sector to the charter sector is ludicrous.

Product-wise, the function of commercial halibut fishing is to provide halibut to the general public via grocery stores, restaurants, etc. At this time of low abundance, the consumer price is very high and will only be higher if the RQE is enacted. Certainly moving quota out of the commercial sector and into the charter sector takes access to fresh or frozen halibut from the many and reallocates it to the few who are customers of charter operators.

I appreciate the opportunity to comment on this proposal and state my oppositon to Agenda Item C6.

Sincerely

Daniel W Miner 1406 34 TH St Anacortes, WA 98221

danminerbuilder@pobox.com

NPFMC comments - NOAA Service Account <npfmc.comments@noaa.gov> Sun, Nov 29, 2015 at 5:43 AM To: taftperry@gmail.com



Comments for upcoming NPFMC meeting

2 messages

ronnbuschmann <ronnbuschmann@aol.com> To: npfmc.comments@noaa.gov Tue, Dec 1, 2015 at 1:11 PM

Dear Advisory Panel and Council Members,

My first comment concerns the RQE, which would apparently allow the charter fishery sector to form non-profit groups to purchase commercial fishery halibut IFQs with government loans and grants. These purchased IFQs would be added to the charter sector's present allocation. First of all I believe this is bad public policy. Two of the reasons the commercial IFQ program has been an economic success are that the commercial fishermen have a financial interest in the viability of the halibut biomass as well as financial equity in the supply side of their business model. This has led to increased involvement by fishermen in the management process and the development of stable commercial fishing businesses. I believe that the charter sector should have the same opportunity, i.e. qualified charter operators should be able to buy commercial quota for use in their businesses. I realize this opens up another can of worms in that there would be a "free" and an "expensive" pool of fish available for charter use. IFQs for all charter would be a solution but there are many other management options available. The bottom line is that a dead fish is a dead fish regardless of who catches it. It seems to me that allowing the charter sector to make personal investment in their fishery creates a better business model and gives them equal standing with commercial fishermen. After all, both commercial and charter are deriving income from the halibut biomass. Finally, it seems inappropriate for public money to be spent to buy a portion of the halibut fishery from the privatized commercial sector with the aim of essentially giving those IFQs to the charter sector. The commission should also note that this would increase the price of halibut IFQ's, making it ever more difficult for younger fisherman and women to enter this fishery.

My second comment concerns halibut bycatch in other fisheries. It's obvious that halibut caught and killed in fisheries for other species are not going to be available for, or grow up to recruit into the directed halibut fishery. The perception among most halibut fishermen is that the trawl fishery represents huge money and political clout that overwhelms the historically stable halibut fishery. The halibut fishery has witnessed bycatch allowances that have remained at the same poundage levels while the overall halibut biomass has suffered severe declines, creating a situation where bycatch takes a considerably higher percentage of the biomass than when the allowable bycatch levels were established. It seems obvious to halibut fishermen that bycatch must be reduced; that the viability of our fishery is being sacrificed to the high volume, politically connected trawl fishery. There are some management directives that should be adopted immediately such as on-deck sorting and release and exclusion zones for areas of high halibut bycatch. In the long run, by catch allowances must be reduced, at least to the point that bycatch is taking a lower percentage of the biomass than in times of high halibut abundance like the late 1990s.

It is notable that when the trawl bycatch of sea turtles threatened to shut down the trawl fisheries in the Gulf of Mexico a number of decades ago, the trawl industry developed a turtle excluder which was almost 100% effective at reducing turtle bycatch. The trawl fisheries were allowed to continue. I realize that halibut excluders are more difficult and that they reduce the overall effectiveness of the trawl on their target species, but management must endeavor to minimize unnecessary bycatch mortality of halibut.

Respectfully,

Ronn Buschmann Petersburg, Alaska

NPFMC comments - NOAA Service Account <npfmc.comments@noaa.gov> To: ronnbuschmann@aol.com Tue, Dec 1, 2015 at 1:11 PM

1/2

Johanna M. Bushue P.O. Box 672276 67 2176 Chugiak, AK 99567

November 28, 2015

Mr. Dan Hull, Chairman North Pacific Fisheries Management Council 605 West 4th Avenue, Suite 306 Anchorage, AK 99501-2252 (

(agenda C-6 Charter Halibut RQE Program)

Subject: Opposed to Alternative 3, of the RQE Halibut CATCH Proposal

Dear Mr. Chairman and Council Members,

I am opposed to Alternative 3 "Retirement of latent Charter Halibut Permits" contained in the Council's motion on Charter Halibut RQE Program-initial review (agenda C-6).

I am an Alaska resident that sport fishes for Halibut as a recreational outing as well as a way to put fish in the freezer to feed my family. Reducing the number of Halibut Charter Permits (CHP) will limit choice of charter operators available to resident and non-resident anglers. The perception that there are "too many" Halibut Charter Permits and that some of them need to be eliminated is short-sighted.

The Halibut resource appears to be at or near the bottom of a natural abundance cycle. There is all reasonable expectations that the Halibut resource will recover and increase in future years. In the interim time, I am in agreement with reducing the daily bag limit to one-fish-per-day (if needed) instead of reducing public access by eliminating Halibut Charter Permits.

I am in favor of the CATCH Proposal and the use of Guided Angler Fish (GAF) to increase the amount of Halibut available to the charter-boat using public. Compensating commercial fishermen for voluntary transfers of IFQ to the charter sector is a fair way to reallocate this valuable resource.

Sincerely,

Johanna M. Bushue



Comments in OPPOSITION to CATCH proposal

2 messages

Jane Button <jane@alaska-hobbithole.com> To: npfmc.comments@noaa.gov Mon, Nov 30, 2015 at 3:19 PM

As a commercial halibut fisherman, a 30-year participant in the halibut fishery in Southeast Alaska area 2C, I am opposed to any transfer of commercial quota to the sport charter fleet.

There are many U.S. citizens and citizens of the world whose only access to fresh halibut is through the commercial halibut fishery. I believe that the halibut are the people's resource and many people cannot afford to go on an expensive charter fishing trip to Alaska but they may be able to afford to go into their local grocery store and buy commercially caught halibut from time to time. It is my privilege and my duty to make sure that halibut is available at their local fishmonger.

Gregory R Howe

PO Box 9

Elfin Cove, AK 99825

907-723-8544

NPFMC comments - NOAA Service Account <npfmc.comments@noaa.gov> Mon, Nov 30, 2015 at 3:19 PM To: janedbutton@gmail.com



Cordova District PO Box 939 | 509 First Street | Cordova, AK 99574 phone. (907) 424 3447 | fax. (907) 424 3430

C6 Public Comment web.www.cdfu.org

November 30, 2015

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

Dear Chairman Hull and Council Members,

The purpose of this letter is to offer our organization's thoughts concerning item C-6 HAL 15-026 the Halibut Charter RQE Program.

Cordova District Fishermen United (CDFU) is a non-profit membership organization located in Cordova, Alaska. CDFU has been the voice of commercial fishermen since 1935 and currently represents over 800 fishing families in the Gulf of Alaska, Prince William Sound and Copper River regions of Alaska. It is our mission to preserve, promote and perpetuate the commercial fishing industry and fishing resources of our region for the mutual benefit of both current and future generations of fishermen.

CDFU opposes the Halibut Charter Regional Quota Entity Program (Catch Proposal) currently before the North Pacific Fisheries Management Council for the following reasons.

-The Commercial Halibut sector has suffered the destabilizing effects of low halibut abundance.

-This includes reduced landing taxes to commercial fisheries dependent coastal communities.

-Shortened operating seasons for land based processors in these communities.

-Reduced access to the halibut resource for retail outlets, restaurants, and consumers.

Cordova is one of many fisheries dependent coastal communities without a charter fleet. Therefore, even compensated reallocation will shift resource and its economies away from communities like Cordova and toward communities with already more diverse economies.

Further, CDFU is concerned with the effect of adding a well-financed buyer to the quota share market. Proponents of the Catch Proposal argue that the mechanism will provide an additional market to commercial Halibut shareholders wishing to sell holdings. CDFU believes that with already high prices and the scarcity of available quota share, an additional well financed quota holding entity will drive the price out of range for entry level buyers and those wishing to expand their holdings. This will worsen the destabilizing effects of low abundance on the commercial sector.

CDFU believes that if Council wishes to move forward in establishing Regional Quota Entities, the mechanism for transfer from one sector to another should be truly free market based. The mechanism should provide for the flow of quota back to the commercial fleet and the commercial fleet should be able to buy charter permits when demand dictates.

Finally, CDFU opposes reopening the halibut allocation issue after spending twenty years developing the current halibut charter Catch Sharing Plan, which has only been in effect for two years. Thank your for the opportunity to comment.

Sincerely,

Alexis Cooper, Executive Director Director@cdfu.org



C6 Halibut Charter RQE

2 messages

Dustin Connor <cnnrdb@gmail.com> To: npfmc.comments@noaa.gov Tue, Dec 1, 2015 at 6:27 AM

My name is Dustin Connor, and I am a commercial fisherman and halibut IFQ owner of 2C qouta. I am writing this letter in response to the agenda item 6C Halibut Charter RQE. While I recognize the importance of the charter sector in regards to the tourism industry in Alaska, I am not in favor of the Halibut RQE as currently proposed.

I do not believe the current qouta available to the commercial sector is sufficient. I purchased my IFQ shortly before joining the Marines in 2006, and over the past nine years have watched my qouta fall from 3500 pounds with a \$75,000 loan to less than 1200 pounds. I have been paying out of pocket for eight of those nine years on the loan, four of those while on a military pay scale. Current qouta levels do not pencil out.

Even greater concern than my own bottom line are the socioeconomic impacts the Halibut RQE proposal will have on not just the commercial fishing sector and supply chain, but more importantly on coastal communities, subsistence users, and retail consumers. An argument may be that adding tourism will boost the economy. I ask you to look at the truth behind that answer. Look to places that have tourism, the real way of life begins to disappear as people are forced to assimilate or be left penniless as the resources are eaten up by companies and tourists who have no long term interest in the actual health of the area. A good example are many of the coastal towns in Mexico. By letting non residents own so much resource rights and then let those fish go with the sports fishermen, who often exceed the allowable catch, we as residents not only lose our resource but also consumers. Many of the charter fisherman are no even residents so the money leaves the region to be spent elsewhere.

While adding another buyer to the Halibut QS pool will help to eat up the high priced quota being sold, I believe that such a well financed sector will artificially raise the quota price, making it nearly impossible for young commercial fisherman to buy into this long lived fishery that many such as myself have grown up knowing and loving. If the prices continue to rise and there is an outside entity raising the price beyond what young fisherman can pay, I feel eventually the majority of quota will be owned not by residents of the region, but rather by seasonal companies who take more of the wealth from the local economies. Since the majority of the sports sector does not live in these regions the long term sustainability and fishery health will decline. Locals simply care more about the health of their own economy and the resource than transients and seasonal businesses.

If the charter fleet is ever to be able to purchase quota from commercial fisherman there needs to be a true market based mechanism driving the exchange of quota. Higher taxes to out of state charter owners, equal transfer of quota between charter and commercial (if charter can purchase commercial and move it to the charter sector, commercial can purchase charter and move it back to the commercial sector), charter fisherman need to add value to the science and health of the fishery. Commercial fisherman must pay high taxes on landed fish, it is only fair that charter fisherman are responsible for a portion of this, as well as the observer program cost. If a charter boat is over 40 feet in length then they also should be mandated to have a paid observer on board just like commercial fisherman. If under 40 feet they still need to contribute to the observer program, just like commercial fisherman. These charter fisherman did not participate in the initial quota program when it was put in place which commercial fisherman raped the ground fish stock without concern or contribution unlike the commercial sector which has contributed hundreds of thousands of dollars to ensure the sustainability of the stock.

Im all for the charter sector finally willing to contribute, but it needs to be equal across the board or not at all. Don't turn this great fishery into a welfare system for the charter fleet at the expense of the commercial fleet, the economy, the supply chain, or even more importantly the region and its people who rely on this fish as a way of life.

C6 Public Comment December 2015

November 23, 2015

Deep Sea Fishermen's Union 5215 Ballard Avenue NW Seattle, WA 98107

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

RE: Agenda Item C6, Halibut Charter RQE

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.
- RQE entities would 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 \$50 per pound.
- Since the inception of the IFQ system, the Council has unwaveringly supported owner/operator on board requirements for 2nd 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, 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 [Recipient Name] November 22, 2015 Page 2

charter catch sharing plan (CSP) in place. To reopen the allocation issue after only two 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.

Sincerely,

Jan Standard Vice President Deep Sea Fishermen's Union 12/2/2015

I AM A CHARTER CAPTAIN OUT OF ELFIN COVE, AK OVER THE PAST 12 YEARS MY COMMENT: UNGUIDED NON RESIDENT FISHERMEN CHARTERING A BOAT OUT OF <u>WATERS</u> <u>EDGE LODGE</u> ARE ALLOWED 2 FISH PER DAY ANY SIZE WITH NO LIMIT ON HOW MANY FISH THEY CAN HAVE FOR THE YEAR. SOME OF THE NON-RESIDENTS ARE MAKING NUMEROUS TRIPS AND TAKING (2) FISH PER DAY WITH NO SIZE LIMITS AND LEAVING EACH WEEK WITH BOXES AND BOXES OF HALIBUT. THE CHARTER FLEET NON-RESIDENT FISHERMEN CAN ONLY HAVE (1) FISH 42 IN. OR LESS OR (1) FISH 76 IN. OR OVER. THE SELF GUIDED FISHERMEN JUST FOLLOW US AROUND AND ARE ABLE TO KEEP (2) HALIBUT ANY SIZE.

IS THIS THE WAY TO CONSERVE SUCH AN IMPORTANT FISHERY??

MY COMMENT IS THAT, IN THE INTEREST OF CONSERVATION, THE SELF GUIDED FISHERMEN BE UNDER THE SAME RULES AS THE CHARTER FLEET. ALSO, IN THE INTEREST OF CONSERVATION, WHY NOT HAVE THE REGULATIONS WHERE ALL HALIBUT FISHERMEN CAN KEEP ONLY (1) FISH PER DAY OF ANY SIZE WITH A YEARLY LIMIT OF (4) FISH FOR NON-RESIDENT FISHERMEN. WITH SUCH A REGULATION THE CHARTER FLEET WOULD NOT BE REQUIRED TO CATCH, INJURE AND RELEASE FISH THAT ARE NOT LEGAL TO KEEP.

THANKS FOR YOUR HELP IN CONSERVING SUCH AN IMPORTANT FISHERY WHICH CREATES SUCH A BOON TO THE ALASKA ECONOMY

CAPTAIN PAUL EWING PF6262@AOL.COM



C6 Halibut Charter RQE

2 messages

Luke Fanning <fanning.luke@gmail.com> To: npfmc.comments@noaa.gov Mon, Nov 30, 2015 at 9:26 PM

Dear Council Members,

I am opposed to the proposed charter halibut RQE. With the halibut resource at its current low levels, there are insufficient harvesting opportunities already for both the commercial charters and the directed longline fishery.

Adding yet another well-financed buyer for halibut quota shares will further exacerbate the already tight halibut quota market, further limiting the ability of younger fishermen to enter the fishery.

If there is to be an RQE established, then there must be a true market mechanism for transferring quota between sectors. The current RQE proposal is a "one-way valve" where quota would be permanently transferred from the commercial longline to the charter sector. If an RQE is to be established, then it must include a mechanism by which the commercial longline fleet can buy out charter halibut permits in exchange for quota as well.

The bottom line is that there is already a market-based mechanism in place to transfer quota from commercial to charter entities via the Guided Angler Fish program. After 20 years of planning and preparing for the catch sharing program, it is far too soon to downplay this program by focusing on yet another new regulation in the halibut fishery.

Sincerely,

Luke Fanning

F/V Triton

Juneau, Alaska

NPFMC comments - NOAA Service Account <npfmc.comments@noaa.gov> Mon, Nov 3 To: fanning.luke@gmail.com

Mon, Nov 30, 2015 at 9:26 PM

C6 Public Comment December 2015



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

C6 comments

1 message

jeff farvour <jefarv@gmail.com> To: npfmc.comments@noaa.gov Tue, Dec 1, 2015 at 4:50 PM

C6 RQE

Chairman Hull and Council Members,

As a commercial fisherman and full time resident of Sitka who has purchased every pound of Halibut quota that I have, I am extremely concerned about this potential action. I hire local crew and land my fish in my community. I purchased this IFQ with crew earnings and did so when quotas were much higher. Due to low levels of abundance, I have endured watching my investments shrink while we battled through getting a Catch Sharing Plan for the commercial halibut and charter halibut sectors.

I am wholly opposed to the idea of allowing the development of an RQE, which would be potentially funded by free money, to buy and hold commercial Halibut IFQ for any reason. I am also confounded by the problem statement. Its true, that BOTH the commercial and guided sectors would like more fish to harvest but its just not available at this point. I believe that the charter sector should look within its own industry for solutions to its desires without disrupting the commercial sector, which is why I can support the second part of this action to retire latent CHP's.

Before the Council considers any actions that would diminish commercial Halibut IFQ harvesting opportunity, I ask that you fully consider the following:

- The magnitude of inequity in allowing an RQE to acquire Halibut IFQ for its sector without allowing the Halibut IFQ sector the opportunity to buy a CHP to convert to IFQ. If we can do one its only reasonable to do the other, otherwise there is only loss in it for the halibut fishery, Alaskan communities and our domestic halibut market.
- The problem statement states that the charter allocation "may not be sufficient to ensure long-term planning and stability in regulation for all guided anglers." This seems contrary to the fact that from 2011 to growth seen in 2C charter client days. During these years, the 2C charter sector has been managed to a one fish reverse slot limit, charter clients days have INCREASED by 28%. The number of client days in 2011 was 72,934, 2015 client days was 96,863. Nearly a 28% charter growth and 4th largest amount of client days in 10 years. Many of those years had less restrictive bag limits. 3A has seen a slight decrease of about 5% in client days in same time period. One would expect some decrease in business with reduced catch limits is reasonable. Pg 98 of analysis
- Under these low levels of Halibut quota and given that many like myself have purchased quota with our own money, allowing an subsidized RQE to purchase Halibut IFQ will drive more instability and increase market demand in an already extremely competitive market. There are already significant challenges to enter and participate in the commercial Halibut fishery. Creating further barriers to sustained participation is unreasonable.
- Removing Halibut quota from 2C and 3A to an RQE would be removing halibut quota from our Alaskan residents and communities: 83.5% of 2C Halibut QS is held by Alaskans most of which is held by residents of Southeast Alaska communities. In 3A, 60% of halibut QS is held by Alaskans most of which is held by Alaskan coastal community residents. Pg 66 of analysis

National Oceanic and Atmospheric Administration Mail - C6 comments

C6 Public Comment

- Halibut caught by the commercial sector is held to an extremely high standard of accounterflates and reporting. For example, commercial Halibut fishing is observed and is required to make a 3 hour PNOL (prior notice of delivery) for enforcement and IPHC port samplers, ALL of the halibut that is commercially caught and landed is weighed and taxed to pay for state and community services and infrastructure (raw fish tax), taxed for: administrative costs, enforcement and observers (IFQ tax), and much more. Allowing an RQE to buy commercial Halibut quota will result in less oversight, accounting and reporting of an iconic species that is of much concern to nearly every fishing sector the Council manages.
- 34% of halibut mortality in 2C is from the sport sector (guided and unguided combined). Source: 2015 IPHC RARA.
- Before any action to transfer commercial Halibut IFQ to an RQE is considered, the charter sector needs to look to within its own sector for solutions such as: retirement of latent CHP permits and/or RQE allowed to purchase only CHP's for management.
- If an RQE holds Halibut IFQ and the RQE fails, folds or otherwise, what happens to the Halibut QS?

For these reasons (and many many more) I am opposed to the development of an RQE for the purposes of transferring IFQ to an RQE. It took 20 years to develop a Catch Sharing Plan, its only been 2 years since implementation and GAF (market-based transfer mechanism) has a robust amount of use. The CSP is going well and providing at least some stability by knowing that we each have our own allocations to live within without one sector dipping into anthers. Inviting more re-allocation discussions without reciprocity will instigate more uncertainty, less stability and disruption to our communities and businesses.

Thank you for considering my concerns.

Sincerely, Jeff Farvour, Sitka AK

Michael V. Frost 10321 Chain of Rock Eagle River, AK 99577

November 29, 2015

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

(agenda C-6 Charter Halibut RQE Program)

Subject: Opposed to Alternative 3, of the RQE Halibut CATCH Proposal

Dear Mr. Chairman,

I am opposed to Alternative 3 "Retirement of Latent Charter Halibut Permits" contained in the Council's motion on Charter Halibut RQE Program-initial review (agenda C-6).

I am a long time Alaska resident and Halibut sport fisherman. Reducing the number of Halibut Charter Permits (CHP) will limit the public access to the resource. It appears the only people that would benefit from a reduction in the number of Charter Halibut Permits would be the remaining Halibut charter operators!

The "Retirement of Latent Charter Halibut Permits" would result in an increase in value of the remaining permits, reduced competition, and greater pricing power for the remaining charter operations. How is that in the best interest of the Public?

It is bad public policy to permanently reduce the public access for tourism and non-boat owning anglers to the Halibut resource. Reduced daily bag limits, or other harvest restrictions, are appropriate during periods of low abundance. Harvest restrictions are easily adjusted as the strength of the Halibut resource improves.

I am in favor of the concept in the CATCH Proposal and the use of Guided Angler Fish (GAF) to increase the amount of Halibut available to the charter-boat using public. A market based system that allows commercial IFQ to be used in the charter sport fishery is a good solution. Transfers should be voluntary, at a market price, and the halibut transfers should be allowed in both directions as the market needs determine.

Sincerely,

1 Front

Michael V. Frost



C6 Halibut Charter RQE Comments

2 messages

FVWesternFreedom <fvwesternfreedom@gmail.com> To: npfmc.comments@noaa.gov Mon, Nov 30, 2015 at 1:56 PM

1/1

Comments on Agenda Item: C6 Halibut Charter RQE

My name is Garrett Elwood and I am a second generation longliner. I have been purchasing Halibut IFQ since 2001 and wish to voice my concern regarding the Halibut Charter RQE.

I am opposed to any changes to the recently implemented CSP that took commercial and charter groups nearly 20 years to agree too. Allowing a non-historical participant into the IFQ commodity sector will negatively effect future generations in the commercial sector and consumers throughout the country.

The charter sector will be able to pool federal, state and private money, creating a biased free market. It is already extremely difficult for a young commercial harvester (deckhand or owner) to save enough for a down payment when quotas are nearly \$50 per pound. The market should allowed to regulate and equalize all factors that pertain to this issue. If the charter sector wishes to purchase IFQ for their uses, then the commercial sector should be able to purchase charter permits and use the associated poundage commercially.

As I read the current proposal, this a one way benefit to the charter sector. After a long struggle to reach the current CSP and over a decade of a declining Halibut resource, this is an issue that does not need any further consideration at this time.

Respectfully,

Garrett Elwood

FV Western Freedom

NPFMC comments - NOAA Service Account <npfmc.comments@noaa.gov> Mon, Nov 30, 2015 at 1:56 PM To: fvwesternfreedom@gmail.com

Bruce J Gabrys 10229 Baffin Street Eagle River, AK 99577

November 30, 2015

Mr. Dan Hull, Chairman North Pacific Fisheries Management Council 605 West 4th Avenue, Suite 306 Anchorage, AK 99501-2252 (agenda J

(agenda Item C-6 Charter Halibut RQE Program)

Subject: Opposed to Alternative 3, Retirement of "latent" Charter Halibut Permits, in the RQE Halibut CATCH Proposal

Dear Chairman Hull and Council Members,

I am opposed to Alternative 3 "Retirement of latent Charter Halibut Permits" contained in the Council's motion on Charter Halibut RQE Program-initial review (agenda C-6).

This is an issue of preserving reasonable access to the Halibut resource for non-resident anglers and Alaska residents that do not own their own ocean capable boat. Reducing Charter Halibut Permits (CHP) during this biological cycle of low Halibut abundance is short-sighted and a bad Public Policy decision.

1. In 2011, the NMFS implemented the Charter Halibut Permit (CHP) program to address overcapacity in the charter fleet. The number of Charter Halibut Permits (CHP) issued, not including CQE and MWR permits, was 570 in Area 2C and 490 in Area 3A.

2. At the time of issuance, 28 percent (161/570) of the area 2C CHPs were issued as non-transferable "interim permits." For area 3A, 20 percent (100/490) of the CHPs were issued as non-transferable "interim permits". (Note: does not include MWR & CDQ permits) These interim permits are not transferable and subject to revocation in the appeals process or retirement upon departure of the holder from the Halibut charter fishery.

3. As of March 5, 2012 thirty-four (34) area 2C CHPs and forty-seven (47) area 3A CHPs had been revoked and removed from the fishery through the appeals process. Since March 5, 2012 additional CHPs may have been revoked through the appeals process. I do not know how many more CHPs may have been revoked by appeals since March 5, 2012.

4. According to the NPFMC Environmental Assessment/Regulatory Impact Review/Regulatory Flexibility Analysis for the Catch Sharing Plan dated September 4, 2012. (Pages 145 & 146) it states: "Over time, the 206 non-transferable Area 2C permits and 162 non-transferable Area 3A permits will leave the fishery. As these nontransferable permits leave the fishery, the overall capacity of the fleet to carry clients will decline."

5. In the Initial Review Draft of the Halibut Charter Recreational Quota Entity and Charter Halibut Permit Recency Action dated December 2015, the analysis states (page 114): "The net benefit to the Nation from Alternative 3, the retirement of latent CHPs, are expected to be very minor. This action may benefit current active CHP holders that are seeking greater stability and long-term planning by limiting the number of latent CHP that could suddenly become active." "Alternative 3 is expected to disadvantage new entrants or those looking to expand operations in the halibut charter fishery, as less CHP are available for transfer. This may in turn disadvantage charter anglers as, particularly in peak season, they may have more difficulty booking a halibut charter trip."

6. Alternative 3 "may benefit current active CHP holders," as stated in the Initial Review Draft, however it will force some CHP holders to go through the CHP "qualification" process twice in less than five years of the program life. For those operators that recently purchased CHPs on the open market, they may lose 100% of their investment! The catch history on any particular CHP is not public information and puts the buyer at risk.

I am an Alaska resident that currently owns halibut CHP and IFQ permits. I have been attending Council meetings for many, many years. The progress made by the Council to resolve the conflicting Halibut user issues has taken major steps forward in recent years. To restrict public access to the halibut resource by reducing the number of CHPs, in my opinion, is a mistake and will not be looked upon favorably by the public.

Sincerely,

Multiple Bruce J Gabrys



C6 Halibut Charter RQE

2 messages

Halibut Coalition <halibutcoalition@gmail.com> To: NPFMC Comments <npfmc.comments@noaa.gov> Sat, Nov 28, 2015 at 12:37 PM

To the North Pacific Management Council,

When IFQ's were implemented I was allotted a small block of halibut quota. I fish with my family daughter and son. We bought some quota early on in the IFQ program. We just recently bought a little bit more, we fish a D class 35 ft Vessel. It has taken us a long time to pay for this poundage to make our operation viable.

The commercial halibut fishermen have worked for 20 years to get a charter catch sharing plan in place and reopening the allocation issue after only two years into the CSP is unacceptable and destabilizing for the commercial industry.

The Canadian Halibut Fishery did not have the Safeguards in place that we have and certain user groups and large company's have control of the fishery now.

In Haines where we live there is a small processing plant that employs people to process the fish. 90 per cent of the halibut that goes in there is trucked to the Yukon. Giving the small community of Haines a small industry that helps the town survive. The charter industry that works there and Skagway do not live in these towns.

I believe that with the low levels of abundance, giving the charter industry and easy way to get halibut quota would not be prudent. Lets give the current system time to work and not give the charter industry something that the commercial industry never got.

Sincerely, Dennis Gudmundson 241 Beach Rd Haines AK

NPFMC comments - NOAA Service Account <npfmc.comments@noaa.gov> Sat, Nov 28, 2015 at 12:38 PM To: halibutcoalition@gmail.com



PO Box 22073 Juneau, AK 99802-2073 (425) 949-1810msg (206) 260-9111efax

halibutcoalition@gmail.com www.halibutcoalition.org

December 1, 2015

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

Dear Chair Hull and Members of the Council,

Subj: C6 Charter Halibut Recreational Quota Entity (RQE)

Given the short time between publication of the initial draft analysis and the December 1 deadline for comment, we anticipate submitting additional comments at the Council meeting.

<u>Purpose and Needs Statement</u>. The purpose and needs statement before the Council does not properly identify a problem and is biased in favor of the charter sector. In addition, the purpose and need statement ignores consumer access and the stability of the commercial sector, harvesters/processors, and coastal communities; in other words, MSA National Standard 8 is not adequately addressed. All sectors and communities desire more fish and long-term planning and stability in regulations; the problem statement needs to provide balance. A major flaw in the RQE proposal is that it opens the door for "free money" (grants, low interest loans, marine passenger (head tax) fees, or fees on guided anglers) and creates the potential for the charter sector to acquire more quota without skin in the game; lack of skin in the game undermines responsible stewardship. The lack of individual accountability for charter operators is not a situation the Council or State should endorse.

We suggest that the charter sector and Council consider ideas presented in Abbott's paper, which was presented at NOAA Workshop on Economic Considerations of Allocation Decisions on 9/23/14. More specifically, we would highlight the following from this paper:

"This article turns a critical eye on the current role of economics in informing intersector allocation disputes. I argue that much of this analysis relies on a notion of efficiency that is flawed on both static and dynamic grounds and fails to address the inefficiencies of existing management institutions. I propose that reallocation is rarely a

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 institutions to resolve allocation disputes in an adaptive, efficient manner through armslength transactions. I propose a general framework for reform of mixed recreationalfirst-order concern. Rather, it is a "red herring" that detracts from far more necessary fundamental reforms within the recreational sector. These reforms would significantly improve the accountability and efficiency of the sector and establish the necessarycommercial fisheries and discuss realistic rights-based policies to better manage fishing mortality for private recreational anglers and facilitate transferability across sectors. I close with an appeal for more policy-relevant work on recreational fisheries by fisheries economists." Abbott, J. K.. (2015). Fighting Over a Red Herring: The Role of Economics in Recreational-Commercial Allocation Disputes. Marine Resource Economics, 30(1), 1–20. http://doi.org/10.1086/679464.

In short: We recommend the Council remand the RQE issue back to a broad-based committee to take a hard look at perceived problems in the charter sector, including, but not limited to latent permits, effects of sharing CHP between vessels without formal leasing/transfer, retirement of non-transferable CHP, season length, voluntary measures to allocate fish within the sector, transfer of GAF between charter operators¹, an enforceable mechanism to purchase GAF after a fish is landed², and an RQE limited to buying and sequestering CHP. **The highest priority for the charter sector should be to resolve their problems with latent and non-transferable permits, since any efforts to purchase QS will be undermined as more permits become active or active permits increase their client load.**

Additional rationale and comments more specific to the RQE initial analysis are below.

Not ripe.

This proposal is not ripe for further Council action at this time for the following reasons:

• The CSP has only been in effect for 2014 and 2015. This does not provide adequate time or data to assess the effects of both the CSP management mechanisms and the GAF program, especially since in 2014 the pounds/fish conversion rate was knowingly generous. Efficacy of management measures is still being sorted out and this was anticipated³. Bottomfish (proxy for halibut) angler days have been relatively steady since 2011 when the CHP program went into effect, see Enclosure (1).

³ Ibid.

¹ CALL, I. L., and D. K. LEW. 2015. Tradable permit programs: What are the lessons for the new Alaska halibut catch sharing plan? Mar. Policy 52:125-137.

² Ibid.

- Thus far, we have not been presented any data or analysis on the harvest impacts of nontransferable CHP; the analysis (Page 40) indicates 30% of 2C CHP are interim/nontransferable and 22% of 3A CHP are non-transferable. We need an analysis of how much fish operators with non-transferable permits are harvesting, the trends, latency, and how this component will diminish over time as non-transferable CHP holders exit the fishery. The Council's creation of non-transferable CHP and a knowingly large number of CHP contributed to overcapitalization (relative to halibut abundance) in charter fleet.
- Thus far, we have not been presented with accurate data on the residency of CHP owners. This information is critical to determine if transferring more quota will result in economic losses to Alaska. At present, data collection forms only require a mailing address; data on residency of ownership can be manually mined from State Corporate Business records. The loss of quota and permits to non-residents was of significant concern to Governor Walkers' Transition Team and a workshop on this topic is scheduled for January 2016. Residency data need to be analyzed to help inform a decision with regard to MSA Standard 8, protecting fishing communities. A sample of CHP used in the Cross Sound area of Southeast indicates that over 70% of CHP are owned or controlled by non-Alaskans.
- The coastwide exploitable biomass has begun to rebound from what appears to be the cyclic low in 2013 (Table 6-2). If this trend continues, it may partially resolve some of charter sector's desire for more quota.
- The financial commitment of the charter sector to the RQE is largely unknown at this time and this has prompted the following statement at Page 89: "A study is currently underway by the Alaska Fisheries Science Center on attitudes towards an RQE program (Dan Lew, 11/10/2015, personal communications) and is expected to have preliminary results by January 2016.
- Lew (2015)⁴ indicates that in his Southeast charter study, the respondent class operated at a loss in 2011, but operated at a profit in 2012 and 2013 with a one halibut bag limit and the usual salmon, ling cod, rockfish, and black cod limits.
- One premise of the RQE proposal is that charter operators have the perception they need more; however, recent NMFS research indicates this may not be the case.
 - Lew, D.K., and D.M. Larson. 2015. "Stated Preferences for Size and Bag Limits of Alaska Charter Boat Anglers." *Marine Policy* 61: 66-76.

⁴ Lew, D.K., G. Sampson, A. Himes-Cornell, J. Lee, and B. Garber-Yonts. 2015. "Costs, Earnings, and Employment in the Alaska Saltwater Sport Fishing Charter Sector, 2011-2013." U.S. Dept of Commerce, NOAA Technical Memorandum NMFS-AFSC-2738, 2015, 134 p. <u>http://www.afsc.noaa.gov/Publications/AFSC-TM/NOAA-TM-AFSC-299.pdf</u>

ABSTRACT. Over the last several years, significant regulatory changes related to Pacific halibut Hippoglossus stenolepis have occurred in the for-hire recreational charter boat fishing sector in Alaska. In addition to limited entry restrictions and adoption of a catch sharing plan that provides a formal means of determining allocation between the commercial and charter boat fishing sectors, more restrictive harvest regulations were placed on anglers fishing from charter boats. This article provides insights into how the value anglers place on charter boat fishing is affected by these regulations, principally bag and size limits. Such information is helpful in assessing the trade-offs in economic benefits associated with different regulatory tools used to manage angler harvest levels. Stated preference choice experiment data from a 2012 survey are analyzed using a panel rank-ordered mixed logit model to estimate the economic value, or willingness to pay (WTP), non-resident anglers place on saltwater charter boat fishing trips in Alaska and to assess how changes in characteristics of fishing trips, particularly harvest restrictions related to Pacific halibut, affect this value. The model specification accounts for a wide array of size and bag limit restrictions that have been recently implemented or are under consideration by Pacific halibut fishery managers. The results indicate that very strict harvest restrictions have the effect of driving WTP to zero, while allowing at least one (potentially) large fish to be caught is valuable to anglers. The results also suggest that WTP for fishing trips with bag limits that allow two or more fish to be harvested with no size restrictions on the first fish harvested are not statistically different from the value for trips for larger bag limits or for the case where all the fish in the limit can be any size. This suggests that fishery managers can restrict the size of the second fish in a two-fish bag limit and still maintain economic values for fishing trips.

 Lew, D. K., & Seung, C. K. (2014). On the Statistical Significance of Regional Economic Impacts from Recreational Fishing Harvest Limits in Southern Alaska. Marine Resource Economics, 29(3), 241–257. http://doi.org/10.1086/677759

ABSTRACT. Confidence intervals for regional economic impacts resulting from changes in saltwater sportfishing harvest limits are calculated using a stated preference model of sportfishing participation and a social accounting matrix (SAM) for southern Alaska. Confidence intervals are constructed to account for two types of input variation in impact estimates—sample variation in sportfishing-related expenditures and stochastic variation from parameters in the recreation participation model. For five of six policy scenarios examined, estimated impacts are not statistically different from zero. Tests for differences in estimated impacts between scenarios show that no statistical differences are found whenever stochastic variation is considered (statistical differences occur only when sample variation alone is accounted for). *Due to the lack of statistical differences and tifferences in this case, a comparison of economic impacts does not provide a*

<u>clear-cut preferred alternative, and consequently other economic and non-</u> <u>economic criteria for evaluating policy scenarios should bear greater weight in</u> <u>policy decisions.</u>

Economic Efficiency

If the Council supports a market based allocation system, then quota and access needs to flow both ways and include a mechanism for the commercial sector to purchase CHP and transfer a proportional amount of quota to the commercial sector (see proposed Alternative 4 in ALFA comments).

<u>NEPA</u>

As written the analysis does not consider an adequate range of alternatives as required by NEPA and should be expanded to include IFQ, an RQE limited to buying/sequestering CHP to better control charter harvest, and a commercial entity that can purchase CHP and transfer quota to the commercial sector.

National Standard 8

The Walker/Mallott Transition Team identified the number 2 fisheries priority as **"Prioritize and Improve Fishery Access for Alaskans: Develop policies, strategies, management to return fishery access opportunities to residents of Alaska's fishing communities**" and this relates directly to MSA National Standard 8, providing for the sustained participation of fishery dependent communities. Substantial effort needs to be given to analyzing the state residency of CHP owners and affiliated lodge owners – without this information, the state will not be able to fulfill its responsibility to look out for Alaska's fishing communities and prevent the erosion of jobs in coastal communities. In the past, permits and quota share have been lost to the community because of individual economic decisions that did not consider community and cultural impacts; this unfortunately harmed local and regional economies. The transition team report is at: http://gov.alaska.gov/Walker/transition-2014.html

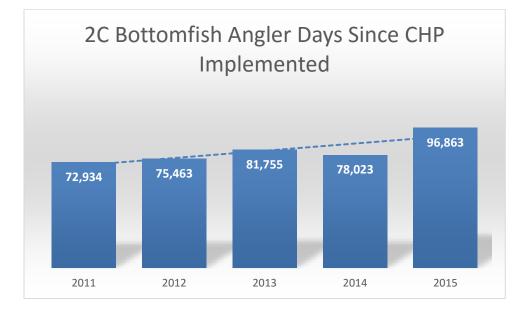
This analysis is not ready for final action until a proper purpose and needs statement is developed, an appropriate range of alternatives is developed, and gaps in analysis are addressed.

Additional comment and concerns are included in Enclosure (2).

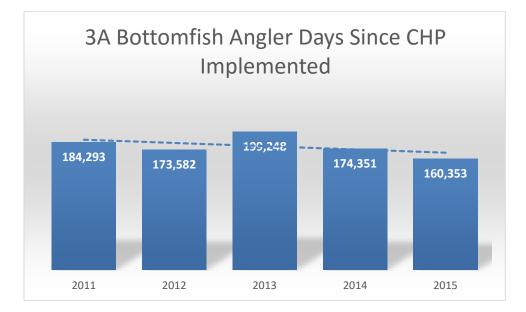
Sincerely,

Tom Semmell

Thomas M Gemmell Executive Director Enclosure (1) Bottomfish Angler Days (2) Additional Comments and Concerns



ENCLOSURE (1) Bottomfish Angler Days (Data From ADFG)



ENCLOSURE (2) Additional comments and concerns

<u>Page 10</u>. Staff notes the Council needs to decide what to do with surplus QS Page 85 if and when the least restrictive management measures are achieved. This would be a RQE business decision and no longer a Council problem, even though surplus fish may be left in the water.

<u>Page 12</u>. Communities. Add a discussion of the economic impact of non-resident ownership and if the RQE would exacerbate this problem.

Page 39. 4.4.1 Current Charter Operations

- Provide an assessment of CHP ownership real residency. At present NMFS only collects data on mailing addresses and does not even ask for legal residency. This information is needed to address economic impacts of coastal communities, especially if more non-resident guides and lodges acquire control of the halibut harvest. In recent years, some CHP holders have been convicted of falsifying Alaska residency.
- Provide an assessment of charter crew residency so that we can assess economic impact on coastal communities (e.g. leakage of money from the local economy)

Page 39. 4.4.1.1 CHP Holdings and transfer Prices

- Update CHP harvest data to distinguish between permanent and non-transferable CHP. This is needed to help understand the number of CHP that will fade away as nontransferable CHP owners exit the fishery. The analysis (Page 40) indicates 30% of 2C CHP are interim/non-transferable and 22% of 3A CHP are non-transferable.
- Update tables though out the analysis accordingly.
- Provide an analysis of CHP temporary loans between vessels and distinguish between permanent and non-transferable. This information is needed to assess the number of halibut harvested by CHP owners who are not actively participating in the fishery. This information should be easily available by coding the data bases to distinguish which permits are permanent/non-transferable and identify which permits are used by multiple guide operators in the same season.

<u>Page 41</u>. "Diversification for the charter fleet is difficult to quantify due to a lack of revenue information." Suggest you indicate that some revenue and data is available⁵.

<u>Page 42</u>. "This vessel diversification is illustrated in Table 4-8 by linking valid Department of Motor Vehicle (DMV) numbers in the logbook, through NOAA RAM's vessel list, and then to ADF&G Fish Tickets." Clarify if USCG Official Numbers (Documented vessel 5 net tons and

⁵ Lew, D.K., G. Sampson, A. Himes-Cornell, J. Lee, and B. Garber-Yonts. 2015. "Costs, Earnings, and Employment in the Alaska Saltwater Sport Fishing Charter Sector, 2011-2013." U.S. Dept of Commerce, NOAA Technical Memorandum NMFS-AFSC-2738, 2015, 134 p. <u>http://www.afsc.noaa.gov/Publications/AFSC-TM/NOAA-TM-AFSC-299.pdf</u>

greater) were also used in addition to DMV numbers. If USCG Official Numbers were not included in the analysis, they should be.

Page 42. Total CHP counts for Tables 4-6 and 4-7 differ from totals on Tables 4-26/Page 68 and Table 4-27/Page 69

Page 49. Table 4-11 and 4-12. Correct table titles to reflect both 2014 and 2015.

<u>Page 65/66</u>. Clarify year for data in Table 4-24. Table 4-25: clarify if this is only 2C and 3A harvest and explain why data for large landing ports like Juneau and Sitka is confidential.

Page 68/69. Tables 4-26 and 4-27. Distinguish CHP that are non-transferable.

<u>Page 70</u>. Table 4-28. Clarify years included in this table and distinguish non-transferable CHP. Scrub list to correctly assign ports to correct IPHC area (e.g. following ports are in 3A not 2C: Larsen Bay, Ninilchik, Old Harbor, Port Lions, Cordova, and Seldovia).

Page 71-72. Figure 4-12 and 4-13. Add units of measurement.

<u>Page 74</u>. 4.7 Analysis of Alternatives: Alternative 1, No Action. The analysis needs to discuss the effect of low abundance and excess capacity (Including non-transferable and latent CHP) in the charter fleet and not just focus on "stricter" management measures. Also what happens under status quo if stocks rebound, bycatch reductions kick in, and management measures are loosened?

Yamada and Flumerfelt (January 2014) (Page 75) is cited to raise objections to GAF. Is there a more current analysis of GAF now that there is two years of experience with GAF? Other sources indicate that GAF would be more useful if some restriction are lifted⁶. At least add comment that the Yamada and Flumerfelt document was written pre-implementation and does not analyze two years of actual experience with the program.

<u>Page 86</u>. 4.8.1.2 Cost Recovery. We support NMFS's opinion that RQEs pay the full cost of administering any QS they purchase. In addition, NMFS should recoup the costs of administering the CHP program.

<u>Page 88</u>. 4.8.1.6 Blueprint for Assessment for Economic and Social Effects. By omission, this sections states that there will not be any consideration at all of the effects on halibut processors.

<u>Page 100</u>, para 3, however, devotes a whole 5 sentences to processor impact concerns. We strongly recommend a through discussion of potential impacts on processors, including meeting

⁶ CALL, I. L., and D. K. LEW. 2015. Tradable permit programs: What are the lessons for the new Alaska halibut catch sharing plan? Mar. Policy 52:125-137.

with processors to gain more insights.

As a point of consideration, we recommend a review/update of <u>McDowell Group. 2007</u>. <u>"Economic Impact of the Commercial Halibut Fisheries in Areas 2C and 3A</u>." and offer the following quote to illustrate that there are impacts to processors and communities:

In order to gauge the impacts of increases or decreases in the commercial halibut quota in Areas 2C and 3A for such reasons as changes in biomass or resource allocation, the study team estimated the labor income and total output per 100,000 pounds of halibut in each area. In Area 2C, each 100,000 pounds of halibut had an estimated direct labor impact for processors, harvesters and support sector workers of \$308,000 in 2005, and created a total output of approximately \$594,000. In Area 3A, the estimated labor income per 100,000 pounds was \$307,000, with a total output of \$590,000.

Additionally, the report is totally silent on the impacts of consumers whose access to halibut could be significantly diminished. As recently as 2007, consumers purchased the combined 2C/3A harvest of 34.2M pounds compared to a 2014 harvest of 10.5M pounds. Any comments about angler concerns should be balanced with consumer concerns.

<u>Page 92/93</u>. Provide an estimated total cost and cost per permanent CHP of purchasing 918,075 pounds of 2C quota and 534,000 pounds of 3A quota to help illustrate the costs involved in a prospective RQE operation.

<u>Page 92/94</u>. Tables 4-38 and 4-39. Make data consistent between the two tables (e.g. effort/angler days).

<u>Page 97</u>. Provide justification for the statement that it is unlikely that latent CHP capacity will ever be fully utilized.

<u>Page 97</u>. Effort in the Charter Sector. In addition to the discussion of the change in angler trips, we suggest you add comments about the overall decline in the number of saltwater guide businesses, guides, and vessels. This indicates the decline is across all species and not just halibut; and includes both state and federally managed fisheries. In some cases availability of other species like salmon have improved. See: <u>Sigurdsson, D., and B. Powers. 2014</u>. <u>Participation, effort, and harvest in the sport fish business/guide licensing and logbook programs, 2013</u>. Alaska Department of Fish and Game, Fishery Data Series No. 14-23, Anchorage.

Page 99. Hired skipper divestiture of excess QS. How much QS in 2C/3A is involved so we can assess its significance.

<u>Page 99</u>. Last line. "In particular, total QS caps for the RQE could be used as tool to ensure some level of the character of the commercial fishery is maintained." We hope that you opt to maintain some charter character and we are curious as to which parts of our character you

consider worthy of maintenance.

<u>Page 103</u>. Staff is asking for Council guidance. Should latency of a CHP be associated with inactivity of a CHP holder in the charter fishery overall or inactivity in the charter halibut fishing specifically? Since the CHP is only for halibut and that is all the Council can regulate, it should be CHP activity only.

<u>Page 107</u>. Potentially higher CHP prices is described as a barrier to entry for residents but not for non-residents. Please explain why it is not a barrier to non-residents. Do non-residents have so much money that higher prices are not a factor in buying up Alaska businesses?

<u>Page 108</u>. Table 4-46. Recommend breaking this table down into 2C and 3A, since things a are different between the areas. Also the large percentage of CHP holder records missing state and/or city is a concern. How can we assess impacts to coastal communities with such a large data gap? Recommend NMFS clean up the data base. Also the CHP totals for Table 4-46 (state) do not add up compared to Tables 4-47 and 4-48.

<u>Page 112</u>. Table 4-52. Several landing ports listed in area 2C are actually in area 3A (e.g. Homer, Seward, and Port Lions).

<u>Page 118</u>. "...it is assumed that this action would not retire any CQE or MWR charter permits...". We disagree with this statement since the MWR permit issued to Eielson AFB (near Fairbanks) for area 2C should be retired since there is no rationale or historic reason for them to operate in Southeast Alaska. Neither the commercial nor guided sector needs this aberration hanging over our heads in terms of another latent CHP.

<u>Page 119</u>. Para 4. Table 4-22 and 4-23 are not the correct tables for the number of QS holders. We think you mean Table 4-18 on page 59.

<u>Page 125</u>. Charter groundfish catch. Information on charter groundfish harvest and discard is contained in <u>Sigurdsson, D., and B. Powers. 2014</u>. <u>Participation, effort, and harvest in the sport fish business/guide licensing and logbook programs, 2013</u>. <u>Alaska Department of Fish and Game, Fishery Data Series No. 14-23</u>, <u>Anchorage</u>. In 2013, the charter sector discarded 215,615 halibut and 27,400 other groundfish not counting Pacific cod and skates.

Page 133. 2nd para from bottom. Change 2A to 2C.

Lloyd A. Hankins 2220 Jennison Circle Anchorage, AK 99508

November 29, 2015

Chairman North Pacific Fisheries Management Council 605 West 4th Avenue, Suite 306 Anchorage, AK 99501-2252

(agenda C-6 Charter Halibut RQE Program)

Subject: Opposed to Alternative 3, of the RQE Halibut CATCH Proposal

Dear Mr. Chairman and Council,

I am opposed to Alternative 3 "Retirement of latent Charter Halibut Permits" contained in the Council's motion on Charter Halibut RQE Program-initial review (agenda C-6).

As an Alaska resident my access to the Halibut resource is by Charter Halibut Boat (I do not own a boat). Reducing the number of Halibut Charter Permits will shrink the potential number of halibut charter seats available to the public and increase the cost of booking a charter trip.

The combination of the current low halibut abundance (harvest restrictions) and the weak national economy (less tourism) has reduced the demand for halibut charter seats. To match the number of halibut charter seats to the current demand is not in the best long term interest of the public. The Halibut resource will recover and tourism can be expected to increase as the national economy improves. I would prefer to see harvest restrictions, as needed, instead of reducing public access to the Halibut resource.

I am in favor of the CATCH Proposal and the use of Guided Angler Fish (GAF) to increase the amount of Halibut available to the public through the charter boat fleet. Alternative 3 of this proposal is inconsistent with the intent of the CATCH plan and should be removed as an option for consideration.

Sincerely,

Sloep Hankins

Lloyd A. Hankins

Subject: Comment: Charter Halibut RQE Program (reference code: C6) From: Heidi Herter <heidiherter@gmail.com> Date: 11/17/2015 9:07 AM To: npfmc.comments@noaa.gov

Dear Council member -

I am a member of "Alaska Halibut Forever," a community organization based out of Gustavus, AK. Our organization intends to protect people who fish for their food against halibut depletions near coastal communities. We support a change in the sport fishing culture away from pursuit of trophy-sized fish, and offer information on sustainable halibut fishing.

Alaska Halibut Forever opposes the Charter Halibut RQE Program, aka the CATCH Proposal, reference code C6.

Halibut stock monitoring and regulatory actions by the NPFMC and the IPHC have been based on large areas like 2C and 3A, without considering the risk for depletions near coastal communities.

According to statistics by the ADF&G, our local area "Glacier Bay," including Glacier Bay, Icy Strait and Cross Sound, often has the largest sport catch (guided + non-guided) of the six statistical areas in southeast Alaska. In 2012 and 2013, sport catch (in pounds) approximately equaled commercial catch for this area. A table outlining these figures is available on our website (see below).

Based on the target IFQ purchase (in pounds), the Charter Halibut RQE Program would result in a 69% increase in allowable charter catch over the 2015 allocation for Area 2C and a 42% increase for Area 3A. This increase would not be evenly distributed across southeast Alaska; fishing effort would increase around communities like Gustavus, Excursion Inlet, Angoon, Elfin Cove, Whittier, Seward and Homer where charter fishing is popular and where there is no plan in place to prevent against local area depletions.

Also, while commercial fishermen are required to keep all legal-sized halibut, guided-sport fishing regulations *encourage fishermen to pursue large fish*. If the Charter Halibut RQE

Program goes through, it will have an important impact on female fish, the largest of which are our most prolific breeders. We cannot continue to increase pressure on big halibut and expect to keep fishing that way.

The Charter Halibut RQE Program would also reduce commercial halibut catch in Area 2C by 16% (3A by 10%) from the 2015 allocation. If IFQs are purchased from larger commercial vessels, the result will increase fishing efforts near communities. If IFQs are purchased from the less expensive "D Class," smaller-boat quotas, the shift would decrease opportunities for new people to enter the commercial fishery. Either way, less IFQ would be available for commercial fishermen and those fishermen would have to pay for their IFQs, while competing with the RQE Program, funded by an external stream of money. The loss would not be balanced by increased opportunity to enter the charter fishery, because those permits are on a limited entry basis. Therefore, the Charter Halibut RQE Program can only increase profits for people already in the charter fishery.

For more information about Alaska Halibut Forever and our recommended fishing practices, please see the attached brochure made available in Gustavus and Excursion Inlet in June 2015 and visit <u>akhalibutforever.wordpress.com</u>.

Thank you,

Heidi Herter Davis, MS Fisheries

heidiherter@gmail.com

907.321.1379

Alaska Halibut Forever

akhalibutforever.wordpress.com

Attachments:

AKHF_halibut brochure_final.pdf

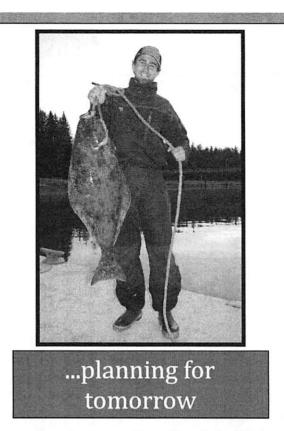
1.5 MB

Fishing today...



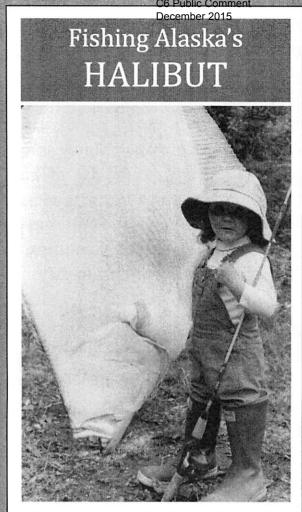
Many sport fishermen choose to keep younger fish. Halibut larger than 50" (60 lbs live weight) are also all females – the producers of generations to come. A female halibut releases an increasing number of eggs as she grows older and larger. When a female halibut begins to reproduce (47", 50 lbs) she has about 500,000 eggs, but a 77" fish (250 lbs) might have 4 million eggs. Trophy-sized females are the most prolific breeders and can be up to 55 years old.

Younger halibut carry fewer toxins, like mercury, making them preferred for eating. For more information on safe consumption of Alaska halibut, visit epi.hss.state.ak.us/eh/fish.



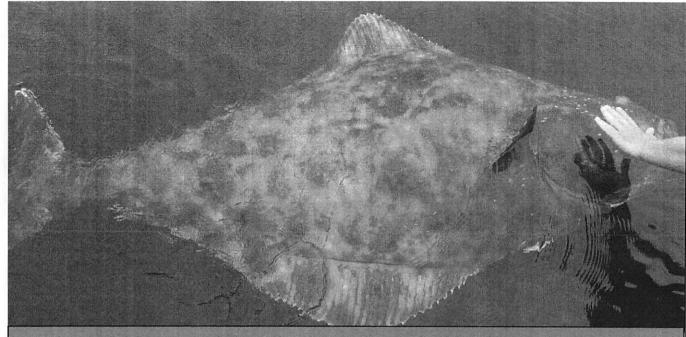
Help prevent localized halibut depletions. Adult halibut tend to return to the same area from year to year after their migration to deep-water spawning grounds. Most fishing occurs within a 2-hour boat ride from towns, putting Alaska's coastal communities at risk of local-area halibut depletions.

Do your part to prevent local depletions by releasing large halibut and taking only what you can use. Together we can continue to enjoy Alaska's rich halibut resource for centuries to come.



Alaska and abundance go hand in hand...

If you have come to Alaska for the beautiful scenery, wildlife, and spectacular fishing, you won't be disappointed. But before you head out in search of "The Big One," there are a few things you should know.



Share the catch - take only what you can use.

How you can help. If you're headed out on a sport fishing trip, there are a few important things you can do to promote halibut sustainability:

- Immediate, safe release. For a fish's best chance of survival, release a halibut as soon as possible, preferably without removing it from the water. It is unlawful to keep a fish aboard a vessel and release it if a larger fish is caught. Avoid handling a halibut only by the tail, as you can damage its spine. For more information on how to release halibut safely, visit everyhalibutcounts.org.
- Use circle hooks. J-hooks and treble hooks are difficult to remove without injuring a fish. Circle hooks give released fish their best chance for survival.
- **Ensure the quality of your fish.** Bleed and ice your fish aboard the vessel.

- **Take only what you can use.** Fifty pounds of filleted fish is enough for 100 one-half pound servings. After one year in the freezer halibut can be freezer-burned and go to waste. To extend freezer life, consider having your fish professionally packed.
- Know the rules. Please comply with the intent of federal fishing regulations. These exist to protect the future of halibut fishing. For current regulations, visit:

alaskafisheries.noaa.gov/ sustainablefisheries/halibut/sport.htm



C6 Public Comment December 2015 Why the concern?

Halibut fishing in Alaska – be it sport, subsistence or commercial – is regulated by the North Pacific Fishery Management Council (NPFMC) in partnership with the International Pacific Halibut Commission (IPHC).

Commercial and guided sport fishing are managed under a system of Total Allowable Catch (TAC), in pounds (lbs), for a given year. The TAC fluctuates with the amount of halibut available as determined by fishery surveys. Since 2006 the TAC in Southeast Alaska has gone down by almost 70%.

As of 2015, commercial fishing in Southeast Alaska received 81.7% of the TAC and guided sport fishing received 18.3%. But in the combined area of Icy Strait, Glacier Bay and Cross Sound, the quantity (Ibs) of sport-caught halibut (guided plus non-guided) approximately equals the quantity of commercially caught halibut. All fishermen are accountable for the vitality of Alaska's halibut fisheries. National Oceanic and Atmospheric Administration Mail - NPFMC December Agenda items: C6, 68, Puble4 Comment December 2015



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

NPFMC December Agenda items: C6, C8, D1, D4

2 messages

James Hughes <carterhughes@hotmail.com> To: "npfmc.comments@noaa.gov" <npfmc.comments@noaa.gov> Cc: ALFA Staff <alfa.staff@gmail.com>

James C Hughes

December 1, 2015

Tue, Dec 1, 2015 at 2:54 PM

FV Astrolabe

Sitka, Alaska

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

My name is Carter Hughes and I am submitting this testimony as an individual for the upcoming December meeting. I am a small boat troller and longline fisherman. I fish out of Sitka and Pelican. I will comment on several issues on the agenda for the Dec meeting. I have not been able to read some of these lengthy documents in depth so I will list the agenda items and make some brief comments. I will be attending the meeting and will do my best to give a more informed and helpful testimony at the meeting.

C 6: Recreational Quota Entities. This concept is not ready to move towards final action. There are two key problems that I see with RQEs. There is no meaningful two way exchange potential as presented in the discussion paper. The charter sector can purchase IFQs from the commercial sector, but the quota cannot be purchased back. This is likely to create a drain on the access to IFQ quota on the commercial side, especially if the abundance starts to rise and the charter sector no longer can harvest the quota that is in the allocation pool. There should be an option to buy quota from the charter sector.

Another problem with RQEs is the funding method for the charter purchase is not an individual purchase scenario as it is with IFQs in the commercial sector. I had to take loans from banks and use my own cash to buy IFQs. I spent \$89,000 dollars on 1700 pounds of 2C halibut quota last year. If the charter sector is allowed to use public money to finance IFQ purchases, there will be no business liability on their part. Further, the price of halibut IFQs, which is already very high in areas 2C and 3A is likely going to rise to a level that makes it unaffordable to individual commercial fishermen. There needs to be an EIS on the

effects that this provision will have on the commercial fishing industry, processors the before this agenda item moves ahead.

C 8: My comments here are limited to Attachment 1. As far as Prohibited Species Bycatch of halibut in the ground fish fisheries. I want to see some sort of priority put on the existence of the directed fishery. It is not appropriate to have huge amounts of juvenile halibut being killed as bycatch in trawl fisheries and the directed fishery closed. That is a misappropriation of conservation burden. Starting with Area 4, the top priority should be keeping the directed fishery alive.

D 1: I support the 25% reductions in both chinnok and halibut that are included in GOA Trawl Bycatch Management Plan. I also support the option to allow trawlers to convert to pots. In the long run I hope that all fishing for Pacific Cod is either done by pots or setline gear. Trawling damages the bottom. That is an issue that does not get discussed much. I see no reason to catch P cod with trawl gear in a directed fishery. It would be great if those that currently trawl for P cod could be encouraged to shift to pot gear.

D 4: When reviewing the halibut and sablefish IFQ program, I support a priority being placed on the initial provisions that were put in place to keep the fishery accessible to individual fisherman that are present on the vessels while there quota is being harvested. I support the original blocking system and ownership caps and vessel harvest caps.

Thank you all very much for your time.

James C Hughes

Sitka

NPFMC comments - NOAA Service Account <npfmc.comments@noaa.gov> To: carterhughes@hotmail.com

Tue, Dec 1, 2015 at 2:54 PM

C6 Public Comment December 2015



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

RQE item C6

4 messages

terry_joanna@yahoo.com <terry_joanna@yahoo.com> To: npfmc.comments@noaa.gov Tue, Dec 1, 2015 at 3:06 PM

Dear council Chair,

I am a Halibut skiff fisherman in area 2C. I would like to share my comments on agenda item 6C. Halibut charter RQE.

It is perhaps significant that the charter sector is looking to purchase commercial quota to harvest halibut in the guided

Sent from my BlackBerry 10 smartphone.

NPFMC comments - NOAA Service Account <npfmc.comments@noaa.gov> Tue, Dec 1, 2015 at 3:06 PM To: terry joanna@yahoo.com

Thank you for your comment. You may submit your comments for our 2015 December meeting until Tuesday December 1st.

terry_joanna@yahoo.com <terry_joanna@yahoo.com> To: npfmc.comments@noaa.gov Tue, Dec 1, 2015 at 3:12 PM

Dear council Chair,

I am a Halibut skiff fisherman in area 2C. I would like to share my comments on agenda item 6C. Halibut charter RQE.

It is perhaps significant that the charter sector is looking to purchase commercial quota to harvest halibut in the guided sport industry. However, this may not be equitable as the charter sector is simply looking for public funding sources to transfer a greater allocation to their sector. The commercial fleet is simply trying to survive

Sent from my BlackBerry 10 smartphone.

terry_joanna@yahoo.com <terry_joanna@yahoo.com> To: npfmc.comments@noaa.gov Cc: alfafish@acsalaska.net Tue, Dec 1, 2015 at 3:45 PM

Sent from my BlackBerry 10 smartphone.

From: terry_joanna@yahoo.com Sent: utorak, 1. prosinca 2015. 03:21 PM To: linda Subject: RQE item C6

Dear council Chair,

I am a Halibut skiff fisherman in area 2C. I would like to share my comments on agenda item 6C. Halibut charter RQE.

It is perhaps significant that the charter sector is looking to purchase commercial quota to harvest halibut in the guided sport industry. However, this may not be equitable as the charter sector is simply looking for public

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National Oceanic and Atmospheric Administration Mail - RQE item C6

C6 Public Comment

funding sources to transfer a greater allocation to their sector. The commercial fleet is simply the total survive in these times of low abundance and small quotas. We are asking the other users to share in the conservation of the resource and rebuilding stocks. I am asking the council to let the catch sharing plan currently put in place be given a chance to work to see how things balance out. Thank for considering my thoughts.

Sent from my BlackBerry 10 smartphone.

Re: C 6 Halibut December 2015 er ROE

Dear Sir! IT Does N't scen possible I am Writing again regarding a halibut ISSUE - our family IST started long lining in early Tos (hoped to earn Enough to buy a Salmon troll permit) whas a rough time and we had a lot To learn. But To day a SON + daughter Still Fish Their TEQS and my A shares, Lits of letters written Through The yrs to Try to preserve a fishery for The Small boat Fishermon From coastal Compun, tres, I Do Not support The halibut Charter preposa) - The Quota available To commercial sector @ low levels of abundance, 13 insufficient - Crew members and New boat owners Cannot Compete WITH a Nother buyer (Charter) IN the QS paol Re: allocation of a historic Besource 15 50 harmfulli Sincerely, Amy Johnson 423 VersToVIA Sitka At 99835



agenda item C6 halibut catch proposal

2 messages

jen@robinssong.net < jen@robinssong.net> To: npfmc.comments@noaa.gov Tue, Dec 1, 2015 at 2:36 PM

NPFMC:

I am writing to express opposition to agenda item C6 that allocates commercial halibut to the charter fleet. Halibut is a local resource that I depend on as part of my food supply. I live a 'semi-subsistence' lifestyle farming to grow vegetables for myself and for sale; my husband fishes/hunts for our meat- we do not buy meat as our income is limited. This year in spite of days of effort there is very little halibut in our freezer which is a concern, particularly if this is to be a trend.

I was dismayed to learn recently that the NPFMC is not monitoring halibut on a local scale so depletion in my area is possibly not even on your radar. How can wise decisions be made based on broad regional estimates versus local data?

The overwhelming majority of charter operators and their clients operating out of Gustavus are not locals and so perhaps they have more incentive for a more cavalier attitude about fishery resources and economic incentive from high paying clients to take advantage of any loopholes presented. Charter fisheries should be more stringently regulated including more scrutiny of their activities, impacts on local fishery resources, and elimination of loop-holes that allow blatantly false "self guided" operations.

Alaska has a world class fishery, it is part of why we live here. At best it is premature to pass this proposal, please implement protocols that more closely monitor local halibut populations and protect this resource into the future for Alaskans.

Thank you Jen Landry PO Box 151 Gustavus AK 99826

NPFMC comments - NOAA Service Account <npfmc.comments@noaa.gov> To: jen@robinssong.net Tue, Dec 1, 2015 at 2:36 PM



c6 halibut charter RQE

2 messages

George Kirk <fvphantom2@gmail.com> To: npfmc.comments@noaa.gov Mon, Nov 30, 2015 at 7:03 AM

I am opposed to the RQE being allowed to form a non profit org to buy halibut qs as proposed, it only allows qs to be taken out of the commercial pool and not the other way, also as proposed adds another money machine the qs purchasing pool, at currant low levels of abundance the commercial share is small enough as it is. thank you George kirk

NPFMC comments - NOAA Service Account <npfmc.comments@noaa.gov> Mon, Nov 30, 2015 at 7:03 AM To: fvphantom2@gmail.com



Agenda item C6 Halibut Charter RQE

2 messages

William Lindow <williamlindow@gmail.com> To: npfmc.comments@noaa.gov

Wed, Nov 25, 2015 at 7:42 AM

I am a commercial halibut IFQ share holder since 1997. I live in Cordova, Alaska, and am dependent on halibut fishing for a significant portion of my family's income.

I am opposed to the proposed Halibut Charter RQE program. I feel that the amount of halibut quota currently available to the commercial sector is insufficient. I too, would like to have more quota "sufficient to ensure long-term planning and stability in regulation" like the charter sector is asking for with the RQE proposal, but I recognize this is not realistic when sacrifices are required by both sectors to conserve the resource.

The RQE proposal is a one-sided mechanism that favors the charter sector by bringing in outside funding to enhance the ability of charter operators to purchase quota from the commercial sector. Without an equal and opposite program in place for the commercial sector, the RQE program would result in a permanent reduction in the commercial sector's portion of the harvest, resulting in losses for coastal communities that don't have a significant charter component, such as Cordova, as well as losses to processors, and consumers who purchase halibut.

In addition, adding another powerful buyer to the quota share market will surely drive up prices for shares, and make it more difficult for commercial fishermen, especially new entrants, to buy quota.

I also feel that if the Council is going to pursue a true market-based mechanism for allocating shares, there needs to be an ability for the commercial sector to buy charter permits and quota shares from the charter sector with roughly equal financial backing.

Please vote against the proposed Halibut Charter RQE program.

Thank you for considering my comments.

Bill Lindow P.O. Box 1612 Cordova, AK 99574

NPFMC comments - NOAA Service Account <npfmc.comments@noaa.gov> Wed, Nov 25, 2015 at 7:42 AM To: williamlindow@gmail.com



C6 Halibut Charter RQE

2 messages

Liz Wilkie <birdkrazy@msn.com> To: "npfmc.comments@noaa.gov" <npfmc.comments@noaa.gov> Mon, Nov 30, 2015 at 9:20 AM

I have many questions on the RQE proposals. Being a quota holder and longline halibut fisherman, we have had to uphold certain strict regulations. With our quota already being cut each year will having Charter boats able to buy quota take more away from our allotted catch? Will Charter boats have the same strict log books that are checked at each delivery? Will they now be able to sell as well as charge for the catch? Will this require them to also have observers on board?

Adding more buyers on the market for halibut quota just may jeopardize the livelihood of all of us who have been fishing under already strict regulations. How much more catch can be taken from the quota holders and still make a living? The cuts made each year are already devastating on our long fight to try and land the increasing decline of halibut to our way of life already.

How is it right after just two years of CSP being in place it could be reopened? When we fought for 20 years just to be where we are?

Thank you for listening,

Liz Wilkie

NPFMC comments - NOAA Service Account <npfmc.comments@noaa.gov> Mon, Nov 30, 2015 at 9:20 AM To: birdkrazy@msn.com

 To: North Pacific Fisheries Management Council Chairman Dan Hull
 From: George Malcolm Milne 56925 Bradley Lane Homer, AK 99603

Re: Agenda Item C6 Halibut Charter RQE

Dear Chairman Hull and Members of the Council,

I am writing today in opposition to the creation of a Recreational Quota Entity. I began commercially fishing for halibut in the fall of 1994, the last derby style halibut fishery. I continued to work as a crew member through the IFQ fishery and began purchasing quota around the turn of the millennia (2000) as a "second generation" quota holder. I continued to invest in small blocks of IFQ and in 2010, with the help of some partners, I purchased my own vessel, F/V Captain Cook. I continue to operate the Captain Cook and fish the quota I have accumulated in addition to fishing as a hired skipper and hiring out to some walk on IFQ holders.

My plan is to continue to purchase quota as I can while catering to walk on IFQ holders. The potential creation of Halibut Charter RQE would create a huge obstacle for me. As I see it an individual quota holder as myself would have to compete with an entity that was backed by some government or other type of funding. According to the Alaska Boats and Permits Web Page <u>http://alaskaboat.com/ifqpage.php</u>, as of December 1st a 1000lb Block of 3A C Class halibut quota is offered for \$50 per pound. It is difficult for me to justify paying that price for quota and if another entity was introduced into the market prices would likely go higher.

When I began fishing in 1994 I began hearing about a plan to have the Halibut Charter sector abide by the same restrictions as the commercial fleet. Approximately twenty years later we have the Catch Sharing Plan. Please give this plan some time to work before adding more uncertainty to my business. As you are well aware the halibut quotas are a fraction of what they were and the status quo distributes the burden.

Additionally, I concur with the Halibut Coalition's comments and will spare you the time of repeating them here. Thank you for serving on the Council and your consideration in this matter.

Sincerely,

& Malcoln Milne

Malcolm Milne

Homer, Alaska



Halibut Catch charters

1 message

Carolyn Nichols <carenichols@hotmail.com> To: "npfmc.comments@noaa.gov" <npfmc.comments@noaa.gov> Tue, Dec 1, 2015 at 6:37 AM

I am totally against the proposed CATCH plan of the charters buying IFQ quota through a non profit entity. This plan has serious problems. For starters It would require changes in the IFQ program to allow for a nonprofit group to buy IFQ s. This in itself is a threat to the whole IFQ system as would allow for huge consolidation of shares using "outside" money to make the purchases. It does not require any individual output by the individual charter fisherman. This is going to create corporate money bidding against individual commercial fishermen for shares and that is definitely not fair market based .

There is no way in the plan for the commercial longline fleet to buy back any shares from this non profit group either so it's a one way street. Again this is against the whole IFQ system of management. Maintaining diversity in the fleet is important.

It would consolidate shares and for this non profit to get enough shares to be meaningful it would require changes in the ownership rules of blocked and non blocked .

How any of these changes could be applied to one user group and not the other while both groups on the same management system is not going to work. But if non profit ownership of huge amounts of quota is allowed for both then the wonderful diversity of the fleet will be gone forever. This is bad for everyone.

I find it interesting that the charter fleet has had two years of leasing IFQ from the longline fleet. Now they want outside money to fund their buying IFQs. I really think it's wrong. I also think it is the charter fleet again wanting free fish at everyone else's expense. If the charter fleet wants to buy shares let them. On an individual basis and with money from their own pocket so they are on equal footing with the longline fleet and maybe then and finally then the charter fleet would start acting responsibly in their halibut consumption. Without any of their own money into the system they have no stake in protection of the fishery and there will never be enough for them and never be conservation of the biomass in their vocabulary.

Stocks are at a low and NOONE is happy with the amount of fish. But rebuilding stocks begins with caring about them. So far the charter fleet is still on the gimme gimme brain wave and with the Catch plan will never have a vested interest in the fishery.

So please toss this plan out . That's ok to do. Not everything presented before you has to be passed . You proved that many times. This plan is bad for the IFQ system and fishermen all over the state.

Thank you Carolyn Nichols 111 Knutson Drive Sitka, Ak 99835 November 30, 2015

North Pacific Fisheries Management Council Dan Hull, Chair 605 W Ave. Suite 306 Anchorage, AK 99501 <u>npfmc.comments@noaa.gov</u>

RE: C6 Charter Halibut RQE Program, D2 Halibut Retention in Sablefish Pots

Dear Chairman Hull and Council Members,

Petersburg Vessel Owner's Association (PVOA) is composed of almost 100 members participating in a wide variety of species and gear type fisheries. An additional thirty businesses supportive to our industry are members. Our members fish throughout Alaska from Southeast to the Bering Sea. Targeted species include crab, herring, salmon, shrimp, halibut, sablefish, and cod.

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."

C6 Halibut Charter RQE

Petersburg Vessel Owner's Association is opposed to the creation of a Halibut Charter Recreational Quota Entity (RQE). Many of the regulatory areas of Alaska are at lower levels of abundance compared to past years. We know most sectors would prefer more fish, but they are not available at this time. As a result, PVOA urges the Council to implement Alternative 3, which would identify and retire the latent Charter Halibut Permits. We believe this is the best alternative to help the active participants of the charter sector obtain more fish without disrupting the commercial sector. There are several reasons why our organization is afraid the commercial sector and consequently costal communities would suffer from the RQE program.

PVOA's main concern from the RQE program is the social-economic impacts on our commercial fishermen and the small coastal economies dependent on the commercial fishing industry. The prices of quota are very high at this time and would certainly increase if this proposal were implemented. Increasing prices would result in consolidation and reduced availability to fishermen trying to break into the industry. Consolidation also reduces jobs from crew to processors. In Petersburg

C6 RQE, D2 Halibut Retention PO Box 232 Petersburg AK, 99833

and some other coastal communities, the economic activity created by harvesting halibut by the commercial fleet; fuel, bait, ice, food, processing labor, vessel parts and maintenance, etc, are much higher than that created by our charter fleet. Quota shares in the commercial sector create more local employment opportunities than it does in the charter sector.

Another of PVOA's major concerns is that fishermen would not be able to compete with the financing proposed to back the RQE. All of the financing alternatives have the potential of raising an infinite amount of funds to purchase quota. We are afraid it would raise quota prices to a level that our fishermen would not be able to acquire it.

PVOA realizes that both the commercial and charter sector are important to the economies of coastal communities. We believe Alternative 3 is the best solution to aid the charter sector in obtaining more fish without re-allocating it from the commercial fleet. This option seems to benefit coastal economies in a utilitarian way. Reducing the capacity of the charter fleet would create a higher annual harvest for the remaining permits. Since the remaining permits would all be actively fishing businesses with a higher quota it would increase the flow of income from the charter sector.

Several of our members have leased quota to charter operations in our community. Their perception of the GAF program is that it is working well for both sectors. They are willing to continue to lease quota but do not want the shares to leave the commercial sector.

Ultimately, PVOA recommends the Council implement Alternative 3, which would identify and retire the latent Charter Halibut Permits. We believe this the best solution to help the active participants of the charter sector obtain more fish, without harming the commercial sector.

D2 Halibut Retention in Sablefish Pots Discussion

PVOA's members are opposed to allowing the retention of any halibut caught in sablefish pots. Because halibut are very rarely caught as by catch on hook and line gear, our members don't expect to catch many if they switch to pots. The two species are generally fished for on very different grounds.

The Council's decision in April did not define the characteristics of a sablefish pot. This allows fishermen to find what works best through trial and error for their specific operation. This ambiguity could however lead to pots being built that catch halibut very efficiently. If the retention of halibut is not legal a pot fishermen will C6 RQE, D2 Halibut Retention PO Box 232 Petersburg AK, 99833

not be tempted to target halibut and create gear conflicts with hook and line halibut fishermen. Our members believe the decision to allow or not allow the retention of halibut will significantly influence the design of sablefish pots.

Our members support a sablefish pot fishery to deal with predation issues, but don't want halibut to become a pot fishery as a result. If the exception is made to allow the retention of halibut from a sablefish pot, crab pot fishermen who own quota may feel they deserve the same right.

Thank you for the opportunity to comment on these agenda items. PVOA members met several times to discuss the Halibut Charter RQE proposal and retention of halibut and the potential impacts of these issues. We will have members present at the December meeting to answer any questions.

Respectfully,

Megan O'Neil

Megan O'Neil Executive Director

Comment to the NPFMC re Agenda Item C6, Charter Halibut RQE

To: The North Pacific Fishery Management Council

From: Kimberly Owen, Box 312 Gustavus, AK 99826

Date: Nov. 30, 2015

The "CATCH" proposal submitted by two Alaska charter fishing organizations would establish a Charter Halibut RQE and transfer to it a large amount of halibut from the commercial fishing fleet to the charter sport fishing fleet. This would be a permanent transfer, not the one-year leasing of some halibut IFQ by charter operators that is already allowed. Targets for purchase are, for Southeast Alaska (Halibut Area 2C) 587,000 lbs. ; for Southcentral Alaska (Area 3A) 785,000 lbs. Compared to 2015 allocations, for Southeast Alaska this would be a 69% increase for charter and 16% decrease for the commercial fishery. For Southcentral it would be a 42% increase for charter and a 10% decrease for the commercial fishery.

Adoption of a Charter Halibut RQE would be a very serious step. It is the type of management action that lasts far into the future, in the manner of the Alaska Limited Entry program and the Council's IFQ program. I oppose establishment of a Charter Halibut RQE for two over-arching reasons. A. It would lead to more local depletions of halibut. You are operating within a framework of halibut regulation that does not attempt to prevent local depletions. The proposed action will increase the number and likelihood of depletions by transferring a substantial amount of catch and effort to inshore areas, often near communities. B. Approval of the proposal would undeniably decrease total fishing jobs.

Before elaborating these points, it should be noted that **the RQE plans are proceeding without general public knowledge.** Only NPFMC insiders and charter industry are informed. In 2011 the proposing charter organizations advertised public "listening sessions" on the CATCH proposal in six Southeast communities, but then cancelled them. None have been held. Public notice might generate support in Anchorage and environs where some residents go on charter trips to catch halibut, but likely be disturbing to smaller coastal communities, including in Southeast where only a negligible proportion of charter clients are Alaska residents. At least in Southeast Alaska, it is extremely rare to find anyone who has heard of this proposal.

A. INSHORE DEPLETIONS AROUND COMMUNITIES

A1. Halibut management in Alaska does nothing to protect local areas and does not track status of local halibut stocks. Arguably this is a recipe for creating numerous inshore depletions. All stock status information and management actions are on the basis of the large regional areas. You can ask the biologists at the Halibut Commission, they will verify that IPHC does not track smaller areas. Area 3A is 750 miles drawn as an offshore arc, and even for a subarea as significant as Prince William Sound we have only "anecdotal information." Anecdotal information says there are a number of local depletions, but who knows, maybe these are merely local reflections of the general halibut downturn.

Current management philosophy is that halibut off-shore spawning and subsequent larvae drift with the Alaska Current followed by counter-migration of juvenile halibut means that stocks are not really local

and local depletions will eventually be filled in by migrants, although they admit that local depletions can be maintained by continued heavy fishing pressure.* In the late 1990's – early 2000's the Council recognized local depletions of halibut as a problem to be dealt with by Local Area Management Plans (LAMPs) following the model of the Sitka Sound LAMP, but this proved infeasible. Now the Council simply denies/ignores the problem amid increasingly heavy pockets of inshore exploitation by the charter industry, the "self-guided" clients, local residents, and other users.

The halibut treaty actually allows for management on a finer scale. The Pacific Fishery Management Council has established seven halibut sport fish quota areas within Halibut Area 2A and annually to each allocates a different quota.

A2. The Council should be cautious about adding to inshore pressures via the CATCH proposal, which will shift a substantial portion of the halibut catch from the wider-ranging commercial longline fishery to a fishery that operates day trips mostly out of coastal communities. Handily for proponents of the CATCH proposal, no data is available about local depletions. But charter guides in our area (Icy Strait/Cross Sound/Glacier Bay) say that some age classes have been wiped out here.

Charter operations tend to cluster in favored locations. I live in a community that experiences this clustering, partly because large halibut are common here. There is general community concern that the pressure from commercial sport fishing in our area will lead, or is leading, to local depletion. Among other concerns, the superior gear and fish-finding electronics of these commercial sport fishers enable them to fish any area, any tide, so they now exploit places that were formerly halibut refuges.

The Magnuson-Stevens Act requires some attention to the effects of management actions on communities. In our Icy Strait/Cross Sound/Glacier Bay area most of the charter and self-guided operators and clients are from Utah. Should the communities of attention be those on the Alaska coast where people are worrying about halibut, or in Utah?

A3. The CATCH plan will decrease availability of halibut as local food due to increased competition and local depletions. Most residents of small Alaska coastal communities fish for their own food. Halibut is unavailable for purchase in many communities. In my small town you can buy it, at \$20/lb., not something most of us would do. Local food as part of food security has become a statewide policy concern for a number of reasons.

A4. Halibut research in Glacier Bay shows behavior that make halibut highly susceptible to local depletion and could cast doubt on some assumptions of halibut management. An earlier study in Glacier Bay showed rather extreme site fidelity and small movement range for most of the large female (60+ lbs.) halibut during summer months.** To learn about movement patterns during the fall, winter and spring a new study is being conducted led by some of the same scientists, Andrew Seitz and Julie Nielsen, funded by the NPRB, the National Park Service and others. Principal Investigator Andrew Seitz has also been PI or participant in recent studies for the International Pacific Halibut Commission (see IPHC Scientific Reports #85 & 82).

Pop-up archival tags (PSATs) that record depth, light, temperature, magnetic field and acceleration were attached to a number (25 tagged but 5 failed to pop up) of large fish (average 130 cm or 52 inches), all large females, in June 2013. Fifteen were also given acoustic tags and were located via hydrophones on six tracking trips. Fifteen PSAT tags were timed to pop up Feb. 1, 2014 when researchers expected them

to be outside of Glacier Bay for spawning. Another 10 were timed to pop up July 1, 2014. However, all popped up in the Bay; one was captured outside the Bay in March. They obtained data from 20 fish: 14 had remained in the Bay the entire time, 6 made winter migrations outside the Bay, and of these 4 returned to the Bay, one was taken in the commercial fishery and one unknown. The tagged fish recorded a total of 4,477 fish days, of which 4,136 were within the Bay, or 92.4% of fish days. Some of the 6 migrators showed spawning behavior (patterned up-and-down movements thought to represent one type of spawning behavior) while those that remained in the Bay did not. Possibly those spawned in the Bay and had a different, unknown, spawning patterns. Or if they did not spawn, it suggests that 70% of the adult females did not spawn in a year. Either of these would have important management implications, and spawning in the Bay would have huge implications for local depletions. One might even ask whether inshore local depletions could be important for the overall halibut population. One study objective is examination of the value of Glacier Bay, the center piece of Glacier Bay National Park, as a no-take Marine Protected Area for halibut. Commercial fishing there is being phased out but charter and non-charter sports fishing is still allowed.

The scientific papers are yet to be published but there is an excellent 18-page report to the National Park Service dated Nov. 16, 2015: Using pop-up satellite archival tags for understanding Pacific halibut movement in and around Glacier Bay National Park.

Interestingly, the IPHC in its 2014 Annual Report states that because of the question of whether halibut residing in the southern Salish Sea "represent a distinct stock component from those found elsewhere in IPHC Regulatory Area 2A" the Commission **"began an effort to begin filling some of the substantial gaps in understanding local population function"** by deploying fishery-independent PAT tags in that area. So I hope we can agree that we don't necessarily understand how local halibut populations function.

A5. The "self-guided" sports fishing industry continues despite the new NPFMC regulation on the definition of a fishing guide. Pressure on inshore areas continues and even increases from these operations. They are very substantial in our area, using several patterns to evade the charter sport fishing bag and size limits. One example from our local area: two former charter lodges in Elfin Cove were purchased and now operated as one "self-guided" business. It deployed nine boats in 2014 and expanded to thirteen boats in 2015. The "non-guided" halibut catch for our local area is now very large, despite the small resident human population. The only source for non-guided sport fishing harvest data is ADF&G's "Statewide Harvest Survey" mailed to a sample of sport fishing license holders in the fall, not highly reliable data. This sector needs more attention, including distinguishing commercial "self-guided" operations from other private sport fishers. Remember that all harvest by this sector comes off the top before allocations are made under the Catch Sharing Plan. And like the charter industry, the "self-guided" effort can cluster in a few favored places.

A6. "It is easier to prevent overfishing than to remediate it." – quote from a Russian fisheries scientist talking about Arctic Ocean fishing, citing the example of the disappearance of pollock from the Bering Sea "doughnut hole." Do we have any successful experiences with remediating local depletions of halibut in inshore areas?

B. FISHING JOBS

B1. If enacted, the CATCH proposal will decrease the total number of fishing jobs. It will substantially decrease the Area 2C and 3A IFQs available for purchase by commercial fishermen, including by new

entrants. It will not increase the number of charter permit holders because halibut charter is a limited entry fishery. It will simply increase the incomes of those limited CHP holders. That would suggest that CHP holders should be the ones funding IFQ purchases for the RQE. Instead they propose to have it funded by a state halibut stamp or other mechanism, not by themselves. Commercial fishermen and people trying to get into the commercial fishery would have to compete against a Recreational Quota Entity (RQE) in an already tight market for IFQs. The decrease in fishing jobs would not be good for Alaska's coastal communities. *Footnotes below:*

• From: Draft for Public Review, Regulatory Amendment for a Catch Sharing Plan for the Pacific Halibut Charter and Commercial Longline Sectors in International Pacific Halibut Commission Regulatory Area 2C and Area 3A Aug. 28, 2008:

1.10 Potential Impacts on Resource Components

1.10.1 The Pacific halibut stock assessment and harvest policy

"The IPHC sets area catch limits for the commercial fishery in proportion to halibut abundance. This harvest philosophy protects against overharvest of what may be separate, but unknown, genetic populations, and spreads fishing effort over the entire range to prevent regional depletion. Small scale local depletion does not have a significant biological effect on the resource as a whole. The IPHC considers the halibut resource to be a single population. Egg and larval drift and subsequent counter migration by young halibut cause significant mixing within the population. Ultimately, counter migration and local movement tend to fill in areas with low halibut density, although continued high exploitation would maintain local depletion. However, estimates of local biomass and information about immigration and migration rates on a high geographical resolution are not available to manage small areas."

** MARINE ECOLOGY PROGRESS SERIES Mar Ecol Prog Ser Vol. 517: 229–250, 2014 Characterizing Pacific halibut movement and habitat in a Marine Protected Area using net squared displacement analysis methods

Julie K. Nielsen1,*, Philip N. Hooge2,4, S. James Taggart2,5, Andrew C. Seitz3



Agenda item C6 Halibut Charter RQE

2 messages

Alfred Peeler <sierragale@gci.net> To: npfmc.comments@noaa.gov

Fri, Nov 27, 2015 at 10:41 AM

I am totally against allowing the charter fleet to buy commercial sector IFQs. It is strictly a one way street. They can buy up commercial quota but we can't buy it back. The available pool of quota currently for sale is very limited. With record prices. Anyone attempting to enter the commercial halibut fishery already faces very steep financial costs. This proposal would only increase those costs. I have a son who is currently trying to buy QS and he can't find any in 2c or 3a.

I have been involved in commercial halibut fishing since 1975 as a crewman and captain. I currently own QS in 3a.

Al Peeler

NPFMC comments - NOAA Service Account <npfmc.comments@noaa.gov> Fri, Nov 27, 2015 at 10:41 AM To: sierragale@gci.net

C6 Public Comment December 2015



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

RQE item C6

3 messages

terry_joanna@yahoo.com <terry_joanna@yahoo.com> To: npfmc.comments@noaa.gov Tue, Dec 1, 2015 at 3:06 PM

Dear council Chair,

I am a Halibut skiff fisherman in area 2C. I would like to share my comments on agenda item 6C. Halibut charter RQE.

It is perhaps significant that the charter sector is looking to purchase commercial quota to harvest halibut in the guided

Sent from my BlackBerry 10 smartphone.

NPFMC comments - NOAA Service Account <npfmc.comments@noaa.gov> Tue, Dec 1, 2015 at 3:06 PM To: terry_joanna@yahoo.com

Thank you for your comment. You may submit your comments for our 2015 December meeting until Tuesday December 1st.

terry_joanna@yahoo.com <terry_joanna@yahoo.com> To: npfmc.comments@noaa.gov Cc: alfafish@acsalaska.net Tue, Dec 1, 2015 at 3:45 PM

Sent from my BlackBerry 10 smartphone.

From: terry_joanna@yahoo.com Sent: utorak, 1. prosinca 2015. 03:21 PM To: linda Subject: RQE item C6

Dear council Chair,

I am a Halibut skiff fisherman in area 2C. I would like to share my comments on agenda item 6C. Halibut charter RQE.

It is perhaps significant that the charter sector is looking to purchase commercial quota to harvest halibut in the guided sport industry. However, this may not be equitable as the charter sector is simply looking for public funding sources to transfer a greater allocation to their sector. The commercial fleet is simply trying to survive in these times of low abundance and small quotas. We are asking the other users to share in the conservation of the resource and rebuilding stocks. I am asking the council to let the catch sharing plan currently put in place be given a chance to work to see how things balance out. Thank for considering my thoughts. Terry Perensovich

Terry Ferensovic

Sent from my BlackBerry 10 smartphone.

https://mail.google.com/mail/u/0/?ui=2&ik=7a9a95f965&view=pt&search=inbox&th=1516002daab3d304&siml=1516002daab3d304&siml=1516002dd71a197e&si... 1/1

National Oceanic and Atmospheric Administration Mail - comment on agenda item: C6 halibut cherter BRE Comment December 2015



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

comment on agenda item: C6 halibut charter RQE

2 messages

Robert Smith <fvthor@hotmail.com> To: npfmc.comments@noaa.gov Cc: Halibut Coalition <halibutcoalition@gmail.com> Mon, Nov 30, 2015 at 10:32 AM

Council Members,

I am a commercial halibut fisherman and an owner of the longline fishing vessel KARMA. I've been involved in the industry for over thirty three years. I have witnessed the birth and unregulated exponential growth of the charter fishing sector. History will reflect the charter business was of no concern to anyone when stocks were plentiful and the future looked bright. Now, the charter sector has become a powerful lobbying group with an insatiable appetite for UNLIMITED growth and opportunity. Halibut stocks are at a 30 year low. My IFQ quota, in pounds, has been cut ~45% over the last 18 years. The commercial halibut fleet has endured quota reallocations until we have nothing left to give. When does it stop?! I suppose the commercial sector could unite, pool resources, hire attorneys, hire lobbying groups and start filing lawsuits. That process seems to have become the modern "politically correct" modus operandi. Overall, the Council has done good work. Don't allow yourselves to become marginalized.

The Halibut Charter Regional Quota Entity (RQE) program is steeped in inequality, lack of common sense and an outright display of greed. What is good for the goose SHOULD be National Oceanic and Atmospheric Administration Mail - comment on agenda item: C6 halibut charter Bie Comment

good for the gander. The charter sector wants to form two non-profit entities (sounds like a page from the Native allocation), use government grants (partly my money), the ability to tax (I really don't want to pay more administrative cost from my tax dollars), all to create a pool of halibut quota to be distributed to "worthy" charter operators (another government entity to administer the program and burn more of my tax dollars) because the halibut resource "may not be sufficient to ensure long-term planning and stability in regulation for all guided anglers." This is nothing more than a resource reallocation program! The commercial sector would certainly enjoy the security of having a halibut resource "to ensure long-term planning and stability in regulation for all commercial operators". Why not let the commercial sector form non-profits and run the same program as the charter sector. Fair play for all?! Let the quota flow both ways (commercial vs. charter vs. commercial). A one way street is most definitely a reallocation of resources. Give the economic market a chance! The markets will figure out the allocation process.

These are tough times for ALL halibut dependent sectors. It is a NATURAL resource that ebbs & flows as part of nature. If the charter sector can't share in the pain, they should get a job onshore to ensure their economic stability.

KILL the RQE, it's the RIGHT thing to do.

Respectfully,

Robert Smith The THOR Corporation 5525 SE Scenic Lane #204 Vancouver, Wa. 98661 206.948.2254

NPFMC comments - NOAA Service Account <npfmc.comments@noaa.gov> Mon, Nov 30, 2015 at 10:32 AM To: fvthor@hotmail.com



agenda item: C6 halibut charter RQE

2 messages

Marty Remund <remundmarty@yahoo.com> Reply-To: Marty Remund <remundmarty@yahoo.com> To: "npfmc.comments@noaa.gov" <npfmc.comments@noaa.gov> Sun, Nov 29, 2015 at 5:07 PM

I'm Marty Remund,a long time S.E. halibut longliner. I have concerns about the charter RQE proposal. First of all, we halibut longliners worked for 20 years to finaly get a CSP in place. It seems premature to open the allocation issue after only 2 years. It feels very frustrating, destabilizing, and unacceptable for the commercial industry. I think the GAF lease system has potential, and should be given more time. The RQE proposal seems to ignore the fact that at these low levels of abundance commercial fishermen, consumers, processors, and suppliers also have insufficient halibut quota. Thats just the way it is with resource conservation, share the pain, share the gain. I am concerned of the impacts on QS prices and entry level costs, already being very high. We have 2 sons who are interested in buying halibut quota to longline. Adding another well financed buyer to the QS pool could inflate QS prices even higher. At the very least, if the charter sector can buy from the commercial fleet, the commercial fleet has to be able to buy quota from the charter fleet. It would have to be a two way street. Sincerely, Marty Remund, Port Alexander, AK.

NPFMC comments - NOAA Service Account <npfmc.comments@noaa.gov> Sun, Nov 29, 2015 at 5:08 PM To: remundmarty@yahoo.com

North Pacific Fishery Management Council 605 West 4th Street Anchorage, AK 99501

December1, 2015

Agenda Item C-6 Halibut Charter RQE Amendment

Dear Chairman Hull and Members of the Council,

I am writing to state my opposition to the Halibut Charter RQE Amendment as currently written. Through years of effort by the council, the CSP program for charter halibut allocation has finally been settled. The addition of the GAF fish program has allowed for an effective, temporary transfer of halibut from the commercial sector to the charter sector at market rates. There has not been a reciprocal program presented to assist the commercial sector.

The RQE amendment, as written, provides an additional opportunity to the charter sector without offering the same opportunities for the commercial sector. An economic system that limits your role as either a buyer or seller is not a free market solution. The one-way aspect of this proposal does not allow for the system to balance itself out with halibut shares able to flow back to the commercial over time. This funnel effect will slowly siphon off commercial shares, never to return into the commercial sector.

I support an alternative proposal that would allow commercial halibut fisherman to lease a charter halibut permit's associated average pounds for a year back as IFQ. I believe that this alternative would make the system more economically stable and allow the stakeholders to buy, sell and lease their fishing rights in an open market.

Stephen Rhoads f/v Magia 111 Jamestown Dr Sitka AK 99835 I urge you to reject **"Agenda Item C6"** that would transfer a large amount of halibut from the commercial fishing fleet to the charter sport fishing fleet.

We are already facing the specter of localized depletion in the Icy Strait/Glacier Bay area where I live and subsistence fish. Several other friends and I got around to halibut fishing a little late this year—mid-September. I'm fairly new to the area, but was assured by these folks and others who have been fishing these waters for many years that I wasn't too late, that there would still be plenty of fish around. There weren't. We all came up with few fish after several days of fishing. My wife and I are short halibut this winter.

This is a small sample size and anecdotal to be sure, but it echoes observations that long time Gustavus residents have been voicing with increasing concern—our local stocks are taking a beating from the sports charter fleet. Recent research on halibut stocks in Glacier Bay showed surprising site fidelity, raising profound questions about the accuracy of your guiding management principle that migration and local movements will fill areas with low halibut density.

Additional research and a cautious attitude seem like the prudent approach, not opening the gates further, especially when it is already plain as day that your tepid response to the called "self-guided" sport fishing industry is being widely flaunted and will allow unchecked expansion of that bastard creation. It is important to remember that it is common practice among sports fishermen to catch and release or hold and release many many fish in unknown condition when a bigger one is landed. I've heard estimates of 50 fish per day per boat caught and later released. Who knows what the mortality rates of these fish are?

The subsistence needs of the people who live here ought to be considered first, rather than shunted to the back burner to placate outside fishing interests.



Southeast Alaska Fishermen's Alliance

9369 North Douglas Highway

Juneau, AK 99801

Phone: 907-586-6652 Fax: 907-523-1168 Email: <u>seafa@gci.net</u> Website: http://www.seafa.org

November 30, 2015

North Pacific Fishery Management Council Dan Hull, Chair 605 W 4th Ave, Suite 306 Anchorage, AK 99501

RE: C-6 Halibut RQE Program – Initial Review

Southeast Alaska Fishermen's Alliance (SEAFA) believes that this action is premature. First the CSP and GAF program are still fairly new programs without enough time to fully determine if tweaks in this program would be sufficient for an individual charter operator to stabilize their own operations. Unfortunately it is a time of low resource abundance and everyone is feeling the effects and wanting more fish to stabilize their industry.

The commercial fishing sector feels that to have an equitable compensated reallocation program that doesn't inflate the quota share prices, the charter operators need to be funding the program and responsible for the loans or getting the grants. Based on the CATCH program documents, the charter operators behind this action are wanting a funding source that the client pays for i.e. a government halibut stamp. The other advantage to a charter operator if it is a government halibut stamp they just blame the government and agencies to the client and say you have to pay it instead of an increase in the charter price. With a program on an individual basis or a pool program that is paid by the charter operator themselves (self-assessment voluntary or regulatory) is that they have a stake in the program and won't overfund, over-buy because it affects their own pocketbook. Knowing if the funding source is non-personal is important to the decision making process in this instance.

We also believe this action is premature and are not sure that this is the option that charter operators across the state truly want. Many still wish the Halibut charter IFQ program had been authorized. The 2005 Halibut Charter stakeholder group was working on a package of options that allowed for a true comparison of different types of programs (pool vs individual basis) that would have allowed the charter industry and other halibut participants to make an informed decision. If there was a true groundswell of support for a pool program, the participants would have been a lot farther in the planning and execution

of other pieces of regulatory authority/state legislation that is necessary. Until these are taken, this does not seem like the best use of staff time.

That said we will provide our comments on the initial draft to be discussed at this meeting, even though we are opposed to alternative 2. SEAFA believes that the draft RIR/IRFA/EA is incomplete as written and inequitable in the analysis to the commercial sector. For example, in section 4.4.1.2.4.3 (page 38) and 4.8.1.4.2 (page 86) regarding cost recovery fees it implies as with the GAF program there would be fees associated that would be recoverable. There is no decision point or discussion of how the charter industry would pay for these costs so the assumption would be that it would be included with the commercial program as suggested in the CATCH report. If this is the Council's intent it is important for there to be analysis of the cost to the commercial sector and information on how as quota share is transferred to the RQE what the likely effect would be on the commercial fees paid or if the RQE was to pay the associated CR fees (preferred) how that would be included in a regulatory package. At what point would the tipping point be where transfers to the RQE would make it impossible to recover all the costs to NMFS because it would be more than the upper limit allowed to be collected.

Also another important aspect to the commercial sector is the funding issue that would arise from having a reduced commercial halibut harvest in the observer program and how that would be handled moving forward since that program is already underfunded from what was assumed would be raised by the observer program fees collected.

Element 3 in the Council motion should be rewritten. It can be too easily misunderstood as written. Element 3 suggests that on October 1st the amount of RQE quota shares will be converted to pounds and that amount of pounds regardless of the final catch limit set would be added to the charter allocation. Page 78 (4th paragraph) has a very good description about quota shares and how they eventually get converted to pounds. Using this description Element 3 should be rewritten to more accurately reflect the correct process: *Element 3: Setting of annual charter management measures. The amount of quota shares held October 1 each year by the RQE will be the amount used by IPHC for the following year's calculation of poundage for the guided recreational sector added to the amount provided to the sector under the CSP. This amount of quota share must be maintained for the following fishing year or if sold will be considered fished poundage. This estimated combined allocation would be used to recommend the guided recreational harvest measures for the following year. The procedural process and timeline would remain unchanged.* The other addition to this paragraph is that sold QS from the RQE back to the commercial sector would be considered fished poundage. As written originally in element 3, there was never a time when the RQE could actually sell any poundage back to the commercial sector. Southeast Alaska Fishermen's Alliance is 100% opposed to any possibility of an RQE leasing halibut shares back to the commercial sector (page 10). This is unacceptable. If leasing was allowed, there would never be a reason to allow quota share to be sold back to the commercial sector because they could make money off of holding on to the shares. If they wish to hold on to more shares than they need and it isn't fished it can benefit the resource by staying in the water. This also further erodes one of the backbone considerations of the commercial IFQ program to have an owner operator program and the reason the GAF program leasing is so tightly restricted.

It is not clear in Alternative 2 establishing an RQE with what happens to the GAF program. Is it an additional option for an individual charter operator to further allow relaxed restrictions for their clients if desired or does it disappear from the program?

Page 46 in the second to last paragraph is stating that high grading under the new restriction in Area 3 was a possible reason for the fewer fish landed in 2014. This could be looked at by reviewing the amount of discards between years and the restrictions used. If more fish are discarded than normal in 2014 than the high-grading hypothesis has a basis in fact.

The comment on page 65 that Table 4-24 loosely indicates residency of QS holder, "although this is sometimes not the case", is inappropriate especially when on page 65 when the charter residency is discussed as listing the registered addresses of CHP holders and Table 4-26 has 31% of the CHP's don't even have a residency registered and all the commercial QS holders have a residency listed.

Alternative 3 discussing latency of the halibut charter permits never addresses in either of the options of the number of latent permits how many of the permits are non-transferable and transferable. The other item not addressed fully is the CQE permits: such as the number of potential CQE halibut charter permits that could be activated and haven't been and the amount of use or latency within the CQE permits issued. Another potential suggestion is that non-transferable permits would only be able to be used by the owner on record (no leasing, lending etc). Another aspect that hasn't been looked at is the change from guided charter operations to more un-guided operations in Southeast Alaska as part of the latency of permits discussed in Alternative 3.

Section 4.8.1.4.1 discusses the Overage-underage provision. This is not appropriate in a common pool program. The comments in this section by IPHC cover the difference in the effect of overages and underage's on an individual basis vs a whole sector and why it is inappropriate.

Page 89 is discussing the economic efficiency at the individual level but if the CATCH sharing plan is funded as desired this is an unequal comparison because you are judging an individual's opportunity to purchase commercial quota share vs a corporation with a never ending funding source that the charter operators don't have any stake in paying for the quota share. This analysis never fully looks at this situation and the likely result that allowing the formation of an RQE will send the price of quota shares that are already expensive into the stratosphere. With the type of funding sources the CATCH reports suggests as their preferred options, SEAFA supports a total cap on the amount of quota shares that can be sold into the charter industry (Option 3, sub-option 1 at 20%) if this program moves forward.

Section 5.6 of the IRFA discusses the number of small entities in the commercial and charter sectors. SEAFA objects to the qualitative assessment used to come to the conclusions. In the charter section, only CHP are looked at, in the commercial sector, you combined down to the amount of quota fished on a vessel to determine a small entity and then go on to say you don't know what other fisheries they are involved in for determining a small entity. You cannot comment about commercial fisheries and not look at other income a charter operator might have such as food and lodging. It is also unfair to reduce to a vessel level since a permit holder fishing on a vessel pays only a small portion to the boat owner not the full value of the quota share. The most equal comparison is to use the unique number of CHPS holders and the amount of quota held by unique permit holders.

As stated earlier we do not believe that this should be a priority for staff time and that the analysis is NOT ready for release for public review and action at the April Council meeting. Even throughout the document it suggests many areas that would benefit from further discussion/evaluation of the issues and we have mentioned areas that need further work or consideration.

Sincerely,

Jothyn LA-

Kathy Hansen Executive Director

Dear NPFMC,

I'm writing in opposition of **"Agenda Item C6"** that would transfer a large amount of halibut from the commercial fishing fleet to the charter sport fishing fleet because of the following points:

- 1. Plans are proceeding without the general public knowing it exists--There should be public hearings especially if this program is going to be funded with tax payer dollars.
- **2.** Current halibut management does nothing to prevent Local area depletion. This Proposal only exasperates that problem.
- **3.** The "self-guided" sports fishing industry continues despite the new NPFMC regulation, particularly in my area of Icy Strait.
- 4. The CATCH plan will directly effect subsistence and sport fisherman making it harder to feed our families.
- 5. The charter fleet continues to hide under the guise of sport fishing. They are clearly a commercial entity and this must be addressed.
- 6. Once a new management framework is implemented they are difficult to undo. Please don't approve a plan of this magnitude and potential damage without thorough research and public input.

Thank you for your consideration, Melissa Senac Commercial and subsistence halibut user Gustavus, Alaska



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

C6 halibut Charter RQE

2 messages

Tamara Shrader <tamara.shrader@gmail.com> To: npfmc.comments@noaa.gov

Tue, Dec 1, 2015 at 3:44 PM

I am a commercial halibut fisherman who has purchased all of my halibut rights, beginning in 1996. Those rights have been fished on small boats, "D" class, 35 feet and under, and still are to this day.

I have been testifying on charter fleet allocations for almost as long as I have owned halibut guota. I have to protect my investment, which has shrunk significantly over the years due to declining quotas. I have no problem with resource conservation, however, this burden needs to be equally shared by all users. The commercial fleet has been heavily regulated and watched for pounds delivered for many years, which is not necessarily true of the charter fleet. True removals remain an unknown quantity no matter what anyone says.

Small boat fisherman don't have competitive access to the capital that this proposal would generate. Quota prices are already high, and with declining quotas, small boat fisherman are struggling to make a living. This would price them out of the market. Our small boat fleet comes from many smaller Alaskan communities not funded by outside political sources who have an agenda unlike the charter fleet. These small boats spend their money in the communities, and most live there; many well-funded charter operators do not live in Alaska fulltime. Alaska's lifeblood comes from the strength of its smaller communities, and these small boat fisherman need help, not additional barriers to access.

We need stabillity in the IFQ program and to stop these end runs designed to decrease the commercial fishing sector share of the halibut quota. Destabilizing this program in times of low abundance is not a good idea. Resource conservation for all users is a must. Commercial fisherman should also be allowed to purchase and return charter quota to the commercial sector.

Please make no more changes. Let the mechanisms hard fought for so many years stay in place and put a moratorium on changes to the IFQ program for five years. We need stabilization.

Thank you. Tammie Shrader

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

Tue, Dec 1, 2015 at 3:44 PM

To: tamara.shrader@gmail.com

Thank you for your comment. You may submit your comments for our 2015 December meeting until Tuesday December 1st.

12/2/2015

December 2015

I am an IFQ holder and am opposed to giving charter operators more of my quota. This will hurt the commercial fishery and my community. Charter fishermen can currently purchase IFQ in the same way we all have. But that's not what they want. they want it free, "no skin in the game". They should have to buy their own, equal and even.

Bruce A Smith F/V No Seeum Box 273 Gustavus, Ak 99826 December 1, 2015

North Pacific Fisheries Management Council

Comment on agenda item C6

Dear Council members;

I am an IFQ holder who has fished in area 2C for nearly 40 years. More importantly perhaps, I have lived and raised a family in the small community of Gustavus during these years. Though the management of halibut stocks has almost nothing to do with anyone's place of residence, it is from this platform that I speak.

I write to the NPFMC today regarding the CATCH proposal (agenda item C6) put before you by charter fishing interests.

I urge you to reject the CATCH proposal as written.

Adopting this management plan at this time would be premature and irresponsible for the following reasons: First because this is a significant and permanent reallocation of quota, the plan should be vetted by the people of the Alaskan coastal communities it will impact the most. Several years ago when the charter groups received a grant to study allocation options, there were public information meetings scheduled in Southeastern communities, but these meetings never happened. As I talk to my neighbors about the CATCH proposal, they do not lack opinions, but do lack information regarding the pending action. And though public education may not be the routine purview of the NPFMC, it would be remiss of the Council to adopt a management plan which will impact local economies, without first allowing them to offer informed comment. For make no mistake, the CATCH proposal as written will decrease commercial fishing effort, as well as processing and support jobs in these small communities.

Charter operators would have you believe that they bring life blood to the economies of the communities they work from. And though I will only speak for my community, the reality here is there are only two truly "local" charter fishermen who live here. Council members should know that while fishing lodges hire some local, seasonal workers; they are for the most part housekeepers or fish cleaners, who make minimum wage. Fishing lodges and charter operators have historically vertical economies, they bring their own employees, there own supplies and equipment and sometimes they even purchase fuel from out of town sources. On the other hand commercial fishing jobs are highly sought after because they are apprenticeships which teach marketable skills which can be parlayed into actual living wage professions or better. Commercial fishing is a generations deep way of life in small coastal communities. If the Council chooses to be swayed by the charter interests and reallocate 587,000 pounds of halibut out of the hands of Southeast Alaskan commercial IFQ holders, communities will suffer, the price of quota (already highly inflated) will soar out of reach of young people wishing to join the fishery. Captains will hire fewer deck hands, buy less fuel and groceries and our communities will be diminished. The Council may not have an implicit obligation to protect the way of life in coastal communities, however you do have an imperative to act in a just and fair manner, which at the least necessitates general public informational meetings in the communities you intend to impact.

I also believe that before the Council moves forward with any further reallocation of quota that the regulatory areas be reevaluated and reconfigured to reflect the looming prospect of local area depletion of fish stocks. Regulatory areas were drawn decades ago and are antiquated. Highly productive and exploitable areas such as the Icy Strait/Cross Sound corridor must be looked at more closely to avoid local depletion.

I ask the NPFMC to move slowly on this proposal. The Council has in place management tool which are effectively attending the resource and charter operators have a mechanism for purchasing IFQ which has proven effective to offer their clients the opportunity to catch large fish. Please proceed with caution!

Thank You, Colleen Stansbury P O Box 145 Gustavus, Alaska 99826 codlips@gmail.com Memorandum

TO: NPFMC

FROM: Greg Streveler, Gustavus, AK

SUBJECT: Item C6, Charter Halibut RQE

As a practicing scientist with over 40 years of residence and practice in the Icy Strait – Glacier Bay region, I remain deeply concerned with the drift of halibut management in recent decades. This is one of the few regions left where halibut remain abundant in an area proximate to local communities, but the tide of use inexorably rises as more and more outside pressure is attracted. Remarkably, the stock seems to have held up thus far, but each year, I see more non-locals in areas I have traditionally used for my family's winter fish, and now I have to get out early in the year before the fish "head to Utah".

It is high time for the IPHC and NPFMC to come to grips with local depletion, while we are still in the phase of stock protection rather than remediation. Julie Nielson's ongoing research in Glacier Bay is adding a new dimension to our knowledge of local halibut behavior, one that strongly suggests the need to reject the old panmixis model that management has been traditionally guided by. The upsurge of charter sport fishing in recent years, exacerbated by the "self-guided" industry accompanying it, is making this shift increasingly imperative. These industries are driven almost entirely by remotely-located people with no local understanding nor interest in contributing to the local economy or sustainability; it is up to management to provide this perspective. You MUST be the countervailing force!

The CATCH proposal under discussion is a step in the wrong direction for our local fish and people. It encourages expansion of an industry model that avoids the interest of local communities and fish stocks. In my view, your attention should be on curbing any expansion that increases the chances of local depletion until local stock characteristics are studied more fully, and management redesigned to take the evolving picture into account.

Throughout the world, communities have been forced to watch as local resources have been impoverished, leaving them less and less able to sustain themselves. As a member of the local City Council, I reflect on these matters daily. Alaska's fiscal crisis makes sustainability of communities like Gustavus more problematic than ever. Halibut is one of our major resources. It is critical that we maintain its viability and its function as a cornerstone of our life here.



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

Regarding: C6 Halibut Charter RQE

2 messages

Tim Wilkie <fvspectre@msn.com> To: "npfmc.comments@noaa.gov" <npfmc.comments@noaa.gov> Mon, Nov 30, 2015 at 1:24 PM

Tim

NPFMC Council Members,

I am a commercial fisherman and have been fishing halibut for over 30 years, for the last 22 years we have worked to get a catch share plan with the charter operators . A plan was worked out 2 years ago and put in place,now the charter groups want to form non-profit entities get federal funds or tax clients to purchase halibut quota .I very well realize that halibut stocks are at a low but I have had to adjust to this and if I want to purchase new quota I have to be on the vessel to harvest it the RQE program lets a non-profit group own quota and have any one harvest it. If the council allows for a Halibut Regional Quota Entry program for the charter group the rules should be the same for the commercial group! If the RQE has no limits what's to stop them from purchasing all the Halibut Quota ?I have made a large investment in commercial halibut fishing and depend on it for my livelihood the halibut stocks will come back we all have to ride it out and not reallocate to one user group.Maybe the guided charters should buy out some of their own to get to a sustainable economical number!

Please don't change the rules again unless thay are changed for everyone vote down the RQE program!

Respectfully,

Wilkie

F/V Karma Fisheries LLC

PO Box 1726

Seward Ak 99664

NPFMC comments - NOAA Service Account <npfmc.comments@noaa.gov> Mon, Nov 30, 2015 at 1:24 PM To: fvspectre@msn.com

Thank you for your comment. You may submit your comments for our 2015 December meeting until Tuesday December 1st.



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

C6 Halibut Charter RQE

2 messages

Karsten Wood <karstenwood@gmail.com> To: npfmc.comments@noaa.gov Tue, Dec 1, 2015 at 9:04 AM

My name is Karsten Wood and I am a small boat halibut fisherman living in rural Alaska. I have been slowly buying Halibut IFQ's over the last 10 years with the intent on fishing for a very long time. I am very upset that the council is readdressing the charter csp allocation issue after just two years.

I feel the RQE proposal is a terrible idea. There is no positive that can come out of this proposal to any current IFQ holder other than to line the pockets of those who hope to cash out of IFQ's on the prospect of another big jump in IFQ prices. This proposal has the potential of doing just that while sending more resource income away from those in the NW, specifically Alaska, as the bulk of the charter fleet does not live in these areas. This would have a large negative impact on these communities.

I feel like this proposal would pit potential commercial IFQ buyers against an entity, "the charter fleet", that would not share the same risk when purchasing this quota. They have nothing to lose while the commercial fleet, as individuals, does. This creates an unfair playing field in my mind. This proposal also makes no sense because it only allows the charter fleet to buy from the commercial fleet but not vice versa.

I feel that if we want to continue to have a viable commercial halibut fishery, IFQ's need to be available to commercial fisherman at sustainable market prices, and I fear this proposal would have the opposite affect. This would be destabilizing to the commercial fishery by pricing out prospective commercial IFQ buyers while reallocating resources and incomes away from the communities that depend on it.

Thank you for your consideration.

Karsten

NPFMC comments - NOAA Service Account <npfmc.comments@noaa.gov> Tue, Dec 1, 2015 at 9:04 AM To: karstenwood@gmail.com

Thank you for your comment. You may submit your comments for our 2015 December meeting until Tuesday December 1st.