

Charter Management Implementation Committee

October 26, 2011

Anchorage Alaska

Attendance The meeting convened at 10 am.

Committee: Chair Ed Dersham, Seth Bone, Ken Dole, Tim Evers, Kent Huff, Stan Malcom, Andy Mezirow, Richard Yamada

NPFMC Staff: Jane DiCosimo, Jonathan King (contractor), Chris Oliver

NOAA: Ron Antaya, Jason Gasper, Glenn Merrill, Kevin Heck, Maura Sullivan

ADF&G: Ruth Christiansen, Bob Clark, Barbi Failor, Stefanie Moreland, Scott Meyer

Public: Approximately 20

Opening Remarks

Chair Ed Dersham opened the meeting with general remarks on the goals of the committee for this meeting. The Council formed the committee in June 2011. At the time the Council believed that implementation of the halibut catch sharing plan (CSP) would occur for 2012. In October 2011 NMFS informed the Council that implementation would be delayed. Mr. Dersham identified the two goals of the committee to be to identify 1) less onerous restrictions that still keep the charter sector within its CSP allocation range under tier 1 and 2) recommendations to the International Pacific Halibut Commission (IPHC) to constrain charter halibut harvests to the respective Guideline Harvest Levels (GHLs) in 2012. He reminded the committee and public that the issue of allocation is not on the committee agenda, but that public comment on allocation issues could be made at future Council meetings. He acknowledged that economic and biological circumstances have changed since the Council selected its October 2008 CSP preferred alternative and encouraged the committee to propose alternatives to the current Tier 1 measure, one fish of a maximum size. He further noted that the Council has already recommended that NMFS should implement the hybrid methodology that was developed by ADF&G staff to determine the maximum size of the one fish bag limit. He asked that all committee member proposals for long term solutions be provided to Council staff in electronic form; these will be distributed for consideration at a future committee meeting.

Chris Oliver described the short-term (2012) and CSP amendment process that will be on the December agenda. Jane DiCosimo reviewed the materials that were provided prior to the meeting to inform the committee on various management measures that had been proposed (some of which were analyzed)¹ and the most recent estimates of sport halibut removals,² but no staff presentations were provided so as to allow more time for committee deliberation.

Committee Discussion

The committee discussed how to move forward. Members gave their perspectives on the committee's role to provide direction to the Council for alternative management measures to keep charter halibut harvests to the Tier 1 allocation during periods of low halibut abundance. Committee or public participation does not condone the CSP but is intended to advise the Council on appropriate measures for low levels of abundance when 2 fish of any size would exceed either the allocation under the current GHL for 2012 and under the CSP for the long term.

The committee acknowledged that two factors in sport fisheries annually vary: 1) angler demand and 2) average size of fish. Mr. Dersham noted that in the future the Council likely will discuss whether the

¹http://www.alaskafisheries.noaa.gov/npfmc/PDFdocuments/halibut/CharterMeasuresREV_1011.pdf

²http://www.alaskafisheries.noaa.gov/npfmc/PDFdocuments/halibut/Area2C3A_Final2010ADFGdata.pdf

ADF&G saltwater logbooks should be official data source. There has been a consistently significant difference between logbooks and the Statewide Harvest Survey (SWHS) in Area 3A, with the logbook harvest reports higher than the SWHS estimates. He believes logbooks are more accurate.

Mr. Dersham noted that the committee can make recommendations through the following opportunities: 1) through the minutes of this meeting, 2) through a specific statement by members during the meeting that would be recorded in the minutes, or 3) later (i.e., final recommendations for 2012 through the minutes or at future committee meetings.

The committee discussed two situations in which vessels skirted the law: self-guided trips and vessels under charter without a CHP; NOAA OLE staff identified that the latter is the biggest enforcement issue in Area 3A.

Committee Discussion of Long-Term³ Management (Tier 1 of the CSP)

Two committee members from Area 2C each distributed multi-page proposals but the committee did not review them in detail. Committee members discussed long term options first while waiting for a late-arriving plane from Juneau.

- Long-term common pool compensated reallocation plan (to replace the individual-based Guided Angler Fish (GAF) program.
- Treat the CSP allocation as the default management and target harvests to 90% of the allocations and bank the remainder to the next season. If the sector exceeds 110% of the allocation then it gets deducted from the following season. This allows some leeway for variations in average size and angler demand. Members discussed how to manage the overages and underages. An overage/underage policy makes sense because ADF&G estimates are not accurate enough to account for every fish. Managers must either buffer for a lack of accuracy or spend the time to count every fish if you want to have a more precise measure.
- Revise the CSP with all previously considered management measures.
- An allocated effort based approach (seat angler day, harvest tag, harvest trip) and the charter halibut limited entry permit (CHP) holder could use those days as they wanted at a price they wanted while allowing the sector to offer a traditional 2-fish bag limit.
- More flexibility in permit stacking.
- The Council should redo the CSP analysis in its entirety, and extend the action to the non-guided sector.
- Put annual limits back into consideration as implementation costs may have disappeared or been mitigated by the new logbook program since NMFS requested that the Council rescind this measure for Area 2C in 2006. Staff referenced the discussion paper findings that real savings do not occur until a 3-fish or 2-fish annual limit.
- Sub-area management for areas within Area 2C to account for more diverse business models (e.g., lodges, cruise ships) than in Area 3A. *IPHC staff noted that there is precedence in Pacific Council CSP for Area 2A (which is subdivided into 6 subareas) and Council staff noted the North Pacific Council's CSP for Area 4CDE.*
- Consider an annual limit for a bigger fish combined with bag limit for smaller fish. Gustavus anglers need 2-3 fish of any size per angler on a five-day trip so the proposal could allow a 3-fish annual limit on a five-day trip which would allow this lodge business model to work. *Staff noted there still has to be some limit on removals to reduce harvest to the allocation. If anglers get to*

³ Staff and a member of the public clarified that the committee's use of the term "long term" may be misapplied when referring to changes to the CSP Tier 1 measures, when it has been previously applied to development of alternatives for a catch share plan, which could be reinitiated by the Council in the future (once a hard allocation to the charter sector is implemented).

keep a bigger fish then you get to keep fewer of them; but if you increase the annual limit then you can only keep smaller fish.

- Two ways to manage catch: 1) divide limited allocation among unlimited number anglers (less poundage per angler) or 2) limit angler access to limited allocations (more poundage to fewer anglers). Prefer harvest permits that go directly to the angler.
- Three options, each one may work better for a different business model:
 - Two fish under 37"
 - One halibut with a maximum size of 45" or larger.
 - Daily bag limit of two fish under commercial minimum size of 32" with a single-fish annual allowance larger than 32".

The IPHC recently looked at the role of fish between 26" and 32" in the spawning biomass.

- An analysis of the economics of the fishery and the LEP program.
- Revised analysis of the rescinded charter IFQ plan, along with Charter Stakeholder Committee recommendations of alternatives for analysis⁴.
- It is critical to provide the opportunity to retain a trophy if caught. Divide number of CHPs by allocation and endorsements by average size of fish

Public Comment on the Long-Term Committee Discussion

Sean Martin (Homer):

- Supports daily electronic reporting for charter halibut fleet
- Supports splitting a CHP with a six-person endorsement worth 12-fish per day into two 3-pack permits so that charter operators can continue to offer their traditional experience (2-fish of any size).
- Supports the GHF program and not the CSP.
- Supports annual limits.
- Wants no line restrictions in Area 3A.
- Supports including unguided sector into allocations.
- Proposed GAF transfer under the CSP is a temporary, one-sided transaction without any incentive for the commercial fishermen. The GAF program should be liberalized so that CHP holders can purchase halibut quota shares (QS).
- Supports limiting halibut bycatch in the groundfish trawl fishery, which takes more than the charter sector.

Gary Ault (Homer)

- Opposes a one-fish limit under the CSP.
- Supports GHF management which has step-down functions and the CSP provides no predictability. When we need step-downs in the GHF why not step down from the six-pack system. For example, if you have a six-pack then why not restrict to five anglers or 4 anglers.
- The GAF system seems really unworkable. Is concerned about GAF going to the highest bidder. Allocative efforts, harvest days, tags, etc. are much better options because you can plan for them and make them tradeable.

Melvin Grove (Prince William Sound)

- Supports the compensated reallocation process through a stamp program (annual or per trip) even though it means buying back a public resource.

⁴ <http://www.alaskafisheries.noaa.gov/npfmc/halibut/charter-halibut-stakeholder.html>

- Supports making commercial groundfish trawlers sell their halibut bycatch and use it to buy back commercial halibut QS to create a compensated pool for the charter sector.
- Supports an annual limit of 6 fish for crew and the restoration of skipper and crew fish; supports limits on commercial home packs.

Larry McQuarrie (Ketchikan)

- Area 2C is running out of options. Reminds the committee that a previous stakeholder committee developed five very detailed alternatives for a permanent solution that were submitted to the Council but not initiated for analysis.
- Area 2C charter operators are fishing outside the commercial fishable biomass (i.e., < 32 inches) and yet federal regulations force the sector to catch small fish and count those fish against the GHL as if that fish was above 32”.
- Supports linking angler days to the number of endorsements on a permit and then let those angler days or number of fish float every year and then make it transferable and stackable. This seems to provide some relief that allows a business to tailor their approach to their business.
- GAF won’t work because the lower biomass means lower GAF. The fatal flaw in GAF is the price goes up when biomass goes down and the leasing concept means you pay a premium each year. GAF is not viable due to: price, availability, and renting.
- Supports bringing all recreational anglers under the same management regime.

Gerri Martin (Homer)

- There is no working solution with GAF.

Donna Bondioli (Homer)

- Supports separate area management, as recommended by the State of Alaska in its public comment (i.e., no CSP for Area 3A). The CSP is not going to work in time of low abundance.
- Supports retaining skipper and crew fish.

Alaska Outdoor Council

- Clients won’t pay for trips that allow just for one fish. They’ll seek bareboat charters and there will be a transfer of effort from guided to unguided sub-sectors

Rod Arno

- Believes the self guided sector will expand.

After the lunch break, Jane DiCosimo provided the following comments to assist the committee in its deliberations. In the context of its charge to develop alternative management measures to replace the 1-fish of a maximum size limit management measure under the CSP for Council consideration in December 2011, Jane noted that some of the measures identified by the committee lend themselves more to the “permanent solution,” for which the Council has a separate stakeholder committee and several, detailed alternatives for catch share programs. She identified that to address Council intent to consider alternatives in the “near term” to the proposed Tier 1 management measure, the committee might consider a narrow(er) range of options that could be analyzed, acted on by the Council, and implemented by NMFS in a timely manner (to catch up with implementation of the overall CSP), potentially in 2013. The longer the list of options and the more complicated they are risks that potential timeline for such an amendment to catch up with implementation of the CSP. She highlighted that the committee might consider additional restrictive management measures, which in combination with 2-fish of any size, would keep the charter sector within its CSP allocations.

Committee Discussion of Short-Term Management (2012)

Glenn Merrill identified four measures using a combination of bag limits and size limits which could be adopted through the IPHC process for 2012 (ranked from least savings to most savings): 1) No

skipper/crew fish (3A only/in place for 2C); 2) 2 fish, one less than 32 inches (3A only); 3) 1-fish of any size; and 4) 1-fish max size using hybrid method. He clarified that for Areas 2C neither annual limits nor any type of 2-fish bag limit is feasible for 2012. This situation is the result from the 1-fish bag limit being in place under NMFS regulations, while the 37 inch limit is under IPHC/NMFS; there is insufficient time to prepare a regulatory amendment to relieve the 1-fish restriction in NMFS regulations for Area 2C in 2012.

The committee discussed the narrow range of options available to it and briefly addressed the different roles and rulemaking processes of the NPFMC and IPHC. The committee noted it could not make definitive recommendations at this meeting, without additional data analysis. Chris Oliver clarified that both agencies prefer the Council to recommend measures to be adopted for 2012, based on the extensive analytical record of the Council. ADF&G staff will report final 2010 and projected 2011 sport halibut estimates to the NPFMC and IPHC in November. Scott Meyer noted that this information could be used to provide analysis of committee recommendations to the Council at its December 2011 meeting.

Scott confirmed committee members assumptions that Area 2C and Area 3A are very likely under their GHLS in 2011 (e.g., 40% under GHL in Area 2C) and that the size limit for Area 2C likely could be higher than 37" in 2012. Gregg Williams confirmed that the IPHC will assume that the GHL will be taken regardless of 2011 projections (no underages/ overages) for catch limit determinations.

The following management measures were discussed by the committee.

- Slightly larger sizes for 2 fish versus one trophy fish plus a smaller fish (i.e., reverse slot limit to allow the possibility of retaining a trophy fish), but staff reported that 2-fish is off the table for Area 2C in 2012.
- A traditional slot limit, but staff reported that a traditional slot limit has not been analyzed and it may take too much time to analyze and get into regulations. *Jonathan King raised an outstanding issue of how to measure larger fish on a vessel at sea. Use of a premeasured streamer like the International Game Fish Association was suggested.*
- Previous ADF&G analysis suggested reducing the season length or looking at a reverse slot limit might be viable for the industry.
- Day of the week closures, but staff noted that previous analyses identified that *and excess capacity in the fleet would have allowed rotation around the day(s) of the week closure.* Committee members responded that a multi-day closure might be viable.
- Using the logbook as an enforcement tool, but staff noted that the use of logbooks for enforcement is really difficult. Enforcement can't verify logbook data after the fact. In addition, the logbooks are paper at this point with a verification process and it makes getting the data from ADF&G in a timely fashion difficult.
- NOAA staff noted that the biggest enforcement issue in Area 3A is outlaw charter operators, while in Area 2C it was differential bag limits between guided and non-guided anglers leading to "bareboat charters".
- To gain marketability back in Area 2C, the sector requires:
 - 1) Larger maximum size
 - 2) Traditional season length
 - 3) Reverse slot limit
 - a. Get to keep small fish if that's the business model
 - b. Allows retention of larger fish if that's the business model
- Make the transition between the tiers seasonal so that 1-2 months are under one set of regulations, and under another set for the remainder of the season; another member responded that that may require a differential pricing policy.

Public Comment on the Short-Term Committee Discussion

Tim Robishhe:

- It's hard to measure trophy fish.

Don Janke

- Sport fisherman travels further to fishing grounds each year.
- Divide up season so that commercial fishermen and sport fishermen fish on different days or different areas, as occurs for salmon fisheries.

Sean Martin (Homer)

- Give up crew fish in 3A
- 2-fish minnow rule in 3A

Committee Discussion

Chair Dersham initiated a discussion of future committee process. The committee agreed that representatives from the two areas would recommend separate suites of alternatives after further consultation with their fellow area stakeholders. The committee agreed to identify preliminary recommendations at this meeting (below), but committee members from the two areas were encouraged to meet with area stakeholders and forward recommendations for inclusion in the committee report by November 4, 2011. The committee requested a second meeting (tentatively identified as the afternoon/evening of Tuesday, December 6, 2011) in which to review ADF&G analysis of preliminary recommendations in order to make final recommendations. Staff noted that IPHC webcast on Nov 30 would provide staff recommendations and identify the GHGs for 2012, which still has the possibility of a step down in the Area 3A GHG.

A brief discussion of when/whether the CSP analysis would be deemed "stale" and unable to proceed for Secretarial review. The analysis was updated in 2010 and the Council will consider supplemental analyses in December.

A member noted that the single most useful change to make the proposed CSP work would be to drop all restrictions on the use of GAF by CHP holders, including the transfer of QS rather than annually leasing IFQ.

Jane clarified that based on its discussions the committee's tasks are to identify three sets of recommendations by November 4, 2011:

- 1) 2012
- 2) Short term (changes to Tier 1 management measures under the CSP by a trailing amendment)
- 3) Long term

Committee Recommendations for 2012

Area 2C:

During committee discussion Area 2C members also included a fourth measure (i.e., traditional slot limit), but this was deleted upon further discussions with area stakeholders before their formal recommendation for 2012 was provided (see below).

- One fish maximum size as determined by the hybrid method
- Reverse slot limits
- Day(s) of the week closure

Area 3A:

The 2010 Harvest report and the preliminary 2011 Harvest reports indicate that 3A Charter Halibut Harvests were under the GHG. Therefore Area 3A committee members recommended: Status Quo/GHG.

Committee Recommendations for Short-Term Management

Area 2C:

Annual Limit - The nature of the charter fishing business and their clientele require opportunity for maximum angler interest.

Area 3A:

The data and analysis to develop the CSP, management measures and allocations the NPFMC passed in 2008 projected that these allocations would exceed projected future harvests and that more restrictive management measures would not be required. Since then, the IPHC has set commercial catch limits that are considerably lower than those set for 2008 because exploitable biomass has declined. While there are high numbers of halibut, for unknown reasons they have not grown to a size where they are large enough to contribute to the fishable biomass. The charter industry is now under a new limited access program, effects of management measures have changed, changes in the economy and the demand for charter services have changed. With this in mind, they recommended new analysis of all short term and long term management measure recommendations and effects.

- Include buying as an alternative to leasing GAF fish
- Two fish any size
- Restricting Captain & Crew Harvest (annual limit/6-8-10, monthly closures)
- One Trip per day (trip limits, weekly? monthly? season?)
- Two fish of Maximum size
- One fish <32", one fish >32"
- Reverse Slot limits (2nd fish above or below a certain size limit)
- Two fish any size except July & August, one fish <32, one fish >32 July & August
- Two fish > 32"
- One fish any size (all season)

Committee Recommendations for Long-Term Management

Area 2C:

Two proposals for long term management were submitted by Area 2C committee members for consideration at the committee's next meeting and are posted on the Council's website. They are:

- Harvest Day/Trip Management Tool
- Charter Halibut Allocation Management Plan (CHAMP)

Area 3A:

- Include buying QS as an alternative to leasing GAF Fish (CSP)
- Angler Day Program/Common Pool
- Limited Entry Program/Common Pool
- Guided Angler Fish/Allocated Effort Based Method
- Harvest Tag