

In December 2011, the Council adopted a motion that requested 1) supplemental information in support of its Halibut Catch Sharing Plan (CSP) Preferred Alternative (PA); 2) an evaluation of new information since it selected its CSP PA to determine if it meets its objectives under the CSP; 3) a discussion paper of other management measures not included under its PA; 4) NOAA guidance on whether clarifications adopted in December 2011 or revisions to its CSP PA would warrant publication of a new proposed rule; and 5) NOAA guidance on the use of a regional fisheries association to meet long term management goals and objectives under the CSP (Appendix 1). Agency staffs have organized the requested information into the following documents for review.

Part 1. (This) Roadmap document (Council staff) – release date: March 9, 2012.

Part 1 provides a “road map” for the North Pacific Council’s March 2012 C-4(b) Agenda Item, during which the Council will consider new information in support of: 1) its Preferred Alternative and NMFS rulemaking for a proposed Halibut Catch Sharing Plan for Area 2C and Area 3A for Secretarial review in 2012 and 2) other requested documents with the potential to revise the proposed Halibut CSP at this or a future meeting.

Part 2. NOAA guidance on rulemaking (“logical outgrowth”) (NMFS/NOAA General Counsel staff) – release date: March 16, 2012

Part 2 evaluates 1) the Council’s December 2011 response to public comments #1 through #6 and 2) proposed management measures in the discussion paper (Part 4) to determine if each is a logical outgrowth of the proposed rule. If each is deemed to be a logical outgrowth, then NMFS can proceed to final rulemaking; if any are not and the Council identifies that it continues to intend that the clarification is part of its Halibut CSP preferred Alternative, then NMFS would publish a new proposed rule that is focused on the Council’s recommended CSP revisions, with another comment period, and proceed to final rulemaking after responding to public comments from both proposed rules.

Part 3. CSP Supplemental analysis (Council staff) – release date: March 16, 2012

Part 3 includes supplemental analyses, as requested in the December 2011 motion, to address inadequacies that the Council identified in the Secretarial Review Draft Environmental Assessment, Regulatory Impact Review/Final Regulatory Flexibility Analysis that it submitted to the Secretary of Commerce, given current conditions of the economy and halibut resource, and public comments. Along with Part 3, Council staff has prepared draft responses to 41 public comments that NMFS staff requested staff assistance. This assistance was provided directly to NMFS in support of final rulemaking, consistent with Council direction in December 2011.

Part 4. CSP management measure matrix discussion paper (Council/ADF&G staffs) – release date: March 16, 2012

Part 4 includes a discussion paper that addresses 1) new management measures proposed for consideration under the CSP, either in the original proposed program or through a trailing regulatory amendment in the future and 2) potential alternate pathways to implement management measures, including i) the status quo management matrix; ii) substitution of new management measures for those in the current PA matrix that would be identified by the Council as not meeting its CSP objectives; iii) a hierarchical approach in which a ranked sequence of measures are implemented in federal regulations; and iv) the 2012 approach in which ADF&G analyzed a full range of management measures in November, the Council selected its preferred measure and recommended its consideration to the IPHC in December, and the IPHC adopted the recommended measure as part of its annual management measures for the upcoming season in January.

Part 5. NOAA General Counsel guidance on RFAs (NOAA General Counsel staff) – at meeting

Part 5 includes a response to a Council request for legal guidance on whether a single entity, such as a regional fishing association, may hold an allocation to the charter sector in trust for the benefit of all guided anglers. Seven attributes of a potential entity were identified in the request.

Part 6. February 22, 2012 Charter Management Implementation Committee report (Council staff)

Posted at: <http://www.alaskafisheries.noaa.gov/npfmc/PDFdocuments/halibut/Implementation/ChMgtImpCmte22Feb12.pdf>

Part 6 includes guidance to staff for further refinements to an initial data analysis whose findings have been incorporated into the CSP discussion paper (Part 3).

Part 7. March 27, 2012 Charter Management Implementation Committee report (Council staff) – at meeting

Part 7 includes final recommendations for action in March 2012 upon consideration of information provided under Parts 1 through 5.

Deferred Discussion Papers In its December 2011 motion, the Council also requested a discussion paper on two long term management approaches for the charter sector. The first approach would allow a common pool purchase of commercial halibut quota share (QS) by the charter sector under a compensated reallocation program. Charter industry members scheduled a work shop on March 12-13, 2012 to further develop its proposal for Council consideration at a future meeting. Potential action would entail amending the commercial halibut IFQ program to identify a new type of QS holder. The second paper would address all potential long-term management measures under Tier 1 of the CSP as identified in the Charter Halibut Implementation Committee Report, which could include every management measure previously considered by past committees and the Council. In February 2012, the Council deferred further action on these two tasks until the committee further refined its recommendations.

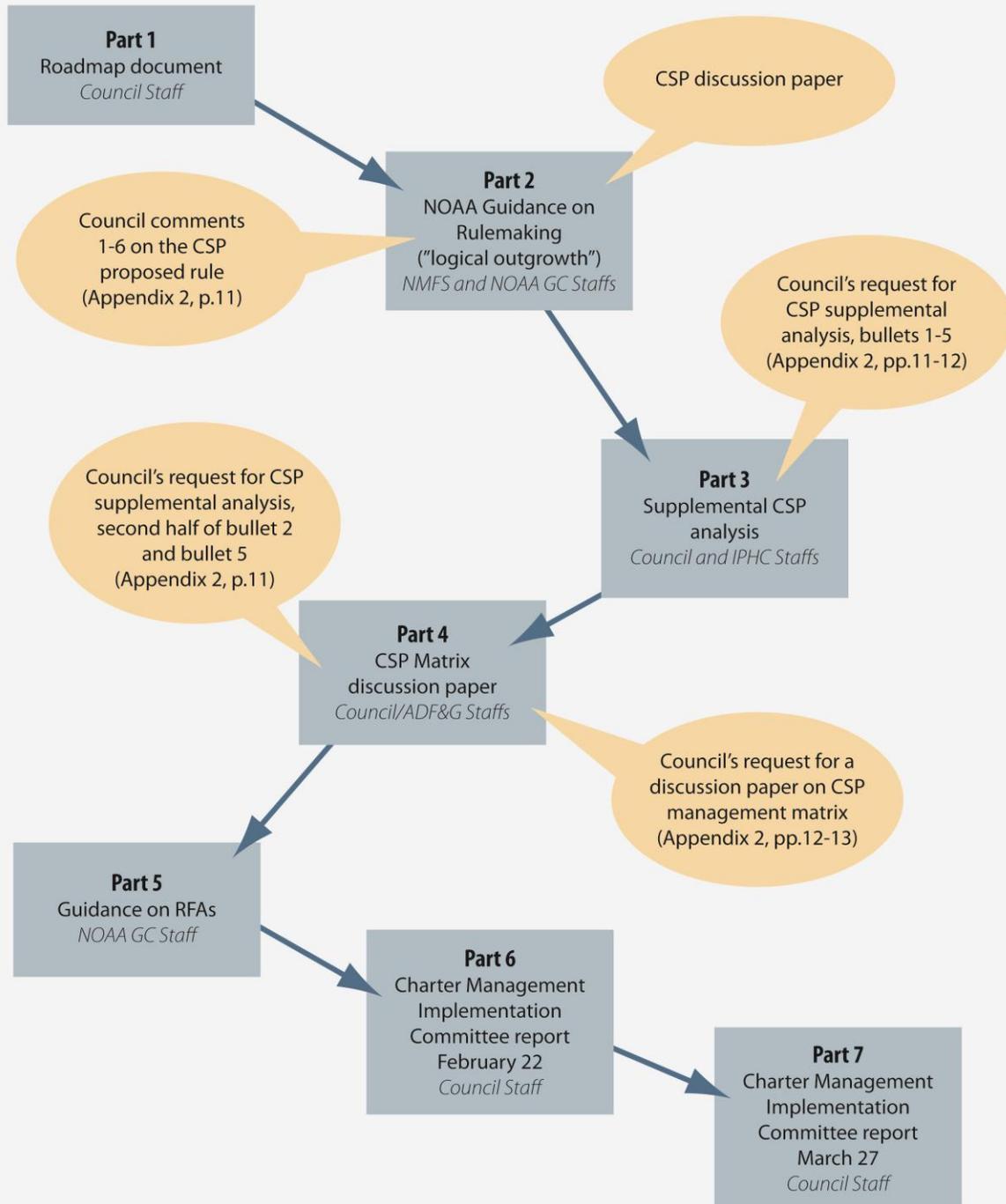
Roadmap Summary: Staff presentations will focus primarily on the Roadmap (Part 1), NMFS/NOAA General Counsel report on “logical outgrowth,” and the CSP discussion paper. At this meeting, the Council may:

- Reaffirm its support for the CSP Preferred Alternative and NMFS would proceed to a final rule, incorporating supplemental analyses and Council staff responses to public comments;
- Take no further action on clarifications to public comments #1 through #6, which may require a new, focused proposed rule if any of the Council clarifications are deemed not to be a logical outgrowth of the July 22, 2011 proposed rule;
- Revise its CSP Preferred Alternative, which would require a new proposed rule (and perhaps a new analysis depending on its revision);
- Request additional analysis (e.g., hierarchical approach); and/or
- Initiate a trailing amendment to revise the CSP.

As separate motion(s) from the CSP action, since they would not be implemented in federal regulation, the Council may:

- Establish an annual review of ADF&G annual harvest projections by the Scientific and Statistical Committee
- Adopt the use of logbooks to monitor charter halibut harvest against its allocation targets (whether under the Guideline Harvest Level Program or the proposed CSP).

Roadmap to the March 2012 C-4(b) Agenda



BACKGROUND

2008 Council Motion

After fifteen years of developing a variety of management approaches¹ to limit the harvest of halibut by the charter sector in Area 2C (Southeast Alaska) and Area 3A (Southcentral Alaska) the North Pacific Fishery Management Council adopted a motion to recommend a Halibut Catch Sharing Plan (CSP) to the Secretary of Commerce in October 2008 (Appendix 2). After a number of technical revisions and consultations with the Council, its Scientific and Statistical Committee, the National Marine Fisheries Service (NMFS), Alaska Department of Fish and Game (ADF&G), and the International Pacific Halibut Commission (IPHC), the Draft Environmental Assessment/Regulatory Impact Review/Initial Regulatory Flexibility Analysis (EA/RIR/IRFA) was accepted by NMFS to begin promulgation of rulemaking in 2010. The Secretarial Review Draft Analysis² was published with the proposed rule³ in June 2011.

The Council intends the proposed halibut CSP to be a comprehensive management program for the charter halibut fisheries in Area 2C and Area 3A. **If** approved, the proposed regulations would:

- (1) Establish sector allocations of a combined catch limit to the halibut commercial and charter fisheries in Area 2C and in Area 3A;
- (2) Implement harvest restrictions (CSP restrictions) for charter vessel anglers in each area that would be intended to limit charter harvest to within the target harvest range around that sector's catch limit for that area.

Under the CSP, the annual combined catch limit and projected charter harvest for Area 2C and Area 3A would trigger the CSP restrictions, or the harvest limit regulations governing anglers in the charter fishery in each area. The CSP restrictions are designed to limit charter fishery harvests in Area 2C and Area 3A within the charter target harvest range. The CSP would require default CSP restrictions when the charter sector is projected to harvest within its allocated range, more stringent restrictions when the charter sector is projected to exceed its target harvest range, and in some circumstances, less stringent restrictions when the charter sector is projected to be below its target harvest range.

CSP restrictions would be determined using specific abundance-based criteria respectively for Area 2C and Area 3A, and then defined based on a four-tier system.

Tier 4 (highest level of abundance, least restrictive): Charter vessel anglers would be limited to two fish of any size each day.

Tier 3: Charter vessel anglers would have a daily limit of two halibut, but at least one halibut must have a head-on length of no more than 32 inches (81.3 cm). If, however, a charter vessel angler retains only one halibut in a calendar day, that halibut could be of any length.

Tiers 1 & 2 (lower levels of abundance, most restrictive): Charter vessel anglers would have a daily limit of one halibut. This conservative default CSP restriction would promote the development of halibut stocks levels supporting optimum yield; and;

- (3) Authorize transfers (i.e., leasing) of commercial halibut Individual Fishing Quota (IFQ) as guided angler fish (GAF) to charter halibut permit holders for harvest by charter vessel anglers in the charter halibut fishery. GAF would offer charter vessel anglers in Area 2C or Area 3A an opportunity to harvest halibut in addition to, or instead of, the halibut harvested under the CSP restriction, up to the harvest limits in place for uncharter anglers in that area. Because GAF would be a use of commercial halibut IFQ, GAF harvested by charter vessel anglers would not be included in estimates of charter harvest under the CSP.

¹ These include control dates for limited entry, Guideline Harvest Level Program (GHL) (2004), Individual Fishing Quota Program (IFQ) (withdrawn), Limited Entry Program (LEP) (2011)

² <http://www.alaskafisheries.noaa.gov/sustainablefisheries/halibut/analyses/cspea062011.pdf>

³ <http://www.fakr.noaa.gov/prules/76fr44156.pdf>

The CSP allocations would replace the current management method for charter halibut operators called a guideline harvest level (GHL) with a percentage allocation of the combined charter and commercial catch limit to the charter fishery in each area. Under the GHL, restrictions for charter vessel anglers in Area 2C were implemented by separate NMFS rulemaking after the GHL was exceeded. Under the CSP, the combined catch limit as well as non-discretionary CSP restrictions for charter vessel anglers would be determined by NMFS through the annual adoption of the Council's CSP by the IPHC each year prior to the fishing season. The pre-season specification of the CSP restrictions is intended to limit charter harvest to the target before an overage occurs, as opposed to the retroactive GHL approach that implements corrective action after the overages have occurred.

The pre-season specification of CSP restrictions is consistent with the Council's objective to maintain the charter season length (February 1 through December 31) with no in-season changes to harvest restrictions. The Council developed this objective based on public testimony from charter vessel operators indicating that in-season changes to harvest restrictions would be disruptive to charter operators and anglers.

The Council recommended that the annual halibut CSP catch limits for the commercial and charter sectors and the CSP restrictions for charter vessel anglers should be determined and implemented by a predictable and standardized methodology as part of the IPHC's annual recommendations for halibut fishery conservation and management. The proposed CSP would establish procedures for determining the sector catch limits and CSP restrictions for each area based on a combined commercial and charter catch limit determined by the IPHC and projections of charter harvest for the upcoming year in order to provide a systematic method for limiting projected charter harvest to the target harvest range determined by the CSP.

The annual CSP catch limits for the commercial and charter sectors and the CSP restrictions for charter vessel anglers would be implemented as IPHC annual management measures. The IPHC would specify an annual combined catch limit for Area 2C and for Area 3A at its annual meeting in January. Each area's annual combined catch limit in net pounds would be the total allowable halibut harvest for the directed commercial halibut fishery plus the total allowable halibut harvest for the charter halibut fishery under the CSP. The IPHC process for determining the annual combined catch limit would be similar to its current process for determining annual commercial catch limits, however, the determination of the annual management measure(s) also will require harvest projections under alternative measures and application of prescriptive (or objective) rules for selecting the appropriate measure.

Other CSP restrictions would apply as well, such as a prohibition on the retention of halibut by skippers and crew, regulations surrounding carcass retention, and the prohibition of individuals who hold both a charter halibut permit and commercial halibut IFQ from fishing for commercial and charter halibut on the same vessel during the same day in Area 2C and Area 3A.

Except for authorizing commercial halibut quota share (QS) holders to transfer IFQ as GAF to charter halibut permit holders, the Council did not intend for the CSP to change the management of the commercial longline halibut fisheries in Area 2C and Area 3A.

Proposed Rule

In July 2011, NMFS published a proposed rule that would implement a CSP for the charter and commercial fisheries for Pacific halibut in waters of Areas 2C and 3A. If approved, the CSP will change the annual process of allocating halibut between the charter and commercial fisheries in Area 2C and Area 3A, establish allocations for each sector, and specify harvest restrictions for charter anglers that are intended to limit harvest to the annual charter fishery catch limit. NMFS received more than 4,000 public comments on the proposed rule. The final rule must respond to each comment.

2011 NMFS Request for Clarifications

In October 2011, NMFS informed the Council that the Council would need to revisit its proposed halibut CSP before NMFS would proceed with final rulemaking.⁴ NMFS cited policy and technical issues that compromised its ability to proceed to a final rule without clarification from the Council on those issues. Specifically, NMFS requested additional Council input on the following three concerns, along with other technical issues that were to be identified by NMFS in December 2011.

- (1) Evaluation of the management implications at lower levels of abundance;
- (2) Economic impacts of the CSP under all potential combined catch levels; and,
- (3) Methods for calculating the average weight for guided angler fish (GAF) that may be leased from commercial IFQ operators, and the specific means for tracking and reporting GAF.

NMFS also strongly encouraged the Council to schedule time at the December 2011 Council meeting to provide guidance to the IIPHC for actions on the specific allocation and management measures appropriate for the charter halibut fisheries in Area 2C and Area 3A for 2012 since the CSP would not be implemented in time to implement management measures for 2012; it was also apparent that the 2011 IPHC management measure for Area 2C (i.e., one fish of a maximum size of 37 inches (head on)) was overly restrictive; it resulted in a projected charter halibut harvest of 388,000 lb of its 788,000 lb GH. The IPHC was scheduled to meet in Anchorage in January 2012 to set fishing levels and management measures for halibut along the Pacific Coast and NMFS felt it would be appropriate and timely for the Council to provide comment to the IPHC for its consideration of potential management measures for the charter sector.

2011 Council Action

In October 2011 the Council requested that NMFS report its perceived inadequacies in the CSP in December 2011, so that the Council could discuss an appropriate course of action at a subsequent meeting, including the process and timing to address the issues identified by NMFS.

In December 2011 the Council reviewed a detailed NMFS report of 47 issues for which it was seeking Council guidance in order for NMFS to proceed with final rulemaking.⁵ The Council identified a two prong approach for responding to the NMFS October 2011 request for clarifications and the NMFS December 2011 report by requesting from its staff: 1) a supplemental analysis of new information since its 2008 selection of a CSP preferred alternative and improvements to the Secretarial Review Draft Analysis in order for NMFS to proceed with final rulemaking and 2) a discussion paper to review the management matrix in the CSP Preferred Alternative in terms of current charter halibut harvests and the CSP tier structure, particularly in Area 3A in order to determine if the Council should adopt different management measures to achieve its goals in a revised CSP Preferred Alternative. The entire December 2011 Council motion is provided under Appendix 1. The Council scheduled a status report on its request its February 2012 meeting and review of the requested information for its March 2012 meeting.

Supplemental Analysis The Council a) adopted a statement of its unanimous support to proceed with implementation of the CSP analysis (see box on next page); b) accepted the NMFS interpretation of six main policy issues that were raised in public comment to the proposed rule; c) requested additional analyses and revisions to the Halibut CSP that more specifically addresses the remaining 41 public comments as outlined in the NMFS report and specific issues identified by the Council, as noted below; and d) requested that Council staff provide technical assistance to NMFS staff in preparing responses to public comments referenced in (c).

⁴ <http://www.alaskafisheries.noaa.gov/newsreleases/2011/halibut092911.htm>

⁵ http://www.alaskafisheries.noaa.gov/npfmc/PDFdocuments/halibut/NMFS_CSP1111.pdf

The supplemental analysis should:

- Add a description of the status quo GHL allocations, such as a table of the stair step GHGs under different Total Area CEYs, and a comparison of the way in which annual allocations are made to the charter sector under both the GHG and the CSP.
- Revise the analysis so that it incorporates allocations at lower levels of abundance, and assesses the economic impacts, to the extent practicable, of the full range of allocations. Data from recent years should be used to determine what the charter and commercial allocations would have been under the CSP, and what management measures would have been in place.
- Add other indices to the analysis to describe the economic condition of the charter and commercial sectors over the last ten years. Examples for a typical charter and longline business in 2C and 3A could be provided. For the commercial sector, examples could include changes in QS prices and annual QS value, ex-vessel prices, and annual revenue. Consider differences between vessel classes, when QS was bought, etc. For the charter sector it could include permit prices (minimal data), number of trips and clients, and annual revenue.

The Council also requested a report from NMFS as to whether the clarifications to six public comments it provided in December 2011 also would result in the need for a new proposed rule, so that the Council may establish a timeline for implementing the CSP. Note that if NMFS informs the Council that its December 2011 clarifications are a logical outgrowth of the proposed rule then NMFS would proceed with publishing a final rule (including responses to > 4,000 public comments) in 2012, with the intent of implementing the CSP by the end of 2012 so that it would be in place prior to the January 2013 annual meeting of the IPHC. If NMFS informs the Council that those clarifications are NOT a logical outgrowth of the proposed rule then NMFS would be required to publish a new proposed rule (which may elicit the same number, if not more, public comments) in 2012, with the intent of publishing a final rule in 2013. Implementing the CSP by the end of 2013 potentially would result with the CSP in place prior to the January 2014 annual meeting of the IPHC.

**DECEMBER 2011 COUNCIL STATEMENT
IN SUPPORT OF THE HALIBUT CATCH SHARING PLAN**

The Council continues to support implementation of the Halibut Catch Sharing Plan (CSP) as the best approach to resolve longstanding allocation and management issues between the commercial and charter halibut sectors, as currently identified in the CSP Problem Statement.

The Council also recognizes that there are deficiencies in the current analysis that must be addressed before implementation can take place. Additionally, since 2008, changes in halibut management and the condition of the halibut stock have occurred, which will impact the effective implementation of the CSP as envisioned by the Council.

Discussion Paper The December 2011 Council motion recognized that what are now potentially viable management measures were not included as part of the halibut CSP Preferred Alternative in 2008. It noticed the public that it would review the supplemental analysis, in combination with the findings of the discussion paper, so that the Council could decide whether to: 1) revise its current CSP preferred alternative (matrix) which would result in new proposed rule and final rule or 2) proceed with its current CSP and follow implementation of it with a subsequent analysis and rulemaking.⁶

The Council noted that while it does not wish to delay implementation of the Halibut CSP any further than necessary, it requested the discussion paper of the following management measures that it identified as not already in the CSP Preferred Alternative for potential use in future halibut management.

⁶ The timeline becomes more complicated if the December 2011 clarifications results in the need for a new proposed rule, in which case, if the Council decides it wishes to revise the CSP matrix, it may choose to do so in the same, new rulemaking.

- The use of ADF&G logbooks for official harvest reporting
- Annual limits allowing for the retention of at least one fish of any size
- Restricting captain and crew retention of fish
- Trip limits, reverse slot limits, and two fish of a maximum size
- The use of a common pool purchase of QS by the charter sector
- Long-term management measures under Tier 1 of the CSP as identified in the Charter Halibut Implementation Committee Report

Because the discussion paper is focused on potential changes to the CSP management measure matrix, this paper also will address two of the first set of bullets in the December 2011 motion (see below). Including those two bullets in the discussion paper (instead of in the supplemental analysis) will provide the Council with an opportunity to review all newly requested material on proposed management measures as it relates to the current CSP matrix; note that the first bullet listed below addresses a feature included in a new matrix that was proposed for Area 3A by the public in December 2011. And while the Council clarified that the CSP matrix should be the default (or status quo) matrix against which new proposed measures are compared, the staff can examine other matrices as part of that review. Therefore, the paper includes an examination of that proposed matrix.

- Review the IPHC process described in the CSP for deducting removals prior to applying the allocation percentages to the combined commercial/charter catch limit. The halibut charter stakeholder committee discussed “separate accountability”, in which each sector would be held accountable for its wastage of halibut. The CSP analysis currently deducts wastage in the commercial sector BEFORE the allocation percentages are applied. In 2011 the IPHC began deducting O26/U32 BAWM before setting catch limits, and this has allocative implications for 2C and 3A. Wastage estimates for the charter sector are not currently available, and so no deductions are made.
- Review the management matrix to determine whether management measures and the data employed are still appropriate in each tier given current charter harvests relative to combined fishery CEY, particularly in Area 3A.

Note again the interplay that the council identified in its December 2011 motion between the new information provided in the supplemental analysis and the discussion paper. The Council noted its intent to review the discussion paper of the proposed management measures (listed above) following its review of the supplemental analysis in support of its CSP Preferred Alternative. It observed that the supplemental information will inform the discussion paper and that full development of the paper may be difficult until the Council reviews the supplemental analysis. The Council stated that after it reviewed the new information it could determine whether to fold any of these new management measures into a modified CSP and/or consider the need for a trailing amendment.

2012 Action Plan

In February 2012 Council staff provided a status report⁷ on progress toward achieving tasks identified in the comprehensive December 2011 motion. Staff consulted with the Council on some proposed elements of the discussion paper. Staff identified that the CSP already contained a prohibition on retention of captain and crew fish during a charter trip and proposed that under the current interpretation of that language, no additional analysis was warranted. The Council also accepted a proposed timeline to defer staff analysis of the final two bullets of the motion⁸ until the Charter Halibut Management Committee finalized its expansive suite of proposed long term management measures into a narrower range of specific alternatives. And, because the Council motion for the discussion paper did not contain the

⁷ <http://www.alaskafisheries.noaa.gov/npfmc/halibut/charter-management.html>

⁸ “The use of a common pool purchase of QS by the charter sector” and “Long-term management measures under Tier 1 of the CSP as identified in the Charter Halibut Implementation Committee Report”

necessary detail needed for a data analysis or reference the committee recommendations (e.g., ≤ 45 inches and ≥ 68 inches for the lower and upper bounds of a reverse slot limit; 32 inches for the maximum size for two fish) ADF&G staff relied on guidance from an October 2011 Council discussion paper on potential management tools that could be adopted for Area 2C in 2012⁹ and a November 2011 ADF&G data analysis of management options for the Area 2C charter halibut fishery for 2012¹⁰ to develop an initial draft analysis of potential halibut accounting and management measures.¹¹ The Council convened its stakeholder committee to review the initial draft of the ADF&G data analysis on February 21, 2012. Staff requested that the committee refine the options for further analysis. The Committee provided some additional guidance and confirmed instances that were identified by ADF&G staff for which no data could inform a decision; to proceed in some cases that are identified in other documents covered by the road map, the Council would have to set policy based on qualitative information and the professional expertise of its members, staff, advisors, and stakeholders. ADF&G staff revised the analysis and the results are incorporated into the CSP matrix discussion paper. The committee will make recommendations on the final draft of the discussion paper, along with all the C-4(b) reports at its next meeting on March 27, 2012.

⁹ http://www.alaskafisheries.noaa.gov/npfmc/PDFdocuments/halibut/CharterMeasuresREV_1011.pdf

¹⁰ <http://www.alaskafisheries.noaa.gov/npfmc/PDFdocuments/halibut/2012MgmtMeasures2C.pdf>

¹¹ http://www.alaskafisheries.noaa.gov/npfmc/PDFdocuments/halibut/HalibutMgtMeas_dp_212.pdf

APPENDIX 1. Halibut Catch Sharing Plan Motion, December 12, 2011

The Council continues to support implementation of the Halibut Catch Sharing Plan (CSP) as the best approach to resolve longstanding allocation and management issues between the commercial and charter halibut sectors, as currently identified in the CSP Problem Statement.

The Council also recognizes that there are deficiencies in the current analysis that must be addressed before implementation can take place. Additionally, since 2008, changes in halibut management and the condition of the halibut stock have occurred, which will impact the effective implementation of the CSP as envisioned by the Council.

Motion:

The Council provides the following policy guidance to NMFS on issues raised during the public comment period on the Halibut CSP Proposed Rule.

Comment 1: At this time the Council continues to support implementation of the CSP concurrently in Areas 2C and 3A. Supplemental analysis of and revisions to the CSP being requested in this motion are applicable to both management areas.

Comment 2: The Council agrees with NMFS' suggested response regarding the proposed method to adjust charter harvest estimates from the ADF&G mail survey using the non-GAF proportion of charter harvest reported in logbooks under the CSP.

Comment 3: The Council recommends using Method 3 to convert IFQ to GAF and for calculating an average GAF weight.

Comment 4: The Council recommends that the provision allowing charter operators to return GAF to an IFQ holder at any time during the season be removed from the CSP and that CSP retain the mandatory return date.

Comment 5: The Council agrees with NMFS' suggested response regarding the rationale for believing that charter overages and underages will balance out over time.

Comment 6: The Council agrees with NMFS' suggested response regarding the rationale for the range of +/- 3.5% around the harvest projections.

The Council requests additional analysis and revisions to the Halibut CSP that more specifically address a variety of public comments as outlined in the NMFS CSP report:

- Add a description of the status quo GHL allocations, such as a table of the stair step GHLS under different Total Area CEYs, and a comparison of the way in which annual allocations are made to the charter sector under both the GHL and the CSP.
- Revise the analysis so that it incorporates allocations at lower levels of abundance, and assesses the economic impacts, to the extent practicable, of the full range of allocations.

Data from recent years should be used to determine what the charter and commercial allocations would have been under the CSP, and what management measures would have been in place.

- Add other indices to the analysis to describe the economic condition of the charter and commercial sectors over the last ten years. Examples for a typical charter and longline business in 2C and 3A could be provided. For the commercial sector, examples could include changes in QS prices and annual QS value, ex-vessel prices, and annual revenue. Consider differences between vessel classes, when QS was bought, etc. For the charter sector it could include permit prices (minimal data), number of trips and clients, and annual revenue.
- Review the IPHC process described in the CSP for deducting removals prior to applying the allocation percentages to the combined commercial/charter catch limit. The halibut charter stakeholder committee discussed “separate accountability”, in which each sector would be held accountable for its wastage of halibut. The CSP analysis currently deducts wastage in the commercial sector BEFORE the allocation percentages are applied. In 2011 the IPHC began deducting O26/U32 BAWM before setting catch limits, and this has allocative implications for 2C and 3A. Wastage estimates for the charter sector are not currently available, and so no deductions are made.
- Review the management matrix to determine whether management measures and the data employed are still appropriate in each tier given current charter harvests relative to combined fishery CEY, particularly in Area 3A.

The Council also seeks additional revisions to the Halibut CSP analysis to address the technical comments as outlined in the NMFS CSP report. This is a comprehensive list and it is understood that staff will work to address each of these points, to the extent practicable, in the next version of the Halibut CSP analysis.

With the direction provided above, the Council seeks to address the primary comments and concerns as outlined in the NMFS CSP Report and identified in public comment. It is the Council’s intent to review the additions and revisions to the modified Halibut CSP analysis in a subsequent meeting in order to determine what, if any, additional changes are necessary in order for the CSP to meet Council objectives. The Council also requests feedback from NMFS as to whether the additions and revisions to the CSP result in the need for a new proposed rule, so that the Council may establish a timeline for implementing the CSP.

Given the myriad of components involved in commercial and charter halibut management, the Council recognizes that there are management options available that were not included as part of the original Halibut CSP action. It is not the wish of the Council to delay implementation of the Halibut CSP any further than necessary. As such, the Council is asking for initiation of a discussion paper analyzing the following for potential use in future halibut management:

- The use of ADF&G logbooks for official harvest reporting
- Annual limits allowing for the retention of at least one fish of any size
- Restricting captain and crew retention of fish

- Trip limits, reverse slot limits, and two fish of a maximum size
- The use of a common pool purchase of QS by the charter sector
- Long-term management measures under Tier 1 of the CSP as identified in the Charter Halibut Implementation Committee Report

It is intended for this discussion paper to be reviewed by the Council following its review of the modified Halibut CSP. New and revised information received from review of the modified CSP will serve to refine the above discussion paper recognizing that full development of this discussion paper may be difficult until such information is received. At the time of review, the Council could determine whether to fold any of these new elements into the modified CSP and let others follow as a trailing amendment.

APPENDIX 2. Halibut Catch Sharing Plan Preferred Alternative Motion, October 2008

Element 1 – Initial allocation and bag limits.

In **Area 2C**, when the combined charter and commercial setline catch limit is less than 5 Mlb, the charter allocation will be 17.3 percent of the combined charter and commercial setline catch limit. When the combined charter and commercial setline catch limit is 5 Mlb and above the allocation will be 15.1 percent. Management variance not to exceed 3.5 percentage points (plus or minus) may occur around this allocation. The Council's expectation is that the variances will balance over time to ensure IPHC conservation and management objectives are achieved.

Trigger 1: When the combined charter and commercial setline catch limit is < 5 Mlb, the halibut charter fishery will be managed under a 1 halibut daily bag limit. The allocation for the charter sector will be 17.3 percent of the combined charter and commercial setline catch limit. The charter sector's expected catch may vary between 13.8 percent and 20.8 percent. However, if the charter harvest for an upcoming season is projected to exceed 20.8 percent of the combined charter and commercial setline catch limit, then a maximum size limit will be implemented to reduce the projected harvest level to be lower than 17.3 percent of the combined charter and commercial setline catch limit. If the projected charter harvest results in a catch rate (percentage of projected charter harvest divided by the combined commercial and charter catch limit for that Area) that is lower than the lowest charter harvest percentage in that trigger range, then the charter harvest shall be managed under the daily bag limit of the next higher trigger, so long as the projected charter harvest percentage of the combined catch limit falls within the percentage range included under that trigger.

Trigger 2: When the combined charter and commercial setline catch limit is \geq 5 Mlb and < 9 Mlb, the halibut charter fishery shall be managed under a 1 halibut daily bag limit. The charter sector's allocation will be 15.1 percent of the combined catch limit. The charter sector's expected catch may vary between 11.6 percent and 18.6 percent. However, if the charter harvest for an upcoming season is projected to exceed 18.6 percent of the combined catch limit, then a maximum size limit will be implemented to reduce the projected harvest level to 15.1 percent of the combined catch limit. If the projected charter harvest results in a catch rate (percentage of projected charter harvest divided by the combined catch limit for that Area) that is lower than the lowest charter harvest percentage in that trigger range, then the charter harvest shall be managed under the daily bag limit of the next higher trigger, so long as the projected charter harvest percentage of the combined catch limit falls within the percentage range included under that trigger.

Trigger 3: When the combined catch limit is \geq 9 Mlb and < 14 Mlb, the charter halibut fishery shall be managed under a 2 halibut daily bag limit (only one of which may be longer than 32 inches). The charter sector's allocation will be 15.1 percent of the combined catch limit. The charter sector's expected catch may vary between 11.6 percent and 18.6 percent. However, if the charter harvest for an upcoming season is projected to exceed 18.6 percent of the combined catch limit, then the charter fishery will revert back to a 1 halibut daily bag limit. If the projected charter harvest results in a catch rate (percentage of projected charter harvest divided by the combined catch limit for that Area) that is lower than the lowest charter harvest percentage in that trigger range, then the charter harvest shall be managed under the daily bag limit of the next

higher trigger, so long as the projected charter harvest percentage of the combined catch limit falls within the percentage range included under that trigger.

Trigger 4: When the combined catch limit is ≥ 14 Mlb, the halibut charter fishery will be managed under a 2 halibut daily bag limit. The charter sector's allocation will be 15.1 percent of the combined catch limit. The charter sector's expected catch may range between 11.6 percent and 18.6 percent. However, if the charter harvest for an upcoming season is projected to exceed 18.6 percent of the combined catch limit, the charter fishery will revert back to a 2 halibut daily bag limit. Only one of the retained halibut may be longer than 32 inches.

Area 2C

Combined Catch Limit (million lb)	Allocation	Charter Fishery Bag & Size Limit Regulations		
		If charter harvest within allocation range	If charter harvest projected to exceed allocation range	If charter harvest projected to be below allocation range
<5	Comm alloc = 82.7% Charter alloc = 17.3% Charter range = 13.8-20.8%	One Fish	Maximum size limit imposed that brings harvest to <17.3%	One Fish
≥ 5 - <9	Comm alloc = 84.9% Charter alloc = 15.1% Charter range = 11.6-18.6%	One Fish	Maximum size limit imposed that brings harvest to <15.1%	Two fish, but one must be less than 32" in length
≥ 9 - <14	Comm alloc = 84.9% Charter alloc = 15.1% Charter range = 11.6-18.6%	Two fish, one must be less than 32" in length	One Fish	Two Fish
≥ 14	Comm alloc = 84.9% Charter alloc = 15.1% Charter range = 11.6-18.6%	Two Fish	Two fish, but one must be less than 32" in length	Two Fish

In **Area 3A**, when the combined charter and commercial setline catch limit is <10 Mlb, the charter allocation will be 15.4 percent of the combined charter and commercial setline catch limit. When the combined charter and commercial setline catch limit is 10 Mlb and above, the allocation will be 14.0 percent. Management variance not to exceed 3.5 percentage points (plus or minus) may occur around this allocation. The Council's expectation is that the variances will balance over time to ensure IPHC conservation and management objectives are achieved.

Trigger 1: When the combined charter and setline catch limit is < 10 Mlb, the charter halibut fishery will be managed under a 1 halibut daily bag limit. The charter sector's allocation will be 15.4 percent of the combined charter and setline catch limit. The charter sector's expected catch may vary between 11.9 percent and 18.9 percent of the combined catch. However, if the charter harvest for an upcoming season is projected to exceed 18.9 percent of the combined catch limit, then a maximum size limit will be implemented to reduce the projected charter harvest below 15.4 percent of the combined harvest. If the projected charter harvest results in a catch rate (percentage of projected charter harvest divided by the combined commercial and charter catch limit for that Area) that is lower than the lowest charter harvest percentage in that trigger range, then the charter harvest shall be managed under the daily bag limit of the next higher trigger, so long as the projected charter harvest percentage of the combined catch limit falls within the percentage range included under that trigger.

Trigger 2: When the combined catch limit is ≥ 10 Mlb and < 20 Mlb, the halibut charter fishery will be managed under a 1 halibut daily bag limit. The charter sector's allocation will be 14.0 percent of the combined catch limit. The charter sector's expected catch may vary between 10.5 percent and 17.5 percent of the combined catch limit. However, if the charter harvest for an upcoming season is projected to exceed 17.5 percent of the combined catch limit, then a maximum size limit will be implemented to reduce the projected charter harvest level to 14

percent of the combined catch limit. If the projected charter harvest results in a catch rate (percentage of projected charter harvest divided by the combined catch limit for that area) that is lower than the lowest charter harvest percentage in that trigger range, then the charter harvest shall be managed under the daily bag limit of the next higher trigger, so long as the projected charter harvest percentage of the combined catch limit falls within the percentage range included under that trigger.

Trigger 3: When the combined limit is \geq 20 Milb and $<$ 27 Milb, the halibut charter fishery will be managed under a 2 halibut daily bag limit (only one of which may be longer than 32 inches). The charter sector's allocation will be 14.0 percent of the combined catch limit. The charter sector's expected catch may vary between 10.5 percent and 17.5 percent of the combined catch limit. However, if the charter harvest for an upcoming season is projected to exceed 17.5 percent of the combined catch limit, then the charter fishery will revert back to a 1 halibut daily bag limit. If the projected charter harvest results in a catch rate (percentage of projected charter harvest divided by the combined catch limit for that Area) that is lower than the lowest charter harvest percentage in that trigger range, then the charter harvest shall be managed under the daily bag limit of the next higher trigger, so long as the projected charter harvest percentage of the combined catch limit falls within the percentage range included under that trigger.

Trigger 4: When the combined catch limit is \geq 27 Milb, the halibut charter fishery will be managed under a 2 halibut daily bag limit. The charter sector's allocation will be 14.0 percent of the combined catch limit. The charter sectors expected harvest may range between 10.5 percent and 17.5 percent of the combined catch limits. However, if the charter harvest for an upcoming season is projected to exceed 17.5 percent of the combined catch limit, the charter fishery will revert back to a 2 halibut daily bag limit. Only one of the retained halibut may be longer than 32 inches.

Area 3A

Combined Catch Limit (million lb)	Allocation	Charter Fishery Bag & Size Limit Regulations		
		If charter harvest within allocation range	If charter harvest projected to exceed allocation range	If charter harvest projected to be below allocation range
<10	Comm alloc = 84.6% Charter alloc = 15.4% Charter range = 11.9-18.9%	One Fish	Maximum size limit imposed that brings harvest to <15.4%	One Fish
\geq 10 - <20	Comm alloc = 86.0% Charter alloc = 14.0% Charter range = 10.5-17.5%	One Fish	Maximum size limit imposed that brings harvest to <14.0%	Two fish, but one must be less than 32" in length
\geq 20 - <27	Comm alloc = 86.0% Charter alloc = 14.0% Charter range = 10.5-17.5%	Two fish, one must be less than 32" in length	One Fish	Two Fish
\geq 27	Comm alloc = 86.0% Charter alloc = 14.0% Charter range = 10.5-17.5%	Two Fish	Two fish, but one must be less than 32" in length	Two Fish

In Areas 2C and 3A, no retention of halibut by skipper and crew while paying clients are on board would be allowed.

Element 2 – Annual regulatory cycle/timeline.

It is the Council's intent to not revisit or readjust bag limits; such bag limit changes will be triggered by changes in combined charter and commercial setline catch limits established annually by the IPHC. Bag limits and maximum size limits would be implemented by the IPHC

based upon its determination of the combined catch limits and the bag limit parameters described above.

Element 3 – Supplemental, individual use of commercial IFQ to allow charter limited entry permit holders (LEP) to lease commercial IFQ, in order to provide additional harvesting opportunities for charter anglers, not to exceed limits in place for unguided anglers.

A. Leasing commercial IFQ for conversion to Guided Angler Fish (GAF).

1. An LEP holder may lease IFQ for conversion to GAF for use on the LEP.
2. Commercial halibut QS holders may lease up to 1,500 pounds or 10% (whichever is greater) of their annual IFQ to LEP holders (including themselves) for use as GAF on LEPs. If an IFQ holder chooses to lease to a CQE, then the same limitations apply as if they were leasing to an individual charter operator—1,500 lb or 10 % whichever is greater. With regard to CQE leasing: any quota which a CQE holds, regardless of its origin, could be leased up to 100% to eligible residents of the CQE community. For example, a CQE may hold quota share derived from purchase, lease from another qualified CQE, or leased from an individual, and then lease up to 100% of the quota it holds.
3. No more than 400 GAF may be assigned to an LEP endorsed for 6 or fewer clients.
No more than 600 GAF may be assigned to an LEP endorsed for more than 6 clients.

B. LEP holders harvesting GAF while participating in the charter halibut fishery are exempt from landing and use restrictions associated with commercial IFQ fishery, but subject to the landing and use provisions detailed below.

C. GAF would be issued in numbers of fish. The conversion between annual IFQ and GAF would be based on average weight of halibut landed in each region's charter halibut fishery (Area 2C or Area 3A) during the previous year as determined by ADF&G.¹²

D. Subleasing of GAF would be prohibited.

E. Conversion of GAF back to commercial sector.

Unused GAF may revert back to pounds of IFQ and be subject to the underage provisions applicable to their underlying commercial QS either automatically on November 1 of each year or upon the request of the GAF holder if such request is made to NMFS in writing prior to November 1 of each year.

F. Guided angler fish derived from commercial QS may not be used to harvest fish in excess of the unguided sport bag limit on any given day.

G. Charter operators landing GAF on private property (e.g., lodges) and motherships would be required to allow ADF&G samplers/enforcement personnel access to the point of landing.

H. Commercial and charter fishing may not be conducted from the same vessel on the same day.

¹²The Council's long-term plan may require further conversion to some other form (e.g., angler days) in a future action.