

ALTERNATIVE 3. GUIDED ANGLER FISH (GAF) PROGRAM¹

The GAF program would replace the Moratorium program approved by the Council in April 2007. No changes were made to the 2-fish daily bag limit or 2-day possession limit for charter anglers. The GAF program could be implemented as early as 2010 if adopted by the Secretary of Commerce. Major features of this proposed program includes:

1. The action does not restrict non-charter recreational anglers. It only affects charter operations.
2. The action does not permit a charter operator to sell fish. Fish caught by charter clients belong to the client.
3. The halibut GAF program would be integrated into the existing halibut commercial IFQ program.

PREAMBLE: Due to the lack of halibut harvest records during 2002 through 2005 logbooks, this proposal uses a business's 2006 logbook for ground truthing earlier years by applying a formula to obtain an individual harvest rate (number of fish per angler day) based on the 2006 'verifiable' logbook. An individual's harvest rate derived from the 2006 logbook will be applied to the past logbooks' days of bottom fish effort. This gives each business its own success ratio for determining their initial issuance of GAF. Example: 1,150 halibut harvested in 2006 divided by 620 halibut angler days = a ratio of 1.85 halibut per angler day. Someone who was not as successful would receive a ratio that would reflect their efforts. Example: 750 halibut harvested in 2006 divided by 620 halibut angler days = a ratio of 1.21 halibut per angler day. For someone with very little halibut effort, the same process would apply. Example: 10 halibut harvested in 2006 divided by 7 halibut angler days = a ratio of 1.4 halibut per angler day. 2006 logbook data would be used to ground-truth past logbooks only. They would not be used for determining qualification for GAF, as the Control Date of December 9, 2005 would apply. The initial allocation (amount of fish) would be ascertained by the Council and has not been determined.

PLAN OUTLINE:

1. Charter allocations can grow over time through purchase of commercial QS. Initially issued GAF shares may not be transferred (sold) to the commercial sector.
2. Initial GAF shares may be transferred within the charter sector. Commercial QS may be transferred permanently to the charter sector. They also may be transferred permanently back to the commercial sector. Restrictions on those commercial quota shares would continue to be applied while they are used in the commercial fishery. (Commercial QS would retain original designations when transferred back to the commercial sector.)
3. Twenty percent (20%) of GAFs (a GAF is the amount which can be harvested in any one year based on a person's number of GAF shares multiplied by the charter quota) may be leased within the charter sector for the first three years of the program.
4. 2, 3 or 4% of GAF shares will be set aside for underdeveloped Gulf coastal communities to develop additional charter operations (the Council will identify those communities who are eligible for developing new operations. Details of the program will be determined in a subsequent action).
5. A Moratorium Permit will be required for participation the GAF program, but once the GAF program is fully implemented the moratorium would sunset.
6. A GAF share use cap of 1 percent in Southeast Alaska and 1/2 percent in South Central Alaska as well as a cap of 1/2 percent for both areas combined is proposed, however, anyone who is initially issued quota shares above those levels would be grandfathered into the program at their qualifying level and in years of low abundance, would be able to buy-up to their original grandfather level.
7. A delay of one year between the issuance of GAF shares and fishing under the GAF program to allow

¹ This is a draft only. Stakeholder Committee will have further work to do on this proposal at its October, 2007 meeting and will present this to the Council at its December, 2007 meeting. The GAF alternative would replace the charter QS alternative in the Council's permanent solution analysis. Other proposals for a permanent solution are also being considered.

- for GAF holdings and customers to be synchronized.
8. GAFs would be issued in numbers of fish (compared with pounds in the commercial program) to allow current fishing practices to continue using ADF&G area averaging for fish weight to be determined for each IPHA area (2C and 3A).
 9. An agency and charter industry committee will develop an implementation plan to address reporting, monitoring, and enforcement.

Alternative. Incorporate a Guided Angler Fish (GAF) program from the charter sector into the existing commercial halibut IFQ program.

- IFQs and GAFs are an access privilege, not an ownership right.
- They may be revoked or limited at any time in accordance with the North Pacific Halibut Act as well as the Magnuson-Stevens Act, and other federal laws.
- GAF halibut may not be sold into commerce - i.e., all sport regulations remain in effect.

Issue 1. Qualification Criteria: Persons holding a halibut Moratorium Permit would qualify for the GAF Program

Issue 2. Distribution of GAF may be based on:

1. Applying the harvest rate (success rate) determined from the 2006 logbook (number of fish/angler/day in 2006) to the past logbook number of angler days of bottomfishing effort. This gives each boat its own rate. Example: 750 halibut harvested in 2006 divided by 500 clients = a ratio of 1.5 halibut per angler day. 2006 logbook data would be used to ground truth past logbooks only.

2. Qualifying years:

Option #1: Pick the 3 best years from 1998 to 2005 ADF&G logbooks and average the number of bottomfish days. If a charter has only 2004 and 2005 logbooks then a "0" for the third year would be averaged in. In years of recorded harvest only the effort would be used, not the halibut listed.

Option # 2: Pick the 2 best years from 2002 to 2005 of the ADF&G logbooks and average the number of bottomfish days. If a charter has only 2004 or 2005 logbooks then a "0" for the 2nd year would be averaged in.

Option # 3: The charter business would receive 90% of the average of the 2004 and 2005 logbook bottomfish effort. Then a charter would receive 20% of the 10% not distributed for each year of participation prior to 2004. Example: If a charter business has been in business from 1995 and is still currently qualified in the charter moratorium, then he would qualify for the 5 years from 1999 to 2003 at a rate of 20% of the 10% not distributed for each year of participation. This could result in this business receiving slightly more than 100% of the charter pool.

Option # 4: Pick the best year of recorded bottomfish effort from 1998 to 2005 of the ADF&G logbooks.

Option # 5: Average of 2004 and 2005 logbook bottomfish effort. If a charter has only 2004 or 2005 logbooks then a "0" for the 2nd year would be averaged in.

Harvest rate is determined at the boat level, or logbook level, which are the same. Each business will be issued its number of fish resulting from formula above and the charter GAF holders will be included in the existing commercial halibut IFQ program.

Issue 3. Transferability of GAF Shares (permanent) and GAFs (on annual basis [leasing])

GAF is non-leasable to the commercial sector

GAF transfers:

1. Initially issued GAF is fully transferable within the charter sector.
2. 100% of an individual's initially issued charter GAF is permanently nontransferable to the commercial

sector to address concerns by charter operators of permanently losing opportunities.

3. Commercial QS purchased by charter operator is fully transferable (two-way) across sectors and retains original commercial designations.

GAF leasing:

1. 20% of a charter operator's annual GAF is leasable within the charter sector for the first 3 years of the program.
2. Leasing is defined as the use of GAF on a vessel which the owner of the QS has less than a 50% ownership interest.
3. 10% of a holder's GAF may be leased to the commercial sector.

Block restrictions

Allow splitting of commercial blocks to transfer a smaller piece to the charter sector - split blocks retain original designations.

Vessel class restrictions:

From A, B, C, and/or D commercial vessel category sizes to charter sector, except that no charter business may own or control more than 1 "D" category block equal to or above the sweep-up level.

Issue 4. To receive halibut QS and GAF by transfer: For the charter sector, must be a halibut Moratorium Permit holder

Issue 5. Caps

1. Use cap for charter GAF owners only of 1 percent of combined QS/GAF units in Area 2C and 1/2 percent of combined QS units in Area 3A (for all entities, individually and collectively) and grandfather initial issuees at their initial allocation.
2. Use caps for charter GAF owners only of 1/2 percent of combined GAF units for combined Areas 2C and 3A (for all entities, individually and collectively) and grandfather initial issuees at their initial allocation

Issue 6. Miscellaneous provisions

1. 10% underage provision of total GAFs.
2. A one-year delay between initial issuance of GAF and fishing GAFs.
3. Halibut harvested aboard a charter vessel continues to be the property of the angler who caught the halibut provided the charter owner possesses sufficient GAF.
4. Grandfather initial recipients above proposed limits.

Issue 7. GAFs associated with charter QS may be issued in:

Numbers of fish (based on average weight determined by ADF&G)

Issue 8. Reporting:

The Council defers design of the reporting and enforcement strategy to a GAF technical implementation team, comprised of agency and industry. It is the intent of the Council that a more comprehensive reporting system will address the following items. The Council has noted in the past that ADF&G logbooks would not be considered sufficient for monitoring and that the team should consider fish tags and other reporting systems suggested by industry.

1. More timely, verifiable reporting of catch;
2. Enforcement concerns;
3. More accurate geographic referencing of catch location which provides for analysis of halibut harvest in LAMP districts.

Issue 9. Community set-aside (revised)

1. Set aside 2, 3, or 4% of the combined commercial and charter halibut quota to communities with 1 percent annual increases if utilized, to a maximum of 4%.
2. Source of the set-aside: Equal pounds from the commercial and charter sectors.
3. Sunset provisions: 5 years (starting in the first year of issuance). Persons currently participating in the set-aside program at the time of sunset would be allowed to operate within the guidelines of the program.