

Charter Halibut Moratorium Leasing Limitations Provisions

Motion: Initiate discussion paper of the following elements and options regarding leasing of Halibut Charter Permits.

Problem Statement: Leasing of Halibut Charter Permits could substantially change the character and current primary business practice of the halibut charter fleet and could enable increased acquisition of halibut charter permits by individuals that do not have an investment in the fishery. In addition, leasing provisions are likely to decrease the sale and transfer of permits from existing permit holders and may inhibit entry level opportunities for new halibut charter operators as well as increase the price of entry.

Alternative 1: Status Quo

Alternative 2: Limit Leasing of Halibut Charter Permits

Option 1: Halibut charter permit holders that use their permit onboard a vessel that is identified on an ADF&G saltwater logbook must own at least 20 – 51% interest in the vessel.

Sub option: 12 month rule applies

Option 2: Halibut charter permit holders that use their permit onboard a vessel that is identified on an ADF&G saltwater logbook must log at least 1-5 halibut charter trips in the logbook. For businesses owning halibut charter permits, an individual with a minimum ownership interest of 10-33% must log the minimum number of trips.

Sub option: Log at least 3-10% of the trips in the logbook

Sub option: Apply only to logbooks that have at least 10-20 trips recorded.

Option 3: Halibut charter permit holders that use their permit onboard a vessel that is identified on an ADF&G saltwater logbook are limited to requesting 2-3 saltwater logbooks for unique vessels in a 12 month period and no more than 2-3 unique vessels in a 60 month period.

Option 4: Halibut charter permit holders that use their permit onboard a vessel that is identified on an ADF&G saltwater logbook are required to be present either at the point of departure or at the point of return for the charter trip. For businesses owning halibut charter permits, an individual with a minimum ownership interest of 10%-33% must be present at either the point of departure or at the point of return for the charter trip.

Alternative 3: Halibut charter permit holders or an employee of a halibut charter permit holder that uses their permit onboard a vessel that is identified on an ADF&G saltwater logbook must be aboard the vessel when their permit is being used. For businesses owning halibut charter permits, an individual with a minimum ownership interest of 10-33% must be aboard the vessel.

Upon the halibut charter permit holder's request for the issuance of or transfer of a halibut charter permit, or the charter permit holder's request for change of use of the permit to a unique vessel when requesting an ADF&G saltwater logbook, the permit owner is required to sign a sworn affidavit that the permit will not be leased and that the individual or entity does not expect to receive economic compensation from "leased" use of the permit.