

December/November 2017 Report from 3CHQ

To: The Mayor, City Council members and community members of the City of Coffman Cove, Alaska,

It is understood that you had some questions about the C3QE program at your October City Council meeting. Let see if these can be cleared up:

As stated in the past: There are 4 permits that may be used in the Coffman Cove Community. Charter fisherman who leave and return to the Coffman Cove Harbor can ONLY use these permits. Local charter captains received three of these HQ permits in 2017. NO ONE requested the 4th permit.

“Initial Allocation Process

Several basic standards are required to initially receive a charter halibut permit. These standards include (1) timely application for a permit, (2) documentation of participation in the charter vessel fishery during the qualifying and recent participation periods by ADF&G logbooks, and (3) ownership of a business that was licensed by the State of Alaska to conduct the guided sport fishing reported in the logbooks.”

*Federal Register /Vol. 75, No. 2 /Tuesday, January 5, 2010 /Rules and Regulations

(See note attached)

When a charter captain turns in his/her end of the year paper work he/she may request a permit for the following year. A posting will be made in November to see if any other local charter captains would like a permit for the 2018 season. If over four charter captains want a permit then there will be a lottery. Posted November 5, 2017.

It is understand that you do not feel that we are reporting to you. A report has been sent into the City Council EVERY MONTH since last June 2017 as to what has been happening with the C3QE.. The directors have also given to the city office the by-laws, and all other information you requested. If you are unhappy with what you are receiving you should have let us know long ago. Negative comments at a city council meeting are Not fair. You could have called Deedee with your questions, she was available, she had let the city office know she was available before your October meeting began.

Ledger request. The bank account at Tongass Federal Credit Union was not established until last summer. Money was not put into this account until October of 2017. All funds from the 2017 season have been collected.

It is understood that the \$800 in the city ledger was put there as a suggested donation by the city to the fish enhancement program when C3QE requested help from the city to complete paperwork. It is understood now that these are city funds and not C3QE funds.

It is understood that there are question about what these funds will be used for. They will be used to pay administrative costs. The Directors feel there should be a slush fund in the bank account for unseen expenses that may come up in the future. Beyond that the directors have not made any decisions as to what is to be done with these funds. It has been discussed that the funds be used for a fisheries related project. (see note attached.)

The Board of Directors of this program met last May and will meet again in the spring of 2018. A once a year meeting is required for this program. At the meeting in 2017 it was voted that the permits would cost \$400 per permit. This is a program established to help our Charter fleet, not cost them a great deal of money.

“Community charter halibut permits will be issued under this rule at no cost to CQEs representing communities that do not currently have a fully developed charter halibut fleet. The CQE provision was previously developed by the Council for the IFQ program to help certain rural communities become more involved in the commercial fisheries for halibut and sablefish. In this action, the CQE provision serves the same purpose for the development of the charter vessel industry based in any of 18 rural communities in Area 2C “

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More information for you on the next 2 pages.

Use of CQE finances--

Comment 7: The commenter raises concerns that the proceeds that may be generated by this program could be used to fund general community projects.

Response: The final rule restricts the use of funds derived from the sale of QS to projects that are intended to sustain, expand, or improve the ability of community residents to participate in the IFQ fisheries. These restrictions are detailed in the preamble to the proposed rule. As the QS holding entity, the CQE would maintain the authority to administer funds within the guidelines established by this rule. This rule does not establish restrictions on the use of funds generated from revenues obtained by the lease of IFQ to community residents. The specific use of any funds generated by leasing IFQ could be used at the discretion of the CQE.

Residency-

Comment 10: The CQE should be required to verify an IFQ lessee's residency.

Response: The CQE will be one party to the IFQ transfer form that is required for each vessel lease. The IFQ lessee will have to affirm his or her residency on this form. Presumably, the CQE can verify the prospective lessee's residency independently of any regulatory requirement. Requiring that the CQE verify the prospective lessee's residency and requiring the lessee to affirm his or her residency on the QS/IFQ transfer application is redundant and not required to meet the intent of this program.

city involvement--

To be considered eligible to hold QS on behalf of a community, a CQE must have been incorporated after April 10, 2002, the date of final Council action. The Council stated that the purpose of designating a new non-profit entity to hold QS is that existing administrative structures such as municipal governments, tribal councils, or other community organizations may be focused on other priorities.

The Council also recommended that a non-profit organization provide proof of support from the community that it is seeking to represent. This support must be demonstrated in the application by a non-profit organization to become eligible as a CQE. The specific mechanism for the community to demonstrate its support for a CQE is described in the Administrative Oversight section of this preamble.

FYI- this is in the works and could pertain to C3QE.

"Proposed rule that would authorize formation of a recreational quota entity (RQE) that could participate in the Pacific Halibut and Sablefish Individual Fishing Quota Program in International Pacific Halibut Commission Regulatory Areas 2C and 3A in the Gulf of Alaska. Comment period through November 17, 2017."

Put together by Deedee Jeffreys