

MEMORANDUM

TO: Council, SSC and AP Members  
FROM: Chris Oliver *DO for*  
Executive Director  
DATE: March 22, 2013  
SUBJECT: Halibut/Sablefish IFQ Program

ESTIMATED TIME  
2 HOURS

**ACTION REQUIRED**

Initial Review/Final action to remove CQE halibut/sablefish small block purchase restrictions.

**BACKGROUND**

The Council approved the Community Quota Entity (CQE) Program as an amendment to the halibut and sablefish IFQ Program in 2002 (GOA Groundfish FMP Amendment 66), and the program was implemented in 2004. The CQE Program was developed in order to allow a set of small, remote coastal communities located in the Gulf of Alaska to purchase halibut and sablefish catcher vessel quota share, in order to maintain access to these fisheries. The Council initially reserved quota share that had been issued as blocks of less than a certain size for purchase by individuals. In December 2012, the Council passed a motion to consider an amendment that would lift the restriction on the purchase of small blocks by CQEs.

The RIR analyzes a no action alternative and an action alternative (Alternative 2) with three options. Each option would allow CQEs to purchase any size block of halibut or sablefish quota share (QS), thus granting them access to the small blocks that are reserved for individuals under the status quo. The options differ in whether CQEs would be permitted to purchase small blocks of QS from any seller (Option 1), from any seller who resides in an eligible CQE community (Option 2), or from any seller who resides within the CQE's own community (Option 3). The Council could select only one of the three options. Selecting any option of the action alternative would not alter other restrictions on CQE purchase of halibut and sablefish QS. These persisting limitations include: location restrictions on where certain CQEs can purchase QS, limits on CQE block holdings, and special provisions that limit CQE purchase of vessel-size Category D ( $\leq 35'$  LOA) halibut QS in management Areas 2C and 3A. The analysis was mailed to the Council in mid-March 2013. An executive summary is attached as Item C-5(a).

Council staff has included supplementary material that relates to the RIR (Section 2.7.2 of the review document). The supplement, attached as Item C-5(b), provides a more specific unit measure of the maximum amount of halibut QS that would become available to CQEs under Alternative 2, Option 1.