

C-3 Area 4 Halibut IFQ Leasing by CDQ Groups

June 9, 2017

Council motion

The Council recommends Alternative 2, with the following options, as its preferred alternative. Changes from Preliminary Preferred Alternative: new language in **bold and underlined**, deleted language in ~~strikethrough~~.

Alternative 2. Allow CDQ groups to lease halibut IFQ in Areas 4B, 4C and 4D in years of low halibut catch limits in regulatory Areas 4B and 4CDE. **A CDQ group may lease IFQ only in areas it is allocated halibut CDQ.** Any IFQ transferred to a CDQ group under this provision would be added to their available halibut CDQ, ~~intended to be leased from non-residents for use only by residents of a CDQ community with a halibut CDQ permit and a CDQ hired master permit.~~ No vessel over 51 feet LOA would be eligible to harvest the leased IFQ and vessels would have to comply with IFQ use restrictions.

Option 1. Defining 'low catch limits' for the purpose of allowing leases. Designation of low catch limits is independently determined for Areas 4B and 4CDE. The threshold for designating a year of low halibut catch limit in each area is less than:

Sub-option 1. 1 million pounds for area 4B

Sub-option 3. 1.5 million pounds for area 4CDE

Option 2. Leased Area 4D IFQ, may be fished in Area 4E.

Sub-option 2. Any **CDQ owned or non-CDQ owned Area 4D A Class IFQ** leased by a CDQ group may be fished in Area 4E **by vessels less than or equal to 51 feet** when the ~~abundance~~ **catch limit** threshold in Area 4CDE is reached.

Option 3. Any Area 4B, 4C, or 4D catcher vessel QS transferred after December 14, 2015 may not be leased as IFQ to CDQ groups under this action for a period of:

Sub-option 1. 3 years

Option 4. No individual halibut QS holder may lease catcher vessel halibut IFQ to any CDQ group, on a consecutive basis, for more than:

Sub-option 1. 2 years

Option 5. Limit the ability to lease Area 4B catcher vessel halibut IFQ to CDQ groups under this action to quota holders that own less than the following total area 4B holdings, inclusive of all class and blocked or unblocked categories:

Sub-option 3. 7,500 lbs

Sub-option 4. **Convert** ~~Sub-options 1 through 3 using the~~ **to 2016 QS pool units**

Option 6. Require CDQ groups **to submit a report for each year the group leases IFQ. The report must specify** the criteria used to select IFQ holders leasing to a CDQ group, the criteria used to determine who can receive leased IFQ, and the amount and type of IFQ leased. **A CDQ group will not be eligible to lease halibut IFQ until a timely and complete report is submitted.**

The Council intends for IFQ to be leased from non-residents for use only by residents of a CDQ community.