



NORTH PACIFIC FISHERY MANAGEMENT COUNCIL

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Action Memo

File Number:Cons 16-018

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Dan Hull, Chairman
Chris Oliver, Executive Director

SUBJECT:
Area 4 Halibut IFQ Leasing by CDQ Groups - Initial Review

STAFF CONTACT: Sarah Marrinan

ACTION REQUIRED:
Review analysis and take action as necessary

BACKGROUND:

At this meeting, the Council is scheduled to make an initial review of an analysis that examines a proposal to allow Community Development Quota (CDQ) groups to lease halibut Individual Fishing Quota (IFQ) from private quota share (QS) holders in IPHC regulatory Areas 4B, 4C, and 4D, in years with low halibut catch limits in Area 4B and 4CDE. The purpose of this action is to keep CDQ residents fishing in years where the halibut CDQ may not be large enough to present a viable fishery for participants.

Under one alternative to status quo, any leased halibut IFQ would be available for use by the halibut CDQ fleet on vessels less than or equal to 51 feet length overall, subject to the group's internal halibut management. Landed halibut would be identified as either accruing the CDQ or IFQ that a CDQ group has leased. This alternative would not change vessel IFQ caps in the IFQ program, nor would it change allocations in the IFQ or CDQ Programs; it would allow leasing of B, C and D class IFQ in limited situations subject to existing IFQ regulations. Options in this analysis include: 1) establishing a 'low catch limit' threshold to determine leasing opportunity, 2) determining whether QS class designations would apply, 3) determining whether harvest transferability of leased 4D IFQ into Area 4E would be permitted, and 4) determining whether to establish a 'cooling off period' in which newly acquired QS could not be leased to a CDQ group.

Creating this opportunity for CDQ residents, in years of low halibut abundance, would require two major regulatory exemptions. In particular, this practice is not permitted under status quo, as CDQ groups are not eligible to purchase or lease halibut or sablefish QS/IFQ (with the expectation of class A shares). Additionally under current regulations, a halibut QS holder, including initial QS recipients, cannot use a hired master to harvest IFQ derived from their catcher vessel QS on any QS acquired after February 12, 2010. Therefore, in many cases under status quo, the QS holder would need to be on board the CDQ resident's vessel while the halibut IFQ is harvested.