



NORTH PACIFIC FISHERY MANAGEMENT COUNCIL

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Action Memo

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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:
This second initial review analysis examines a proposal to allow Community Development Quota (CDQ) groups 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 this proposed action, 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 proposal 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 Area 4B, 4C, and 4D IFQ in limited situations subject to existing IFQ regulations. Proposed options under consideration are intended to focus the benefits of the proposed action to the residents of CDQ communities, while mitigating possible negative impacts on existing user groups and communities. Options in this analysis include: 1) establishing a 'low catch limit' threshold to determine leasing opportunity, 2) allowing harvest transferability of leased 4D IFQ into Area 4E, 3) establishing a 'cooling off period' in which newly acquired QS could not be leased to a CDQ group, 4) establishing a maximum consecutive duration for leasing, and 5) limiting leasing eligibility to QS holders with small holdings.

Changes to the initial review draft from the last draft (presented October 2016), includes expanded background information on the participation and operation of the halibut CDQ and the halibut IFQ fleets in Area 4B, 4C, and 4D. Expanded analysis was conducted for Option 3 to show how the cooling off period may or may not constrain the QS market available for leasing to CDQ groups. Additionally, new analysis was conducted for Options 4 and 5, which would stipulate additional constraints on who is eligible to lease QS and for what length of time.