D3 IFQ/ CQE Adjustments

Expanded Discussion Paper

September 2026[1]

1 Introduction

In December 2024, after receiving the Halibut and Sablefish Individual Fishing Quota Program (IFQ Program) Review, the North Pacific Fishery Management Council (Council) tasked staff to prepare a discussion paper to consider changes to the IFQ Program and Community Quota Entity (CQE) Program. After reviewing that discussion paper in October 2025,[2] the Council requested an expanded discussion paper that retained four proposed items from the initial discussion paper (proposed item 1-4 below) and added four new proposed changes (proposed item 4-6, and 8-9), as well as a regulatory clarification on one topic (item 7). In total, the Council requested consideration of nine items related to the IFQ and CQE Programs.[3] The proposed items from the October 2025 motion are renumbered and topically arranged in this discussion paper as follows:

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[2] NPFMC. 2025. D2 Discussion Paper. October 2025. Available from: https://meetings.npfmc.org/CommentReview/DownloadFile?p=5b7798a9-2b5e-4708-beac-debd927a4234.pdf&fileName=D2%20IFQ_CQE%20Transfer%20Beneficiary%20Changes%20Discussion%20Paper.pdf

[3] NPFMC. 2025. D2 Council motion. October 2025. Available from: https://meetings.npfmc.org/CommentReview/DownloadFile?p=4f6be37a-e987-4ff5-bc0c-e16abb5ad4aa.pdf&fileName=MOTION%20D2%20CQE_IFQ.pdf

For definition of acronyms and abbreviations, see online list: https://www.npfmc.org/library/acronyms

Transfer Eligibility Certificate (TEC) requirements

1. Allow time tendering in any federal or state commercial fishery off Alaska to count toward the 150-day TEC requirement to receive annual IFQ
2. Replace the existing NMFS interim policy with a regulation to establish a minimum age to be eligible to receive IFQ or QS by transfer (*e.g.*, 12, 16, 18)
3. Consider waiving the TEC requirement for individuals fishing annual IFQ derived from CQE-held quota share

CQE operations

4. Ability of CQE to assign and manage quota in-season (*e.g.*, explore processes similar to CDQ permitting for halibut or hired masters permits)
5. Potential to increase or remove the 50,000 lb sablefish vessel use cap for the Aleutian Islands CQE Program
6. Potential to increase the amount of quota an individual Gulf of Alaska CQE can hold. (No change to the overall cap for the entire program: 21% of the total halibut QS and 21% of the total sablefish QS in each IFQ regulatory area in which CQEs are eligible to hold QS)
7. Background and clarification on whether current regulations allow CQEs in the Gulf of Alaska and the Aleutian Islands to hold federal processing permits

Unload/landing issues

8. Potential to waive the prior notice of landing requirement and restricted unload hours for small IFQ/CQE deliveries (*e.g.*, ≤ 2,000 lb)
9. Expansion of the designated unload areas for tenders receiving IFQ or CQE halibut or sablefish

This expanded discussion paper first provides some background information for current IFQ transfer requirements and the CQE's ability to participate in the IFQ Program, similar to what was included in the October 2025 discussion paper. The sections that follow provide a description of each of the nine proposed items, background on existing regulation relevant to each of the items, and an initial assessment of the potential changes. Some of the proposed items apply exclusively to CQEs and CQE holdings of IFQ, whereas some of the proposed items are intended for the IFQ Program more broadly. These distinctions are noted in each section.

2 Background Information

In 1995, the Halibut and Sablefish IFQ Program was implemented for management of fixed-gear Pacific halibut and sablefish commercial fisheries off Alaska. The fundamental component of the IFQ Program is quota share (QS), issued or transferred to individuals as a percentage of the QS pool for a species-specific IFQ regulatory area. QS is translated into annual IFQ allocations in the form of fishable pounds based on the total allowable catch set for each species. A more comprehensive description of the management of the IFQ Program fisheries is included in the IFQ Program Review (NPFMC 2025b) with trends for the IFQ Program demonstrated in the most recent IFQ Report to the Fleet (NPFMC 2026).

2.1 Current IFQ transfer requirements

The IFQ Program was designed to ensure that the sablefish and halibut fisheries are predominately owner-operator fisheries where the QS holders fish the annual IFQ allocation. As described in the original Environmental Impact Statement (NPFMC/ NMFS 1992), Objective 6 of the IFQ Program was included to, "assure that those directly involved in the fishery benefit from the IFQ Program by assuring that these two fisheries are dominated by owner/operator operations." To achieve this objective, halibut and sablefish catcher vessel QS and associated IFQ (*i.e.*, Category B, C and D) include owner-on-board requirements for IFQ holders. Leasing of IFQ derived from catcher vessel shares has generally been restricted; however, several provisions are included in the program that allow for outright leasing under special conditions. These exceptions allow catcher vessel IFQ to be transferred through survivorship or beneficiary IFQ leases, medical leases, military leases, IFQ leases from CQEs to residents, annual transfer of commercial halibut IFQ as guided angler fish (GAF) to charter halibut permit (CHP) holders, and leases of Area 4B, 4C and 4D IFQ to Community Development Quota (CDQ) groups during years with low catch limits. More detailed information regarding the transfer of quota shares and IFQ Program provisions are found in 50 CFR 679.41.

Persons applying to receive QS or IFQ by transfer must submit an Application for Eligibility to Receive QS/IFQ[4] to the Regional Administrator. If a person is deemed eligible to receive QS/IFQ by transfer, NMFS issues a Transfer Eligibility Certificate (TEC) to that person. Initial recipients of QS are also eligible to receive QS or IFQ by transfer (and have been provided TECs upon request). CDQ groups and approved CQEs do not need to submit an Application for Eligibility.

TEC eligibility criteria, require that a person has 150 or more days of experience working as part of a harvesting crew in any U.S. commercial fishery (specified at § 679.41(d) and under the regulatory definition of "IFQ crew member"). For purposes of this requirement, "harvesting" means work that is directly related to the catching and retaining of fish. Work in support of harvesting, but not directly related to it, is not considered harvesting crew work. For example, work on a fishing vessel only as an engineer or cook, or work preparing a vessel for a fishing trip would not be considered work of a harvesting crew. Applicants must list the species, gear, location, dates, actual days fishing, duties performed, vessel name and ownership information as well as a reference who is able to verify the harvesting crew experience listed on the application. The requirement of working for 150 days as part of the harvesting crew in any U.S. commercial fishery was included in the implementation of the IFQ program, reflecting the Council's intent to require entrants in the IFQ fishery to be individuals who have commercial fishing experience and to "assure that IFQs remain in the hands of fishermen who have a history of past participation and current dependence on the fishery" (57 FR 57130, December 3, 1992).

Reasons for disapproving an Application for Eligibility may include fewer than 150 days of experience working as an IFQ crewmember, lack of compliance with citizenship or corporate ownership requirements, an incomplete application of eligibility, and any payments due and owing resulting from Federal fishery violations (§ 679.41(d)(6)).

NMFS Restricted Access Management (RAM) Division currently uses available data, such as internal eLandings data and other publicly available data to research commercial fishing experience claimed in applications for eligibility to receive QS or IFQ by transfer. RAM does not always have access to systems with supporting data when an applicant's commercial fishery activity involved participation in a U.S. commercial fishery outside of Alaska. Ultimately, RAM also relies on legal attestation of experience listed by the applicant. Currently, RAM does not have internal access to the State of Alaska Commercial Fishing Entry Commission (CFEC) commercial crewmember license database and CFEC information is not currently required for applications. New administrative processes and collaboration with the State of Alaska would be required to allow for access to and verification of CFEC permits for TEC applications. Additional CFEC data could prove useful in proving and verifying commercial fishing participation for

[4] Link to Application for Eligibility to Receive QS/IFQ: https://media.fisheries.noaa.gov/dam-migration/application-for-eligibility-to-receive-qs_ifq-akro-noaa-fisheries.pdf?null=

TEC applicants alongside eLandings data and further enable the RAM to create a new process to verify CFEC crewmember licenses. However, this would only provide direct access to participation in fisheries off Alaska.

2.2 Community Quota Entities

The CQE Program allows certain small coastal communities in the Gulf of Alaska (GOA) and Aleutian Islands (AI) to form non-profit groups to participate in the IFQ Program by purchasing halibut and sablefish QS. A list of eligible communities is included in Table 21 to 50 CFR 679. This section provides a brief overview of the program and its goals. For a comprehensive review of the CQE Program, see the "Review of the Community Quota Entity (CQE) Program under the Halibut/Sablefish IFQ Program" (NPFMC 2010). For more context on the Adak CQE specifically, see "IFQ Omnibus amendments" (NMFS 2023).

The CQE Program was approved by the Council in 2002 and implemented by NMFS in 2004 under GOA Amendment 66 to the GOA FMP in response to concerns about migration of QS out of small GOA coastal communities (69 FR 23681, April 30, 2004). This amendment revised the IFQ Program to allow a distinct set of remote, coastal communities with few economic alternatives to purchase and hold catcher vessel QS in Areas 2C, 3A, and 3B to help facilitate access to and sustain participation in the commercial halibut and sablefish fisheries. The IFQ resulting from the QS must be leased to community residents annually. In effect, the CQE remains the holder of the QS, creating a long-term asset for the community to use to benefit the community and its residents. The CQE Program was also intended as a way to promote ownership by individual residents, as individuals can lease annual IFQ from the CQE and leverage this to eventually purchase their own QS.

There are no regulatory requirements for what criteria a CQE should use to establish lease contracts or how to prioritize applicants. However, in the final motion establishing the CQE Program, the Council established three performance standards that, although not required by regulation, were intended as goals with voluntary compliance monitored through required annual reports and evaluated when the program is reviewed. In this way the Council helped direct the overall intent of the selection criteria while allowing flexibility for the unique goals of each individual community. These are:

1. *Maximize benefit from use of community IFQ for crew members that are community residents.*
2. *Ensure that benefits are equitably distributed throughout the community.*
3. *Ensure that QS/IFQ allocated to an eligible community entity would not be held and unfished.*

To be qualified to purchase QS, a CQE must be incorporated as a non-profit and submit an application to NMFS. The application also requires a statement describing the procedures that will be used to determine the distribution of IFQ to residents of the community, including: (A) procedures used to solicit requests from residents to lease IFQ; and (B) criteria used to determine the distribution of IFQ leases among qualified community residents and the relative weighting of those criteria.

The CQE Program was amended to include Adak in 2014, modeled after the GOA CQE Program to provide sustained participation for rural residents and allow for entry-level opportunities for fishermen residing in fishery dependent communities (79 FR 8870, February 14, 2014). Some participation requirements for the Adak CQE are less restrictive than those in the GOA. Community residents of Adak, AK are not required to meet the 150-day experience as harvesting crew to be eligible to receive IFQ if they are receiving only halibut IFQ in regulatory area 4B or sablefish IFQ in the regulatory area of the Aleutian Islands subarea that is derived from QS held by a CQE on behalf of Adak, AK. When adding the community of Adak, AK to the list of eligible communities that may be represented by a CQE, the Council recommended removing the 150-day experience requirement for eligible community residents of

Adak. The intent was to accommodate younger residents of Adak who may seek employment but lack the 150 days of experience as a crew member. Many younger fishermen have experience operating a vessel out of Adak fishing subsistence halibut, but in the western Aleutian Islands there are few commercial fisheries in which they can gain the necessary number of days of experience as crew members, compared to what is available for residents of GOA communities. This is in part due to fewer fishermen operating out of the Aleutian Islands on whose vessels one might be employed as a crew member (78 FR 68390, November 14, 2013).

The Adak CQE also currently has less restrictive residency requirements. When the CQE Program expanded to Adak, the Council recommended allowing the CQE to lease IFQ to non-CQE residents for five years to provide adequate time to accrue benefits to the community of Adak through deliveries, provide crew opportunities for residents, and earn revenue that could assist the purchase of additional QS. The intent of the time limitation was to explicitly tie the potential long-term benefits of QS held by an Aleutian Islands CQE to the residents of Adak. Persons who are not eligible community residents of Adak need to meet the 150-day requirement to be eligible to receive a TEC and receive IFQ derived from the QS held by an Aleutian Islands CQE. The limitation ended March 17, 2019, at which point the residency requirements were in effect. The residency requirement was waived for another five years beginning in 2023 (88 FR 12259, February 27, 2023) with the intent of creating more opportunities for the Adak CQE to fully harvest its allocation. In its deliberations for this recommendation, the Council discussed the potential for removing the Adak CQE residency requirement altogether, as the situation in Adak is unique compared to other CQE communities. The Adak CQE, in Area 4B, was specifically established to attract new residents to the community whereas the GOA CQE Program was developed to maintain opportunities for current residents in those communities. It was noted that due to the lack of available vessels, the Adak CQE was currently unable to have residents harvest all the CQE-held quota. The Council decided to maintain the five-year window and noted they would be willing to look at this issue in the future to see if the residency requirement is necessary to fulfill the purpose of the CQE Program in 4B. However absent further Council action, the exemption from leasing halibut and sablefish QS to non-residents will sunset February 28, 2028 (§ 679.41(g)(6)(ii)).

With the addition of Adak, there are 46 communities across the GOA and Aleutian Islands eligible to form CQEs.[5] As of August 2026, 26 communities have approved CQEs.[6] This includes a newly formed regional CQE, the Southeast Village Fisheries Collective (SVFC) which supports the communities of Kasaan and Yakutat. Of the communities that have formed CQEs, nine have purchased halibut or sablefish QS (Table 1). In 2026, seven of these nine CQE received transfers of QS after recent years of relatively stable holdings (Figure 1 and Figure 2). This included recent transfers of Area 2C halibut to CQEs representing the communities of Kassan, Hoonah, and Thorne Bay, as well as transfers of Area 3A halibut in 2026 to Old Harbor, Ouzinkie, and Yakutat. Additionally, the Adak CQE transferred additional AI sablefish QS in 2026.

[5] Eligibility to participate in the CQE Program in the GOA was limited to communities with fewer than 1,500 people, documented historical participation in the IFQ fisheries, direct access to saltwater, and no road access to a larger community. For the AI CQE community eligibility, these criteria were the same, except also the community must be located in the AI and not be eligible for the CDQ program. In the AI only Adak, AK meets these criteria.

[6] A list of contact information for all CQEs (with the exception of the newly-formed Southeast Village Fisheries Collective, as of December 31, 2025) is available from: https://www.fisheries.noaa.gov/sites/default/files/akro/25cqenamescontacts.htm
Note that this list updates annually.

Table 1 CQE QS holdings, 2026

CQE	CQE Community	Area and species	QS units	2026 IFQ pounds	% of Area QS pool
Hoonah Community Fisheries Corporation	Hoonah	2C halibut	241,795	11,449	0.41%
Southeast Village Fisheries Collective	Kassan	2C halibut	191,361	9,061	0.32%
Thorne Bay Fisheries Association	Thorne Bay	2C halibut	28,287	1,339	0.05%
Southeast Village Fisheries Collective	Yakutat	3A halibut	217,338	7,012	0.12%
Ouzinkie Community Holding Corp	Ouzinkie	3A halibut	841,465	27,147	0.46%
Port Lions Fisheries, Inc.	Port Lions	3A halibut	328,404	10,595	0.18%
Cape Barnabas, Inc.	Old Harbor	3A halibut	261,540	8,438	0.14%
		3B halibut	162,299	7,426	0.30%
Perryville CQE, Inc.	Perryville	3B halibut	148,710	6,804	0.27%
Adak Community Development Corporation	Adak	4B halibut	1,369,350	108,548	14.75%
		AI sablefish	2,184,805	673,346	6.84%

Source: NMFS RAM, sourced through AKFIN

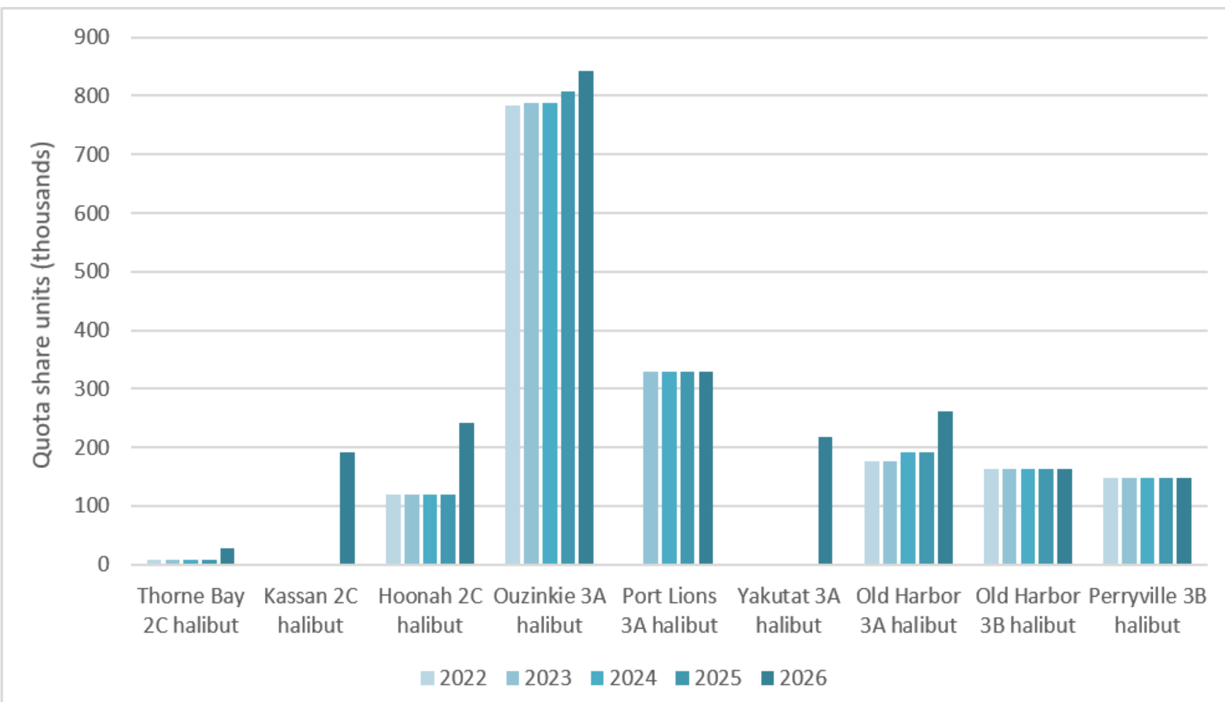

Figure 1 Changes in GOA CQE holdings, 2022-2026

Source: NMFS RAM, sourced through AKFIN

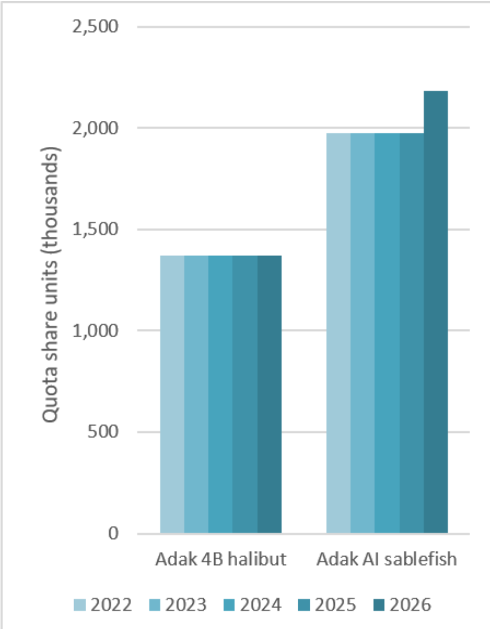

Figure 2 **Changes in AI CQE holdings, 2022-2026**

Source: NMFS RAM, sourced through AKFIN

Although some CQEs have been successful in acquiring QS in recent years, prosecution rates have been low relative to the groups' holdings. Landings are aggregated across groups and species in Table 2 due to confidential data. Although 85% of the CQE's halibut and sablefish IFQ was harvested in 2018, Table 2 demonstrates an average of 85% of the total combined halibut and sablefish IFQ from CQEs remained unfished between 2019-2025. However, two CQEs have operated 10-13 vessels from 2017 to 2025, creating stability in the number of active vessels.

Table 2 **CQE aggregated landings of halibut and sablefish IFQ, 2018-2025**

Year	Count of CQEs with QS	Fishable lb of halibut held by CQEs	Fishable lb of sablefish held by CQEs	Count of active CQEs	CQE lb landed (both species)	% landed of fishable lb (both species)	Count of vessels landing CQE
2018	4	96,081	19,839	4	98,111	85%	15
2019	5	162,050	20,255	5	45,096	25%	16
2020	5	160,018	20,549	4	32,900	18%	13
2021	5	199,413	45,156	3	50,629	21%	15
2022	6	244,365	424,855	5	99,176	15%	14
2023	7	256,190	655,162	5	81,202	9%	15
2024	7	224,312	669,414	5	88,040	10%	16
2025	7	181,841	633,362	5	52,982	6%	15

Source: IFQ Report to the Fleet (NPFMC 2026)

3 TEC Requirements

3.1 Allow time on tenders to count towards harvest experience for TEC (Proposed Item #1)

Proposal for action: During the review of the IFQ Program in December 2024, the AP proposed[7] considering time tendering to count toward the 150 days of sea time to be eligible for a TEC in the IFQ Program, as was being considered for Crab Rationalization Program C shares at the same meeting (see discussion below). This topic was included in the October 2025 discussion paper. Further testimony at that time[8] highlighted that allowing tendering time to count towards eligibility to purchase halibut and sablefish QS would provide a needed expansion of opportunities to satisfy the 150-day TEC requirement for any new entrants to the IFQ fisheries. It was noted that tendering can be an opportunity for younger people to gain experience in the fishing industry even if they did not come from a fishing family with access to a harvesting vessel.

Existing regulations: As cited in Section 2.1, to be eligible for a TEC in the IFQ fishery, persons must have 150 or more days of experience working as part of a harvesting crew in any U.S. commercial fishery. Work in support of harvesting, but not directly related to it, is not considered harvesting crew work. Therefore, time on tenders is currently not considered towards eligibility to receive QS or IFQ.

A tender vessel is defined in regulations as a vessel that is used to transport unprocessed fish or shellfish received from another vessel (*i.e.,* the fishing vessel) to an associated processor (§ 679.2). This practice allows the fishing vessel to resume fishing without the delay associated with traveling to port and returning to the fishing area. Tender vessels will anchor in sheltered areas within State waters, in wind-sheltered bays or close to shore. The delivering catcher vessel will tie up to the tender while the catch is pumped onboard through a dewatering box and weigh box. The vessel captain comes across to the tender to sign the fish ticket. One tendering vessel can service multiple fishing vessels, depending on its capacity and the regulations that limit tendering activity.

A tender vessel can also serve as a support vessel, supplying a fishing vessel with water, fuel, provisions, fishing equipment, fish processing equipment or other supplies, or transporting processed fish, but does not process fish (§ 679.2). The transfer of personnel between the fishing and tender vessels is also commonplace as they are tied up together.

To work as a tender, a vessel must be associated with a shoreside processor. While some tender vessels are directly owned by the processor, many others are independent operators working under a contract with a processor. A few tender vessels operate as such year-round, but many others participate both as a catcher vessel and as a tender vessel during different times of the year. Vessels are prohibited from acting as a tender until all fish that has been harvested by that vessel has been offloaded.

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[7] AP Report. December 2025. Available from: https://meetings.npfmc.org/CommentReview/DownloadFile?p=95595cff-abb4-4155-9ae4-e949804d09fa.pdf&fileName=D5%20AP%20Report.pdf

[8] Alaska Longline Fishermen's Association (ALFA). Comment letter on D2 submitted for the October 2025 Council meeting. Available from: https://meetings.npfmc.org/CommentReview/DownloadFile?p=f5e23f43-bbdd-457e-b7be-f46ccde37bfc.pdf&fileName=ALFA%20IFQ%20CQE%20transfer%20comments.pdf
Port Lions Fisheries, Inc. Comment letter on D2 from the October 2025 Council meeting. Available from: https://www.google.com/url?q=https://meetings.npfmc.org/CommentReview/DownloadFile?p%3Db58f31c4-eb51-4a47-83da-0cb9f4e9c5b9.pdf%26fileName%3DComment%2520Letter%2520to%2520NMFS%2520.pdf&sa=D&source=docs&ust=1785171840214208&usg=AOvVaw0zDDF_MuGiPEdhqonB26tq

Preliminary assessment: If the Council would like to revise the eligibility requirements for a TEC in the IFQ fishery and expand the definition of eligible experience to include tendering, it would require regulatory changes for the IFQ Program. This proposed change would allow more opportunities for individuals to obtain the requisite experience for a TEC. This would create additional pathways for new individuals to enter the IFQ QS market and increase the pool of eligible buyers. Expanding the eligible entities in the QS market could increase the competition for QS and theoretically could result in elevated prices. The effect of this potential competition on the market value of QS is unknown.

Table 3 shows the number of vessels, days and crew participating in tendering activity in salmon and groundfish fisheries in state and federal waters off Alaska from 2015-2024. The days listed are the sum of the number of days that all of the tenders took a landing from a vessel. Due to transit time to and from the catcher vessel and the processor the number of days is likely an underestimate of the total days that tenders were active. The number of crew is the average number of crew listed when the vessel is fishing. This may be different than the number of crew positions when the vessel is tendering, however tendering crew numbers are not available. This table does not represent the total amount of tendering effort available as potential experience for TEC requirements, it is simply a representation of the potential additional effort from tendering in the salmon and groundfish fisheries in Alaska. Tendering activity also occurs outside of Alaska, including in the Pacific Northwest, which is not represented in this table.

Table 4 shows the number of vessels, sum of the days landings are made across all vessels and average crew participating in fishing activity in state and federal waters off Alaska from 2015-2024. Similarly to the tendering data, the days listed are only the number of days the vessel made a landing of fish onboard the vessel, which is an underestimate of the total days the vessel was fishing. This table does not represent the total amount of fishing effort available as potential crew harvesting experience for TEC requirements, it is simply a representation of the potential effort from harvesting in Alaska. Data are not available to describe the universe of existing crew opportunities on harvesting vessels that could be used for experience towards a TEC. However, it is notable that the opportunities shown in Table 4 have declined over the past 10 years.

Table 3 Tendering participation in salmon and groundfish off Alaska, 2015-2024

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Vessels tendering	504	528	576	577	623	550	552	546	544	493
Days landings taken	14,317	15,454	18,506	16,276	20,446	14,906	17,569	15,590	16,133	11,936
Avg crew while fishing	4.00	4.23	3.17	3.61	3.39	3.60	3.40	3.46	3.28	3.17

Source: ADFG/CFEC Fish Tickets, data compiled by AKFIN in Comprehensive_FT

Table 4 Fish harvesting participation in all commercial fisheries off Alaska, 2015-2024

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Vessels fishing	6,059	5,836	5,654	5,481	5,565	5,054	5,091	5,010	4,856	4,567
Days fish landed onboard	148,511	134,553	131,006	120,278	132,089	101,414	108,417	103,251	100,026	88,997
Avg crew	3.29	3.31	3.39	3.39	3.41	3.20	3.18	3.28	3.24	3.25

Source: ADFG/CFEC Fish Tickets, data compiled by AKFIN in Comprehensive_FT

Including federal and state waters tendering experience for TEC eligibility would align with some recent changes the Council has made to retention requirements and transfer requirements in the Crab

Rationalization (CR) Program for C-shares. However, there are several points of divergence and alignment to note in the scope of whether and what type of tendering activity may apply (see Table 5).

The CR Program has similar requirements of 150 days sea time as part of a harvesting crew in any U.S. commercial fishery to be eligible to receive QS by transfer. There are separate categories of QS in the CR Program for crew (C-shares) and owners, and currently tendering does not count towards the sea time requirement to receive any CR Program QS. However, in December 2025 the Council made final recommendations on an alternative to revise the eligibility requirements to purchase/receive C-shares by transfer, by allowing time tendering in any U.S. commercial fishery to count toward the 150-day eligibility.[9] With this recommended change, the Council intends to expand the pool of individuals eligible to receive C-shares by transfer, while maintaining the intent of benefiting "at sea" participants in the CR Program fisheries. The choice to recommend tendering activity from any U.S. fishery was made in order to align with the harvesting activity that would also account for the 150 days.

The CR Program also includes active participation requirements to receive C-share IFQ and retain C-shares QS. The Council took action in December 2023 to recommend adding tendering to the type of activity that would count as "active," to provide additional flexibility especially when crab fishery TACs are low and crew opportunity is diminished. Effective May 31, 2024, NMFS issued regulations stating that active participation requirements can be satisfied by 30 days of participating in crew activity in any combination on board fishing or tender vessels in commercial fisheries managed by the State of Alaska or a U.S. commercial fishery in Federal waters off Alaska (89 FR 47872; 50 CFR 680.40(g) & (m)). The choice to recommend tendering activity off Alaska was made to align tendering with the harvesting activity that qualified under this regulation.

Thus, if the Council wishes to include tendering activity in qualifying for Halibut and Sablefish IFQ Program TEC requirements, it may wish to align the scope of that tendering activity with the current scope of harvesting activity (*i.e.*, in any U.S. commercial fishery rather than exclusively tendering activity outside of Alaskan waters). The language in the October 2025 Council motion would limit tendering to count from 'any State of Federal fishery off Alaska'; however, the harvesting experience may be generated from 'any U.S. fishery'. This may lead to confusion and higher rates of disapproved applications, depending on whether applicants wish to use tendering experience outside of Alaska.

Currently, (before the recommended C share amendment takes effect), the 150 days of harvesting participation in any U.S. commercial fishery is consistent for receiving any CR Program or IFQ Program QS by transfer. Thus, if an Application for CR Program Eligibility to Receive QS/IFQ by Transfer[10] documents 150 days of harvesting participation, and is approved, the individual automatically qualifies for a TEC for the halibut/sablefish IFQ fisheries. With the recommendation to include tendering as part of the criteria to account for receiving CR Program C share by transfer, there will be differences in the qualification criteria shown on the same form. If the Council recommends action to allow tendering experience to count for transfer in the IFQ Program QS, depending on the scope requirements for halibut/ sablefish IFQ, these transfer criteria may be aligned with C share transfers, but CR Program owner QS would be more restrictive. Thus, differences will exist regardless of the proposed item for IFQ; however, it is worth noting that these types of differences can result in administrative inefficiencies and confusion among participants.

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[9] NPFMC. October 2025. C5 Crab C-shares Motion. Available from: https://meetings.npfmc.org/CommentReview/DownloadFile?p=8c5b484b-1040-47a8-9895-713f7956b3e4.pdf&fileName=MOTION%20C2%20C-Shares.pdf

[10] Application for CR Program Eligibility To Receive QS/PQS OR IFQ/IPQ By Transfer. Available from: https://www.fisheries.noaa.gov/s3//dam-migration/app-for-cr-program-eligibility-to-receive-qs-pqs-or-ifq-ipq-by-transfer-akro-noaa-fisheries-.pdf

Table 5 Scope of tendering and harvest activity that applies under existing and proposed regulations for retention and transfer of QS

Program	Type of QS/ objective	Qualified harvesting scope	Qualified tendering scope
Crab Rationalization Program	To receive crab owner shares by transfer	Any U.S. commercial fishery	None
	To receive crab C shares by transfer	Any U.S. commercial fishery	Recommended in Dec 2025 *Yes, Any U.S. commercial fishery*
	Retention and issuance of crab C shares	Off of Alaska	Yes, Off of Alaska
IFQ Program	To receive halibut or sablefish QS by transfer	Any U.S. commercial fishery	**Proposed: *Yes, Off of Alaska***

Sources: CR Program owner shares by transfer 50 CFR 680.41(c)(1); CR Program C shares by transfer: 50 CFR 680.41(c)(1); CR Program retention and issuance of C shares 50 CFR 680.40(m)(2); IFQ crew member 50 CFR 679.2 "IFQ crew member".

3.2 Minimum age to be eligible to receive IFQ or QS by transfer (Proposed Item #2)

Proposal for action: One topic of discussion during the IFQ Program Review and included in the previous discussion paper, was whether to establish a minimum age for the issuance of an IFQ TEC within Federal regulations. The Council received disparate public comments on this topic during the October 2025 meeting, with some requesting that the minimum age be unrestricted or with a minimum no higher than 12 years old to acknowledge that many children in fishing families begin working towards their fishing careers from a young age and may benefit from eligibility to receive and fish their own quota.[11] Other comments were in support of a minimum age of 14 years old to fish IFQ derived from a CQE highlighting a need to include high school-age youth.[12] Other comments were in support of retaining the current interim policy for an age restriction of 18 years old, citing the legal responsibility of holding quota.[13]

Existing policy: On October 3, 2022, the NMFS Alaska Regional Administrator established an interim policy that set the minimum age for the issuance of an IFQ TEC at 18 years old. The NMFS RAM Division has historically received applications from very young applicants, raising questions and concerns leading to discussion and development of an interim policy. NMFS developed the interim policy to provide the agency with a consistent approach for addressing TEC applications until it is superseded by a change in Federal regulation. Harvest crew experience, minimum age requirements under contractual law, and other legal and enforcement considerations (summarized in Table 6) were taken into account for the decision.

Preliminary assessment: Applicants must use experience working as an IFQ crewmember (unless they are a community resident of Adak, AK) to qualify for IFQ or QS transfer (50 CFR 679.41(d)(6)). IFQ crewmember is defined at 50 CFR 679.2 to mean any individual who has at least 150 days experience

[11] ALFA October 2025 Comment letter on D2; see footnote 8.

[12] Kodiak Island Tribal Coalition. Comment letter on D2 from the October 2025 Council meeting. Available from: https://www.google.com/url?q=https://meetings.npfmc.org/CommentReview/DownloadFile?p%3D29958cd5-4389-42d4-9661-837430080d16.docx%26fileName%3DCoalition%2520Comment%2520Item%2520D-2%2520IFQ%2520changes%2520paper%25209-26-25final.01d.docx&sa=D&source=docs&ust=1784167419879906&usg=AOvVaw1cz2CQbtb_i_1NB-sYCwSM

[13] Port Lions Fisheries, Inc. October 2025 Comment letter on D2; see footnote 8.

working as part of the harvesting crew in any U.S. commercial fishery, or any individual who receives an initial allocation of QS. To serve as a crewmember in the state of Alaska, individuals are required to have an Alaska Commercial Crewmember's license or hold a CFEC fishing permit. Minors 11 years of age or older can obtain an annual crewmember license (AS 16.05.480). Individuals holding a crewmember's license are not required to hold a state or Federal ID bearing a photograph until they are over 16 years of age (5 AAC 39.110). CFEC permits are generally only allowed to be transferred to those who demonstrate the present ability to engage actively in the fishery, with a presumption that translates to a minimum age of 10 for setnet permits and 16 years old for all other permits (20 AAC 05.1707).

Federal and state labor laws also vary when it comes to a minimum age for employment in commercial fishing. Federal and state minimum age requirements14 for employment prohibit and protect minors under the age of 18 from operating specific machinery (such as hydraulic pot and line haulers, as well as winches) often necessary for commercial fishing. Generally, Federal law sets 16 as a minimum age for employment (29 CFR 570.2(a)(1)). However, the employment of minors between 14 and 16 is allowed by Federal regulation as long as it meets specific conditions specified elsewhere in regulation and does not interfere with their schooling, health, and well-being and is not deemed to be oppressive child labor (29 CFR 570.31). Federal parental exemptions allow minors under 16 years of age to be employed by their parents in occupations other than manufacturing, mining, or occupations declared hazardous by the Secretary of Labor (29 CFR 570.2(a)(2)). Under Alaska state regulations, minors under the age of 18 are allowed to work in commercial fishing, and individuals under the age of 18 may work under the direct supervision of a parent in a business owned and operated by a parent or on a boat owned and operated by their parent (AS 23.10.350(e)).

Federal and state labor laws further detail how many hours minors can work each week. According to Federal regulation (29 CFR 570.35), minors 14 and 15 years old may only work outside of school hours, no more than 18 hours in any week when school is in session and no more than 40 hours in any one week when school is not in session. Alaska state law permits minors under the age of 16 to work between the hours of 5am and 9pm, for a total of 9 hours of school and work combined in one day, no more than 23 hours per week outside of school hours and no more than 6 days per week (AS 23.10.340).

Although age requirements vary between state and Federal labor laws, NMFS must consider requirements governed by contractual law. Contractual law regulates the creation and enforcement of legally binding agreements between parties such as the underlying sales agreement required for QS/IFQ transfer. Under Alaska law, a person is not considered to have arrived at majority until the age of 18, after which the person has control over his or her own actions and business, and is subject to all liabilities of citizens of full age (AS 25.20.010). A contract with individuals under the age of 18 generally cannot be enforced as such contracts are voidable by the minor (RLR v. State, 487 P.2d 27, 34 (Alaska 1971)). Since sales agreements are part of the QS transfer process, these legal considerations should be taken into account.

There is also the issue of a minor's capacity to fully comprehend and competently carry out his or her duties as a QS and IFQ permit holder. The IFQ Program contains a requirement that the permit holder be aboard the vessel at all times during a fishing trip (50 CFR 679.42(c)) and fishing can be inherently dangerous. A QS and IFQ permit holder's responsibilities are complex and include, but are not limited to:

- Carrying on board the vessel a legible copy of any IFQ permit used by the permitted person to harvest IFQ halibut or IFQ sablefish at all times that such fish are retained on board. § 679.4(d)(1)(ii).

[14] Link to U.S. Department of Labor overview of Fed versus State of Alaska laws for child labor in net fishing: https://labor.alaska.gov/lss/forms/fed-ak-youth-fishing-rules.pdf

- Complying with the Recordkeeping & Reporting requirements provided at paragraphs (e), (g), (k) and (l) of Section 679.5. Id. § 679.5(a)(2)(iii).
- Not violating the prohibitions applicable to IFQ fisheries. Id. § 679.7(f).
- Conducting a properly debited landing. Id. § 679.40(h).
- Understanding and complying with the limitations on QS and IFQ use, including area and vessel category restrictions. Id. § 679.42(a), (h).
- Being potentially jointly and severally liable with vessel owners and operators for exceeding vessel limitations. Id. § 679.42(h).
- Being aboard the vessel at all times during the fishing trip and being present during the landing. Id. § 679.42(c).
- Being responsible for cost recovery fees for landings of his or her IFQ halibut and sablefish, including any halibut landed as guided angler fish (GAF). Id. § 679.45(a)(1).
- Being responsible for collecting his or her own fee during the calendar year in which the IFQ fish and/or GAF are landed. Id. § 679.45(a)(3)(i).

Related to the aforementioned duties is the issue of whether minors would fully understand that, in the event of a violation, they would be exposed to potential liability for civil penalties and permit sanctions.

NOAA Office of Law Enforcement (OLE) prefers consistency in regulations to promote compliance and ease of understanding, and to improve enforceability. Enforcement officers and special agents could pursue enforcement action against minors for noncompliance with Federal regulations, although consideration should be given to exposing minors to potential liability for civil penalties and citations.

Table 6 Minimum age requirements under relevant permits and regulations

Permit/Regulation	Minimum age
NMFS interim policy for TEC	18
Alaska Commercial Crewmembers License	11
Commercial Fishery Entry Commission (CFEC) fisheries permit	16 (10 for setnet)
Federal employment	16 (14 under specific conditions, hour restrictions)
Operate hydraulic pot and line haulers, winches	18
Contractual law/majority age under AK law	18

Absent clear direction in the regulations governing the IFQ Program, all relevant labor and contractual laws, as well as compliance and enforcement considerations, must be weighed when determining a minimum age for IFQ eligibility. NMFS recommends initiating an action to establish a minimum age in regulation to be eligible to receive IFQ or QS by transfer based on all applicable laws. This would allow the Council and NMFS to consider a range of options for what the minimum age should be for an individual to receive IFQ or QS by transfer under the IFQ Program. If this action moves forward, additional input from NOAA GC would be required.

The issue of fishery participation age requirements and potential age-related labor violations recently arose in a lawsuit with the State of Maine.[15] While Maine labor laws allow children aged 14 to 17 years old to work, commercial fishing is generally hazardous work (*e.g.,* hydraulic machinery). While this case is ongoing and the administrative decision ultimately did not penalize the lobsterman for employing a minor on the boat,[16] it highlights the importance of ensuring compatibility between fishery participation age requirements and applicable labor laws.

3.3 Waive or reduce the transfer eligibility requirements for CQE residents (Proposed Item #3)

Proposal for action: During the IFQ Program Review some public testimony stated that young residents of CQE communities currently lack both the 150 days of experience working in a commercial fishing harvesting capacity and the opportunity to secure that experience. Part of the impetus for the creation of the CQEs was due to the reduction in commercial opportunities. However, as highlighted by the AP as well as some stakeholders in October 2025,[17] many residents have experience harvesting species such as halibut for subsistence in manners similar to the commercial fishery. Reducing or eliminating the TEC requirement would allow resident young people and new entrants to participate in harvesting CQE in a community able to secure that quota. This is similar to the rationale for the Adak CQE not requiring recipients of IFQ to have 150 days harvesting experience. Expanding the pool of community residents eligible to receive IFQ from CQE held QS may also help to achieve one of the principal goals of the CQE Program, to provide access to halibut and sablefish resources to community residents that do not currently have access to these resources (68 FR 59564, October 16, 2003). However, to uphold the intent of the TEC, the proposed action would only apply to CQE quota being fished by a CQE eligible resident.

Existing regulations: As highlighted in Section 2.2, NMFS requires that CQEs develop criteria for determining how to distribute IFQ among community residents. Many communities have developed specific and comprehensive criteria to distribute IFQ, based on the goals and objectives of the community. For example, some communities may emphasize providing IFQ to new entrants versus long-term participants (or vice-versa), while others may focus on ensuring that the resident IFQ holder's crew is composed of resident crewmembers. Some communities have employed a 'point system', while others have developed other types of rating criteria. Regardless of the criteria employed, an individual must hold a TEC to be eligible to receive IFQ from a CQE, except for residents of Adak receiving IFQ from the Adak CQE.

Preliminary assessment: If the Council wished to move forward on this proposed item, Federal regulations would change that would exempt recipients of CQE-derived IFQ from having to document 150 days of harvesting experience. This may allow for greater utilization of the CQE IFQ with more residents eligible to harvest the quota. It is possible that this flexibility may incentivize CQEs to seek out

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[15] News Center Maine. March 29, 2026. Maine House GOP leader disputes child labor laws involving his lobster business. Available from: https://www.newscentermaine.com/article/news/politics/maine-politics/maine-house-gop-leader-disputes-child-labor-laws-involving-his-lobster-business/97-74e8496b-cc8b-4d5e-84dc-155a35a17e19
News Center Maine. April 2, 2026. Maine's lobster industry weighs child labor case involving House Republican leader. Available from: https://www.newscentermaine.com/article/news/local/maines-lobster-industry-weighs-child-labor-case-involving-house-republican-leader/97-b9455dd0-65e0-4967-8a29-472688de48a1

[16] Maine Bureau of Labor Standards v. Faulkingham, 2025-BLS-02 (Feb. 9, 2026). Available from: https://www.maine.gov/labor/docs/2026/bls/wagehouraction/HOFinalDecisionreWilliamFaulkingham494493_Redacted.pdf

[17] For example, ALFA October 2025 Comment letter on D2; see footnote 8.Kodiak Island Tribal Coalition October 2025 Comment letter on D2; see footnote 12; Southeast Village Fisheries Collective (SVFC) October 2025 comment letter on D2. Available at: https://meetings.npfmc.org/CommentReview/DownloadFile?p=60a7ffa2-0391-4592-9bc2-3f44bd01e6ac.pdf&fileName=SVFC%20D2%20CQE%20actions%20.pdf

more halibut and/or sablefish QS which could impact the broader QS markets. However, given CQE purchases of QS throughout the duration of the program (see Table 1 for current holdings), it is not expected this would have a significant effect on overall QS availability.

Note that there are some joint considerations should multiple proposed items move forward together to be analyzed for Council recommendations. For instance, if the Council recommended an expansion of qualified sea time for TEC requirements to include days tendering (proposed item #1), this would not directly affect individuals fishing exclusively CQE-derived IFQ if proposed item #3 exempts them from TEC requirements. Moreover, if the Council recommends a different inseason management structure for CQE IFQ (*i.e.*, Proposed Item #4), it may inherently remove the requirement to have a TEC for residents who wish to harvest the CQE's IFQ. If a system is used similar to IFQ hired masters, this does not constitute an official transfer of IFQ and thus does not require a TEC.

4 CQE Operation

4.1 Allow CQEs to assign and manage quota in-season (Proposed Item #4)

4.1.1 Proposal for action

One topic of concern during the IFQ Program Review in December 2024, and further reiterated by stakeholders in October 2025,[18] was how the CQE leasing system may result in underutilized quota for the CQEs. The complete transfer of the IFQ from the CQE to the CQE resident makes it difficult for the CQE management to track harvests or shift IFQ to a different resident if the original participant was unable to complete the harvest. Testimony also highlighted extensive (longer than one month) delays in processing transfer requests, due to programming burdens under the current computer system. The Council's motion requests an evaluation of mechanisms to allow CQE groups to assign and manage their IFQ in-season; for example, exploring processes similar to CDQ permitting for halibut or hired masters permits.

4.1.2 Existing regulations and management

As described in Section 2.1, CQEs may temporarily transfer (*i.e.*, lease) their IFQ to community residents annually. While the CQE remains the underlying holder of the QS, the resident becomes the IFQ permit holder through an official transfer through RAM. This section describes the current process for IFQ transfer available to CQEs and residents through leasing of IFQ and the process to reverse these transfers, as well as alternatives to this system, such as use of IFQ hired masters and use of hired masters in the CDQ Program. The proposed item is considering alternative management structures that may provide CQEs more internal flexibility and rapid response for inseason management of their halibut and sablefish QS in order to improve prosecution rates.

4.1.2.1 Current process for in-season transfers of IFQ from CQE-held QS

A CQE is allowed to lease (*i.e.*, transfer the annual IFQ) to one or more residents of the community(ies) it represents, so that the annual IFQ derived from the QS held on behalf of said community(ies) can be fished. Each IFQ lease must be made on an annual basis (69 FR 23681, April 30, 2004) and is thus valid from the time of transfer until the end of the IFQ fishing season (§ 679.4(a)(1)(i)(B)).

However, regulations implementing the IFQ Program at § 679.41 and § 679.42 do not include regulations specifying a process nor criteria for the return of IFQ to a QS holder (including CQEs) after an authorized transfer. In addition, the IFQ permit system is not designed to accommodate these types of back and forth

[18] For example, ALFA October 2025 Comment letter on D2; see footnote 8. Port Lions Fisheries, Inc. October 2025 Comment letter on D2; see footnote 8. Kodiak Island Tribal Coalition October 2025 Comment letter on D2; see footnote 12. SVFC October 2025 Comment letter on D2; see footnote 15.

inseason transactions. The current system does not track the origins of IFQ after transfer; if a resident receiving CQE-derived IFQ also has their own IFQ and has already harvested some of their personal IFQ, there is no way to determine which IFQ has been harvested (the individual's or the CQE's). For example, if an individual holding QS resulting in 10,000 lb of IFQ then receives another 10,000 lb of IFQ by transfer from a CQE, they are issued a new IFQ permit with the total balance of 20,000 lb when the transfer is approved. If they then go fishing and harvest 5,000 lb, they would have 15,000 lb remaining on their permit, but NMFS cannot parse out which IFQ was harvested, the individual's IFQ or the CQE derived IFQ. This inability to efficiently return transfers of IFQ may lead to an underharvest of IFQ derived from a CQE's holdings if a situation arises where the resident holding the IFQ is unable to harvest the full amount of IFQ.

Currently, NMFS evaluates requests for the return of transferred IFQ on a case-by-case basis[19], taking into account the potential hardship that may be caused if the IFQ is not returned, if the origin of the IFQ pounds can clearly be traced as well as the following policy considerations:

- Did the transferee receive any other IFQ transfers from the same area this year?
- Were there any IFQ landings made with the permit # in question this year?
- Does the transferee hold any of his/her own QS in the same area you are transferring pounds to?
- Is there disagreement between the two parties about the return of transferred IFQ pounds?

If the answer to any of the above considerations is 'Yes', NMFS will not return the transferred IFQ pounds to the QS holder. These criteria are not established in regulations.

These considerations are necessary because the IFQ system was not designed to track or process transactions for the purpose of returning IFQ to the QS holder after temporary transfer. If the IFQ is untouched and free of these four constraints, NMFS can initiate a return using a manual and technical backend process requiring case-specific programming. This is a complicated and time-consuming process, which may not leave sufficient time for any returned CQE-derived IFQ to be re-transferred to a new recipient for harvest within a single IFQ fishing season. These factors may contribute to a CQE's IFQ being not fully harvested at the end of the fishing season.

NMFS is in the process of re-designing the IFQ permits application as part of a larger project to design an integrated fisheries application (IFA) that is adaptive and supports the needs of all system stakeholders. The new application will use updated technology and programming, improve data quality, and streamline permitting processes. The new IFA system will also simplify programming modifications necessary to implement regulatory changes. Changes to the current transfer functions will require a technical assessment, prioritization, and eventual programming into IFA as the IFQ program is built into the new system. NMFS has documented many IFQ business requirements and is actively planning IFQ needs and development timelines in IFA. Collectively, these improvements under the IFA system will expedite handling of transfers and transfer reversals, potentially facilitating timely inseason processing for increased quota utilization. With a significant workload and limited staff capacity for these efforts, there is no set implementation date for this new system; however, the hope would be for it to be in place in the next few years.

Through IFA, it is possible that the IFQ permitting system could be redesigned to allow for more efficient reverse transfers of IFQ. This may alleviate some of the challenges experienced by CQE management

[19] As previously outlined in an October 2020 B2 NMFS Management Report regarding the temporary transfer emergency rule (85 FR 38100, June 25, 2020). https://meetings.npfmc.org/CommentReview/DownloadFile?p=daea93d1-0d98-4a73-843d-1ac4ad8a59fa.pdf&fileName=B2%20NMFS%20Management%20Report.pdf

without necessarily requiring regulatory changes. Because Federal regulations do not specify restrictions on reversing IFQ transfers, it might be possible that a new system could allow both parties to consent to a reverse transfer of IFQ inseason and administer this through eFISH (*i.e.*, the online permit and quota management system used by NOAA Fisheries' Alaska Region for commercial fisheries) on their own. Conversely, it is also possible that the Council may wish to provide further recommendations on whether to allow this type of inseason transfer and any limitations around it (*e.g.*, all IFQ or just CQEs), in which case regulatory changes may accompany the system changes. Any direct transfer between CQE residents would be considered a sublease, which is not allowed, and would also present challenges in terms of fulfilling CQE goals and criteria to distribute IFQ among residents.

In the current eFISH system, CQE administrators are able to directly view and manage Class A QS because the CQE (shareholder) retains ownership and liability through the hired masters use privilege. Section 4.1.2.2 below explains the structure and limitations of IFQ hired masters.

4.1.2.2 IFQ hired masters

The IFQ hired master use privilege (also called ‘hired skipper’) is another way someone other than the QS holder may harvest halibut and sablefish IFQ under specific circumstances; however, it is not a transfer of IFQ. An IFQ hired master permit authorizes one or more individual(s) to land IFQ halibut or sablefish to be debited against an IFQ account that is not in their name. If the IFQ holder is eligible to designate a hired master, they would do so by completing an application[20] that lists the individual or individual(s) that will be harvesting their IFQ. If the application is approved by NMFS, that individual will receive a hired master permit. If a hired master is conducting the harvest, that individual must have a valid IFQ hired master permit, and must be aboard the vessel at all times during the fishing trip and be present during the landing. The IFQ holder retains access to the eFISH account as well as liable for any fishing violations and fees associated with that IFQ.

The privilege to use a hired master to harvest IFQ is currently only available to specific QS holders, including some initial QS recipients, including non-individual QS holders as well as Class A shareholders. In developing the Alaska halibut and sablefish IFQ Program there was concern with the potential for the emergence of a class of absentee catcher vessel (CV) shareholders. Therefore, an owner-onboard requirement was included for CV QS holders. However, the Council and NMFS recognized that at the time the IFQ Program was implemented, some initial QS recipients had long-standing business arrangements with hired masters. Therefore, the IFQ Program authorizes the use of hired masters in certain instances to provide initial recipients with the latitude to continue in the business practices that they had prior to the implementation of the IFQ Program.

The Council has repeatedly limited hired master use for the harvest of catcher vessel IFQ and the acquisition of catcher vessel QS by non-individual entities in an effort to continue progress toward an owner-operator catcher vessel fleet. This provision has been amended on several occasions to address Council objectives for the IFQ Program and the emergence of *de facto* leasing relationships between some initial recipients (particularly non-individuals) and their hired masters.[21] For both individually- and non-individually-held CV QS, initial QS recipients may use the hired masters exemption, provided that:

[20] Application for IFQ/CDQ hired master permit: https://www.fisheries.noaa.gov/s3//dam-migration/application-for-ifq_cdq-hired-master-permit-akro-noaa-fisheries.pdf

[21] NMFS and NPFMC. 2016. Twenty-Year Review of the Pacific Halibut and Sablefish Individual Fishing Quota Management Program. Available from: https://files.npfmc.org/halibut/IFQProgramReview_417.pdf

- Halibut IFQ is not derived from QS held in Area 2C and sablefish IFQ is not derived from QS held in the Southeast Outside District — these Areas correspond to Southeast Alaska[22]
- QS holder can demonstrate at least 20 percent ownership interest in the vessel harvesting the IFQ for the 12 months prior to submitting the hired master application and representation of the QS holder on the vessel by a hired master[23]
- QS was acquired before February 12, 2010[24]

In addition to these shared requirements, eligibility for non-individual QS holders to use the hired master exemption is highly sensitive to changes in ownership (§ 679.42(j)(3) through (6)).

By limiting the hired master privileges for CVs to initial recipients, the use of this owner-on-board exception is expected to decline for CVs with the transfer of all QS from initial recipients to new entrants ("second generation"). The IFQ Report to the Fleet, provides trends on hired master use for halibut and sablefish (see Section 2.3 of NPMFC 2026). These tables demonstrated both a reduction in halibut pounds landed by hired skippers from 2021-2025 (4.5 million lb to 2.3 million lb), as well as a reduction in the percent of total pounds eligible to be harvested by a hired master that were harvested this way (27% to 21%). For sablefish between 2021 and 2025, the pounds landed by hired masters has remained relatively consistent with the exception of higher landings and higher TAC in 2022; however, the percent of total sablefish pounds eligible to be harvested by a hired master that were harvested this way has declined from 35% to 30%.

Class A shares are designated for vessels that process at sea or catcher-processors (*i.e.*, freezer longliner vessels) and are able to be both leased to and harvested by a hired master. Class A shares were exempt from the owner-on-board requirement, because these shares were already largely corporate-owned at the time of the IFQ Program implementation and comprise a very small percentage of the total QS in the two fisheries. Class A QS can be purchased by non-individual entities, in which case the IFQ would need to be either leased or fished by a hired master.

4.1.2.3 CDQ hired masters and key differences from CQE provisions in the IFQ Program

In consideration of whether, and to what degree, CDQ-like internal management of quota could be integrated into the CQE Program, this section reviews key differences between the CQE and CDQ fisheries. Table 7 presents an overview of key differences in the goals, community representation, management, and enforcement of the CDQ and CQE Programs. This may be relevant in considering how to adopt a more flexible management approach similar to CDQ, while still retaining the intentions of the IFQ and CQE Programs.

The CDQ Program was initiated as a proactive action to build self-sustaining, diversified local economies, generate localized wages, and alleviate severe rural poverty in Western Alaska. The program was established by Congressional action in 1992, granting a percentage of annual commercial halibut, crab and groundfish catch allocations and apportioning prohibited species catch limits in the Bering Sea/Aleutian Islands (BSAI) to the six regional non-profit corporations representing 65 communities in Coastal Western Alaska. Each group manages its quota directly. After NMFS issues an annual quota to

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[22] This additional restriction on QS held in Southeast Alaska was intended to maintain what had historically been an owner-operated fleet in these areas.

[23] An exception to the 20% ownership requirement is afforded to QS holders who employed hired masters prior to April 17, 1997. This exception applies only if the proportion of vessel ownership remained the same or greater and additional QS was not acquired after September 23, 1997 (§ 679.42(j)(7)).

[24] There is a shared exception for both individual and non-individual QS holders for QS blocks that were consolidated between February 12, 2010 and December 1, 2014 (§ 679.42(i)(8) and (j)(10)).

the six CDQ groups, management within each group is responsible for coordinating harvest of their quota pool among participating vessels. Similarly, PSC is also managed collectively; an overage on a single vessel would close the entire CDQ's fleet for the season.

Halibut CDQ is among the BSAI species allocated under the CDQ Program, which has supported local small boat fleets for many of the CDQ groups in the past. The halibut quota is issued to each of the six CDQ groups, but can be fished by individuals with a halibut CDQ permit and a CDQ hired master permit. CDQ groups internally identify a system for distribution of the quota. For instance, group-specific boards may determine whether and how to make it available to local vessels, based on many factors including available interest, processing capacity and other regional economic factors. Similar to IFQ hired master privileges in the IFQ Program, an individual fishing on a CDQ halibut permit does not constitute an official transfer of quota. CDQ managers must submit a hired master application for all individuals eligible to harvest CDQ halibut and each individual must have on board the vessel a legible copy of their halibut CDQ hired master permit. This application is the same as for IFQ hired masters; however, CDQ managers do not need to identify the vessel that the species will be harvested on. Each permit must identify a halibut CDQ permit number and the individual authorized by the CDQ group to land halibut for debit against the CDQ group's account (50 CFR 679.4(e)(3)).

The CQE Program was implemented in 2004, as a reparative action to preserve fishing access in small-boat fishing communities (69 FR 23681, April 30, 2004). Following implementation of the IFQ Program in 1995, QS were sold and consolidated into larger hubs and away from small, remote communities in the GOA. The CQE Program allowed non-profit entities representing coastal communities to raise funds to purchase quota to hold as permanent community assets which are then leased to fishermen by respective CQEs. In contrast to the inseason self-management system of the CDQ Program, fishermen harvesting IFQ derived from CQE-held QS are held to the same regulatory standards as other participants in IFQ Program fisheries.

Particularly relevant to this Council motion, CQE-held quota cannot be directly transferred between leasees ('Re-Leasing Inseason' in Table 7). This aspect of inseason CQE quota management was designed to fulfill the goals of the CQE provision, to keep fishing rights accessible to small-boat, entry-level fishermen. Additionally, transfers of quota from each CQE require NMFS oversight to ensure eligible community resident status of all CQE fishery users.

Table 7 Comparison of the goals, representation, management, and enforcement of the CDQ and CQE provisions of the IFQ program.

Aspect	CQE Provisions of the IFQ Program	CDQ Program
Goal	Access preservation. Ensuring coastal rural communities have access to fishing rights, and assisting small-boat fishermen.	Support fisheries-based economic development in Western Alaska communities, alleviate poverty and provide economic and social benefits.
Representation	45 fishing communities in the GOA and 1 in the AI are eligible to be represented by a CQE	65 remote communities in the Bering Sea, represented by 6 regional non-profit corporations.
Quota Acquisition	Market Purchase. CQEs must raise funds to purchase quota on the open market.	Direct Allocation. Granted a percentage of the annual BSAI commercial quota in statute for each fishery.
Leasing Mechanism and Eligibility	Restricted. NMFS-approved transfers to permanent residents of each CQE-represented community.*	Flexible. Determined by CDQ-specific internal policies; generally designed to benefit local fleets and community partnerships.
Re-leasing Inseason	Restricted (to prioritize owner-operator structure). Direct transfer (and reverse transfers) only; no secondary transfers. Requires NMFS approval.	Unlimited (to maximize quota utilization). Members with quota leases may use hired masters. Managed by CDQ group.
Species	Halibut and sablefish (fixed-gear).	Halibut, sablefish, crab spp., pollock, Pacific cod, groundfish spp.
Liability	Each QS-holder is responsible for managing and harvesting their quota. CQE's are not able to unilaterally manage quota.	Each of the 6 non-profit corporations manage quota and harvest among participants.
Cost-Recovery Responsibility	Each IFQ permit holder is responsible.**	CDQ is responsible.
Bycatch	Fleet-wide Pools. No individual or group PSC limits.	Hard Caps. Each CDQ receives strict PSC allocations.
Harvest Limit Compliance and Enforcement	Monitored and enforced at the IFQ permit level. Overages/underages adjustments. Minor overages/underages (<10%) are deducted/added to the next year's allocation, rather than closing the fishery.	Monitored and enforced at the CDQ group allocation level. Strict liability. Exceeding the group CDQ cap immediately shuts down the entire fishery and triggers corporate fines.

*The residency requirement for CQE members in Adak has been temporarily removed (February 27, 2023, 88 FR 12259).

** CQEs may adopt internal policies to pay cost-recovery fees for members.

Preliminary assessment

Table 2 demonstrates that collectively, over 750,000 lb of CQE's halibut and sablefish IFQ went unfished in 2025. Low prosecution rates of the CQE's QS can be problematic for several reasons. Under the CQE Program goals, unfished quota may be out of alignment with the third performance standard (see Section 2.2) "Ensure that QS/IFQ allocated to an eligible community entity would not be held and unfished." In addition, similar to other QS holders, CQEs may have to take out loans to secure funding for the purchase of QS and to cover other administrative costs. At least some CQE groups set up leasing contracts such that a lease rate is based on the landed pounds of IFQ. If the resident does not land some or all of the IFQ leased, the CQE would not receive compensation for that transfer of IFQ. In other words, the CQE retains the financial risk associated with leasing out the full amount of the QS that was transferred.[25] An inefficient return transfer system makes it more likely that the IFQ will remain unfished and thus, these lease fees will be forgone and unable to contribute to loan payments or overhead costs.

Recognizing the concerns raised in public comment for CQE administrators to view and manage quota more efficiently, there may be two routes that would allow for return transfers and address the current inefficiencies for CQE managers. The first option would be to begin an amendment package to change CQE regulations and allow hired master privileges to be used for IFQ-derived from CQEs. The second possible option would be for the Council to specify expanded functions for the developing IFA system, such as an intent for return transfer of IFQ and/or joint account access for a CQE manager. These abilities could be built into the IFA for CQEs and/ or for IFQ holders in general. This second option may require a regulatory amendment depending on what specific details the Council wished to guide in the development of the IFA system. Note that in the absence of specific Council direction, the IFA system is expected to significantly expedite transfers; however, return transfers may still occur on a case-by-case basis through consultation with RAM.

Under the first option, the Council may further explore applying hired master privileges to CQE-held QS through a regulatory amendment package. This would mean the CQE would remain the IFQ holder and retain access to the eFISH account. As there would be no official transfer of IFQ under this scenario, the CQE could more easily shift their IFQ to a different vessel if residents were unable to harvest the amount the CQE initially provided them access to. Additionally there would be no TEC required for individuals who fish a CQE's IFQ, thus the 150 sea days would no longer be a requirement unless separately included in an amendment package. This change would also mean the CQE would assume full responsibility for fees (*e.g.*, IFQ cost recovery), if they do not do this already. As a whole, this option would both provide the CQEs a greater level of control, but also a greater degree of liability.

There are some policy considerations inherent in this option. As described in Section 4.1.2.3, while the CDQ program has an operational structure that uses hired masters, this program is fundamentally different in many ways. The IFQ Program allows for hired masters to be used to harvest A shares as well as shares of some initial issuees. However, as described in Section 4.1.2.2, the Council has pursued a series of amendments to phase out opportunities for continued reliance on hired masters in the IFQ program to promote the IFQ Program's objectives around an owner-operated fleet. Thus, the Council may consider the policy tradeoffs between increased use of hired master privileges versus its goals for the CQE Program.

As summarized in Section 4.1.2.1, current Federal regulations do not restrict IFQ transfer returns; thus, the new IFA system could be designed to allow autonomy to CQE member parties to consent to, and CQE administrators to initiate transfers and transfer returns. Direct transfers between CQE residents would be

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[25] This may be similar to lease contracts for private QS holders that are eligible to lease (*e.g.*, through medical lease transfer). However, contracts could be set up with minimum payment requirement or other clauses included to share transfer risk.

considered a sublease which is prohibited; quota would need to be returned to the CQE before it could be transferred to another CQE resident. If the Council uses the new IFA system as a way to guide flexibilities for the CQE management of their QS, the Council may also wish to consider whether any of these specified flexibilities would also be available for other halibut and sablefish QS holders that are able to lease IFQ under any of the specified exemptions (*e.g.*, emergency/medical transfers, guided angler fish). Overall, concerns may arise if the QS holder is able to reverse a transfer of IFQ without proper awareness or consent from the leasee. Thus, a system would need to be designed with these considerations in mind.

The Council could pursue one or both as solutions, depending on the desired objectives. There are some similarities and some distinctions between the possible results of these options. Both of these options would seek to provide a system that explicitly allows and is designed for return transfers of IFQ from the CQE resident to the CQE. The primary distinction is in whether the IFQ would officially transfer to the CQE resident along with the liability, responsibilities and direct management of the IFQ. NMFS is not able to provide a timeline for the new IFA system at this point; however, given the pace of an amendment package and rulemaking it is expected that either route may require 12 months or longer to implement.

4.2 Increase or remove the sablefish vessel use cap for the AI CQE (Proposed Item #5)

Proposal for action: Public testimony to the Council in October 2025 highlighted an interest in removing the 50,000 lb vessel use cap specifically for CQE-derived sablefish IFQ for Aleutian Islands CQEs.[26] Testimony highlighted that the CQE vessel use cap is set at 15% of the AI TAC (*i.e.*, 4,789,874 units of sablefish QS on behalf of any single eligible community in the Aleutian Islands subarea) and the Adak CQE currently holds 6%. At current holdings, this would require 13 unique vessels to harvest their 2025 allocation of 650,000 lb and over 30 vessels if the Adak CQE were to purchase up to the cap (15% of the AI TAC). Testifiers stated that a local fleet of this size does not exist and that these restrictions make it difficult to attract partner vessels to fully prosecute the CQE's existing sablefish IFQ.

Existing regulations: Existing CQE regulations limit a vessel to harvesting no more than 50,000 lb of IFQ sablefish derived from QS held by a CQE within a fishing year (§ 679.42(h)(2)(ii)). This limit does not include any IFQ derived from non-CQE held QS fished on the same vessel. Vessels used to harvest IFQ sablefish derived from QS held by a CQE are also subject to the general IFQ sablefish vessel use caps. These caps are listed in Table 8 below along with the associated pounds for 2026 (§ 679.42(h)(2)). General vessel use caps for IFQ are based on a percent of the TAC, therefore they change annually. If the general vessel use cap is lower than 50,000 lb, this lower cap would be more constraining for all IFQ; including IFQ derived from a CQE. For example, if the SE sablefish IFQ TAC was less than 5 million lb, the SE sablefish vessel use cap would be less than 50,000 lb. However, typically for sablefish, the general vessel use caps have been greater than the CQE-specific vessel use cap.

[26] S.Minor, NPFMC oral public testimony, 10/25; O.Lone, NPFMC oral public testimony, 10/25.

Table 8 Vessel IFQ use caps for sablefish based on 2026 IFQ TAC

	Annual IFQ TAC (Round pounds)	Vessel Use Cap (Round pounds)
1% of SE sablefish IFQ TAC	12,321,509	123,215
1% of ALL sablefish IFQ TAC	60,271,559	602,716

Source: NMFS RAM Division; Fisheries Management Reports: https://www.fisheries.noaa.gov/s3/2026-03/ifqvesselcaps2026_2.0.final_.pdf
Notes: Vessel IFQ caps are calculated on the IFQ TAC only; CDQ TACs are not included in the calculations. Additional restrictions apply if the vessel is used to harvest any IFQ derived for QS held by a CQE. IFQ = Individual Fishing Quota; TAC = Total Allowable Catch.

Also of relevance is §§ 679.42(e)(7) and (f)(6), which limits any individual to receiving no more than 50,000 lb of IFQ derived from sablefish or halibut QS held by a CQE. Combined these regulations are intended to broadly distribute the benefits of CQE-held halibut and sablefish QS both among vessel owners and “walk-on” resident fishermen that lease the CQE’s IFQ.

Preliminary assessment: The limitation on the amount of IFQ that can be fished on any one vessel using IFQ from community-held QS was implemented with the CQE Program to encourage the use of a broad distribution of community-held IFQ on vessels that may otherwise have limited or no participation in the IFQ Program (69 FR 23681, April 30, 2004). Initially, these 50,000 lb vessel use caps were inclusive of any individually-owned QS fished on the same vessel as CQE-derived IFQ. Thus, vessels that fish any amount of IFQ derived from CQE-owned QS had an aggregate limit of 50,000 lb of each species per year. The 2010 CQE Program Review highlighted this CQE-specific vessel cap for halibut and sablefish as a barrier to entry for CQEs who have few longline vessels available in their communities, especially if those vessels were already fishing individually-owned IFQ (NPFMC 2010).

In October 2011, the Council made final recommendations to change this halibut and sablefish 50,000 lb vessel use cap to exclude any IFQ not derived from a CQE’s QS holdings, while also maintaining general IFQ vessel use caps. Through this action, the Council considered removing the 50,000 lb CQE vessel use cap for halibut and sablefish entirely (Alternative 3 in NPMFC 2011). The analysis (NPFMC 2011) and proposed rule (78 FR 14490, March 6, 2013) highlighted the policy tradeoff between amending this provision and removing it. It was described as a policy choice to forgo the certainty associated with the distribution of benefits among vessels, but increase the flexibility of the CQEs and potentially their ability to maximize benefits for community residents who were leasing IFQ from the CQE groups. Specifically, in selecting to maintain the CQE-specific vessel use cap in its Preferred Alternative the Council intended to encourage equitable distribution of benefits resulting from the CQE’s QS holdings among vessel owners. This amendment to the vessel use cap for IFQ held by CQE became effective under Amendment 94 to GOA Fishery Management Plan in 2013 (78 FR 33243, June 4, 2013).

As described in Section 2.2 above, the CQE Program was expanded in March 2014 to include non-CDQ Aleutian Islands communities (Adak) to allow the purchase of Area 4B halibut QS and AI sablefish QS (79 FR 8870, February 14, 2014). The extension of the CQE Program into the AI maintained the three primary goals of the original program (as described in Section 2.1 above) and was modeled after the GOA CQE Program to provide sustained participation for rural residents and allow for entry-level opportunities for fishermen residing in fishery dependent communities (79 FR 8870, February 14, 2014). This included adopting the new accounting for the halibut and sablefish CQE-specific vessel use caps implemented through Amendment 94. Section 2.2 also describes some provisions that are different for the Adak CQE (*i.e.*, Adak Community Development Corporation; ACDC) than for communities in the GOA.

Since 2014, ACDC has been successful in acquiring both Area 4B halibut IFQ and AI sablefish IFQ. With several purchases of AI sablefish QS, sablefish IFQ issued to ACDC exceeded 670,000 lb in 2026 (see Table 9). However, ACDC has encountered challenges in the full prosecution of this QS. Between 2014-2025, 0-3 vessels harvested ACDC's halibut and sablefish IFQ and each year a large amount of the CQE's IFQ has gone unleased and/or unfished. Landings data is confidential for an individual CQE; however, active vessels have not been near the 50,000 vessel use cap for sablefish in recent years (2021-2025). There are likely a number of factors contributing to this low prosecution rate.

Table 9 ACDC sablefish QS holdings and relative pounds, 2018-2026

Year	QS units	IFQ pounds	Aleutian Islands TAC	% of AI TAC	Min number of vessels to harvest
2018	720,570	59,349	9,841,334	2.3%	1.19
2019	720,570	59,946	10,502,714	2.3%	1.20
2020	720,570	60,841	11,164,094	2.3%	1.22
2021	1,133,232	221,412	11,164,094	3.5%	4.43
2022	1,976,539	529,194	8,549,439	6.2%	10.58
2023	1,976,539	691,025	6,239,018	6.2%	13.82
2024	1,976,539	691,025	2,696,226	6.2%	13.82
2025	1,976,539	650,092	2,656,543	6.2%	13.00
2026	2,184,805	673,346	2,630,088	6.8%	13.47

Source: NMFS Restricted Access Management Division, IFQ Permits and Licenses issued in Alaska: https://www.fisheries.noaa.gov/alaska/commercial-fishing/permits-and-licenses-issued-alaska

The AI sablefish TAC has increased sharply in recent years and at the same time prosecution rates and vessels participation has declined (see Figure 3). The IFQ Report to the Fleet demonstrated utilization rates dropped from ~27% in 2018 to only 1.7% of the overall IFQ TAC harvested in 2025. In 2018, 22 vessels landed AI sablefish, and in 2025 6 vessels were active. This downward trend may be driven by the combined effects of increased operational costs (*i.e.*, fuel, travel, time), historically low prices[27], reduced processing sector capacity (NPFMC 2026), and low catch per unit effort in this region, subsequently limiting profitability for fishery participants.

[27] Standard prices and fee percentages for sablefish are published in the *Federal Register* each year. Links to these publications (2006 - 2025) are available on the NOAA Fisheries webpage here: https://www.fisheries.noaa.gov/action/halibut-and-sablefish-individual-fishing-quota-cost-recovery-program-standard-prices-and-fee

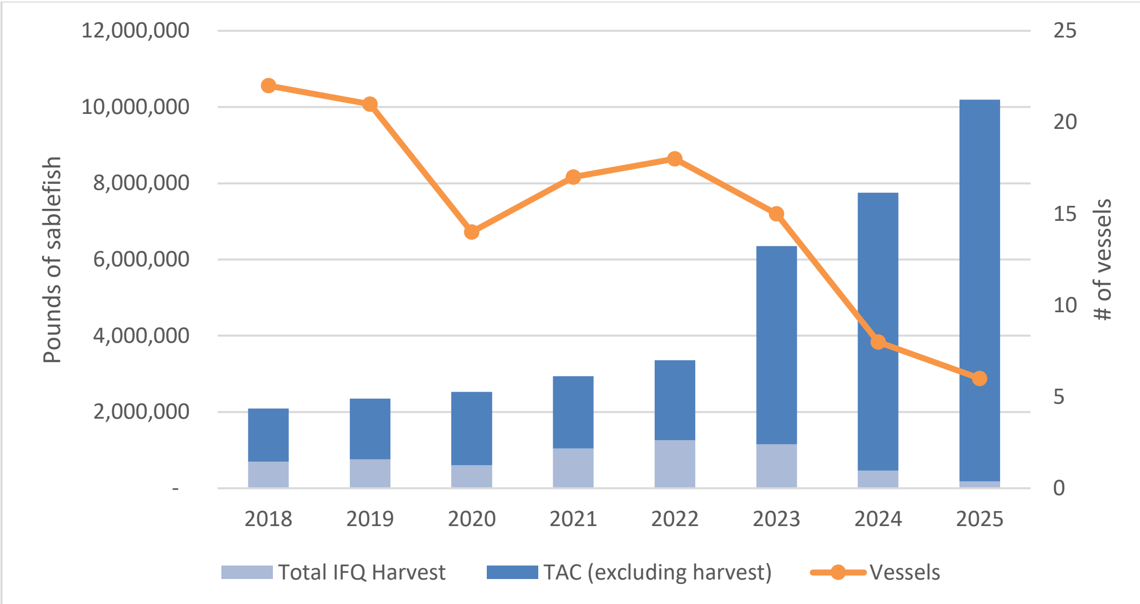

Figure 3 AI sablefish IFQ TAC, harvest and number of active vessels, 2018-2025

Source: IFQ Report to the Fleet, Table 4-2 (NPFMC 2026)

Removing the 50,000 lb CQE-specific sablefish vessel use cap for the Adak CQE would make it possible to consolidate ACDC's sablefish IFQ and increase the likelihood of prosecution. For instance, with an overall sablefish vessel use cap of 602,716 lb in 2026 (which would still apply for all vessels fishing sablefish IFQ), all of ACDC's sablefish IFQ could have been fished on two vessels. These additional pounds available to a vessel may create new partnership opportunities for ACDC, due to the increased economies of scale relative to leasing 50,000 lb of sablefish IFQ from ACDC for a single vessel.

However, there are some additional factors that may continue to challenge the prosecution of this IFQ. For instance:

- As much of the AI sablefish TAC has gone unharvested in recent years, this means that some vessel owners/ QS holders may already have an opportunity to harvest additional AI sablefish and access to additional pounds of IFQ may not be in high demand.
- The 50,000 lb cap on individuals leasing IFQ derived from CQEs would still apply. This means that although two vessels could be used in 2026 if the CQE-specific vessel cap was removed, 14 IFQ holders would still need to be present to harvest all of the CQE-derived IFQ.
- In 2028, the Adak CQE exemption for leasing IFQ to non-residents will sunset. Using 2026 sablefish TAC levels as an example, this means that 14 Adak residents would need to lease the ~670,000 lb to be fished on two or more vessels.
- Reduced participation in other fisheries (*e.g.*, Area 4 halibut and BSAI crab) may have an effect on available vessels and crew.
- Testimony in October 2025[28] highlighted that the processing plant in Adak has not been operational, and it is expected that a full rebuild will be necessary. Thus, resident fishermen would likely need to deliver into Dutch Harbor in the near future.

[28] S.Minor, NPFMC oral public testimony, 10/25.

If the Council moves this action forward, it may wish to consider the scope of potential action and the policy tradeoffs present. The proposal is specifically for sablefish IFQ vessels caps relative to the Adak CQE. The Council may consider distinctions between halibut and sablefish as well as AI versus GOA CQEs in setting the appropriate scope for analysis. Similar to Amendment 94, there will be a need to again consider the policy tradeoffs between encouraging broad distribution of benefits among vessel owners and likelihood of prosecution of the IFQ for the benefit of local fishermen and/or other community benefits; requiring a balance of two of the performance standards of the CQE Program. This type of policy tradeoff has been considered in other recent Council actions related to CQE and the broader IFQ Program,[29] which have relaxed certain program elements to account for changing dynamics of the fisheries and associated communities.

4.3 Increase the amount of QS an individual GOA CQE can hold (Proposed Item #6)

Proposal for action: During the October 2025 meeting, the Council received public comment[30] proposing to eliminate the CQE purchase limitations. The proposal stated that it has become clear that the CQEs will not be a large participant in the QS market, thus concerns that the CQEs will 'buy up all the quota' have been shown to be unfounded. Testimony described how community long-term planning and opportunities for funding may be impacted by the existence of these limitations. The motion specifies that under this proposed item, the use cap established for all CQE would remain in place at 21% of the total halibut and sablefish IFQ in each regulatory area, but the use caps for individual CQEs would be increased.

Existing regulations: Existing regulations include caps on the amount of QS that can be held by each individual CQE community, and caps on the amount of QS that can be held cumulatively by all CQE communities in a specified area (*e.g.*, Area 2C, 3A, 3B for halibut; SE, WY, CG, or WG for sablefish).[31]

The limits for individual CQE holdings mirror the QS use caps that apply to individuals. Specifically, regulations at §§ 679.42(e)(4) and (5) limit a CQE to holding no more than 688,485 units of sablefish QS in SE and 3,229,721 units of sablefish QS on behalf of any single eligible community in the GOA. For halibut QS, regulations at § 679.42(f)(2) states no CQE may receive an amount of halibut QS on behalf of any single eligible community which is more than 599,799 units of halibut QS in Area 2C and 1,502,823 units of halibut QS for Area 2C, 3A and 3B combined. Table 10 demonstrates these amounts in 2026-equivalent IFQ pounds.

[29] For example: An Omnibus IFQ amendment which extended the Adak CQE exemption from leasing to residents (NMFS 2023); An Area 4 halibut vessels IFQ caps action that increased the halibut vessel cap for Area 4 from to 5% of the Area 4 TAC and specified that halibut IFQ held by an Area 4B CQE does not accrue towards the Area 4 vessel cap (NPFMC 2025a).

[30] Kodiak Island Tribal Coalition, October 2025 Comment letter on D2; see footnote 12. D.Fields, oral public testimony, October 2025.

[31] § 679.42. Note that there are also different caps that apply for CQE holdings of AI sablefish and Area 4B halibut in the AI (*i.e.*, for the Adak CQE); however, this proposal is specific to GOA CQEs, thus these details are not included in this section.

Table 10 QS use caps for CQEs or individuals based on 2026 IFQ TAC

Species	Use caps basis	QS use cap	2026 IFQ lb equivalent
Halibut	1% of the 2C QS pool	599,799 units	28,400 lb
	0.5% of 2C, 3A and 3B QS pool	1,502,823 units	48,484 lb if all 3A quota, 68,762 lb if all 3B quota*
Sablefish	1% of SE QS pool	688,485 units	128,317
	1% of all sablefish QS pool	3,229,721 units	494,204 lb if all CG quota, 741,085 lb if all WG quota, 299,425 lb if all WY quota*

Source: NMFS RAM Division; Fisheries Management Reports: https://www.fisheries.noaa.gov/s3/2026-03/ifqvesselcaps2026_2.0.final_.pdf
Notes: * QS holders may hold QS in a combination of areas that adhere to these limits by summing the units. These are examples based on maximum holdings for an individual area.
There are also QS use caps that apply to the Area 4 QS pool for individuals holding halibut QS. These were not included in the tables as GOA CQEs cannot purchase Area 4 halibut QS.

In addition to the QS use caps which limit an individual CQE's holding, regulations at § 679.42(e)(6) (for sablefish) and § 679.42(f)(5) (for halibut) include an aggregated QS use cap limit for all CQEs. In the aggregate, all CQEs are limited to holding a maximum of 21% of the total QS in each regulatory area for each species. These cumulative limits mean not all eligible CQEs would be able to purchase up to their individual caps for halibut and sablefish IFQ. The analysis implementing the CQE Program (NPFMC 2004) emphasized that a cumulative cap would only be necessary if the Council determined that the maximum QS that communities can use should be lower than the total number of communities multiplied by the individual use cap. Table 11 demonstrates how many communities could theoretically purchase up to their individual limits based on the cumulative cap for each species and area. This table demonstrates that the CQE cumulative caps are most likely to have an effect for Area 3B halibut QS, CG or WY sablefish QS.

Table 11 Cumulative QS use caps for CQEs

Species	Area	Cumulative CQE limit for each area in units (21% of the area QSP)	Individual CQE cap in units (if only in this area)	Number of communities that are eligible to purchase QS in this area	Number of communities able to purchase up to the individual caps based on cumulative caps
Halibut	2C	12,595,793	599,799	23	21
	3A	39,076,674	1,502,823	45	26
	3B	11,446,106	1,502,823	45	8
Sablefish	SE	13,866,503	688,485	45	20
	CG	11,178,524	3,229,721	45	3
	WG	23,440,144	3,229,721	45	7
	WY	7,566,111	3,229,721	45	2

Source: NMFS RAM Division; Fisheries Management Reports: https://www.fisheries.noaa.gov/s3/2026-03/ifqvesselcaps2026_2.0.final_.pdf
Note: Cumulative use caps are based on the 2002 quota share pool (QSP)

Preliminary assessment: As can be seen in Table 1, no CQE currently holds an amount of QS that is near the individual CQE caps. However, as highlighted in public testimony, the individual CQE QS use caps may affect how a group plans and strategizes future QS purchases, as well as funding opportunities that may be available.

When originally establishing the individual CQE group use caps, the Council perceived this limit would provide an adequate opportunity for communities to purchase and hold sufficient QS for leasing the resulting IFQ among community residents. This level was considered not to be so restrictive as to discourage communities from purchasing and holding quota. The Council also considered the potential effects on existing QS holders when recommending use caps for individual communities. The use caps were put in place to accommodate existing QS holders who were concerned that shifting potential QS holdings to communities could disadvantage individual fishermen by reducing the amount of QS available to them in the QS market.

Based on the limited QS purchases that have been made by CQE groups thus far, it is unlikely CQEs have had a large influence on the availability of GOA sablefish QS or Area 2C, 3A or 3B halibut in the market, nor overall market prices. If the Council moved forward on an action to increase the individual CQE QS use caps, it may have no effect if CQEs continue to have limited new investments in halibut and sablefish QS. As has been highlighted in the past (*e.g.*, NPFMC 2010) are a number of reasons why this may occur (*e.g.*, limited funding opportunities, limited residents and/or vessels available to participate, high operational cost, etc.). However, as shown in Figure 1 and Figure 2, new transfers of QS were made by seven of the nine active CQEs in 2016. Thus, this action may also provide additional opportunities for one or more CQEs that do wish to purchase over the existing QS use cap. The cumulative caps would continue to be in place, as demonstrated in Table 11. This proposed action would generate a higher individual cap for CQE versus individual QS holders, which may generate more complex regulatory structure, but is a policy tradeoff as the Council considers CQE Program goals.

Further analysis may consider broader market considerations. In particular, the more restrictive requirements around medical lease transfers recently implemented, mean that more QS may be on the market beginning in 2026. However, the recent implementation of the charter halibut stamp, as funding for the Recreational Quota Entity and the increased reliance on Guided Angler Fish leasing of IFQ may add additional competition to the QS market.

4.4 Clarification on whether current regulations allow CQEs in the Gulf of Alaska and the Aleutian Islands to hold federal processing permits (Proposed Item #7)

Request for clarification: In October 2025, the Council received oral public testimony requesting CQE federal processing permit (FPP) allowances in the GOA be expanded for the CQE in the AI.[32] An interest was expressed for the Adak CQE to have opportunities to participate in processing of Federal species, such as Pacific cod, within the municipal boundaries of Adak while work on a shore-based plant takes place. In response, the Council's motion requested clarification on existing regulations for CQEs to hold FPPs.

Existing regulations: CQEs in the GOA and the AI may apply for and hold Federal processor permits (FPP). As specified in regulations at § 679.4(f), all shoreside processors, stationary floating processors, and CQE floating processors must obtain an FPP in order to receive, process, or arrange to purchase unprocessed groundfish harvested in the GOA or BSAI.

Regulations at § 679.4(f)(2) specify that in order to obtain, amend, renew, or surrender an FPP, owners or authorized representatives must complete an application for a FPP, following instructions available on the

[32] S.Minor, NPFMC oral public testimony, 10/25.

NOAA Fisheries Alaska Region website.[33] FPPs are not transferable (§ 679.4(f)(4)). FPPs are issued without charge; however, all outstanding fees due to NMFS must be paid at the time of application (§ 679.4(f)(2)(i)).

5 Unloading/Landing Issues

5.1 Waive the prior notice of landing requirement and restricted unload hours for small IFQ deliveries (Proposed Item #8)

5.1.1 Proposal for action

In October 2025, the Council and AP received public comment (written and oral) regarding disproportionate administrative burdens for smaller vessels to meet PNOL requirements.[34] The proposers stated that reporting offloads can be difficult for small boats operating in areas without cell coverage, and coordinating with NOAA OLE's operational hours (6 am to midnight) to unload IFQ or CQE fish can interfere with optimal turnaround efficiency associated with unloading harvest at night, to be back out fishing the next day, which is standard practice during the summer months. The proposal requests an exemption from the PNOL and offloading hours for IFQ/ CQE deliveries of ≤ 2,000 lb.

5.1.2 Existing regulations and management

This subsection includes background on the PNOL, including current exemptions. Additional information is also provided on the enforcement and monitoring use of the PNOL. This context is relevant for both Proposed items #8 and #9, which are underpinned by concerns specifically related to costs of compliance with PNOLs (*e.g.*, travel to/from ports, waiting for NOAA OLE hours of operation).

5.1.2.1 Prior Notice of Landings

The Council and NMFS recognized that the issuance of quota in the IFQ Program may create an incentive for fishermen and processors to underreport halibut landings (NPFMC/ NMFS 1992). For this reason, they recommended several requirements to increase the ability of the program to be effectively monitored and enforced without imposing substantial costs to fishermen and fisheries-dependent communities. One of these requirements is in submitting a PNOL, a mandatory enforcement report which provides NOAA OLE with advanced notice that IFQ will be offloaded and includes a suite of required elements.

Regulations at § 679.5(l)(1) specify the requirements necessary to submit a PNOL. Vessel operators must submit a PNOL to OLE no fewer than 3 hours prior to unloading IFQ halibut, CDQ halibut, or IFQ sablefish, unless permission to commence an IFQ landing within 3 hours of notification is granted by a clearing officer. This 3-hour requirement provides OLE agents and officers with the opportunity and time necessary to travel to unmanned ports throughout Alaska prior to landing, in order to monitor specific IFQ offloads and to gather specific information about a vessel's catch. Any vessel wishing to make a landing earlier, or more than two hours later, than the date and time reported in the PNOL must submit a revised PNOL. Additionally, the PNOL must be made by calling a toll-free telephone number between the hours of 0600 hours and 2400 hours, Alaska local time (A.l.t.).

Regulations at § 679.5(l)(1)(iii) specify the information needed for a PNOL:

- Vessel name and ADF&G vessel registration number;

[33] Instructions to apply for, amend, renew, or surrender an FPP are available here: https://www.fisheries.noaa.gov/permit/alaska-federal-fisheries-permit-and-federal-processor-permit-applications
[34] ALFA October 2025 Comment letter on D2; see footnote 8. SVFC October 2025 Comment letter on D2; see footnote 15.

- Port of landing and port code from Tables 14a and 14b to 50 CFR 679;
- Exact location of landing within the port (*i.e.*, dock name, harbor name, facility name, or geographical coordinates);
- The date and time (A.l.t.) that the landing will take place;
- Species and estimated weight (in pounds) of the IFQ halibut, CDQ halibut or IFQ sablefish that will be landed;
- IFQ regulatory area(s) in which the IFQ halibut, CDQ halibut, or IFQ sablefish were harvested;
- IFQ permit number(s) that will be used to land the IFQ halibut, CDQ halibut, or IFQ sablefish;
- Gear type used to harvest the IFQ sablefish or IFQ halibut (see Table 15 to this part); and
- If using longline pot gear in the GOA or pot gear in the BSAI, report the number of pots set, the number of pots lost, and the number of pots left deployed on the fishing grounds.

Table 14a to 50 CFR 679 contains a list of 92 ports through which IFQ and CDQ landings can be cleared in the State of Alaska; ports in California, Canada, Oregon, and Washington are listed under Table 14b.

There are currently two exemptions to the PNOL requirement for IFQ landings, as specified in regulations under § 679.5(l)(1). This includes exemptions for:

1) Halibut IFQ landing of no more than 500 lb concurrent with legal landing of salmon, using hand or power troll gear, and
2) Halibut IFQ landing of no more than 500 lb concurrent with legal landing of lingcod, using dinglebar gear.

The two current PNOL exemptions were adopted as a means to alleviate the PNOL burden for required retention of halibut IFQ landings, when the directed fishing activity (trolling for salmon, dinglebar for lingcod) would not otherwise require a PNOL. In considering both exemptions, the Council recognized that the requirement to retain potentially small amounts of halibut and the disproportionate inconvenience of a PNOL, could create an incentive for fishermen to illegally discard halibut. In both regulatory amendments to implement the PNOL exemptions, the 500 lb threshold was selected as an amount sufficiently large enough to cover the typical amount of halibut incidental catch, while not so large as to jeopardize effective monitoring of IFQ landings (61 FR 41523, August 9, 1996 ; 66 FR 27908, May 21, 2001). Under both PNOL exemptions, IFQ landings reports are still required.

5.1.2.2 Enforcement and Monitoring

The primary purpose of the PNOL is to give sufficient notice to NOAA OLE officers to perform inspections in compliance with statutory requirements, and for International Pacific Halibut Commission (IPHC) representatives to collect biological samples. PNOLs are used to allow OLE to detect and enforce IFQ overages and fraud. In particular, OLE has needed to enforce the requirement for IFQ permit holders to be present on vessels (§ 679.42(c)) and to enforce general landings requirements (*e.g.*, size, weight).

OLE currently has offices in: Anchorage, Dutch Harbor, Homer, Juneau, Ketchikan, Kodiak, Petersburg, Seward, and Sitka. This allows OLE the opportunity to audit landings made at the ports designated in Table 14a to 50 CFR 679 within the 3-hour minimum PNOL window relatively efficiently. The use of PNOLs also facilitates inter-agency enforcement between OLE and Alaska State Wildlife Troopers. While landings of IFQ halibut that occur when a vessel is fishing for lingcod with dinglebar gear and salmon trolling are exempt from the PNOL requirement, these landings are still subject to inspections by State Troopers.

The PNOL also helps IPHC port samplers meet and interview the skipper during the offload and allows port samplers to optimally sample the landings and collect logbook information (IPHC 2026a; IPHC 2026b). IPHC port samplers work at a subset of the ports listed in Table 14a to 50 CFR 679, with sampling targets determined by the IPHC Secretariat for each regulatory area. Sampling days are randomly selected each year to avoid biases; with specific days selected to prioritize small landings, as defined by the IPHC (2026a). The IPHC has developed specific sampling protocols for landings that are considered "small" (IPHC 2026a). The IPHC defines "small landings" as those under 2,000 lb in Bellingham, Juneau, Petersburg, Sitka and Homer, and under 1,000 lb in all other ports (Section 1.12 of IPHC 2026a). Details on the sampling design, objectives, and procedures can be found in the IPHC Manual for Sampling Directed Commercial Landings (IPHC 2026a).[35]

5.1.3 Preliminary assessment

This proposal for a PNOL exemption could benefit smaller vessels and those with small deliveries of incidentally caught IFQ species by reducing administration and operational requirements. Smaller vessels may have a more difficult time offsetting operational costs (*i.e.*, fuel) due to their lower harvesting capacity. Thus, removing the PNOL requirements could allow these vessels to transfer their fish to tenders or to port and return to fishing faster, thereby increasing operational efficiency. The tradeoff to consider is in the ability to maintain adequate monitoring and enforcement procedures for the IFQ fisheries with an exemption for deliveries ≤ 2,000 lb.

The Council motion requested consideration of a 2,000 lb threshold for exemption from the PNOL requirement. Table 12 and Table 13 work to provide the relative magnitude and scale of halibut landings associated with a 2,000 lb threshold. The annual number of IFQ halibut landings in which halibut was the predominant species landed from the last 5 years (2021-2025), is listed in Table 12. Table 12 also includes the annual number of IFQ sablefish landings in which sablefish was the predominant species during this timeseries. This excludes trips where the IFQ species was not the predominant species; for instance, trips that had halibut IFQ landed but sablefish IFQ was the predominant species. This is because under the proposed action if sablefish IFQ exceeded 2,000 lb, a PNOL would still be required even if the halibut landed was ≤ 2,000 lb. However, this method will also exclude trips in which another species (*e.g.*, Pacific cod) was the predominant species and halibut IFQ was also landed. Thus, overall the proportion of landings ≤ 2,000 lb may underestimate the degree of exempted trips under the proposed action.

Table 12 indicates that based on trips from 2021 – 2025 that caught predominantly IFQ halibut, roughly half of the IFQ halibut PNOLs (46-50%) listed as less than or equal to 2,000 lb of halibut landings. These ~1,500 halibut trips represented between 6.8-11.0% of the total IFQ halibut landed in weight (Table 13). This level of halibut trips/ landed weight may be excluded from PNOL in the proposed exemption. Based on trips that predominantly caught IFQ sablefish between (2021 – 2025), Table 12 demonstrates that 4-7% of the sablefish IFQ trips would have been exempted from PNOL. This would have represented between 0.2-0.5% of the total IFQ sablefish landed by volume (Table 13).

[35] Note that the IPHC considers all IFQ halibut, including halibut landed incidental to other fisheries, to be part of "directed" commercial fishing (IPHC 2025).

Table 12 Number of IFQ halibut and IFQ sablefish trips with PNOLs for landings less than or equal to 2,000 lb and greater than 2,000 lb based on the dominant species landed, 2021-2025

Dominant Species	Year	Count of trips with PNOL delivering ≤ 2,000 lb of dominant species	Count of trips with PNOL delivering > 2,000 lb of dominant species	Total trips with PNOL delivering dominant species	Proportion of trips with PNOL delivering ≤ 2,000 lb delivered of dominant species
Halibut	2021	1,502	1,782	3,284	46%
	2022	1,616	1,898	3,514	46%
	2023	1,567	1,746	3,313	47%
	2024	1,454	1,696	3,150	46%
	2025	1,464	1,487	2,951	50%
Sablefish	2021	123	1,646	1,769	7%
	2022	98	1,829	1,927	5%
	2023	87	1,636	1,723	5%
	2024	83	1,530	1,613	5%
	2025	66	1,508	1,574	4%

Source: NMFS Alaska Regional Office

Table 13 Weight of halibut IFQ and sablefish IFQ from landings less than or equal to 2,000 lb and greater than 2,000 lb based on the dominant species landed, 2021-2025

Dominant Species	Year	Sum of IFQ lb of dominant species from deliveries ≤ 2,000 lb	Sum of IFQ lb of dominant species from deliveries > 2,000 lb	Total IFQ lb from dominant species	Proportion of IFQ lb delivered from trips ≤ 2,000 lb
Halibut	2021	1,099,524	15,055,389	16,154,913	6.8%
	2022	1,230,281	15,132,481	16,362,762	7.5%
	2023	1,232,583	12,847,380	14,079,963	8.8%
	2024	1,186,611	11,824,921	13,011,532	9.1%
	2025	1,166,062	9,469,243	10,635,305	11.0%
Sablefish	2021	135,934	29,255,789	29,391,723	0.5%
	2022	113,129	37,756,590	37,869,719	0.3%
	2023	100,125	32,905,349	33,005,474	0.3%
	2024	89,583	34,010,528	34,100,111	0.3%
	2025	73,249	36,596,967	36,670,216	0.2%

Source: NMFS Alaska Regional Office

As explained under Section 5.1.2.1 and 5.1.2.2, OLE uses PNOLs to respond to landings and fulfill enforcement and monitoring requirements of the IFQ Program, and IPHC port samplers use PNOLs to coordinate sampling of imminent landings. While waiving the PNOL requirement for certain landings would potentially reduce OLE staff burden and operational costs, it would also limit enforcement and monitoring oversight in the IFQ Program fishery. Implementation of new PNOL exemptions would reduce compliance oversight and increase potential for fishery users to violate regulatory requirements.

Further consideration of PNOL exemptions will necessitate further consultation with OLE, as have the two previously implemented exemptions. For example, OLE would need to determine how to handle situations when the vessel estimates a delivery will be under 2,000 lb and does not submit a PNOL, but over 2,000 lb are offloaded (*e.g.*, as measured by gross weight, net weight, bled weight, processed weight). Although this may occur under current exemptions, it is likely this will be a much more common occurrence if up to 50% of the offloads may qualify for this exemption.

While OLE does not support waiving the PNOL requirements, requiring VMS as an alternative option for consideration may retain some level of enforceability. OLE suggests that resulting deficiencies in enforceability could be nominally mitigated by adding a positive VMS reporting requirement for IFQ vessels; the PNOL waiver could then be extended to all participating vessels. This could relieve the reporting burden on the fleet, while still allowing OLE to be responsive to monitoring some IFQ deliveries. This would require further analysis to determine the number of vessels affected, and the added cost burden to industry. The analysis could determine what proportion of the fleet already has VMS onboard, and would hence not incur installation costs, but would nevertheless incur transmission costs. This would likely not be a solution that would continue to allow for IPHC offload sampling.

Should the Council wish to recommend further analysis of PNOL exemptions, consideration of other thresholds for halibut and sablefish may help to balance monitoring and enforcement, the core pillars of the IFQ Program (NPFMC/NMFS 1992). This requested threshold of 2,000 lb is four-fold greater than the two current PNOL exemptions for IFQ halibut landed incidental to State-managed fisheries. Thus, analysis of lower landings thresholds (less than 2,000 lb) would more closely align with current PNOL exemptions. A 2,000 lb threshold to exempt a landing from a PNOL would also mean that no "small landings" as defined by the IPHC (see Section 5.1.2.2), would be noticed through a PNOL for sampling purposes. Thus, further consideration of a PNOL exemption for small landings will require consultation with the IPHC.

The Council motion also requested consideration of expanding unloading hours. Should the Council wish to expand PNOL unloading hours (without implementing PNOL exemptions), OLE would need to expand the operational hours of the Enforcement Call Center; this would likewise necessitate updating the regulations at § 679.5(l)(1)(i)(B) and elsewhere. Additionally, expansion of OLE Call Center hours of operation, to grant further flexibility to fishery participants; this would result in increased costs of implementing the IFQ Program.

5.2 Expansion of the designated unload areas for tenders receiving IFQ (Proposed Item #9)

Proposal for action: In October 2025, the Council received public comment requesting expansion of the areas where IFQ harvest may be unloaded to tenders or other registered buyers in locations that are not designated "ports" based on Table 14a to 50 CFR 679.[36] This issue was also raised in the AP report from October 2025.[37] Fishery participants in some remote communities, including some CQE communities, report difficulty finding accessible processing and marketing options. The proposal suggests that this issue could be alleviated by expanding eligible unloading areas to include other areas where tenders or other registered buyers could receive fish. Given the distance of some CQE communities relative to processing operations, operators may benefit from opportunities to deliver to tenders located outside of ports, to reduce operational costs (*i.e.*, fuel, travel time) associated with traveling between fishing grounds and ports. The proposers highlighted that tender service may be particularly important for communities

[36] ALFA October 2025 Comment letter on D2; see footnote 8. SVFC October 2025 Comment letter on D2; see footnote 15.

[37] Advisory Panel report from the October 2025 meeting. Available from: https://meetings.npfmc.org/CommentReview/DownloadFile?p=02804287-a6e5-4a7d-a09a-6de6f20a292a.pdf&fileName=D2%20AP%20Report.pdf

associated with the new regional CQE. While this proposal was described in the context of CQE communities, the motion is not specific to IFQ derived from CQEs.

Existing regulations: As described in Section 5.1.2.1, regulations at § 679.5(l)(1)(iii) require that PNOL include a port of landing from Table 14a and Table 14b as well as the "[e]xact location of landing within the port (*i.e.*, dock name, harbor name, facility name, or geographical coordinates)." Regulations at § 679.5(l)(6)(ii) specify that each landing of IFQ halibut or CDQ halibut is subject to sampling by IPHC representatives. The list of ports in Alaska (Table 14a to 50 CFR 679) includes an option for "Other Alaska" ports. However, the entry for "Other Alaska" is still required to be a port. This means that locations at sea and not connected to a port do not satisfy the reporting requirement to identify a "port" of landing in their PNOL.

OLE evaluates the information submitted in each PNOL on a case-by-case basis to ensure IFQ landings are legal and properly debited from IFQ accounts. Because the "port" where the IFQ delivery will occur must be submitted, this means that a legal landing of IFQ cannot happen outside a "port". This results in an operational limitation on where IFQ can be landed. The IFQ Program uses ports for landings of IFQ halibut, CDQ halibut, and IFQ sablefish to increase the ability of the program to be effectively enforced by OLE and monitored by the IPHC, while also minimizing costs to fishermen and communities that depend on IFQ fisheries (NPFMC/NMFS 1992).

Additional regulations apply to entities receiving IFQ deliveries. Regulations at § 679.4(d)(3) require any person receiving IFQ halibut, CDQ halibut, or IFQ sablefish from the person harvesting said fish (IFQ permit holder or IFQ hired master) to possess a registered buyer permit. Regulations at § 679.4(d)(3) also allow IFQ permit holders possessing their own registered buyer permits to sell directly to the public (at the dock), act as a retailer, or process their catch aboard a catcher processor (*i.e.*, Freezer longerliner) vessel. A tender would be required to have a registered buyer permit to receive IFQ halibut from a catcher vessel. However, based on current practice, that tender would need to be located within a port and the IFQ holder would submit a PNOL at least 3 hours prior to transferring the IFQ to the tender within that port.

Preliminary assessment: Based on the concerns expressed, the Council could consider whether or not to allow expanded locations for IFQ landings. For example, the Council could consider establishing specific criteria such as a set distance from a port listed in Table 14a or the Council could add specific non-port locations to the list of "ports" established in Table 14a. Alternatively, more general language that clarifies the other types of locations could be added to the list that may be eligible for IFQ/CDQ offload.

The largest challenge for the Council to consider in moving forward with potential changes to expand areas where IFQ landings may occur is in ensuring enforcement, reporting, and sampling can take place. Procedure must still maintain that NOAA OLE has the appropriate notice, recordkeeping, and reporting requirements to ensure that IFQ landings continue to be properly debited and that illegal landings can be detected, as well as ensure IPHC sampling can still occur as necessary to collect biological data from landed halibut. As described in Section 5.1.2, OLE is currently able to audit landings at ports designated in Table 14a with relative efficiency. Should the Council desire to expand offload areas to include other ports, or expand to tender deliveries at sea, the Council may wish to consider OLE's ability to perform on-site audits of IFQ deliveries. Thus, expansion or revision of allowable unloading areas – *e.g.*, whether to specify port radii or to allow offshore unloading – would necessitate collaboration with OLE and the IPHC as these adjustments would affect OLE and IPHC port samplers' ability to access vessels in fulfillment of monitoring and enforcement requirements.

Note that if the Council also continues to move forward with Proposed item #8, to remove the PNOL requirement for deliveries ≤ 2,000 lb, the analysis would need to consider the cumulative impacts of both these changes in addition to the impacts of selecting each in isolation.

This proposal for expanding geographic opportunities for IFQ landings is based around an interest in increased use of tenders, in particular from some of the new CQE communities. The 2026 IFQ Report to the Fleet shows a limited number of tenders with registered buyer permits in recent years (NPFMC 2026). In 2025, the number of tender vessels with registered buyer permits increased to 4, from 2 (2022 - 2024); though none were actively buying during this time (2022 - 2025). Thus, while it is conceivable that more remote landings to tenders may benefit the new CQE communities and possibly other remote communities if they organize this opportunity, current use of tenders has been low.

6 Next Steps

After reviewing the expanded discussion paper, Advisory Panel report, and public testimony, the Council may choose whether to move forward in considering one or more of the proposed actions highlighted in this paper. If the Council chooses to move this package forward, it may define a purpose and need statement and set of alternatives, which would then be more thoroughly evaluated in an Initial Review analysis.

Previous "IFQ Omnibus" actions have addressed multiple, disparate IFQ issues in the same analysis (*e.g.*, NMFS 2023). There are tradeoffs in this approach. This approach can increase analytical complexity to describe multiple, unrelated problems in a single purpose and need statement, each with a different suite of potential solutions. If one topic has a more complex solution than the others, it can delay the amendment package. Based on the proposals included in the expanded discussion paper, it is expected that shifting the CQE structure from leasing IFQ to a hired master system (proposed item #4) would likely have the largest implementation timeline because regardless of the status of the IFA system, this action would require programing changes. Additionally, the two proposals for changes to offloading/ PNOL requirements (Proposed items #8 and #9) will require consultation with OLE and IPHC to ensure compliance and sampling goals can still be achieved.

Combining actions into one amendment package can also sometimes lead to efficiencies in the Council and regulatory process and can be useful in the case of topics that have inter-related effects that are mutually exclusive from each other (*e.g.*, if the Council adopts a hired master style of IFQ transfers for the CQE Program, there would be no need to exempt CQE residents from the TEC when leasing CQE's IFQ because they would not be leasing). The topics included will likely dictate the appropriateness of consolidating actions into a single amendment package. If the Council identifies a purpose and need that is relevant to all alternatives, those can be developed into a single initial review draft analysis. Otherwise, it may be more appropriate to develop multiple analyses if the alternatives are not sufficiently related.

If the Council moves forward with IFQ and/or CQE Program changes, it may also consider reliance on its Committees for additional review and insight. For example, the next round of analysis could be presented at the IFQ Committee and/or the Enforcement Committee to receive relevant perspective and expertise.

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