

Council Motion
C4 - IFQ Cost Recovery Process Improvements
June 6, 2026

The Council moves the IFQ Cost Recovery Process initial review analysis forward for final action with following revisions to the purpose and need and suite of alternatives, with additions shown in **redline** and deletions in ~~strikeout~~. The preliminary preferred alternative, elements, and options are identified in **Bold** below.

Purpose and Need:

Since 2021, the International Pacific Halibut Commission (IPHC) has extended the halibut fishing season to end in December, **and IPHC is expected to continue a December ending date for the foreseeable future**. Annually NMFS establishes the sablefish IFQ season dates based on the season dates established by the IPHC for halibut. This extended season **for halibut and sablefish** has reduced the amount of time NMFS has to perform administrative tasks necessary to calculate the IFQ cost recovery fee percentage and determine individual fee liabilities under regulations at **50 CFR 679.45, posing risks that NMFS might not be able to complete the fee collection process in a timely manner before permits are issued for the next fishing year**. The administrative steps necessary to assess fees for the halibut and sablefish IFQ fisheries ~~have been programmed~~ **are designed** to run concurrently for all IFQ holders, **including both sablefish IFQ and halibut IFQ**, ~~and therefore the sablefish IFQ process is dependent upon the halibut IFQ process~~. **Additionally, data gaps with IFQ registered buyer volume and value reporting reduce data quality for calculating port specific standard prices and the overall fishery value**. Action is needed to revise the halibut and sablefish IFQ cost recovery administrative process to accommodate later fishing season end dates in December **and improve IFQ registered buyer volume and value reporting**.

Alternatives:

Alternative 1. Status Quo.

Alternative 2. Revise the Halibut and Sablefish IFQ Cost recovery Annual Processes.

Element 1. Modify deadlines.

Option 1. Remove the regulatory deadline for publishing the notice of standard prices and fee percentage in the Federal Register.

Option 2. Revise the fee payment due date from January 31 to February 28.

Element 2. Modify the date range of IFQ landings used to calculate annual cost recovery fee liabilities. The annual billing year would include IFQ landings from:

Option 1. October 1 through September 30

Option 2. November 1 through October 31

Option 3. December 1 through November 30

Element 3. Modify the submission of volume and value reports **by implementing**

~~Option 1. Implement~~ **an administrative consequence for registered buyers who fail to submit volume and value reports. NMFS would not issue a**

registered buyer permit until the previous year's volume and value report is submitted.

~~Option 2. Require submission of volume and value reports within 2 weeks of the processor's final IFQ landing of the season or October 15th, whichever is earlier.~~

~~Option 3. Increase frequency of volume and value data submission to quarterly. (Quarterly or twice per year)~~