



## **C3 Area 4 Vessel Caps**

June 2024 Council Meeting

### **Action Memo**

Council Staff: Sarah Marrinan

Other Presenters: Alicia Miller, NMFS

Action Required:

1. Initial Review of analysis
2. Review IFQ Committee Report and AP Report from April 2024
3. Recommend action as necessary (may select preliminary preferred alternative)

### **BACKGROUND**

The IFQ Program includes vessel IFQ caps for halibut landings intended to prevent large amounts of IFQ from being fished on only a few vessels. Federal Regulations specify that “No vessel may be used, during any fishing year, to harvest more IFQ halibut than one-half percent of the combined total catch limits of halibut for IFQ regulatory areas 2C, 3A, 3B, 4A, 4B, 4C, 4D, and 4E” (50 CFR § 679.42(h)(1)). Separate vessel use caps are specified for IFQ leased from CQEs: “No vessel may be used, during any fishing year, to harvest more than 50,000 lb (22.7 mt) of IFQ halibut derived from QS held by a CQE” 50 CFR § 679.42(h)(1)(ii).

Since 2020 for Areas 4B, 4C/D and 2021 for Area 4A, the Council has requested NMFS promulgate regulations to remove vessel use cap regulations for IFQ halibut. Early exemptions from vessel caps were due to impacts on harvesters, processors, and communities as a result of travel restrictions, health mandates, and operational challenges directly attributable to the global pandemic. More recently, caps were removed to provide continued flexibility to IFQ participants in IPHC Area 4 as utilization of halibut quota in Area 4 has declined and conditions including limited local markets, increases in operating costs, and reductions from historical TACs have all contributed to fewer vessels participating in the Area 4 fisheries. As a result, vessel caps do not apply to Area 4 and IFQ halibut harvested in Area 4 does not accrue to vessel caps in other Areas through the 2027 IFQ fishing season.

The current action considers creating new vessel caps specific to IFQ regulatory Area 4. Existing vessel caps would remain in place for other IFQ areas. New vessel caps in Area 4 would be calculated at 4, 5, or 6% of the Area 4 halibut TAC or 150% of the coastwide halibut vessel cap based on the option selected. Sub-options to specify that halibut IFQ held by an Area 4B CQE does not accrue towards the Area 4 vessel cap; and to review this action three or five years after implementation or include it in the next halibut/sablefish IFQ Program Review are also considered.

This analysis for the Area 4 Vessel Cap action was originally scheduled for review at the April 2024 Council meeting. The IFQ Committee met in March, and provided a report on this issue which is posted. The Advisory Panel completed initial review of the RIR at the April meeting, and their report on this agenda item is linked on the eAgenda. Due to timing constraints, the Council did not review this action in April and it was rescheduled for this meeting. Five written public comments were submitted in April, and a link is provided on the June eAgenda under C3.