


MEMORANDUM

TO: Council, SSC and AP Members

FROM: Chris Oliver 
Executive Director

DATE: January 23, 2009

SUBJECT: Amendment 80 Cooperative Formation

ESTIMATED TIME 4 HOURS

ACTION REQUIRED

Initial review of Amendment 80 Cooperative Formation

BACKGROUND

At the June 2008 meeting, the Council reviewed a discussion paper on the goals of the existing Amendment 80 cooperative formation standards, current conditions in the Amendment 80 fisheries, and the implications of modifying cooperative formation criteria for the Amendment 80 sector. In response, the Council developed a purpose and need statement for relaxing cooperative formation and tasked staff to prepare analysis for initial review that would modify the existing standards for cooperative formation under the Amendment 80 Program. The following are the alternatives recommended by the Council and addressed in the analysis:

- **Alternative 1:** (Status quo) – A minimum of three unique quota share holders holding at least nine quota share permits are required to form a cooperative.
- **Alternative 2:** Reduce the number of unique quota share holders required to form a cooperative from three to two or one unique quota share holder.
- **Alternative 3:** Reduce the number of quota share permits required to form a cooperative from the existing 9 permits to some lower range.
- **Alternative 4:** Reduce both the number of unique quota share holders and the number of quota share permits required to form a cooperative (combination of Alternatives 2 and 3).
- **Alternative 5:** Allow a cooperative to form with a single or collective group of entities that represent 20%, 25%, or 30% of the sector quota share.
- **Alternative 6:** Allow the groundfish retention standard (GRS) to be applied in aggregate to all cooperatives if this calculation meets or exceeds the GRS requirement.

At this meeting, the Council is scheduled to take initial action on this agenda item. The analysis for this agenda item was mailed out on January 21, 2009; an executive summary of that analysis is attached **Item C-4(1)**.