

D5 IFQ Access Opportunities
Final Council Motion
June 9, 2019

The Council requests the staff develop an expanded discussion paper identifying the considerations in the original AP motion that was presented to the Council.

ADVISORY PANEL
Motions and Rationale
June 4-7, 2019 - Sitka, AK

D5 IFQ Access Options

AP Motion

The AP recommends that the Council request staff to develop an expanded discussion paper identifying considerations related to the creation of an Access Pool of halibut and sablefish QS that facilitates entry level opportunities to these fisheries in the GOA². The Access Pool would establish a new channel into the halibut/sablefish fisheries that supports entry level opportunity for crew members and vessel owner-operators for a set number of years.

Target Population:

- The target population for this action is entry level fishermen (crew and owner-operators) in GOA¹ fishing communities seeking to enter the halibut/sablefish fisheries.
- Entry level is defined as owning less than 5,000 lbs of combined QS in all areas based on 2019 quota holdings.

Mechanisms:

- The Access Pool could be funded using newly created QS units based on a one-time 1% of 2019 QS Access Pool for halibut **and sablefish** in **all** areas 2C, 3A, and 3B, individually, and sablefish in areas SE, WY, CG, and WG, individually.
- The Access Pool could be funded by a tax of .5% or 1% of QS transferred, halibut **and sablefish** in all areas 2C, 3A, and 3B, individually, and sablefish in areas SE, WY, CG, and WG, individually.³
- The access pool QS units could not be sold.
- Individual participation in the Access Pool would be temporary.
- The new QS would be subject to current observer and IFQ cost recovery fees.

Entity:

- For the access pool entity, explore using current MSA language related to Regional Fishery Associations (RFA) to structure the access entity, the creation of a new non- RFA entity to receive and administer the QS, and allocating the Access Pool QS units to an existing or newly formed regional organization for administration.
- The established access pool entity would receive the allocation and determine the distribution to applicants based on criteria established by the entity and approved by the Council.

Advisory Panel

D5 Motion

June 2019

The Discussion paper should:

- Highlight explicit Council decision points necessary with each of these approaches including the amount of detail needed in developing criteria for allocation.
- Explore the effect of creating a new class of Access Pool QS on the existing QS market and on existing QS holders.
- Consider whether creation of new halibut/sablefish QS units is considered an “initial allocation” under MSA guidelines for RFAs.
- Consider the appropriate number of RFAs for the action.
- **Be reviewed by the IFQ committee.**⁴

Amendment¹ passed 16-1

Amendment² passed 12-5

Amendment³ passed 12-5

Amendment⁴ passed 17-0

Motion as amended passed 17-0

Rationale:

- *This action intends to be responsive to community feedback received both in writing and in public testimony highlighting challenges in accessing halibut/sablefish IFQ fisheries, and to generate a discussion paper exploring another entry-level access channel into these fisheries.*
- *The high cost of entry has resulted in an insurmountable barrier for some individuals. An Access Pool could provide an opportunity to mitigate these costs. While both state and federal loan programs exist to provide an ownership path, and these are important to maintain and strengthen, an Access Pool could provide a new access channel for fishing communities.*
- *Stability in coastal fishing communities throughout Alaska is dependent upon access to fisheries adjacent to these communities, which have limited alternate economic opportunities. An Access Pool could serve as a tool to ensure ongoing participation by these communities.*
- *The motion is limited in scope but not intended to provide an exhaustive list of details of a program at this time. An expanded discussion paper will highlight outstanding questions, issues and potential frameworks of such a program.*
- *A better understanding of the type of entity that could hold quota in the context of MSA, the target population, and a potential funding source would serve to provide guidance for stakeholders to make recommendations for next steps without extensive Council time.*
- *It is intended that the quota source be structured as a new pool of QS units that would be added to the number of total units but would result in fewer pounds of halibut/sablefish allocated to traditional QS holders on an annual basis. This approach is responsive to quota share holder’s feedback and the current loans that individuals have for purchased IFQ tied to QS units.*
- *It is not intended that the Council would create the entity, but would make QS available for an entity to apply for. The entity would then develop eligibility criteria for participants and submit it to NMFS and the Council for review. Questions remain as to how many entities could form.*

Advisory Panel

D5 Motion

June 2019

- *As stated in the staff briefing, the genesis of this agenda item was the Council request for a discussion paper to review Norway's Recruitment Quota and similar global examples of programs that facilitate access opportunities for rural communities and new entrants within limited access fisheries and how these programs may apply to the Halibut and Sablefish IFQ Program.*
- *The problem with barriers to entry are not unique to Alaska, as Washington and Oregon have rural fishing communities and fishermen struggling to fully participate in the fishery and it's imperative that all states that participate in the fishery have an opportunity to inform and guide the council process on this important issue through the IFQ Committee process.*
- *This motion is consistent with the Council's intent when commissioning the discussion paper that it be presented to the IFQ Committee (see page 11 of the staff report).*
- *It is appropriate and consistent with the existing IFQ Committee review process of stakeholder engagement to have the findings in the IFQ Access Discussion Paper reviewed and vetted as is the charge of this stakeholder committee.*
- *A white paper from the Norwegian government is being developed on the performance of its access program that should be utilized by the IFQ Committee to help inform its efforts on this matter.*

Rationale against amendment striking reference to the specific regulatory areas that would fund an access pool:

- *This action should specify the GOA regulatory areas as those funding the access pool, as the Bering Sea already has an access pool through the CDQ program for a target population of Bering Sea communities*

Rationale against amendment striking reference to target communities as those in the GOA:

- *The intent of this action should be to provide for the ongoing participation of individuals in fishing communities adjacent to the resource, which should focus this action on Alaska coastal fishing communities. These fishing communities have limited economic opportunity and have been the primary voices asking for a mechanism to provide another channel of opportunity to participate in the fishery. GOA residents in particular have limited opportunities available and should be a focus of this program.*

Substitute motion

The AP recommends that the Council direct staff to present the IFQ Access Discussion Paper to the IFQ Committee for their consideration.

Substitute Motion failed 7-10