

Replace 14.4.7.1.3(C) (1) and (2) [BSAI FMP] and 4.4.1.1.3(C) (1) and (2) [GOA FMP] with the following language:

INITIAL ALLOCATION OF QUOTA SHARES

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(C) Quota Share Blocks:

- (1) All initial allocations of sablefish QS, and all CDQ compensation QS initially issued to a person in an IFQ regulatory area in which that person does hold QS, that would result in less than 20,000 pounds of IFQ based on the 1994 TAC for the fixed gear sablefish fishery in that area will be issued as a QS block.
- (2) All initial allocations of sablefish QS that would result in at least 20,000 pounds of IFQ based on the 1994 TAC for the fixed gear sablefish fishery in that area, and all CDQ compensation QS initially issued to a person in an IFQ regulatory area in which that person does not hold QS, will be issued as unblocked QS.

Add (3) and (3) (i) to 14.4.7.1.3(B) and 4.4.1.1.3(B):

(B) VESSEL CATEGORIES.

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(3) CDQ Compensation QS:

- (i) All CDQ compensation QS initially issued to a person in an IFQ regulatory area in which that person does not hold QS is designated as uncategorized catcher vessel QS, except if the CDQ compensation QS initially issued to a person in an IFQ regulatory area in which that person does not hold QS is issued as compensation for QS foregone in the freezer vessel category, in which case it is designated as freezer vessel QS. The IFQ resulting from uncategorized catcher vessel QS can be fished on a vessel of any length. CDQ compensation QS will remain uncategorized until it is transferred; upon transfer the CDQ compensation QS must be designated in a specific catcher vessel category.

Add (7), (7) (i), and (7) (ii) to 14.4.7.1.4 and 4.4.1.1.4:

TRANSFER PROVISIONS

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(7) [Authorization for transfers pursuant to the following

provision will expire one year from the effective date of the implementing regulations]. Initially issued QS designated in a specific catcher vessel category pursuant to 14.4.7.1.3(B)(2) [4.4.1.1.3(B)(2)] can be redesignated into a new catcher vessel category upon transfer if:

- (i) A person that was initially issued CDQ compensation QS in an IFQ regulatory area in which that person does not hold QS is party to the transfer; and
- (ii) The transfer involves the initially issued CDQ compensation QS referenced in 14.4.7.1.4(7)(i) [4.4.1.1.4(7)(i)].