Pacific Halibut-Sablefish IFQ Report

Fishing Year 2009

October 2010

Klas Stolpe

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IFQ Language

AKD	NMFS Alaska Enforcement Division; also, NMFS Office of Law Enforcement (OLE)
ALT	Alaska local time
BSAI	Bering Sea and Aleutian Islands
Council	North Pacific Fishery Management Council
FMP	Fishery Management Plan
GOA	Gulf of Alaska
IFQ	Individual Fishing Quota
IPHC	International Pacific Halibut Commission
MSA	Magnuson-Stevens Act
NMFS	National Marine Fisheries Service
NOAA	National Oceanic and Atmospheric Administration
QS	Quota Share
QSP	Quota Share Pool
RAM	Restricted Access Management Program
TAC	Total Allowable Catch

Find this online report and other NOAA Fisheries, Alaska Region, publications at alaskafisheries.noaa.gov/ram/ifqreports.htm.

Cover Photo

Klas Stolpe

Many Southeast Alaska fishermen know journalist- In fact, fishermen and their vessels are often Stolpe subjects. His photographs, like the cover photo, keep viewers close to the action.

Before joining the *Juneau Empire*, Stolpe spent many years writing and providing photography for the *Petersburg Pilot*. Whether working on photo essays or arts photos, Stolpe has received several Alaska Press Club and National Newspaper Association awards over the years.

Photo editors and staff from the *New Orleans Times Picayune selected "Icicle Runs Smooth Operation,"* a photo that depicted what pilots see on the water, for best use of story and photos by a journalist. *Rocky Mountain News* photographers selected *"Herring Catch"* for its winning composition and vibrant color. Closer to home, photographers from the *Puget Sound Business Journal* honored Stolpe in their best scenic photos category.

Through his photography, Klas Stolpe has carried the seawork of Alaska fishermen across America. Restricted Access Management (RAM) appreciates Stolpe's generosity in sharing his photographs in the Pacific Halibut and Sablefish IFQ Report for Fishing Year 2009.

The Pacific Halibut and Sablefish Report
Fishing Year 2009

(March 21, 2009–November 15, 2009)

NOAA Fisheries Service
Restricted Access Management, Alaska Region
Juneau, Alaska

October 2010

Contents

Section 1

TACs, Caps, and Regulations

2009 Season

The 2009 Individual Fishing Quota (IFQ) season for halibut and sablefish opened at noon Alaska local time (ALT) on March 21 and ended at noon ALT on November 15. This section of the report includes information on calculations of 2009 IFQ amounts, 2009 quota share (QS) use and vessel IFQ caps, and changes to the regulations that came into effect for that fishing year.

Calculations

Annual IFQ permit amounts are calculated using a simple formula dependent on annual total allowable catch (TAC) limits, a person's QS holdings, and the sum of all units issued.

For each area in which a person holds QS, the amount of QS held is divided by the amount of all the QS issued for that area (the Quota Share Pool, or QSP). The resulting fraction is then multiplied by the TAC for that area. The equation yields the number of pounds of IFQ that a person is entitled to harvest for a year, derived from QS held. Simply stated, it looks like this:

(QS ÷ QSP) × TAC = IFQ POUNDS

In many cases, the 2009 IFQ allocations were then adjusted slightly up or down, depending on fishing activities by the persons who fished the QS IFQ the prior year. The U.S. adopted annual "TACs" for halibut and sablefish based on recommendations by the International Pacific Halibut Commission (IPHC) and the North Pacific Fishery Management Council (Council), respectively, before the 2009 season started. The annual permit accounts were calculated using January 31 QSPs. Table 1.1 shows those amounts and the "ratio" between the QSP and the TAC for each area; this ratio shows how many units of QS were needed to yield one pound of IFQ.

Table 1.1 2009 Quota share pools (QSPs) and total allowable catches (TACs)

Species/Area	2009 Quota Share Pool[a] (units)	2009 IFQ TAC[b,c] (pounds)	Ratio[d,e] (QS:IFQ)
Halibut 2C	59,552,039	5,020,000	11.8630
3A	184,911,315	21,700,000	8.5213
3B	54,203,176	10,900,000	4.9728
4A	14,587,099	2,550,000	5.7204
4B	9,284,774	1,496,000	6.2064
4C	4,016,352	784,500	5.1196
4D	4,958,250	1,098,300	4.5145
4E	139,999	0	0
All Areas	***331,653,004***	***43,548,800***	
Sablefish AI	31,932,492	2,910,072	10.9731
BS	18,790,367	2,398,605	7.8339
CG	111,686,632	8,800,763	12.6906
SE	66,120,619	6,053,832	10.9221
WG	36,029,579	2,892,435	12.4665
WY	53,266,430	3,432,562	15.5180
All Areas	***317,826,119***	***26,488,269***	

[a] QS Pools may include small amounts of QS in "Reserve" (QS that is yet to be issued) and QS that is "Restricted" (QS that has been issued, but which does not yield IFQ to its holder).
[b] IFQ TACs do not include pounds that have been set aside for the CDQ program.
[c] Halibut weights are in net (headed and gutted) pounds, and sablefish weights are in round pounds.
[d] The "ratio" displays the number of units of QS that yield one pound of 2009 IFQ (annual IFQ allocations are computed using additional decimals).
[e] Numbers may differ from published data due to rounding.

2009 Quota Share Use and Vessel IFQ Caps

The IFQ rules place limits on the amount of QS that yields IFQ that a person may hold (QS Use Caps) and on the amount of total IFQ pounds that can be landed from one vessel during a season (vessel IFQ caps). The following tables display the caps in effect during the 2009 season. Note the QS use caps are constant, based on the 1996 QSPs.

Table 1.2 2009 QS use caps

Species	Applicants %	Size of Relevant QSPs[a]	QS Use Cap
Halibut[b]	1% of 2C QSP	59,979,977 QS units	599,799 QS units
	.5% of 2C, 3A, 3B	300,564,647 QS units	1,502,823 QS units
	1.5% of Area 4 QSPs	33,002,937 QS units	495,044 QS units
Sablefish[b]	1% of SE QSPs	68,848,467 QS units	688,485 QS units
	1% of All QSPs	322,972,132 QS units	3,229,721 QS units

[a] Vessel IFQ caps are calculated on the IFQ TACs only; CDQ TACs are not included in the calculations.
[b] Halibut weights are in net (headed and gutted) pounds, and sablefish weights are in round pounds.

Table 1.3 2009 vessel IFQ caps[a]

Species	Vessel Use Cap %	2009 IFQ TAC	Vessel Use Cap
Halibut[b,c]	1% of 2C IFQ TAC	5,020,000 net pounds	50,200 net pounds
	.5% of All IFQ TAC	43,548,800 net pounds	217,744 net pounds
Sablefish[b,c]	1% of SE IFQ TAC	6,053,832 round pounds	60,538 round pounds
	1% of All IFQ TAC	26,488,269 round pounds	264,883 round pounds

[a] Vessel IFQ caps are calculated based on the IFQ TACS only; CDQ TACS are not included in the calculations.
[b] Halibut weights are in net (headed and gutted) pounds, and sablefish weights are in round pounds.
[c] The vessel cap for a species was 50,000 pounds if any IFQ derived from "Community Quota Entity (CQE)-held QS was landed during 2009.

Regulatory Changes Effective in 2009

Since the IFQ Program regulations were first published in November 1993, numerous administrative and programmatic changes have been made through regulatory changes. This fishing year NMFS issued a final rule affecting Area 4E but not the IFQ Program. The rule is noteworthy because it reduced burdens to CDQ fishermen in the hook-and-line fisheries and is included in this report. In Section 5, "The NMFS Protected Resources Seabird Report" has a brief discussion of this change, which became effective on April 27, 2009. 74 FR 13355, March 27, 2009

This NMFS final rule revised seabird avoidance requirements for the hook-and-line groundfish and halibut fisheries in International Pacific Halibut Commission (IPHC) Area 4E that affected hook-and-line vessels greater than 26 ft to less than or equal to 55 ft (16.8 m) length overall in portions of 4E in the eastern Bering Sea.

Section 2

The 2009 IFQ Season in Review

Permits and Landings

The 2009 IFQ season opened at noon (ALT) on March 21 and ended at noon ALT on November 15. A total of 5,618 IFQ permits (as defined by unique combinations of species, areas, and vessel categories), including 4,069 halibut permits and 1,549 sablefish permits, were active as of year-end 2009.

When the season ended November 15, those permits had been used by IFQ holders to report 5,143 vessel landings of IFQ halibut and 1,728 of sablefish, for a total harvest of approximately 97 percent of the IFQ halibut TAC and 91 percent of the IFQ sablefish TAC. The following tables display those landings by species, regulatory area, and IFQ pounds as reported by Registered Buyers. Halibut Area 4E is excluded because 100 percent of the TAC is allocated to the CDQ fishery in that area. These tables exclude at-sea discards.

Table 2.1 2009 IFQ halibut allocations and fixed-gear IFQ landings

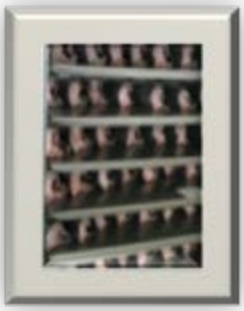
Species/Area	Vessel Landings[a]	Area IFQ TAC[b]	Total Harvest	Percent Harvested[c,d]
Halibut 2C	1,689	5,020,000	4,832,242	96
3A	2,289	21,700,000	21,354,893	98
3B	786	10,900,000	10,662,931	98
4A	271	2,550,000	2,454,444	96
4B	67	1,496,000	1,232,219	82
4C	13	784,500	53,360	7
4D	57	1,098,300	1,684,308	153
Total	***5,172***	***43,548,800***	***42,274,397***	***97***

[a] Vessel landings include the number of reported landings by participating vessels reported by IFQ regulatory area; each such landing may include harvests from multiple IFQ permitholders.
[b] Halibut weights are in net (headed and gutted) pounds.
[c] Due to over- or underharvest of TAC and rounding, percentages may not total 100 percent.
[d] Permitholders may fish IFQ designated for Area 4C in either Areas 4C or 4D. This resulted in an apparent, but allowable, "excessive harvest" in Area 4D.

Table 2.2 2009 IFQ sablefish allocations and IFQ landings

Species/Area	Vessel Landings[a]	Area IFQ TAC[b]	Total Harvest	Percent Harvested[c]
Sablefish AI	98	2,910,072	1,660,126	57
BS	185	2,398,605	1,495,680	62
CG	568	8,800,763	8,737,945	99
SE	538	6,053,832	6,069,025	100
WG	145	2,892,435	2,830,907	98
WY	204	3,432,562	3,408,722	99
Total	***1,738***	***26,488,269***	***24,202,405***	***91***

[a] Vessel landings include the number of reported landings by participating vessels reported by IFQ regulatory area; each such landing may include harvests from multiple IFQ permitholders.
[b] Sablefish weights are in round pounds.
[c] Due to over-or underharvest of TAC and rounding, percentages may not total 100 percent.



Black Cod Catch–from Splay to Array **NOAA Fisheries**

Rate of IFQ Harvest

Halibut

Figure 2.1 displays the pattern and rate of IFQ halibut harvest by month, year, and percent of TAC for the IFQ fishing years. Since 1995, the monthly pattern of the IFQ halibut harvest has been consistent, although season dates varied by as much as a few weeks among years. Some landings are made and reported after the season closes (post-November 15). During the early months of the year, the 2009 monthly halibut harvest (percent of total landings) was slightly lower than the IFQ Program monthly averages. However, in July and continuing throughout the year, the 2009 monthly averages were slightly higher, except in October when both averages were the same (9.9 percent).

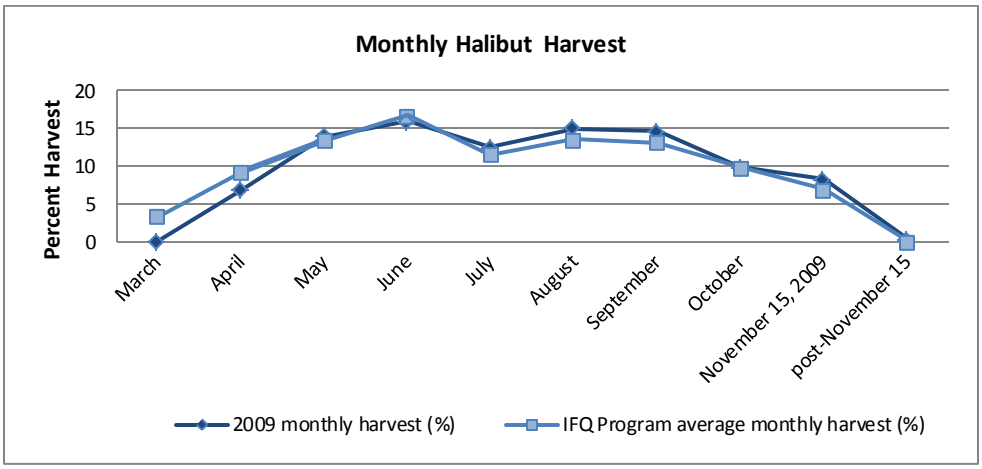


Figure 2.1 2009 Monthly Halibut Harvest (%) and Average Monthly IFQ Halibut Harvest (1995–2009)

Sablefish

Figure 2.2 displays the pattern and rate of IFQ sablefish harvest by month, year, and percent of TAC for the IFQ fishing years. Since 1995, the monthly pattern of the IFQ sablefish harvest has been consistent, although season dates varied by as much as a few weeks among years. Some landings are made and reported after the season closes. During May and June of the 2009 sablefish fishing year, monthly harvest (percent of total landings) surpassed IFQ Program monthly averages.

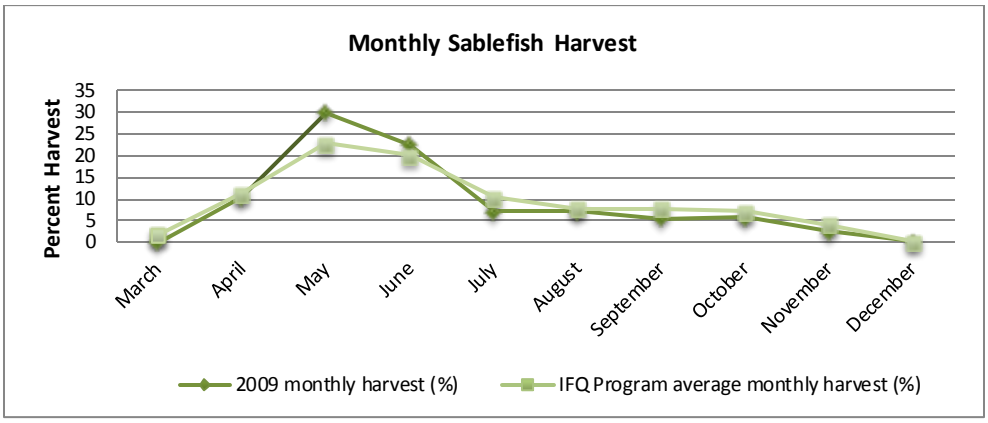


Figure 2.2 2009 Monthly Sablefish Harvest (%) and Average Monthly IFQ Sablefish Harvest (1995–2009)

Alaska's Top 10 Ports

Halibut

This table displays the top ten Alaska ports in which IFQ halibut were landed. During 2009 the top four ports remained unchanged, while the four ports of Sitka, Juneau, Atkutan, and Yakutat improved their ranks. Petersburg held on to seventh position, its program average, as Sand Point tumbled from fifth to 10th position. The percentage of IFQ halibut landed outside Alaska has steadily decreased; primary "outside" ports include Seattle and Bellingham.

Table 2.3 Top ten Alaska IFQ halibut ports in rank order for 2009 performance, 1995–2009

Port[a]	2009 Net pounds Landed[b,c,d]	2009 Percent of total Landed[c,d]	2009 Rank	2008 Rank	2007 Rank	2006 Rank	2005 Rank	2004 Rank	2003 Rank	2002 Rank	2001 Rank	2000 Rank	1999 Rank	1998 Rank	1997 Rank	1996 Rank	1995 Rank
Homer	12,026,360	28.45	1	1	1	1	1	1	1	1	1	1	1	1	3	2	2
Kodiak	7,623,603	18.03	2	2	2	2	2	2	2	2	2	2	2	2	1	1	1
Seward	4,491,708	10.62	3	3	3	3	3	3	3	3	4	4	3	3	4	3	5
Dutch/Unalaska	2,454,426	5.80	4	4	5	5	4	4	4	4	3	3	4	4	2	4	4
Sitka	*	*	5	6	4	4	5	6	6	7	5	6	6	5	5	5	3
Juneau	2,173,256	5.14	6	8	7	6	6	7	7	6	6	5	5	7	8	8	13
Petersburg	1,564,582	3.70	7	7	6	7	7	8	8	8	7	7	7	6	6	6	6
Akutan	*	*	8	9	11	14	13	14	17	27	32	30	29	26	22	25	30
Yakutat	*	*	9	12	9	9	11	19	27	14	10	13	10	10	10	13	10
Sand Point	*	*	10	5	8	8	8	5	5	5	11	10	14	13	13	15	15
All ports	***42,274,397***	***100***	NA[e]														

[a] "All ports" includes all ports used by the fleet.
[b] Halibut weights are in net (headed and gutted) pounds.
[c] Asterisk represents confidential data.
[d] Sum includes all port data.
[e] NA = nonapplicable

Sablefish

As the following table displays, the top ten Alaska ports in which the IFQ sablefish were landed have remained relatively constant over the past program seasons, with Seward holding the top spot for the fifteenth program year in a row. During 2009 Sitka remained second-ranked port, as Kodiak, Homer and Juneau each rose in rank by one. Kodiak rose to third, pushing Dutch/Unalaska to fourth. Cordova (seventh) returned to the top ten this year after narrowly falling below the list in 2008 (eleventh). Sand Point was the only port that fell by at least two positions Sand Point.

Table 2.4 Top ten Alaska IFQ sablefish ports in rank order for 2009 performance, 1995–2009

Port[a]	2009 Rounded pounds landed[b,c,d]	2009 Percent of total landed[c,d]	2009 Rank	2008 Rank	2007 Rank	2006 Rank	2005 Rank	2004 Rank	2003 Rank	2002 Rank	2001 Rank	2000 Rank	1999 Rank	1998 Rank	1997 Rank	1996 Rank	1995 Rank
Seward	3,711,121	15.33	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Sitka	*	*	2	2	3	2	3	3	2	2	2	2	4	4	4	4	3
Kodiak	2,807,668	11.60	3	4	4	4	4	4	5	5	4	4	3	3	3	3	4
Dutch/Unalaska	1,970,810	8.14	4	3	2	3	2	2	3	3	3	3	2	2	2	2	2
Homer	1,805,168	7.46	5	6	6	5	8	6	7	9	12	13	12	12	11	11	12
Yakutat	*	*	6	5	5	7	5	5	4	4	5	6	5	6	9	8	9
Cordova	*	*	7	11	9	10	7	8	9	6	7	5	7	7	8	13	9
Juneau	*	*	8	9	10	9	6	7	6	8	6	9	9	10	7	7	8
Sand Point	*	*	9	7	7	6	9	14	12	10	10	7	6	5	5	6	5
Petersburg	921,414	3.81	10	8	8	8	10	9	8	7	9	10	8	9	10	5	7
All ports	24,202,405	*100*	NA[e]														

[a] "All ports" includes all ports used by the fleet.
[b] Sablefish weights are in round pounds.
[c] Asterisk represents confidential data.
[d] Sum includes all port data.
[e] NA = nonapplicable

Hired Skipper (Hired Master) Activity

A central policy of the IFQ Program is that those who hold catcher-vessel QS and receive annual IFQ permits should, over time, exercise the harvest privilege themselves. This is the so-called "owner-onboard" policy, which applies to catcher-vessel QS/IFQ in categories B, C, and D, but not to category A ("freezer vessel") shares, which may be leased without restriction. The IFQ Program is designed so that eventually all catcher-vessel IFQ will be fished by the QS/IFQ holders.

An element of the program for Catcher Vessel (CV) QS/IFQ is that, during a transitional period, some individual IFQ holders may (and nonindividuals must) designate an "IFQ Hired Master" (referred to as a "Hired Skipper" or "Skipper") to do the fishing authorized by their annual IFQ permit. Under regulations established in 1998, the IFQ permitholder may not hire a Skipper unless the IFQ permitholder holds an ownership interest of at least 20 percent of the vessel upon which the IFQ is to be fished by that Skipper (an exception to this rule results in a small number of permitholders being allowed to hold less than 20 percent). This "grandfather" provision enables vessel owners (who were able to hire someone else to run their boats prior to the IFQ program) to continue to hire Skippers. However, as individuals depart from the fishery and as corporations and partnerships dissolve over time, new entrants who take their place must be onboard when the fish are caught. With such regulatory requirements, it is inevitable that over time there will be an increasing number of individual QS holders who may not hire Skippers to fish their IFQ. By both consolidation and regulation, eventually all catcher vessel QS/IFQ will be held by persons who must be onboard during harvest of their IFQ.

A General Look at Hired Skipper Activity

In most earlier reports, the Hired Skipper activities have been reported as the total amount of landings by Hired Skippers, expressed in absolute numbers and as a percent of the IFQ TAC. This represents total skipper activity for all IFQ permitholders and QS/IFQ types. Using that approach for the 2009 IFQ season, we see that 336 distinct skippers participated in the IFQ fisheries for both species in all areas and QS categories. Of these Skippers, 295 persons harvested 20,363,769 pounds of IFQ halibut (head off, gutted), which was approximately 47 percent of the entire IFQ TAC. Also during the season, 197 Hired Skippers harvested 15,478,724 pounds of sablefish (round weight), which was approximately 58 percent of the IFQ TAC.

This section provides a first, general look at Hired Skipper use for all QS and by all types of IFQ permitholders. Specifically, table 2.5 displays the number of Hired Skippers who fished during 2009 by species, area, TAC, and IFQ pounds and percent TAC landed. Individuals who initially received QS may not hire a skipper to fish their IFQ permit in 2C (halibut) or SE (sablefish), although they may for other areas. These data include QS of all categories. The data are not additive across areas because some skippers fished in more than one area for the same or other IFQ permitholders.

Table 2.5 Number of Hired Skippers with landings by species and area, with pounds landed, IFQ TAC, and percent TAC and IFQ landed, 2009

Species/Area[a,b]	Number of Hired Skippers	Number of Hirers	Total Skipper IFQ Pounds Landed	Average IFQ Pounds Per Skipper	IFQ TAC	Percent TAC	Total IFQ Landed	Percent Total Skipper IFQ Pounds Landed
Halibut 2C	28	27	105,065	3,752	5,020,000	2.1	4,832,092	2.17
3A	224	271	10,136,150	45,251	21,700,000	46.7	21,354,893	47.46
3B	163	164	6,426,159	39,424	10,900,000	58.9	10,662,931	60.26
4A	65	64	1,412,184	21,726	2,550,000	55.4	2,454,444	57.53
4B	31	35	840,646	27,118	1,496,000	56.2	1,232,219	68.22
4C/ 4D[a]	26	27	1,443,525	55,520	1,882,800	83.1	1,737,668	83.07
Totals for Halibut	***295***	***325***	***20,363,729***	***69,030***	***43,548,800***	***48.2***	***42,274,247***	***48.17***
Sablefish AI	33	31	1,314,918	39,846	2,910,072	45.2	1,660,126	79.20
BS	37	31	1,063,155	28,734	2,398,605	44.3	1,495,680	71.08
CG	130	143	7,111,129	54,701	8,800,763	80.8	8,737,945	81.38
SE	44	50	921,098	20,934	6,053,832	15.2	6,069,025	15.18
WG	52	56	2,637,871	50,728	2,892,435	91.2	2,830,907	93.18
WY	76	97	2,430,553	31,981	3,432,562	70.8	3,408,722	71.30
Totals for Sablefish	***197***	***190***	***15,478,724***	***78,572***	***26,488,269***	***64.0***	***24,202,405***	***63.95***

[a] Area 4C can be fished in 4D, which accounts for irregular percentages in these areas. Areas 4C and 4D are combined due to confidentiality.
[b] Area 4E has no IFQ allocation.

A Selective Look at Hired Skipper Use

Data above provide a broad picture of use of Hired Skippers under the Program. To more effectively evaluate the potential and actual use of Hired Skippers, it is important to focus on a subset of data, excluding and qualifying information as follows.

Eligible Person and QS/IFQ type: This section focuses on persons holding catcher vessel QS and IFQ. Category "A" IFQ is excluded as fully leasable; these data mask the effects of Skipper use. With some exceptions, *eligible person* means a person who could, or has, hired a Skipper to fish catcher vessel IFQ. This group includes all nonindividuals (who must hire Skippers) and individual initial issuees who hold QS in areas other

than just 2C (halibut) and SE (sablefish). In areas 2C and SE, individual QS holders must always be onboard. Excluded from "eligible" for years prior to 2000 are individuals who used NMFS loan funds to purchase QS. Before that year, such persons were required to be onboard during all of their IFQ harvests, even if they held initial issuee status and QS outside of 2C and SE. After 1999, a legal review of regulations and MSA loan provisions resulted in a policy change: the requirement to be onboard is now a NMFS loan contract provision rather than a permanent change of Hired Skipper privileges; in subsequent years, these individuals are not excluded from eligible "persons." The group of QS holders who may never hire Skippers are "IFQ crewmembers," individual citizens who demonstrated 150 days of U.S. commercial fishing experience, who only acquired QS by transfer; these persons must be onboard a vessel when their IFQ is harvested. The primary focus of this section is on eligible "persons," their Hired Skippers, harvestable pounds (and percent of TAC landed), and landings.

In sum, and unless otherwise noted, for this report a person "eligible" to hire a Skipper means an *individual initial issuee* who held catcher vessel QS/IFQ for areas other than 2C (halibut) or SE (sablefish) and (for 1995–1999 only) did not have a NMFS loan, or a *nonindividual person* that held catcher vessel QS/IFQ.

We must consider a number of additional data assumptions and qualifiers:

Effects of time: Other sections of this annual report display clear evidence of the general decrease over time of QS holders, including loss of initial issuees. Such persons typically are replaced by IFQ crewmembers or heirs of deceased individual QS holders, neither of whom may hire Skippers. Also, this section uses year-end data. Although Hired Skipper and QS/IFQ transfer applications may be approved at any time, Skippers are presumed to have been hired for an IFQ holder for the entire year, and IFQ pounds available to eligible persons and their Hired Skippers as of year-end are assumed to have been fully available to both persons for the entire year.

Changes in program privileges: Several program changes or provisions and other factors fall into this category.

- From 1995 through 1998, nonindividuals were not required to formally hire Skippers to fish their IFQ. For clarity and comparability, some data reflect changes or comparisons among years only for 1998 on.
- For 1995 through 1997, a small fraction of catcher vessel QS could be leased. This provision was little-used and is ignored herein. Under federal regulations, at any time an individual initial issuee may form a new solely owned corporation and transfer in QS holdings. In such cases, the individual loses his/her initial issuee status.
- As discussed above, from 1995 through 1999, otherwise qualified individuals who received NMFS loans to purchase or refinance QS were considered to have permanently lost the ability to hire Skippers; as a result, data for those years include only persons who had not received NMFS loans. Thereafter, such persons are included in counts of persons eligible to hire Skippers.
- Hired Skippers may not be used by otherwise eligible individual IFQ permitholders for areas 2C and SE. Such individuals are excluded from "eligible to hire Skippers" if all the IFQ they hold is in one or both areas; however, they may purchase QS in other areas at any time.

Data anomalies: This includes results of data rounding, missing data, and fishing violations, such as fishing in prohibited areas.

Fishing activity: Each year, a number of persons do not use (fish) their IFQ or do not hire skippers, even if eligible. In the following data, we note these distinctions and inclusions/exclusions.

As a consequence of all these factors, the following data must be viewed as estimates of the use and activities of Hired Skippers, of persons who hired them, and of relevant quota and landings.

Use of Hired Skippers by Individuals

In this section we show hired skipper data for skippers hired by individual QS holders fishing for halibut and sablefish, showing eligible person pools over time, annual TACs, fishable pounds, and landings by skippers fishing for individuals. Program averages and percent change include fishing years 1998 through 2009 due to different data-retrieval methods used in 1995 through 1997. Data may have been revised from those used in earlier publications.

Table 2.6 Number of individual halibut QS holders and their use of Hired Skippers, 1995–2009

Halibut	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Percent Change between 1998 and 2009	Average 1998–2009
Number of all individuals	2,861	2,790	2,615	2,452	2,364	2,242	2,179	2,162	2,135	2,059	2,011	1,970	1,845	1,724	1,675	-31.7%	2,068
Number of all individuals eligible to hire Skippers	2,664	2,387	2,127	1,949	1,815	1,675	1,576	1,521	1,445	1,349	1,295	1,233	1,141	1,051	1,002	-48.6%	1,421
Individual QS holders eligible to hire Skippers and had IFQ landings	1,327	1,296	1,209	1,005	982	942	859	845	798	749	727	715	733	711	679	-32.4%	812
Eligible Individual QS holders with landings and who hired skippers	76	108	125	110	116	125	137	135	153	159	172	181	187	201	210	90.9%	157
Number of Skippers hired by eligible individuals with landings	72	93	103	98	110	135	147	143	158	149	174	185	187	198	209	113.3%	158

Table 2.7 Percent of individual halibut QS holders and their use of Hired Skippers, 1995–2009

Halibut	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Percent Change between 1998 and 2009	Average 1998–2009
Number of all individuals	2,861	2,790	2,615	2,452	2,364	2,242	2,179	2,162	2,135	2,059	2,011	1,970	1,845	1,724	1,675	-31.7%	2,068
Percent of all individuals eligible to hire Skippers	93%	86%	81%	79%	77%	75%	72%	70%	68%	65%	64%	63%	62%	61%	60%	-24.0%	68.0%
Percent of individual QS holders eligible to hire Skippers and had IFQ landings	50%	54%	57%	52%	54%	56%	55%	56%	55%	56%	56%	58%	64%	68%	68%	30.8%	58.2%
Percent of eligible individual QS holders with landings and who hired skippers	6%	8%	10%	11%	12%	13%	16%	16%	19%	21%	24%	25%	26%	28%	31%	181.8%	19.2%
Average number of Skippers hired per eligible individual with landings	0.95	0.86	0.82	0.89	0.95	1.08	1.07	1.06	1.03	0.94	1.01	1.02	1.00	0.99	1.00	12.3%	1.0

Table 2.8 Number of individual sablefish QS holders and their use of Hired Skippers, 1995–2009

Sablefish	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Percent Change between 1998 and 2009	Average 1998–2009
Number of all individuals	528	521	505	486	473	459	459	465	471	464	464	459	448	450	441	-9.3%	462
Number of all individuals eligible to hire Skippers	496	467	423	401	376	341	324	314	298	287	279	268	261	259	253	-35.9%	305
Individual QS holders eligible to hire Skippers and had IFQ landings	317	296	269	232	214	195	185	179	161	157	154	156	155	151	154	-33.6%	174
Eligible individual QS holders with landings and who hired skippers	30	44	51	46	53	56	64	65	71	77	85	94	90	86	91	97.8%	73
Number of Skippers hired by eligible individuals with landings	30	43	52	45	55	71	80	82	95	91	101	110	105	105	117	160.0%	88.1

Table 2.9 Percent of individual sablefish QS holders and their use of Hired Skippers, 1995–2009

Sablefish	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Percent Change between 1998 and 2009	Average 1998–2009
Number of all individuals	528	521	505	486	473	459	459	465	471	464	464	459	448	450	441	-9.3%	462
Percent of all individuals eligible to hire Skippers	94%	90%	84%	83%	79%	74%	71%	68%	63%	62%	60%	58%	58%	58%	57%	-30.5%	65.9%
Percent of individual QS holders eligible to hire Skippers and had IFQ landings	64%	63%	64%	58%	57%	57%	57%	57%	54%	55%	55%	58%	59%	58%	61%	5.2%	57.2%
Percent of eligible Individual QS holders with landings and who hired skippers	9%	15%	19%	20%	25%	29%	35%	36%	44%	49%	55%	60%	58%	57%	59%	198.0%	43.9%
Average number of Skippers hired per eligible individual with landings	1.00	0.98	1.02	0.98	1.04	1.27	1.25	1.26	1.34	1.18	1.19	1.17	1.17	1.22	1.29	31.4%	119.6

Annual IFQ TACs, 1995–2009

Total annual IFQ TAC is the entire IFQ allocation for all areas. As Table 2.10 indicates, over time, specified TACs have fluctuated. Total IFQ TACs for halibut have changed by ±20 percent and for sablefish, much less from 1998 levels. TACs are shown in head off-gutted pounds for halibut and round pounds for sablefish. TAC minus A share pounds are provided as an estimate of "unleasable" TAC.

Table 2.10 Annual IFQ TACS in thousands of pounds, 1995–2009

Halibut	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Percent Change between 1998 and 2009	Average 1998–2009
Total Annual IFQ TAC	37,422	37,422	51,116	55,708	58,390	53,074	58,534	59,010	59,010	58,942	56,976	53,308	50,212	48,041	43,549	-21.8%	54,563
Total Annual IFQ TAC Minus A Share lbs	36,499	36,375	49,632	54,095	56,644	51,411	56,724	57,205	57,211	57,230	55,339	51,795	48,781	46,638	42,271	-21.9%	52,945

Sablefish	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Percent Change between 1998 and 2009	Average 1998–2009
Total TAC	45,646	35,320	30,234	29,846	27,154	29,926	29,121	29,388	34,864	37,937	35,765	34,546	33,450	29,967	26,488	-11.3%	31,538
Total TAC Minus A Share lbs	38,035	29,506	24,856	24,437	21,876	23,709	22,858	22,847	26,940	29,454	28,111	26,693	25,895	23,365	20,573	-15.8%	24,730

Annual Fishable Pounds for Individuals, 1995–2009

"Fishable pounds" are slightly different from TAC pounds in that they include IFQ permit pounds available for harvest (pounds from QS lbs ± adjustments from prior-year fishing) whether or not fished. In every IFQ Program year, adjusted carryover from the prior year has been greater than underage adjustments, so that fishable pounds have been greater than the specified TAC. For more information about effects of adjustments, see the next section "Effects of Underage and Overage Adjustments of Annual IFQ Permits on Future Year Permits." In Tables 2.11 and 2.12, we show the numbers of catcher vessel pounds available to individual persons who are "eligible" to hire skippers. "Eligible person" is defined at the beginning of this section.

Table 2.11 Annual fishable halibut pounds and percent total catcher vessel IFQ TAC held by persons who could hire Skippers, 1995–2009

Halibut – Individuals	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Percent Change between 1998 and 2009	Average 1998–2009
Fishable IFQ lbs held by individuals eligible to hire Skippers and had landings	15,923	16,371	22,663	23,995	25,174	21,650	23,747	24,273	23,346	22,268	20,524	19,007	19,309	19,333	17,579	-26.7%	21,684
Percent of total IFQ TAC as fishable lbs held by Individuals eligible to hire Skippers and had landings	42.5%	43.7%	44.3%	43.1%	43.1%	40.8%	40.6%	41.1%	39.6%	37.8%	36.0%	35.7%	38.5%	40.2%	40.4%	-6.3%	39.7%

Table 2.12 Annual fishable sablefish pounds and percent total catcher vessel IFQ TAC held by persons who could hire Skippers, 1995–2009

Sablefish – Individuals	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Percent Change between 1998 and 2009	Average 1998–2009
Fishable IFQ lbs held by individuals eligible to hire	12,668	10,210	8,849	8,388	7,652	7,486	7,292	7,641	8,616	9,257	8,666	7,968	7,711	6,881	6,177	-26.4%	7,811
Percent of total IFQ TAC as fishable lbs held by individuals eligible to hire Skippers and that had landings	27.8%	28.9%	29.3%	28.1%	28.2%	25.0%	25.0%	26.0%	24.7%	24.4%	24.2%	23.1%	23.1%	23.0%	23.3%	-17.0%	24.8%

Landings by Skippers on Permits Held by "Eligible" Individuals

Table 2.13 Landed IFQ pounds and percent of TAC/fishable pounds by individuals and Skippers, 1995–2009

Halibut	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Percent Change between 1998 and 2009	Average 1998–2009
Landed IFQ lbs by anyone for individuals eligible to hire Skippers and that had permit landings	14,680	15,757	22,033	22,509	24,165	21,174	22,755	23,773	22,890	21,765	20,087	18,773	19,036	19,115	17,132	-23.9%	21,098
Percent of Total IFQ TAC as landed IFQ lbs on permits held by individuals eligible to hire Skippers and that had landings	39.2%	42.1%	43.1%	40.4%	41.4%	39.9%	38.9%	40.3%	38.8%	36.9%	35.3%	35.2%	37.9%	39.8%	39.3%	-2.7.2%	38.7%
Landed IFQ lbs by Skippers for individuals eligible to hire Skippers and that had landings	1,352	2,476	3,964	4,419	5,219	5,800	7,414	7,713	8,412	8,358	8,319	8,083	8,613	8,455	8,386	89.8%	7,433
Percent of landed IFQ lbs by Skippers for individuals eligible to hire Skippers and that had landings	9.2%	15.7%	18.0%	19.6%	21.6%	27.4%	32.6%	32.4%	36.8%	38.4%	41.4%	43.1%	45.2%	44.2%	48.9%	149.4%	36.0%
Percent of Total IFQ TAC landed by Skippers	3.6%	6.6%	7.8%	7.9%	8.9%	10.9%	12.7%	13.1%	14.3%	14.2%	14.6%	15.2%	17.2%	17.6%	19.3%	144.3%	13.8%
Percent of available fishable lbs (held by individuals eligible to hire Skippers and that had permit landings) landed by Skippers	8.5%	15.1%	17.5%	18.4%	20.7%	26.8%	31.2%	31.8%	36.0%	37.5%	40.5%	42.5%	44.6%	43.7%	47.7%	159.2%	35.1%

Continued

Table 2.13 Continued

Sablefish	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Percent Change between 1998 and 2009	Average 1998–2009
Landed IFQ lbs by anyone for individuals eligible to hire Skippers and that had permit landings	11,798	9,816	8,460	7,892	6,932	7,077	6,840	7,093	7,967	8,736	8,108	7,535	7,305	6,569	5,866	-25.7%	7,327
Percent of Total IFQ TAC as landed IFQ lbs on permits held by individuals eligible to hire Skippers and that had landings	25.8%	27.8%	28.0%	26.4%	25.5%	23.6%	23.5%	24.1%	22.9%	23.0%	22.7%	21.8%	21.8%	21.9%	22.1%	-16.2%	23.3%
Landed IFQ lbs by Skippers for individuals eligible to hire Skippers and that had landings	765	2,359	1,971	2,286	1,968	2,387	2,985	3,273	3,901	4,609	4,830	4,969	4,855	4,339	3,983	74.3%	3,699
Percent of landed IFQ lbs by Skippers for individuals eligible to hire Skippers and that had permit landings	6.5%	24.0%	23.3%	29.0%	28.4%	33.7%	43.6%	46.1%	49.0%	52.8%	59.6%	65.9%	66.5%	66.1%	67.9%	134.4%	50.7%
Percent of Total IFQ TAC landed by Skippers	1.7%	6.7%	6.5%	7.7%	7.2%	8.0%	10.3%	11.1%	11.2%	12.1%	13.5%	14.4%	14.5%	14.5%	15.0%	96.3%	11.6%
Percent of available fishable lbs (held by individuals eligible to hire Skippers and that had permit landings) landed by Skippers	6.0%	23.1%	22.3%	27.2%	25.7%	31.9%	40.9%	42.8%	45.3%	49.8%	55.7%	62.4%	63.0%	63.1%	64.5%	136.6%	47.7%

Use of Hired Skippers by Nonindividuals

In this section we show hired skipper data for skippers hired by nonindividual QS holders fishing for halibut and sablefish, showing eligible person pools over time, annual TACs, fishable pounds, and landings by skippers hired by nonindividuals, who, from 1998 on, must hire a Skipper to fish their IFQ. Program averages and percent change include fishing years 1998 through 2009 due to different data-retrieval methods used in 1995 through 1997. Data may have been revised from those used in earlier publications. As for individuals, category "A" is excluded.

Table 2.14 Number of nonindividual halibut QS holders and their use of Hired Skippers, 1995–2009

Halibut	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Percent Change between 1998 and 2009	Average 1998–2009
Number of all eligible nonindividuals	348	322	301	229	204	182	173	168	157	151	146	141	135	123	120	-47.6%	161
Number of nonindividuals that had permit landings	210	189	177	150	136	128	121	121	114	113	112	110	108	99	98	-34.7%	118
Number of Nonindividuals that had permit landings and did hire Skippers	81	86	132	143	129	128	121	121	114	113	112	110	108	100	98	-31.5%	116
Number of Skippers hired by nonindividuals	84	94	148	165	147	176	181	190	181	181	184	195	178	168	162	-1.8%	176

Table 2.15 Percent of nonindividual halibut QS holders and their use of Hired Skippers, 1995–2009

Halibut	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Percent Change between 1998 and 2009	Average 1998–2009
Number of all eligible nonindividuals	348	322	301	229	204	182	173	168	157	151	146	141	135	123	120	-47.6%	161
Percent of nonindividuals that had permit landings	58%	59%	59%	66%	67%	71%	70%	72%	73%	75%	77%	79%	81%	81%	82%	24.7%	74.1%
Percent of Nonindividuals that had permit landings and did hire Skippers	40%	46%	75%	95%	95%	100%	100%	100%	100%	100%	100%	100%	100%	101%	100%	4.9%	99.3%
Average number of Skippers hired per nonindividual that had permit landings and hired Skippers	1.04	1.09	1.12	1.15	1.14	1.38	1.50	1.57	1.59	1.60	1.64	1.77	1.65	1.68	1.65	43.3%	1.5

Table 2.16 Number of nonindividual sablefish QS holders and their use of Hired Skippers, 1995–2009

Sablefish	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Percent Change between 1998 and 2009	Average 1998–2009
Number of all eligible nonindividuals	160	156	149	133	128	120	115	112	105	102	97	95	88	84	82	-38.3%	105
Number of nonindividuals that had permit landings	119	107	104	96	87	85	80	72	69	66	60	61	58	57	57	-40.6%	71
Number of Nonindividuals that had permit landings and did hire Skippers	52	67	87	94	81	84	80	72	69	66	60	61	58	57	57	-39.4%	70
Number of Skippers hired by nonindividuals	51	67	93	106	95	118	122	110	112	114	115	121	109	104	109	2.8%	111

Table 2.17 Percent of nonindividual sablefish QS holders and their use of Hired Skippers, 1995–2009

Sablefish	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Percent Change between 1998 and 2009	Average 1998–2009
Number of all eligible nonindividuals	160	156	149	133	128	120	115	112	105	102	97	95	88	84	82	-38.3%	105
Percent of nonindividuals that had permit landings	74%	69%	70%	72%	68%	71%	70%	64%	66%	65%	62%	64%	66%	68%	70%	-3.7%	67.0%
Percent of Nonindividuals that had permit landings and did hire Skippers	44%	63%	84%	98%	93%	99%	100%	100%	100%	100%	100%	100%	100%	100%	100%	2.1%	99.2%
Average number of Skippers hired per nonindividual that had permit landings and did hire Skippers	0.98	1.00	1.07	1.13	1.17	1.40	1.53	1.53	1.62	1.73	1.92	1.98	1.88	1.82	1.91	69.6%	1.6

Annual IFQ TACs, 1995–2009

As we stated earlier, total annual IFQ TAC is the entire IFQ allocation for all areas. As Table 2.18 indicates, over time, specified TACs have fluctuated. Total IFQ TACs for halibut have changed by ±22 percent and, for sablefish, much less from 1998 levels. TACs are shown in head off-gutted pounds for halibut and round pounds for sablefish. TAC minus A share pounds are provided as an estimate of "unleasable" TAC.

Table 2.18 Annual IFQ TACS in thousands of pounds, 1995–2009

Halibut	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Percent Change between 1998 and 2009	Average 1998–2009
Total TAC	37,422	37,422	51,116	55,708	58,390	53,074	58,534	59,010	59,010	58,942	56,976	53,308	50,212	48,041	43,549	-21.8%	54,563
Total TAC Minus A Share lbs	36,499	36,375	49,632	54,095	56,644	51,411	56,724	57,205	57,211	57,230	55,339	51,795	48,781	46,638	42,271	-21.9%	52,945

Sablefish	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Percent Change between 1998 and 2009	Average 1998–2009
Total TAC	45,646	35,320	30,234	29,846	27,154	29,926	29,121	29,388	34,864	37,937	35,765	34,546	33,450	29,967	26,488	-11.3%	31,538
Total TAC Minus A Share lbs	38,035	29,506	24,856	24,437	21,876	23,709	22,858	22,847	26,940	29,454	28,111	26,693	25,895	23,365	20,573	-15.8%	24,730

Annual Fishable Pounds for Nonindividuals, 1995–2009

As mentioned earlier, "fishable pounds" are not the same as TAC pounds. Fishable pounds include all IFQ permit pounds available for harvest (pounds from QS lbs ± adjustments from prior-year fishing) whether or not fished. In every IFQ Program year, adjusted carryover from the prior year has been greater than underage adjustments, so fishable pounds have been greater than the specified TAC. For more information about effects of adjustments, see the next section "Effects of Underage and Overage Adjustments of Annual IFQ Permits on Future Year Permits."

In Tables 2.19 and 2.20, we show the numbers of catcher vessel pounds available to individual persons who are "eligible" to hire skippers. "Eligible person" is defined at the beginning of this section.

Table 2.19 Annual fishable halibut catcher vessel pounds and percent total catcher vessel IFQ TAC held by persons who could hire Skippers, 1995–2009

Halibut – Nonindividuals	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Percent Change between 1998 and 2009	Average 1998–2009
Fishable IFQ lbs held by nonindividuals with landings	8,947	8,810	12,691	13,985	14,876	13,354	14,246	14,166	13,550	12,659	11,606	10,495	9,935	9,866	9,153	-34.5%	12,324
Percent of total IFQ TAC as fishable lbs held by non-individuals with landings	23.9%	23.5%	24.8%	25.1%	25.5%	25.2%	24.3%	24.0%	23.0%	21.5%	20.4%	19.7%	19.8%	20.5%	21.0%	-16.3%	22.5%

Table 2.20 Annual fishable sablefish catcher vessel pounds and percent total catcher vessel IFQ TAC held by persons who could hire Skippers, 1995–2009

Sablefish – Nonindividuals	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Percent Change between 1998 and 2009	Average 1998–2009
Fishable IFQ lbs held by nonindividuals with landings	13,049	9,858	9,039	8,986	7,763	7,888	7,300	6,896	7,739	8,452	8,158	7,465	7,090	6,226	5,313	-40.9%	7,440
Percent of total IFQ TAC as fishable lbs held by non-individuals with landings	28.6%	27.9%	29.9%	30.1%	28.6%	26.4%	25.1%	23.5%	22.2%	22.3%	22.8%	21.6%	21.2%	20.8%	20.1%	-33.4%	23.7%

Landings by Skippers on Permits Held by Nonindividuals

Table 2.21 Landed IFQ pounds (in thousands of round pounds) and percent of TAC/fishable pounds by nonindividuals and Skippers, 1995–2009

Halibut	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Percent Change between 1998 and 2009	Average 1998–2009
Landed IFQ lbs on permits held by nonindividuals	8,411	8,486	12,388	13,140	14,394	13,088	13,973	13,970	13,347	12,445	11,468	10,376	9,971	9,698	8,959	-31.8%	12,069
Percent of total IFQ TAC as landed IFQ lbs on permits held by nonindividuals	22.5%	22.7%	24.2%	23.6%	24.7%	24.7%	23.9%	23.7%	22.6%	21.1%	20.1%	19.5%	19.9%	20.2%	20.6%	-12.8%	22.0%
Landed IFQ lbs by Skippers for nonindividuals	2,748	3,907	10,370	12,838	13,482	13,079	13,973	13,970	13,347	12,378	11,507	10,409	9,971	9,698	8,898	-30.7%	11,962
Percent of landed IFQ lbs by Skippers for nonindividuals	32.7%	46.0%	83.7%	97.7%	93.7%	99.9%	100.0%	100.0%	100.0%	99.5%	100.3%	100.3%	100.0%	100.0%	99.3%	1.7%	99.2%
Percent of total IFQ TAC landed by Skippers	7.3%	10.4%	20.3%	23.0%	23.1%	24.6%	23.9%	23.7%	22.6%	21.0%	20.2%	19.5%	19.9%	20.2%	20.4%	-11.3%	21.8%
Percent of available fishable lbs (held by nonindividuals eligible to hire Skippers and that had landings) landed by Skippers	30.7%	44.3%	81.7%	91.8%	90.6%	97.9%	98.1%	98.6%	98.5%	97.8%	99.1%	99.2%	100.4%	98.3%	97.2%	5.9%	97.3%

Continued

Table 2.21 Continued

Sablefish	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Percent Change between 1998 and 2009	Average 1998–2009
Landed IFQ lbs on permits held by nonindividuals	12,385	9,526	8,705	8,342	7,187	7,415	6,975	6,576	7,079	7,979	7,726	7,092	6,726	6,056	5,176	-37.9%	7,027
Percent of total IFQ TAC as landed IFQ lbs on permits held by nonindividuals	27.1%	27.0%	28.8%	27.9%	26.5%	24.8%	24.0%	22.4%	20.3%	21.0%	21.6%	20.5%	20.1%	20.2%	19.5%	-30.1%	22.4%
Landed IFQ lbs by Skippers for nonindividuals	2,336	3,874	6,502	8,150	6,808	7,416	6,975	6,575	7,070	7,979	7,726	7,073	6,726	6,056	5,176	-36.5%	6,977
Percent of landed IFQ lbs by Skippers for nonindividuals	18.9%	40.7%	74.7%	97.7%	94.7%	100.0%	100.0%	100.0%	99.9%	100.0%	100.0%	99.7%	100.0%	100.0%	100.0%	2.4%	99.3%
Percent of total IFQ TAC landed by Skippers	5.1%	11.0%	21.5%	27.3%	25.1%	24.8%	24.0%	22.4%	20.3%	21.0%	21.6%	20.5%	20.1%	20.2%	19.5%	-28.4%	22.2%
Percent of available fishable lbs (held by nonindividuals eligible to hire Skippers and that had landings) landed by Skippers	17.9%	39.3%	71.9%	90.7%	87.7%	94.0%	95.5%	95.3%	91.4%	94.4%	94.7%	94.7%	94.9%	97.3%	97.4%	7.4%	94.0%

Skipper Hiring Summary

Table 2.22 Catcher Vessel (CV) Category B, C, and D QS holders, their ability to hire Skippers, and their percentages of the CV QS pool as of the end of 2009.

Species	Number of persons who must hire Skippers	"Must hire" persons as percent of total B, C, D holders	Percent B, C, and D QS pool held by "must hire" persons	Number of persons who may hire Skippers	"May hire" persons as percent of total B, C, D holders	Percent B, C, and D QS pool held by "may hire" persons	Number of persons who may not hire Skippers	"May not hire" persons as percent of total B, C, D holders	Percent B, C, and D QS pool held by "may not hire" persons	Total number of B, C, D QS holders
Halibut	126	4.5	19.6	1,084	38.6	40.1	1,599	56.9	40.3	***2,809***
Sablefish	82	10.6	27.9	256	32.9	33.5	438	56.4	38.6	***776***

Skipper Characteristics

In this section we look at some general characteristics of the Skippers themselves. Some Skippers have been QS/IFQ holders in their own right, some were at least part owners of the vessels on which they were hired to fish another person's IFQ, and some have been shareholders, partners, or "owners" of the nonindividual QS holding entity that hired them. In addition to data issues described at the start of this section, this examination requires some additional data assumptions and is subject to a data completeness issue. First, we must assume that QS holdings as of the end of the year existed the entire year. Next, for older data only year-end 2008 vessel and "nonindividual" ownership information was available, and was therefore used for all previous data years. Finally, ownership was examined only to the "first level" of ownership; in reality, these relationships are often complex, spanning multiple "levels" for any person and vessel. As a result, vessel and quota ownership by Skippers are likely underestimated.

Hired Skippers as Holders of QS

Over time, increasing numbers of Skippers hold their own QS and would fish even if not hired by other QS holders. Tables 2.23 and 2.24 show such Skippers from year 2000 through 2009. Their QS can be of any kind and is not limited to one species; they may fish both halibut and sablefish. Note that Skippers fishing IFQ halibut cannot be hired by individuals in Area 2C and those Skippers fishing for IFQ sablefish cannot be hired by individuals in Southeast Alaska (SE). Table 2.23 shows that by the end of 2009, of those Hired Skippers hired by individuals to fish B, C, and D shares, 67.8 percent of IFQ halibut Skippers and 69 percent of sablefish Skippers held their own QS. Since 2000, 63 more Hired Skippers fishing IFQ halibut and 96 more fishing sablefish held their own QS.

Table 2.24 shows that the numbers of Hired Skippers hired by nonindividuals to fish B, C, and D Shares and who held their own QS at year-end were almost the same percentage of Skippers (53.3 and 54.0 percent, respectively) for halibut and sablefish Skippers, nearly a 7 and 5 percent respective increase over the 2000 fishing year percentages for this Skipper category. In 2009 the number of Skippers that did not hold their own QS (hired by nonindividuals) was 78 (46.7 percent) fishing halibut and 52 (46.0 percent) for sablefish. During 2009 17 fewer fishermen not holding QS fished halibut and 14 fewer fishermen fished sablefish for nonindividuals than in fishing year 2000.

Table 2.23 Hired Skippers hired by individuals to fish B, C, and D shares and who held their own QS[a], as of each year-end, 2000–2009

Species	Year	Total number of individual holders of B, C, D QS other than 2C/SE	Total Number of Skippers hired by individuals to fish B, C, D QS	Number of Skippers having their own QS of any kind	Percent of Skippers hired having their own QS of any kind	Numbers of Skippers not having their own QS	Percent of Skippers hired not having their own QS
Halibut	2000	1,722	136	80	58.8	56	41.2
	2001	1,634	147	88	59.9	59	40.1
	2002	1,575	148	96	64.9	52	35.1
	2003	1,506	160	117	73.1	43	26.9
	2004	1,413	150	105	70.0	45	30.0
	2005	1,354	175	120	68.6	55	31.4
	2006	1,294	185	128	69.2	57	30.8
	2007	1,211	188	133	70.7	55	29.3
	2008	1,119	198	138	70.0	59	30.0
	2009	1,076	211	143	67.8	68	32.2

Continued

Table 2.23 Continued

Species	Year	Total number of individual holders of B, C, D QS other than 2C/SE	Total Number of Skippers hired by individuals to fish B, C, D QS	Number of Skippers having their own QS of any kind	Percent of Skippers hired having their own QS of any kind	Numbers of Skippers not having their own QS	Percent of Skippers hired not having their own QS
Sablefish	2000	334	77	51	66.2	26	33.8
	2001	325	80	54	67.5	26	32.5
	2002	314	83	60	72.3	23	27.7
	2003	299	97	71	73.2	26	26.8
	2004	291	94	64	68.1	30	31.9
	2005	277	103	74	71.8	29	28.2
	2006	270	112	81	72.3	31	27.7
	2007	263	110	83	75.5	27	24.5
	2008	258	113	81	71.7	32	28.3
	2009	253	126	87	69.0	39	31.0
Unique number overall (both species)	2009	1,132	219	147	67.1%	72	32.9%

[a] Skippers' QS could be of any species.

Table 2.24 Hired Skippers hired by nonindividuals to fish B, C, and D shares and who held their own QS[a], as of each year-end, 2000–2009

Species	Year	Total number of nonindividual holders of B, C, D QS	Total Number of Skippers hired by nonindividuals to fish B, C, D QS	Number of Skippers having their own QS of any kind	Percent of Skippers hired having their own QS of any kind	Numbers of Skippers not having their own QS	Percent of Skippers hired not having their own QS
Halibut	2000	184	178	83	46.6	95	53.4
	2001	175	193	86	44.6	107	55.4
	2002	170	197	90	45.7	107	54.3
	2003	160	188	87	46.3	101	53.7
	2004	155	189	90	47.6	99	52.4
	2005	149	191	100	52.4	91	47.6
	2006	145	200	100	50.0	100	50.0
	2007	139	186	100	53.8	86	46.2
	2008	128	175	97	55.4	78	44.6
	2009	126	167	89	53.3	78	46.7

Continued

Table 2.24 Continued

Species	Year	Total number of nonindividual holders of B, C, D QS	Total Number of Skippers hired by nonindividuals to fish B, C, D QS	Number of Skippers having their own QS of any kind	Percent of Skippers hired having their own QS of any kind	Numbers of Skippers not having their own QS	Percent of Skippers hired not having their own QS
Sablefish	2000	119	130	64	49.2	66	50.8
	2001	114	139	63	45.3	76	54.7
	2002	111	135	66	48.9	69	51.1
	2003	105	130	61	46.9	69	53.1
	2004	102	129	63	48.8	66	51.2
	2005	98	130	73	56.2	57	43.8
	2006	95	132	72	54.5	60	45.5
	2007	88	120	69	57.5	51	42.5
	2008	84	113	63	55.8	50	44.2
	2009	82	113	61	54.0	52	46.0
Unique number overall (both species)	2009	139	170	90	52.9	80	47.1

[a] Skippers' QS could be of any species.

Hired Skippers as Owners of Vessels They Used for IFQ Fishing

Table 2.25 shows vessel ownership by Hired Skippers for the last ten program years. A reasonable presumption is that Skippers would fish vessels they own, especially if they are QS holders in their own right. Hirers also must own the vessels used to fish their catcher vessel IFQ. RAM's use of only "first level" ownership data underrepresents Skipper vessel ownership. Although the number of IFQ vessels is decreasing, the number of vessels used by Skippers for IFQ fishing is increasing. While the number of Skippers fishing IFQ halibut is increasing, numbers of sablefish Skippers have fluctuated but overall remained essentially unchanged over time. As fewer IFQ boats entered the water in 2009 (1,090 for halibut; 363 for sablefish), numbers of Skippers who owned the vessels used to fish IFQ increased, accounting for approximately 32 and 21 percent of IFQ vessels, respectively.

Table 2.25 Hired Skippers' Ownership[a] of Vessels used to fish IFQ halibut and sablefish, 2000–2009

Species	Year[b]	Total number of vessels used for IFQ Fishing[c]	Total number of vessels used by Skippers for IFQ Fishing[c]	Total number of Skippers that IFQ Fished	Number of Skippers that owned (1st level) IFQ vessel used by Skippers	Percent of IFQ vessels used and owned by Skippers	Number of Skippers that did not own (1st Level) the IFQ vessel used by Skipper	Percent of IFQ vessels used by Skippers not owned by Skippers
Halibut	2000	1,586	243	267	45	18.5	222	81.5
	2001	1,460	243	259	42	17.3	217	82.7
	2002	1,393	241	265	49	20.3	216	79.7
	2003	1,338	247	271	61	24.7	210	75.3
	2004	1,304	250	277	64	25.6	213	74.4
	2005	1,276	248	278	72	29.0	206	71.0
	2006	1,255	256	292	76	29.7	216	70.3
	2007	1,211	252	279	75	29.8	204	70.2
	2008	1,157	259	287	79	30.5	208	69.5
	2009	1,090	269	295	87	32.3	208	67.7

Continued

Table 2.25 Continued

Species	Year[b]	Total number of vessels used for IFQ Fishing[c]	Total number of vessels used by Skippers for IFQ Fishing[c]	Total number of Skippers that IFQ Fished	Number of Skippers that owned (1st level) IFQ vessel used by Skippers	Percent of IFQ vessels used and owned by Skippers	Number of Skippers that did not own (1st Level) the IFQ vessel used by the Skipper	Percent of IFQ vessels used by Skippers not owned by Skippers
Sablefish	2000	450	171	201	20	11.7	181	88.3
	2001	436	156	178	20	12.2	158	87.2
	2002	416	156	178	23	14.7	155	85.3
	2003	409	164	193	23	15.2	170	86.0
	2004	396	161	190	26	16.8	164	83.9
	2005	378	163	191	31	20.2	160	81.0
	2006	372	168	203	38	22.6	165	77.4
	2007	373	172	196	40	23.3	156	76.7
	2008	359	163	184	35	21.5	149	78.5
	2009	363	175	197	36	20.6	160	81.2
Unique number overall (both species)	2009	1120	297	336	93	31.3	243	68.7

[a] Vessel ownership is evaluated to the "first level" only.
[b] RAM does not store vessel ownership by year and cannot re-create ownership at any historical point in time; therefore, RAM used current first-level vessel ownership data as of the end of 2008 for all years prior to 2009.
[c] Includes all IFQ fishing (all areas, categories, for all IFQ holder types)

Hired Skippers as Entity Owners

As Table 2.26 demonstrates, a large percentage of Skippers hired to fish for "nonindividual entities" (that were required to hire a Skipper to fish their IFQ) were, in whole or in part, owners of the hiring entity. Evaluation of ownership only at the first level underrepresents Skipper's hirer ownership. From 2002 to 2009, the numbers of nonindividual entities with IFQ decreased. As a result, numbers of hirers, Skippers, and Skipper-owners all decreased.

Table 2.26 Skippers Ownership[a,b] of Their Nonindividual Hirers for B, C, and D Shares, Halibut and Sablefish, 2000–2009

Species	Year[b]	Total number of nonindividual holders of B, C, and D fishable Lbs[c]	Total number of Skippers hired by nonindividuals to fish B, C, D QS	Number of Skipper owners	Percent of Skippers that are owners	Number of nonowner Skippers	Percent of nonowner Skippers
Halibut	2000	183	178	78	43.8	100	56.2
	2001	174	193	88	45.6	105	54.4
	2002	169	197	82	41.6	115	58.4
	2003	159	188	80	42.6	108	57.4
	2004	154	189	78	41.3	111	58.7
	2005	148	191	75	39.3	116	60.7
	2006	144	200	76	38.0	124	62.0
	2007	139	186	73	39.2	113	60.8
	2008	128	175	66	37.7	109	62.3
	2009	126	167	56	33.5	111	66.5

Continued

Table 2.26 Continued

Species	Year[b]	Total number of nonindividual holders of B, C, and D fishable Lbs[c]	Total number of Skippers hired by nonindividuals to fish B, C, D QS	Number of Skipper owners	Percent of Skippers that are owners	Number of nonowner Skippers	Percent of nonowner Skippers
Sablefish	2000	118	130	61	46.9	69	53.1
	2001	113	139	65	46.8	74	53.2
	2002	110	135	56	41.5	79	58.5
	2003	104	130	57	43.8	73	56.2
	2004	101	129	51	39.5	78	60.5
	2005	97	130	48	36.9	82	63.1
	2006	94	132	46	34.8	86	65.2
	2007	88	120	45	37.5	75	62.5
	2008	84	113	43	38.1	70	61.9
	2009	82	113	34	30.0	79	70.0
Unique number overall (both species)	2009	139	170	56	40.3	83	59.7

[a] Ownership is evaluated to the "first level" only.
[b] RAM does not store corporate ownership by year and cannot re-create ownership at any historical point in time; therefore, RAM used current first-level vessel ownership data as of the end of 2008 for all years prior to 2009.
[c] Total number of nonindividual QS holders excludes A shares.

Table 2.27 Summary of Skipper IFQ landings with TAC and numbers of Skippers and hirers during 2009 by species and area[a]

Species	Area[a]	TAC	IFQ Landed total	Skipper Pounds Landed	Skipper Percent of IFQ Landed Total	Average IFQ Pounds Landed Per Skipper	Number of Distinct Skippers	Number of Distinct Hirers
Halibut	2C	5,020,000	4,832,092	105,065	2.17	3,752	28	27
	3A	21,700,000	21,354,893	10,136,150	47.47	45,251	224	271
	3B	10,900,000	10,662,931	6,426,159	60.27	39,424	163	164
	4A	2,550,000	2,454,444	1,412,184	57.54	21,726	65	64
	4B	1,496,000	1,232,219	840,646	68.22	27,118	31	35
	4C/4D[a]	1,882,800	1,737,668	1,443,525	83.07	55,520	26	27
	Total	***43,548,800***	***42,274,247***	***20,363,729***	***48.17***	***69,030***	***295***	***325***
Sablefish	AI	2,910,072	1,660,126	1,314,918	79.21	39,846	33	31
	BS	2,398,605	1,495,680	1,063,155	71.08	28,734	37	31
	CG	8,800,763	8,737,945	7,111,129	81.38	54,701	130	143
	SE	6,053,832	6,069,025	921,098	15.18	20,934	44	50
	WG	2,892,435	2,830,907	2,637,871	93.18	50,728	52	56
	WY	3,432,562	3,408,722	2,430,553	71.30	31,981	76	97
	Total	***26,488,269***	***24,202,405***	***15,478,724***	***63.96***	***78,572***	***197***	***190***

[a] Some Area 4C data are confidential; therefore, halibut data for Areas 4C and 4D are combined for confidentiality.

Trends in Hired Skipper Activity

Over the years, some trends are clear: the number of both nonindividual and individual QS holders who are eligible to hire Skippers has been declining through attrition while the reliance on Hired Skippers has been increasing. The later is evident by the increase in Hired Skippers and of the higher percentages of hirers and Hired Skipper harvests and QS holdings. Additionally, Hired Skippers have a substantial ownership in both vessels they used to fish for others and entities for which they fish.

Conclusion

The ability to hire a skipper to fish catcher vessel IFQ remains an important element of the IFQ Program. Under current regulations, the practice will eventually disappear as QS/IFQ holders are replaced by new entrants who are required to be onboard when the IFQ is harvested. Until that happens, however, an increasing percentage of the annual IFQ will be harvested by persons other than the QS/IFQ holder even though many such persons are owners of the entities that "hire" them, of the vessels they use for skipper activities, or are IFQ holders and active fishermen in their own right. The fact that the numbers of catcher vessel QS holding entities are declining does not, in itself, result in fewer IFQ pounds being fished by hired Skippers (although the numbers of such Skippers may decline). The size of each eligible individual and nonindividual QS holder's IFQ allocations may increase, even as the numbers of QS holders decline through consolidation and program regulation.

Effects of Under- and Overfishing Adjustments of Annual IFQ Permits on Future Year Permits

IFQ regulations provide for administrative adjustment of IFQ permits as a result of under- and overfishing the "parent" QS the prior year. If IFQ pounds remain unfished, a "use it or lose it" provision limits the amount of poundage that may be carried over to the following year for the holder of the underfished QS. If a person exceeds a permit by a small percentage, the next year the holder of the overfished QS may see a permit account debit; since 1998, a large permit overage results in enforcement action without future administrative adjustment. Therefore, the debit or credit adjustment to the QS holder's permit may be less than the actual number of pounds by which the QS was under- or overfished the prior year.

NMFS applies administrative adjustments at the beginning of each fishing year when annual IFQ accounts are created and IFQ pounds are allocated to QS holders. Administrative adjustments "follow the QS" so that the adjustment is computed for the permit of the person(s) who, at the beginning of a year, holds the QS associated with the IFQ that was under- or overfished the prior year.

The following tables show the net adjustments to 2009 IFQ halibut and sablefish permits from under- and overfished IFQ pounds during 2008, including adjustment *averages* from 1996 through 2009. "Net adjustment" is the sum of all credits and debits applied to all IFQ permits.

In every year since the beginning of the program, adjustments from underages (including permits entirely unfished) have exceeded those from overages, resulting in net positive adjustments to IFQ permits. In 2009 this trend continued; had all additional adjustment pounds been harvested with no underfishing, the allotted annual IFQ TAC would have been exceeded by the pounds and percentages indicated in the tables.

Table 2.28 Net Adjustments to IFQ halibut permits with yearly averages, derived from under- and overfishing of prior year permits

Species/category	2009	Averages 1996[a]–2009
Halibut[b]		
All areas net adjustment	773,690	911,962
All areas annual IFQ TAC	43,548,800	53,092,243
All areas percentage by which TAC could be exceeded	2%	2%

[a] The IFQ Program started in 1995; the first adjustments were made to 1996 annual IFQ permits.

[b] Halibut data are in net weight (head off, gutted) pounds.

Table 2.29 Net Adjustments to IFQ sablefish permits with yearly averages, derived from under- and overfishing of prior year permits

Species/category	2009	Averages 1996[a]–2009
Sablefish[b]		
All areas net adjustment	684,056	549,411
All areas annual IFQ TAC	26,488,269	31,714,714
All areas percentage by which TAC could be exceeded	3%	2%

[a] The IFQ Program started in 1995; the first adjustments were made to 1996 annual IFQ permits. The 1996 adjustment data for sablefish are not available.
[b] Sablefish data are in round weight pounds.

Registered Buyers

An IFQ Registered Buyer (RB) must report landings of IFQ halibut and sablefish. Table 2.30 displays the number and types of Registered Buyer permits issued by RAM for 2009 and the number of Registered Buyers that reported landings this fishing season. RBs must obtain a permit for each catcher-processor vessel and facility at which IFQ fish or CDQ halibut is received. Many RBs hold more than one permit. RAM issued 24 more permits in 2009 than in 2008. Catcher-Seller, Catcher-Processor, "Other," and Shoreplant permits, respectively, increased more than any other types of RB permits. The number of Broker-Buyer permits (108) remained the same as those last season. Twenty-two percent of permitholders were active in 2009, compared with 34 percent five years ago in 2004 and 32 percent in 1999).

Table 2.30 Type and number of RB permits and permitholders with landings, 2009

Type of RB[a]	Permits Issued	Permits with landings	Percent permits with landings	Number Distinct Permitholders	Number Distinct Permitholders with Landings[b]	Percent of RB Permitholders with Landings[b]
Buyer-Broker	108	25	23	103	24	23
Catcher-Seller	241	39	16	239	39	16
Retail	47	15	32	45	14	31
Mothership	7	1	14	7	1	14
Tender	15	2	13	14	1	7
Catcher-Processor	100	22	22	94	17	18
Restaurant	17	3	18	17	3	18
Shoreplant	130	52	40	87	41	47
Other	39	10	26	39	10	26
Total (not additive)	***536***	***123***	***23%***	***476***	***107***	***22%***

[a] Permit applicants select all relevant "Types of Registered Buyer" operations; as a result, numbers are not additive across types.
[b] Because percentages are rounded, they may differ slightly from actual data.

Although 14 fewer RB permits were used to report halibut landings than in 2008 (and 12 fewer were used to report sablefish landings), reported mean pounds per permit increased for both halibut and sablefish. Table 2.31 shows the number of RB permits with landings in 2009 and the season's mean pounds for both species. The table also shows the number of permitholders with landings and their mean IFQ pounds.

Table 2.31 Mean IFQ landings per RB permit and permitholder by species, 2009

Species	Registered Buyer Permits with landings	Mean IFQ Pounds per permit	Distinct RB Permitholders with landings	Mean IFQ Pounds per RB holder
Halibut	112	377,450	98	431,371
Sablefish	66	365,209	50	482,075

eLandings

Registered Buyers must report IFQ landings electronically using the Internet (with permission, a backup paper submission system is available). Real-time accounting of individual harvests contributes significantly to accurate and timely management of each IFQ holder's IFQ accounts and supports inseason transfers. Of two Internet systems available, the more comprehensive one, the Interagency Electronic Reporting System (IERS) and its data-entry component, eLandings, is the standard reporting method. During 2009, Registered Buyers reported 7,338 vessel landings: 7,082 through IERS, 106 by the NMFS Web, and 150 manually. Figure 2.3 illustrates the nearly complete transition toward IERS.

Since the 2008 fishing season, NMFS Web and manual reporting have each slightly decreased, and reporting through IERS has increased one percent. In 2008, reporting through IERS jumped to 96 percent from 61 percent due to NMFS outreach through several statewide workshops. Of note in 2009 is that more users reported manually than with the NMFS Web. Although reporting methods have changed significantly in just a few years, some users will continue to depend on both manual and NMFS Web reporting.

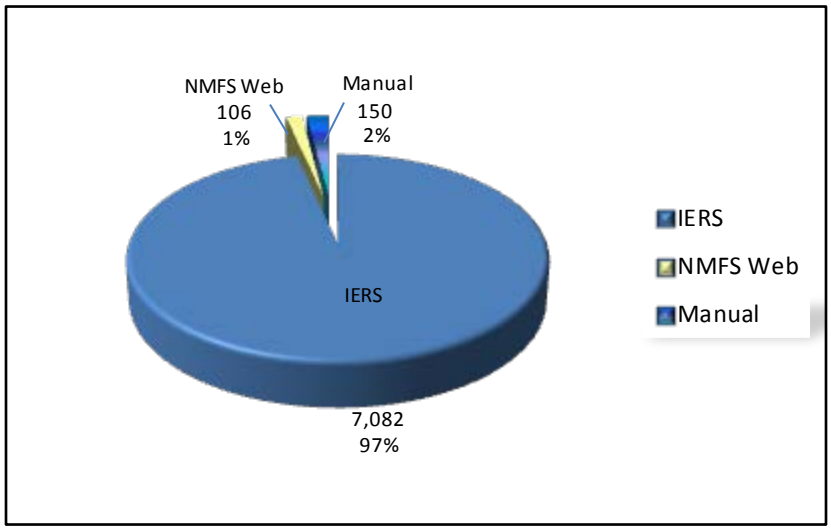


Figure 2.3 Reporting Methods (number and percent) for IFQ Halibut and Sablefish Landings, 2009

Harbor Presence NMFS Enforcement

NOAA IFQ Enforcement Activities

Partners

The U.S. Coast Guard and the National Marine Fisheries Service (NMFS) Alaska Enforcement Division (AKD) enforce the regulations that govern fishing under the IFQ Program. In addition, AKD has created a partnership with the State of Alaska Department of Public Safety through Joint Enforcement Agreements (JEAs). These JEAs assist AKD in enforcing IFQ and other federal fishing regulations. The AKD and U.S. Coast Guard periodically report on enforcement activities to the Council.

Joint Enforcement Agreements (JEAs)

The Alaska Wildlife Troopers assist AKD by using Troopers and Public Safety Technicians to carry out dockside boardings/inspections and at-sea patrols. The state conducts these duties, funded through JEAs, under authority of a Cooperative Enforcement Agreement.

AKD and Trooper inspection methods vary and include audits, inspections, and Community Oriented-Policing and Problem Solving (COPPS) contacts. An IFQ audit consists of a vessel boarding with a full examination of all fish, permits, logbooks, and other checks that are specific to that offload. An audit includes monitoring the offloading of fish throughout the entire offload. However, an IFQ inspection does not include monitoring the entire offloading process. An IFQ COPPS contact is a short interaction between authorities and the vessel operator, intended primarily to answer the operator's questions and to provide regulatory information.

Besides IFQ halibut and sablefish enforcement, JEA resources supported Bering Sea crab inspections and audits and BSAI/GOA groundfish enforcement.

AKD Effort

In 2009 the AKD and State of Alaska personnel (through JEAs) completed 682 IFQ halibut and sablefish vessel boardings. This number includes both halibut and sablefish vessel boardings because AKD boardings are intended to ensure compliance with all IFQ and IPHC regulations and do not focus on collecting species-specific data. In 2009 AKD initiated 174 investigations of IFQ halibut and IFQ sablefish violations or suspected violations. The violations fell into the broad categories below:

- IFQ overages
- IFQ permit holder not onboard
- Landing IFQ species without a Registered Buyer Permit
- Logbook violations
- Landing report not submitted or submitted with inaccurate information
- PNOL violations
- Gear marking violations
- Undersized halibut
- Filleting, mutilating halibut onboard vessel
- Hired skipper violations
- Misreporting IFQ area fished

U.S. Coast Guard IFQ Enforcement

Duties

The U.S. Coast Guard now focuses its efforts at sea. Since 2006 NMFS AKD has monitored offloads and provided after-hours surveillance.

IFQ Patrol Effort

IFQ enforcement patrol effort by smaller cutters (patrol boats and buoy tenders) in Alaska increased when compared with the last four years (Figure 2.4). Major cutters and patrol boats extended their effort by 11 and 15 days, respectively, over the 2008 fishing year.

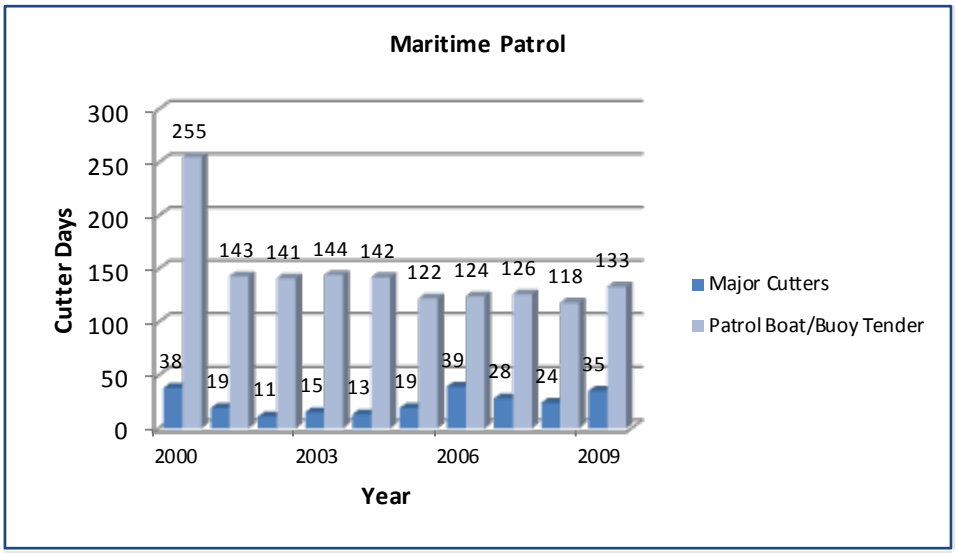


Figure 2.4 USCG Cutter and Patrol Boat Effort, 2000–2009

Aircraft IFQ Patrol Effort

Stability of the IFQ fishery and very low rates for significant IFQ violations and Search and Rescue (SAR) cases have allowed the USCG to gradually shift some patrol effort to maritime security and other fisheries mission areas. Figure 2.5 shows this trend in helicopter IFQ patrol hours (down 56 percent since 2006). Helicopter patrols in 2009 totaled 451 hours for the IFQ fisheries, down almost 130 hours from the 2008 fishing year. Despite reduced helicopter patrol hours, these patrols have been very effective with two significant violations detected during 2009. The HC-130 aircraft IFQ patrol hours (310) increased over the 2008 effort (284 hours), and (due to a replaced craft) effort has surpassed the 2004 IFQ fishery operations.

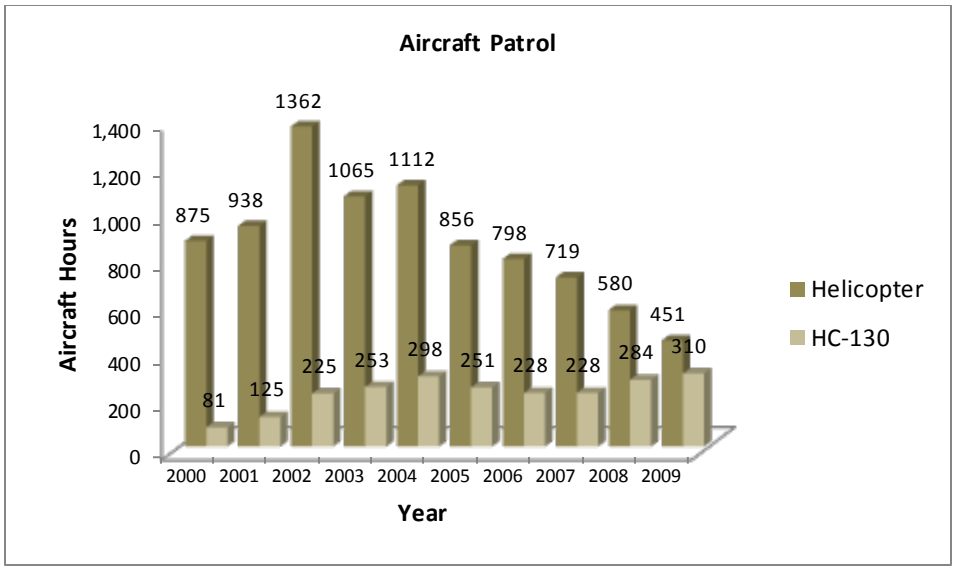


Figure 2.5 USCG Aircraft Patrol Effort, 2000–2009

IFQ At-Sea and Dockside Effort

After eliminating shoreside enforcement in 2006, during 2009 USCG enforcement personnel focused exclusively on at-sea boardings (244), which increased 79 percent over boardings during 2008, with 120 boardings for commercial vessels. Until this season, USCG enforcement personnel boarded only commercial vessels. In 2009 USCG personnel boarded commercial- , charter- , and sport-caught halibut fleets. Protecting resources through at-sea boardings was possible this year because of AKD's increased capacity to monitor offloads with their personnel and through JEAs with the State of Alaska. Historically, shoreside violations detected by the USCG have consistently been minor and generally administrative. Consequently, the USCG determined that more significant resource protection was possible by at-sea boardings conducted jointly with NOAA. Table 2.32 displays recent dockside IFQ monitoring effort and at-sea boardings with fishery violations. The quantity of violations observed may reflect an increase in compliance by the fact the IFQ fisheries violation rate (4.1 percent) has dropped approximately two percent since 2007 and more than half since 2006.

Table 2.32 At-sea IFQ boardings with fishery violations and violation rates (percent), 2005–2009

IFQ Boardings/Violations	2009 Violations	2008 Violations	2007 Violations	2006 Violations	2005 Violations
At-Sea boardings	244	136	176	198	102
Dockside monitors[a]	0	0	0	0	44
Boardings/monitors w/fishery violations	10	5	10	19	14
Violation rate (percent)[b]	4	4	6	10	10

[a] NOAA Enforcement handled after-hours surveillance of ports and shoreside monitoring of offloads. USCG involvement in shoreside enforcement was eliminated in 2006.

[b] Because percentages are rounded, they may differ slightly from USCG published data.

Table 2.33 displays specific at-sea IFQ violations from 2005 through 2009. These selected violations are those that have persisted over time. Other violations are not included because they are occasional or minor administrative discrepancies. During 2009, of the 244 boardings at sea, USCG personnel cited ten vessels for ten violations. The two most significant violations were fishing in Stellar Sea Lion rookeries.

Table 2.33 At-sea IFQ fisheries violations, 2005–2009

Violation Type	2009 Violations (10 on 10 vessels)	2008 Violations (5 on 5 vessels)	2007 Violations (20 on 19 vessels)	2006 Violations (20 on 19 vessels)	2005 Violations (10 on 8 vessels)
Fishing in Closed Area	2	0	0	0	0
Permit/Cardholder not onboard	1	0	2	4	5
Expired FFP	1	0	0	0	0
Boarding Ladder	1	0	0	0	0
Insufficient seabird avoidance	0	0	2	7	3
Logbook Discrepancy	5	3	5	5	2

Examining a life raft during a safety inspection **Courtesy USCG**

IFQ Vessel Safety

During 2009 the number of IFQ safety violations was almost the same as in 2008 (two fewer) amid 108 more boardings (244 this year compared with 136 in 2008). The number of IFQ safety violations totaled 41 on 26 vessels. In 2009 the most prevalent violations were missing or expired life rafts, EPIRBs, hydros, and insufficient survival suits/lights. Table 2.34 shows increased violations with survival suits and lights and life rings. The table shows 31 of 41 violations found in 244 at-sea boardings. Violations such as bilge alarms (2), oil/sewage discharge (2), and boat under influence (1) are not listed in the table because they have not been observed as violations in most years represented by the table. Hull markings/documents (administrative violations) are also not included in these at-sea safety violations.

Table 2.34 IFQ fleet at-sea safety violations by type and number, 2003–2009

Safety Violation Types	2009 Violations	2008 Violations	2007 Violations	2006 Violations	2005 Violations	2004 Violations	2003 Violations
Expired/missing life raft/hydro[a]	9	9	2	10	7	6	11
Insufficient visual distress signals	2	9	5	9	3	6	7
Expired/missing EPIRB[b]/hydro	7	7	12	9	8	4	8
Insufficient/expired fire equipment	0	2	3	4	5	3	5
Insufficient survival suits/light	8	3	5	7	7	2	3
Unserviceable/ missing life ring	4	2	1	3	4	1	6
Exposed hazards	0	0	0	0	3	1	3
No marine sanitation device	0	0	0	0	1	1	2
No sound-producing device	1	1	4	2	1	1	1

[a] hydro, or HRU, is a hydrostatic release unit that holds life rings or an Emergency Position Indicating Radio Beacon (EPIRB). If a vessel takes on water, a wet "hydro" releases what it is holding to let it rise to the water's surface.

[b] An EPIRB is an emergency device that uses a radio signal to alert satellites or passing airplanes to a vessel's position.

2009 Search and Rescue (SAR)

In 2009 the number of IFQ SAR cases in the IFQ fisheries remained the same as those during 2008. For pre-program comparisons, in 1993 and 1994 (the last non-IFQ years) the number of SAR cases reached 26 and 33, respectively. During 2009 no IFQ vessel sank and no life was lost in the fishery. Figure 2.6 displays the SAR safety record during the last eleven of sixteen program years.

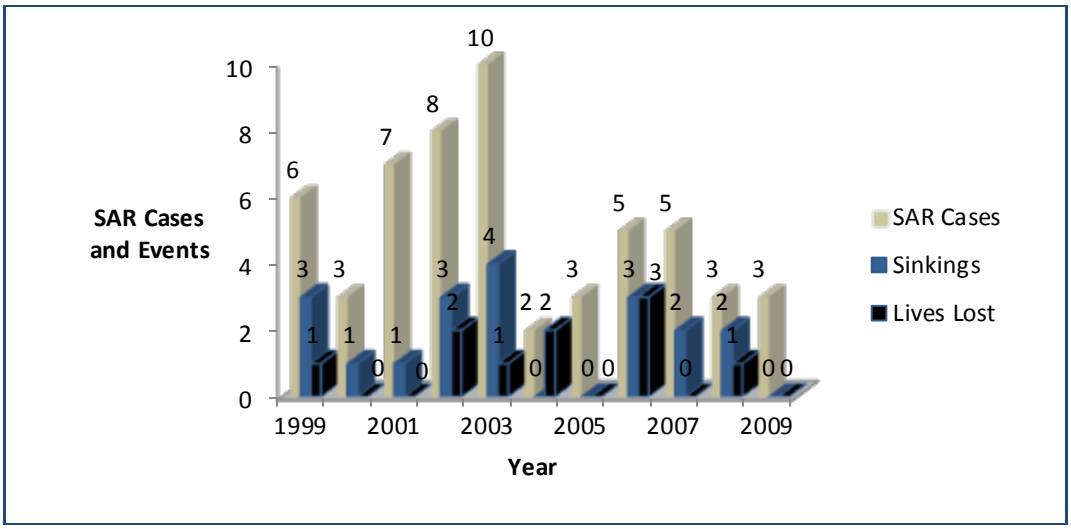


Figure 2.6 USCG IFQ Search and Rescue Cases, 1999–2009

Section 3

The 2009 IFQ Season by the Numbers

Introduction

One way of assessing the performance of a program that restricts access to fisheries is to quantify as many elements as possible and report these data to the fleet, the public, fisheries managers, and policymakers. That is this section's purpose.

Quite simply, these data reflect the decisions of thousands of quota shareholders—decisions to appeal determinations, to buy or sell quota share, to fish or join with other quota shareholders on a vessel. We report these data generally without comment, allowing only the numbers to speak.

On the following pages, we present information on appeals, consolidation of quota shareholders and vessels, "IFQ crewmembers" who have entered the fishery after the IFQ Program began, vessel participation, and updates from the North Pacific Loan Program.

Determinations and Appeals

The Office of Administrative Appeals (OAA) adjudicated most initial issuance appeals prior to 2009. Infrequently, RAM receives an inquiry about eligibility for initial QS, other program features, or a new denied claim that is appealed. Table 3.1 provides the cumulative status of IFQ appeals. The three most common causes of IFQ Program appeals have been basic eligibility, vessel owner/lease conflicts, and untimely applications. For more information on published OAA decisions, visit the OAA online at alaskafisheries.noaa.gov/appeals.

Appeals of Final Agency Actions

A Decision of the OAA typically becomes a Final Agency Action 30 days after it is published. An appellant may appeal a Final Agency Action to the federal courts, and a small percentage has done so in IFQ cases.

Table 3.1 Status of IFQ Appeals 1994–2009

Cumulative Status of IFQ Appeals at year-end 2009	Number
Decisions issued (Final Determination)	159[a]
Appeal settled or dismissed (Final Determination)	32
Appeals pending	1
Total IFQ appeals[a,b,c]	***192***

[a] Cases are counted once each and include only the most recent OAA action.

[b] The number of cases is approximate; some appeals were split into multiple cases.

[c] Data exclude filings withdrawn by appellants.

During 2009, OAA decided one case that had been pending; no appellants filed new IFQ appeals this season. At year-end 192 IFQ appeals had been filed with the OAA.

Table 3.2 Status of appeals to federal courts, year-end 2009

Case Title (Nature of Dispute)	Status of Appeal
Dell v. NMFS (Lease/Ownership)	Ninth Circuit Court Judgment for Defendant (NMFS)
Smee v. NMFS (Lease/Ownership)	Ninth Circuit Court Judgment for Defendant (NMFS)
Cole v. NMFS (Lease/Ownership)	Ninth Circuit Court Judgment for Defendant (NMFS)
Gates v. NMFS (Lease/Ownership)	Ninth Circuit Court Judgment for Defendant (NMFS)
West v. NMFS (Ownership Conflict)	District Court Judgment for Appellant (West)
Foss v. NMFS (Untimely Application)	Ninth Circuit Court Judgment for Defendant (NMFS)
Pancratz v. NMFS (Transfer)	Ninth Circuit Court affirmed District Court Order granting NMFS Partial Summary Judgment and denying appellant's motion for Summary Judgment; appellant's motions for reconsideration and for altering amended decision were denied. Appellant filed motion for rehearing; this motion was denied.
Prowler/Ocean Prowler Partnerships v. NMFS (Ownership Conflict)	District Court Partial Summary Judgment for Defendant (NMFS); Partial Remand. On remand, agency denial was affirmed; to date, the decision has not been reappealed to the federal courts.
Prowler/Ocean Prowler Partnerships v. NMFS (Landings)	Ninth Circuit Court Judgment for Defendant (NMFS)
Petticrew v. NMFS (Regulation Challenge)	Settled prior to Judgment
Ward's Cove Packing v. NMFS (Regulation Challenge)	Ninth Circuit Court Judgment for Appellant (Ward's Cove Packing)

Quota Share Transfer Activity

Table 3.3 displays a summary of QS/IFQ transfer activities (numbers of approved transfer applications) from the beginning of the program in late 1994 through year-end 2009. The table displays transfers for halibut and sablefish, and both species combined. Other than in category A QS, leasing of IFQ is limited to a few special circumstances.

Table 3.3 Numbers of approved QS/IFQ transfers 1995–2009[a]

Species	Transfer Type	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Halibut	Regular QS/IFQ	1,218	1,397	1,002	544	631	605	561	530	552	500	473	454	553	468	258
	IFQ Only (lease)	31	61	52	43	39	49	48	51	39	33	42	42	66	101	136
	Sweep-up of Small Blocks	31	63	441	147	154	67	86	53	74	94	44	52	128	114	41
	Total Halibut Transfers	***1,280***	***1,521***	***1,495***	***734***	***824***	***721***	***695***	***634***	***665***	***627***	***559***	***548***	***747***	***683***	***435***
Sablefish	Regular QS/IFQ	352	351	388	184	238	238	188	183	262	146	200	160	210	159	106
	IFQ Only (lease)	76	51	50	57	53	79	67	60	56	47	35	35	34	47	50
	Sweep-up of Small Blocks	15	20	82	33	24	26	20	13	21	11	22	9	15	20	12
	Total Sablefish Transfers	***443***	***422***	***520***	***274***	***315***	***343***	***275***	***256***	***339***	***204***	***257***	***204***	***259***	***226***	***168***
Both Species	Regular QS/IFQ	1,570	1,748	1,390	728	869	843	749	713	814	646	673	614	763	627	364
	IFQ Only (lease)	107	112	102	100	92	128	115	111	95	80	77	77	100	148	186
	Sweep-up of Small Blocks	46	83	523	180	178	93	106	66	95	105	66	61	143	134	53
	Total–All Transfers	***1,723***	***1,943***	***2,015***	***1,008***	***1,139***	***1,064***	***970***	***890***	***1,004***	***831***	***816***	***752***	***1,006***	***909***	***603***

[a] Transactions during 1995–1999 reflect calendar year activity; 2000–2007 data extend through January of the following year. Beginning in 2008 RAM does not process QS/IFQ transfers in January.

Table 3.4 illustrates the transfer of QS/IFQ between Alaskans and Non-Alaskans. The distributive effects have not been dramatic (at least with respect to net gains and losses of QS/IFQ by Alaskans compared with Non-Alaskans).

Additional information on changes in QS holdings and consolidation in the halibut and sablefish fisheries is on our website at alaskafisheries.noaa.gov/ram

Table 3.4 Changes in halibut QS holdings between initial issuance and year-end 2009[a]

	Initially Issued[a]				Held at Year-end 2009			
	Alaskan[b]		Non-Alaskan[b]		Alaskan		Non-Alaskan	
Area	Number of Persons	QS Units	Number of Persons	QS Units	Number of Persons	QS Units	Number of Persons	QS Units
2C	1,971	49,265,458	418	10,303,434	984	48,940,195	221	10,611,844
3A	2,436	118,598,696	637	66,893,737	1,139	112,319,575	361	72,591,640
3B	780	28,061,266	278	26,455,137	334	27,380,625	159	26,822,551
4A	377	7,069,344	156	7,565,095	159	8,060,735	76	6,526,364
4B	80	3,242,733	73	6,050,658	54	4,295,319	42	4,989,455
4C	48	2,199,603	33	1,816,749	32	1,739,052	21	2,277,300
4D	22	665,856	47	4,257,782	14	1,523,129	32	3,435,121
4E	98	127,392	6	12,607	93	125,901	10	14,098
Total unique persons[c]	***3,976***		***855***		***2,247***		***604***	

[a] "Initially Issued" means QS that was initially issued to its first holder. Initial issuance was accomplished primarily at the beginning of the IFQ Program but continued because of adjudicated appeals.

[b] Designation of "Alaskan" or Non-Alaskan" is premised on holders' self-reported business mailing address; NMFS/RAM makes no effort to verify residency. Changes over time between "Alaskan" and "Non-Alaskan" QS holdings result from QS transfers and QS holders' address changes. Persons with unknown addresses are excluded from this table.

[c] The number of QS holders is not additive across areas or species. "Total Unique Persons" represents the unique number of QS holders for each species.

Table 3.5 Changes in sablefish QS holdings between initial issuance and year-end 2009[a]

Area	Initially Issued[a]				Held at Year-end 2009			
	Alaskan[b]		Non-Alaskan[b]		Alaskan		Non-Alaskan	
	Number of Persons	QS Units	Number of Persons	QS Units	Number of Persons	QS Units	Number of Persons	QS Units
AI	49	7,112,625	87	24,405,551	37	6,470,047	57	25,462,445
BS	63	7,111,748	82	11,514,928	49	9,194,242	55	9,570,809
CG	396	43,441,061	248	68,103,400	211	43,824,778	165	67,861,567
SE	467	42,775,495	249	23,822,984	276	42,996,307	142	23,124,312
WG	108	8,523,936	125	27,562,419	68	8,987,415	95	27,041,537
WY	251	18,495,325	206	34,975,111	117	18,345,735	127	34,920,687
Total unique persons[c]	***721***		***334***		***511***		***323***	

[a] "Initially Issued" means QS that was initially issued to its first holder. Initial issuance was accomplished primarily at the beginning of the IFQ Program but continued because of adjudicated appeals.

[b] Designation of "Alaskan" or Non-Alaskan" is premised on holders' self-reported business mailing address; NMFS/RAM makes no effort to verify residency. Changes over time between "Alaskan" and "Non-Alaskan" QS holdings result from QS transfers and QS holders' address changes. Persons with unknown addresses are excluded from this table.

[c] The number of QS holders is not additive across areas or species. "Total Unique Persons" represents the unique number of QS holders for each species.

Medical Transfer

Starting in September 2007, QS holders not eligible to hire a Skipper and who (themselves or an immediate family member) have a medical condition preventing them from fishing their catcher vessel IFQ may lease out the IFQ. This provision is intended to allow IFQ to be fished while the QS holder has a short-term medical condition. For this reason, a written declaration from a medical professional is required, and the number of times a person may use a medical transfer for the same medical condition is limited. In evaluating use of this provision, NMFS considers all transfers of a QS holder's IFQ in the same year for the same medical condition to be one "use" of the provision.

Initial Issuees Using the Medical Lease Provision

Although small in number, a substantial percentage of persons who have used medical transfers are initial issuees of QS not otherwise eligible to use a Hired Master (that is, those who held QS only in 2C or SE or did not own a suitable vessel). In 2009, 27 initial issuee transferors composed 41 percent of all medical transferors of catcher vessel (CV) IFQ. In 2008, 20 initial issuee tranferors held QS only in 2C (halibut), SE (sablefish), or both of these IPHC areas; in 2009, 19 held QS only in these areas. RAM anticipates that initial issuees will continue using the limited IFQ medical lease provision to fish their CV IFQ during short-term medical needs.

Tables 3.6 through 3.8 provide numbers and types of medical leases, comparisons with other CV QS holders, transfers, transferors, and uses of medical leases. Specifically, Table 3.6 provides the number of leases and distinct transferors and transferees since the provision began. Table 3.7 provides a comparison with other CV and IFQ leases and percentages of those distinct CV QS holders using medical lease transactions. Table 3.8 shows the numbers of persons using medical leases compared with all CV QS holders. During 2009 the number of medical leases and transferors increased five times over the numbers in 2007. The number of transferees increased fourfold. In these tables, the numbers of persons are not additive across years.

Table 3.6 Medical lease transactions by year, Sep 2007–Dec 31, 2009

Year	Number of Transactions	Number of Distinct Transferors	Number of Distinct Transferees
2007	17	13	14
2008	71	54	52
2009	98	66	59
Overall	***186***	***102***	***94***

Table 3.7 Medical vs other IFQ lease transactions, Sep 10, 2007–Dec 31, 2009 and percent of comparable data for all CV lease transactions

Type of Transaction	Number of Transactions	Number of Distinct Transferors	Number of Distinct Transferees
All IFQ leases	434	156	161
All CV leases	302	132	132
All CV medical leases	186	102	94
Percent of All leases	42.9	65.4	58.4
Percent of All CV leases	61.6	77.3	71.2

Table 3.8 shows the number of CV QS holders who use medical leases is increasing but remains a small fraction of the number of all CV QS holders.

Table 3.8 Comparison of medical transferors by number of unique persons and percentages of CV QS holders, Sep 10, 2007–Dec 31, 2009

Year	Number of All Persons Holding CV QS at Year-end	Number of Persons Using Medical Leases and Percent of Persons Holding CV QS
2007	3,232	13 (0.4%)
2008	3,064	54 (1.8%)
2009	2,998	66 (2.2%)

Jayhawk on Patrol **USCG**

Transfer Eligibility Certificate (TEC)

Besides eligible community nonprofit organizations in the GOA Community Purchase Program, and except in a few uncommon circumstances, eligibility to receive catcher vessel QS by transfer is restricted to those persons who received QS by initial issuance and those individuals who can demonstrate they have served as a member of the harvesting crew in any U.S. fishery for no fewer than 150 days. Those individuals are designated as "IFQ Crewmembers" and, upon approval, receive Transfer Eligibility Certificates (TECs) from RAM.

Table 3.9 displays the number of TECs issued, by state of residence, to IFQ crewmembers since the program began in 1994. It also shows how many of those IFQ crewmembers were holding QS at year-end 2009.

Table 3.9 Summary of Transfer Eligibility Certificate (TEC) issuance 1994–2009 and crewmembers holding QS at year-end 2009

Residency	Crewmember TECs issued 1994–2009	Crewmembers holding QS/IFQ year-end 2009
Alaskan[a]	2,187	824
Non-Alaskan[a]	943	308
Total[b]	***3,130***	***1,132***

[a] Designation of "Alaskan" and "Non-Alaskan" is premised on the applicant's most recently self-reported address.

[b] Persons without known addresses are excluded from this table.

Quota Acquired by "IFQ Crewmembers" by Species, Area, and Residence

Table 3.10 displays "Alaskan" and "Non-Alaskan" IFQ Crewmember holdings of QS at year-end 2009 (as expressed in 2009 IFQ pound equivalents and as a percentage of the 2009 area TACs). Halibut Area 4E is excluded because no IFQ is allocated for that area.

Table 3.10 Quota acquired by "IFQ Crewmembers" by species, area, and residence, year-end 2009[a]

Species/Area		Alaskan IFQ Pounds[b,c]	Non-Alaskan IFQ Pounds[b,c]	Total 2009 IFQ Pounds[d]	Percent Area TAC[e]
Halibut	2C	1,371,524	473,317	1,844,841	36.7
	3A	3,732,591	1,975,331	5,707,922	26.3
	3B	1,877,174	1,371,291	3,248,465	29.8
	4A	614,278	385,934	1,000,212	39.2
	4B	337,130	226,940	564,070	37.7
	4C	170,753	159,703	330,456	42.1
	4D	172,157	147,952	320,109	29.1
Halibut total		***8,275,607***	***4,740,468***	***13,016,075***	

Continued

Table 3.10 Continued

Species/Area	Alaskan IFQ Pounds[b,c]	Non-Alaskan IFQ Pounds[b,c]	Total 2009 IFQ Pounds[d]	Percent Area TAC[e]
Sablefish AI	265,296	1,794,856	2,060,152	70.8
BS	519,277	928,712	1,447,989	60.4
CG	950,534	859,428	1,809,962	20.6
SE	1,189,029	783,052	1,972,081	32.6
WG	377,380	512,964	890,344	30.8
WY	230,952	244,457	475,409	13.8
Sablefish total	***3,532,468***	***5,123,469***	***8,655,937***	

[a] An "IFQ Crewmember" is an individual who did not receive QS/IFQ by initial issuance, but who applied for, and was issued, a TEC.
[b] "Alaskan" and Non-Alaskan" are premised on the holders' self-reported business mailing address; NMFS/RAM makes no effort to verify a person's state of legal residence.
[c] Persons without known addresses are excluded.
[d] Pounds are derived from QS held and are not adjusted by prior year fishing activity.
[e] Table 1.1 references TAC amounts.

Community Purchase Program

First authorized in June 2004, the IFQ Community Purchase Program allows 42 GOA communities to participate in IFQ fisheries for benefit of their own economic welfare and that of individual community residents. Eligible communities may form nonprofit organizations that acquire QS on the commercial market for lease to community residents. Caps on QS holdings in this program and for each community limit the program. To date, 21 communities are represented by 20 nonprofits, but only one nonprofit has acquired QS and leased IFQ. During 2009, for the one community quota entity, four of ten participants had a successful fishing year. Three leasers did not complete fishing all IFQs by their deadline; three did not fish their leased IFQs.

Interests Against QS

Since mid-1995 RAM has, as a courtesy, informally recorded claimed interests against QS on behalf of creditors. Most lending institutions take advantage of this service, although there is no legal requirement these interests be reported to RAM and these notations do not legally perfect the creditors' interest in the QS.

Table 3.11 shows, by type of creditor and IFQ species, the number of reports of interest that RAM recorded as of year-end 2009. Note this table displays the number of interests filed against identifiable QS ranges (a set of contiguously numbered QS units) and not against quota shareholders. During 2009 asserted interests for halibut decreased by 54 compared with the 2008 year-end total (1,991), and sablefish claims decreased by 38. The total number of asserted interests decreased by 92 from last year's 2,898.

Table 3.11 Asserted interests reported to RAM against QS ranges at year-end 2009[a]

Type of Person Asserting Interest	Halibut	Sablefish	Total number of interests asserted[b,c]
Private Banks (and CFAB/credit unions)	1,079	530	1,609
State of Alaska (Division of Investments)	267	92	359
States of Alaska/WA (Child Support)	28	7	35
Private Lenders (other than banks)	265	128	393
CDQ Groups	16	0	16
NMFS Financial Services Branch	250	107	357
Internal Revenue Service	31	5	36
Other Government[d]	1	0	1
Total—All NMFS Reported Interests	***1,937***	***869***	***2,806***

[a] Table displays interests voluntarily reported to RAM; interests may be recorded in other venues.
[b] More than one person may have reported an interest against the same range of QS units.
[c] An interest is counted once for each range of QS units for which it is reported.
[d] "Other government" references the State of Alaska or NOAA/NMFS General Counsel. Both may affect QS status through enforcement actions and settlement of other legal issues.

Consolidation of QS

Over time in the IFQ Program, more QS holders left than entered the IFQ fisheries. As a result, QS has consolidated into the hands of fewer persons than the number that received QS by initial issuance. The following tables show, by area and size of holding, how transfer activities have led to consolidation of QS. In these tables, the area data are not additive; quota shareholders may (and many do) hold QS in more than one management area for both halibut and sablefish. In addition, the number of persons holding QS that yields IFQ of differing amounts has changed from the published report for 2008. These minor changes result from two causes:

- tables are updated to count persons who received QS through settlements and appeal determinations, and
- to make data comparable over time, tables display the number of quota shareholders using pound equivalents; this report uses 2009 IFQ pound equivalents for all years.

Consolidation of Halibut QS–Initial Issuance Through December 31, 2009

Table 3.12 Consolidation of halibut QS, initial issuance through year-end 2009; numbers of persons holding halibut QS by area and size of holdings, expressed in 2009 IFQ pounds.

Area [a,b]	Size of IFQ Holdings ('09 IFQ Pounds)	Number Initial Issuees	Holders End of 1995 [c]	Holders End of 1996	Holders End of 1997	Holders End of 1998	Holders End of 1999	Holders End of 2000	Holders End of 2001	Holders End of 2002	Holders End of 2003	Holders End of 2004	Holders End of 2005	Holders End of 2006	Holders End of 2007	Holders End of 2008	Holders End of 2009
2C	3,000 or less	1,830	1,581	1,350	1,186	1,135	1,068	1,029	984	964	918	861	824	792	732	667	651
	3,001-10,000	475	448	436	441	439	441	442	437	430	430	432	439	447	445	431	424
	10,001-25,000	82	94	105	109	105	108	104	107	109	110	112	113	115	117	118	120
	over 25,000	1	2	4	5	6	6	7	8	8	8	8	8	8	8	9	10
	2C Total	***2,388***	***2,125***	***1,895***	***1,741***	***1,685***	***1,623***	***1,582***	***1,536***	***1,511***	***1,466***	***1,413***	***1,384***	***1,362***	***1,302***	***1,225***	***1,205***
3A	3,000 or less	1,839	1,617	1,424	1,254	1,164	1,087	1,032	984	958	907	847	794	750	634	536	494
	3,001-10,000	656	568	509	507	501	487	488	490	487	489	489	483	483	466	441	434
	10,001-25,000	338	324	334	326	328	325	323	320	319	318	313	320	316	322	321	324
	over 25,000	238	243	248	251	250	257	255	255	253	250	248	245	246	245	249	249
	3A Total	***3,071***	***2,752***	***2,515***	***2,338***	***2,243***	***2,156***	***2,098***	***2,049***	***2,017***	***1,964***	***1,897***	***1,842***	***1,795***	***1,667***	***1,547***	***1,501***
3B	3,000 or less	525	472	374	272	238	207	191	171	161	151	135	130	114	111	93	90
	3,001-10,000	255	213	180	162	148	136	133	131	127	136	131	124	123	124	114	114
	10,001-25,000	153	142	135	140	143	146	142	141	143	142	145	144	139	131	137	139
	over 25,000	123	128	135	135	137	141	143	143	146	148	146	148	150	153	151	150
	3B Total	***1,056***	***955***	***824***	***709***	***666***	***630***	***609***	***586***	***577***	***577***	***557***	***546***	***526***	***519***	***495***	***493***

Continued

Table 3.12 Continued

Area[a,b]	Size of IFQ Holdings[b] ('09 IFQ Pounds)	Number Initial Issuees	Holders End of 1995[c]	Holders End of 1996	Holders End of 1997	Holders End of 1998	Holders End of 1999	Holders End of 2000	Holders End of 2001	Holders End of 2002	Holders End of 2003	Holders End of 2004	Holders End of 2005	Holders End of 2006	Holders End of 2007	Holders End of 2008	Holders End of 2009
4A	3,000 or less	336	292	255	202	176	159	142	122	116	110	111	106	100	88	81	81
	3,001-10,000	117	107	97	97	97	91	85	86	86	81	80	76	71	72	68	63
	10,001-25,000	58	61	65	58	59	65	63	61	61	64	62	64	68	61	64	65
	over 25,000	20	17	18	22	22	22	25	26	27	27	27	25	25	27	26	26
	4A Total	***531***	***477***	***435***	***379***	***354***	***337***	***315***	***295***	***290***	***282***	***280***	***270***	***264***	***248***	***239***	***235***
4B	3,000 or less	58	54	50	43	39	32	33	28	26	24	25	26	27	25	21	21
	3,001-10,000	56	53	52	44	43	37	32	36	33	37	34	33	32	31	32	28
	10,001-25,000	19	20	19	24	23	29	28	27	28	26	27	25	26	25	25	25
	over 25,000	19	18	20	19	19	19	20	21	21	21	21	22	22	22	21	22
	4B Total	***152***	***145***	***141***	***130***	***124***	***117***	***113***	***112***	***108***	***108***	***107***	***106***	***107***	***103***	***99***	***96***
4C	3.000 or less	25	25	24	25	21	21	19	15	15	15	15	16	16	13	13	13
	3,001 - 10,000	25	34	33	28	27	26	24	21	20	21	21	21	20	16	18	17
	10,001 - 25,000	12	12	14	14	14	14	16	16	16	17	17	17	17	17	12	10
	over 25,000	9	9	9	10	10	10	10	10	10	10	10	9	9	9	13	13
	4C Total	***71***	***80***	***80***	***77***	***72***	***71***	***69***	***62***	***61***	***63***	63	63	62	55	56	53
4D	3,000 or less	11	11	10	9	8	7	5	5	3	3	3	3	3	4	4	4
	3,001 - 10,000	22	23	22	18	15	13	13	10	10	11	11	10	10	11	10	9
	10,001 - 25,000	25	22	25	16	17	16	18	19	20	18	18	16	16	16	16	15
	over 25,000	11	11	11	16	16	17	16	16	15	17	17	18	18	17	17	18
	4D Total	***69***	***67***	***68***	***59***	***56***	***53***	***52***	***50***	***48***	***49***	49	47	47	48	47	46
All	3,000 or less	2,902	2,697	2,460	2,163	2,057	1,936	1,869	1,787	1,747	1,664	1,559	1,485	1,426	1,266	1,128	1,079
	3,001 - 10,000	1,062	960	892	870	868	860	851	853	838	846	827	811	837	820	775	766
	10,001 - 25,000	481	460	479	478	467	474	479	475	476	478	494	499	489	492	496	493
	over 25,000	384	392	396	402	404	407	409	420	428	430	422	423	422	424	430	434
	Total All Areas	***4,829***	***4,509***	***4,227***	***3,913***	***3,796***	***3,677***	***3,608***	***3,535***	***3,489***	***3,418***	***3,302***	***3,218***	***3,174***	***3,002***	***2,829***	***2,772***

[a] Halibut data do not include Area 4E; there is no IFQ allocation for that area.
[b] The area data in the table are not additive; QS holders may hold QS in more than one area.
[c] Person counts for each year reflect holders of QS regardless of whether or not they were initial issuees.
[d] "Total All Areas" shows counts of unique QS holders in the fishery.

Table 3.13 Consolidation of sablefish QS, initial issuance through year-end 2009; numbers of persons holding QS by area and size of holdings, expressed in 2009 IFQ pounds

Area[a]	Size of IFQ Holdings ('09 IFQ Pounds)	Number Initial Issuees	Holders End of 1995[b]	Holders End of 1996	Holders End of 1997	Holders End of 1998	Holders End of 1999	Holders End of 2000	Holders End of 2001	Holders End of 2002	Holders End of 2003	Holders End of 2004	Holders End of 2005	Holders End of 2006	Holders End of 2007	Holders End of 2008	Holders End of 2009
AI	5,000 or less	52	47	47	42	40	38	30	28	28	26	26	26	27	29	28	27
	5,001-10,000	32	31	31	29	30	30	31	26	25	24	27	31	30	26	26	29
	10,001-25,000	22	19	25	24	20	18	17	18	17	16	17	16	16	14	14	12
	over 25,000	29	27	27	29	29	26	26	25	28	29	28	27	26	25	24	26
	AI Total	***135***	***124***	***130***	***124***	***119***	***112***	***104***	***97***	***98***	***95***	***98***	***100***	***99***	***94***	***92***	***94***
BS	5,000 or less	53	50	48	44	43	43	40	40	38	37	37	37	37	37	36	31
	5,001-10,000	44	42	38	37	36	36	31	31	29	27	27	30	30	29	29	28
	10,001-25,000	19	17	19	20	20	21	20	19	21	20	20	22	20	19	15	17
	over 25,000	29	28	30	29	29	27	28	27	26	30	30	28	28	28	30	29
	BS Total	***145***	***137***	***135***	***130***	***128***	***127***	***119***	***117***	***114***	***114***	***114***	***117***	***115***	***113***	***110***	***105***
CG	5,000 or less	330	297	275	232	222	210	202	192	182	181	177	168	162	154	144	138
	5,001-10,000	109	95	85	81	80	75	69	69	72	67	67	65	65	67	65	64
	10,001-25,000	85	84	77	60	56	53	54	61	61	65	65	58	57	53	54	54
	over 25,000	119	110	114	119	119	120	123	121	122	120	120	122	122	124	123	121
	CG Total	**643**	***586***	***551***	***492***	***477***	***458***	***448***	***443***	***437***	***433***	***429***	***413***	***406***	***398***	***386***	***377***
SE	5,000 or less	346	299	267	213	194	180	178	165	160	155	149	143	137	130	127	119
	5,001-10,000	187	164	145	140	137	136	132	133	127	125	123	114	116	109	108	108
	10,001-25,000	118	127	132	129	126	117	114	114	119	110	110	114	105	112	111	110
	over 25,000	64	64	65	67	67	71	72	74	75	80	82	81	83	81	81	81
	SE Total	**715**	***654***	***609***	***549***	***524***	***504***	***496***	***486***	***481***	***470***	***464***	***452***	***441***	***432***	***427***	***418***

Continued

Table 3.13 Continued

Area[a]	Size of IFQ Holdings ('09 IFQ Pounds)	Number Initial Issuees	Holders End of 1995[b]	Holders End of 1996	Holders End of 1997	Holders End of 1998	Holders End of 1999	Holders End of 2000	Holders End of 2001	Holders End of 2002	Holders End of 2003	Holders End of 2004	Holders End of 2005	Holders End of 2006	Holders End of 2007	Holders End of 2008	Holders End of 2009
WG	5,000 or less	111	107	102	87	83	82	74	76	73	71	70	68	67	67	65	60
	5,001-10,000	65	55	54	52	49	48	47	45	43	42	42	44	42	43	43	42
	10,001-25,000	32	29	29	26	28	25	26	28	29	32	29	29	28	27	31	33
	over 25,000	24	25	26	29	28	30	29	28	28	29	32	33	34	30	30	29
	WG Total	***232***	***216***	***211***	***194***	***188***	***185***	***176***	***177***	***173***	***174***	***173***	***174***	***171***	***167***	***169***	***164***
WY	5,000 or less	270	234	212	173	161	145	134	130	129	122	115	119	107	101	89	88
	5,001-10,000	87	83	79	77	80	72	71	69	68	70	68	64	66	66	67	66
	10,001-25,000	59	55	56	54	53	54	48	52	47	43	45	40	39	37	36	36
	over 25,000	40	44	45	46	47	47	50	49	52	52	52	53	53	55	55	55
	WY Total	***456***	***416***	***392***	***350***	***341***	***318***	***303***	***300***	***296***	***287***	***280***	***276***	***265***	***259***	***247***	***245***
All	5,000 or less	481	451	443	387	365	353	343	329	319	301	296	286	280	274	266	246
	5,001 - 10,000	190	182	171	177	180	183	181	184	180	182	178	173	182	171	172	173
	10,001 - 25,000	153	152	153	153	147	138	139	151	159	157	159	162	151	153	157	157
	over 25,000	230	222	227	223	227	228	227	226	229	246	252	254	256	259	258	259
	Total All Areas[c]	***1,054***	***1,007***	***994***	***940***	***919***	***902***	***890***	***890***	***887***	***886***	***885***	***875***	***869***	***857***	***853***	***835***

[a] The area data in the tables are not additive; QS holders may hold QS in more than one administrative area.
[b] Person counts for each year reflect holders of QS regardless of whether or not they were initial issuees.
[c] "Total All Areas" shows counts of unique QS holders in the fishery.

Changes in Qs Holdings, Initial Issuance to Year-End 2009

Over time, fewer persons hold QS in the fishery. As expected, the rate at which persons have left the IFQ fisheries has decreased. Figures 3.1a and 3.1b show the estimated number of persons (individuals and nonindividuals) initially issued halibut or sablefish QS who still held QS at each year-end of the IFQ Program. In this discussion of QS holdings over time, "1994" represents initial issuance of QS, whenever it occurred. Initial issuance of QS started in 1994 and continued as appeals were adjudicated.

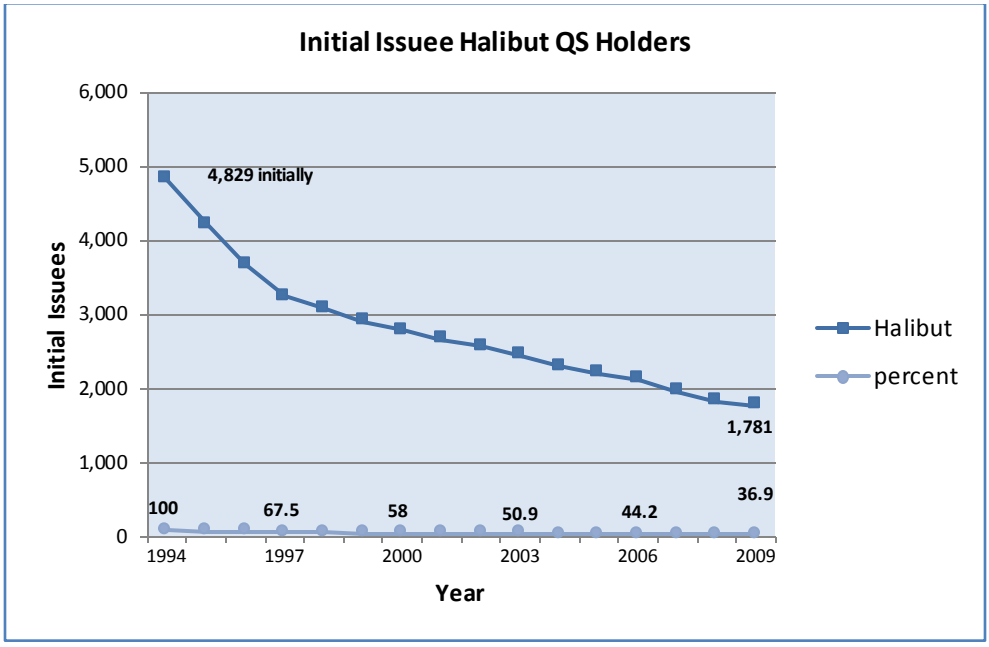


Figure 3.1a Initial Issuees Holding Halibut QS at Year-end, 1994–2009

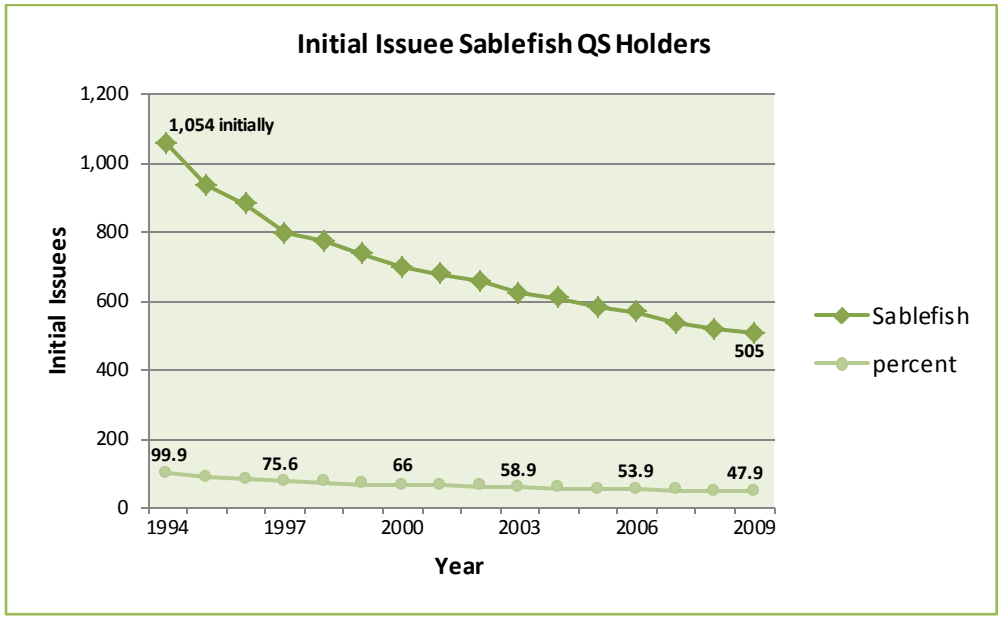


Figure 3.1b Initial Issuees Holding Sablefish QS at Year-end, 1994–2009

Figures 3.2a and 3.2b show the number of persons by type (individual or nonindividual) initially issued halibut or sablefish QS who still held QS at each year-end of the IFQ Program.

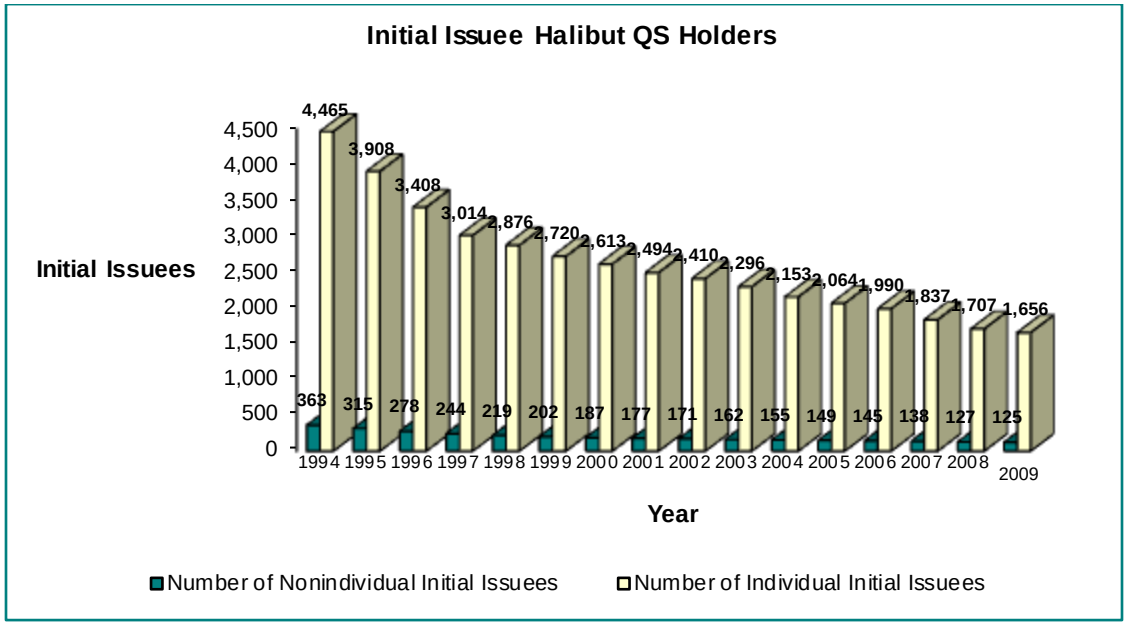


Figure 3.2a Initial Issuees Holding Halibut QS at Year-end, 1994–2009

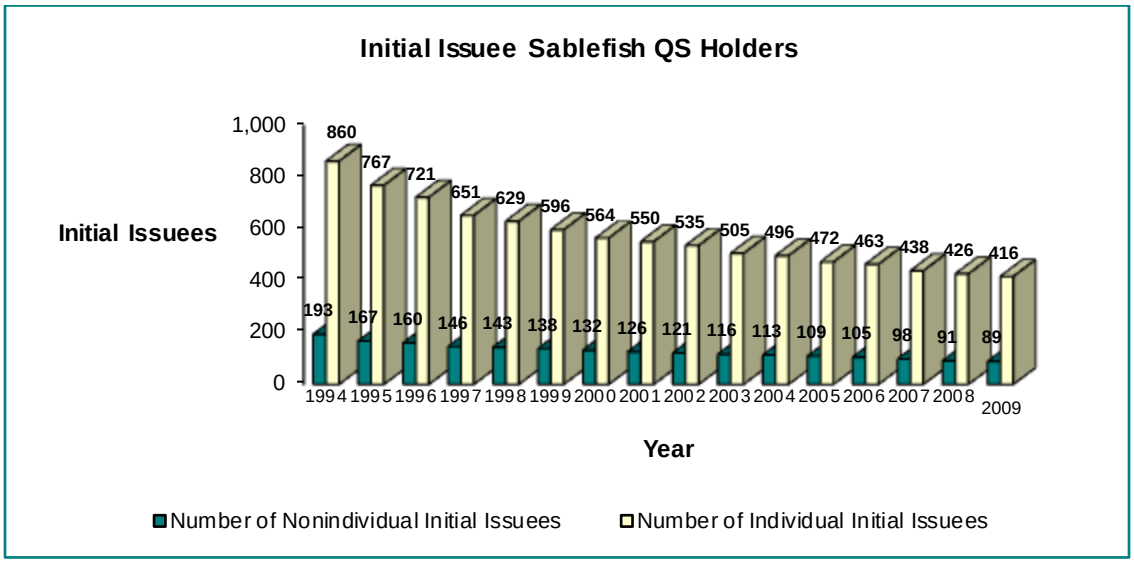


Figure 3.2b Initial Issuees Holding Sablefish QS at Year-end, 1994–2009

Figures 3.3a and 3.3b can be used to compare the numbers of initial issuees holding QS and of all persons at each year-end. Figure 3.3a shows the numbers (and percentages) of all initial issuee QS holders over time. By year-end 2009, almost 40 percent (1,882) of Program initial issuees still held QS. This figure illustrates the recent gradual decrease in numbers of initial issuee QS holders, compared with the rapid decrease in earlier Program years (1994–1996). Figure 3.3b illustrates a similar pattern for all quotaholders in the IFQ Program, who, in 2009, comprised 63 percent (3,070) of the number of initial QS holders at the beginning of the Program.

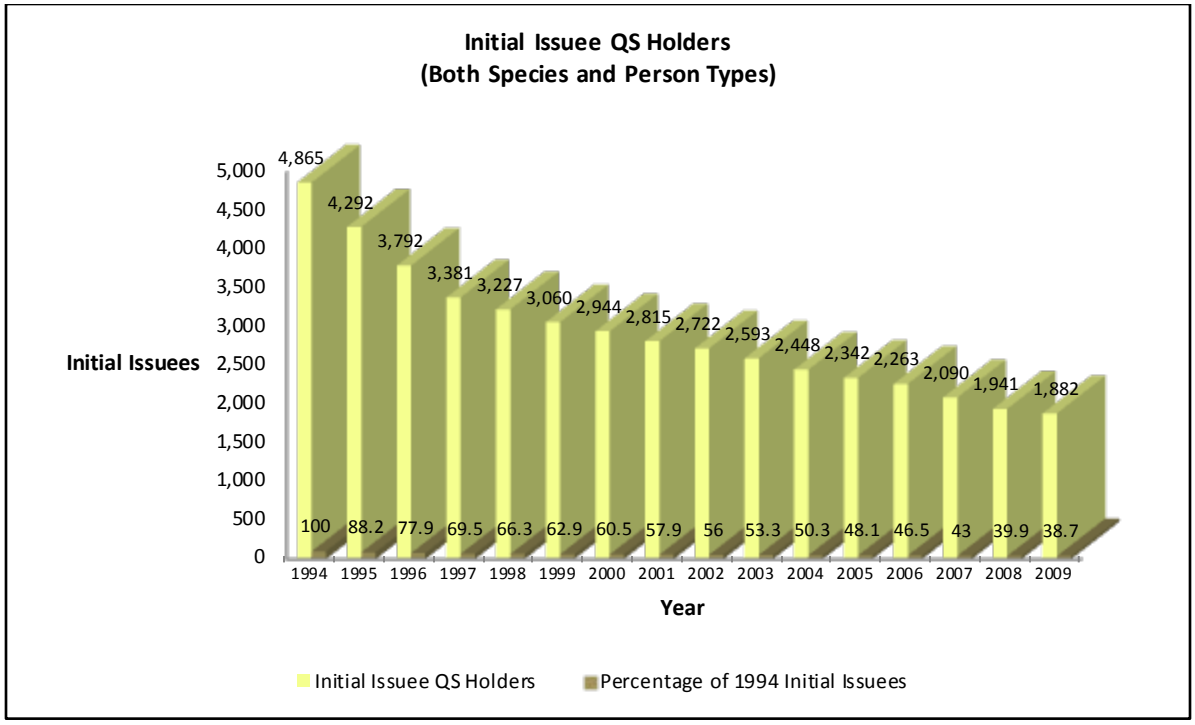


Figure 3.3a IFQ Initial Issuees Holding QS at Year-end over Time, 1994–2009

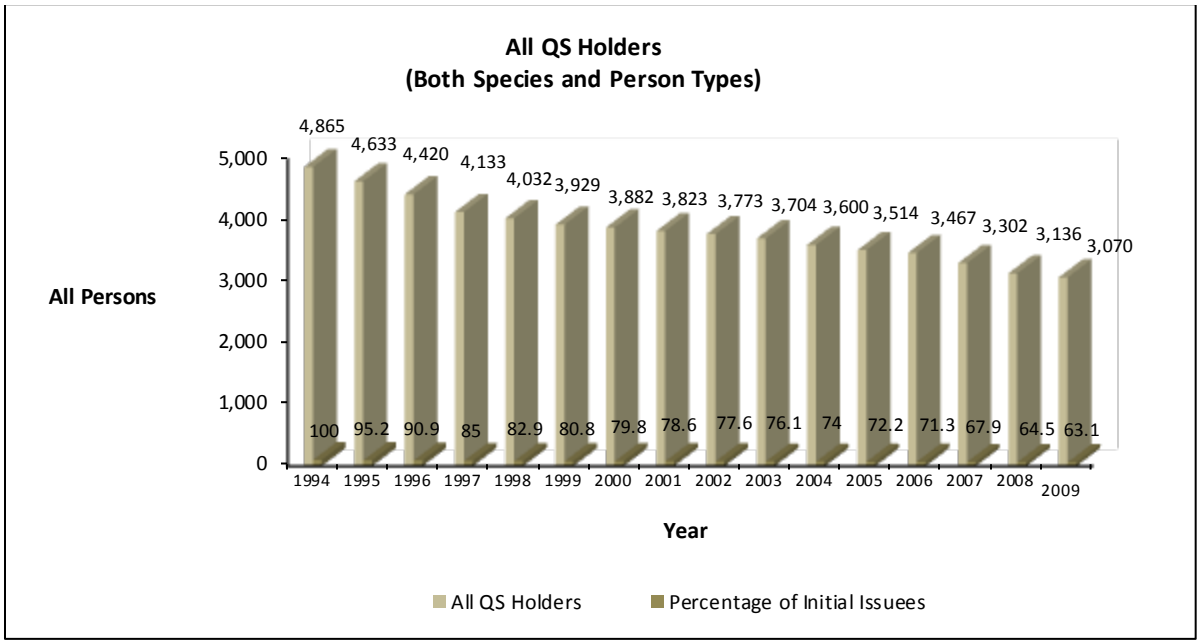


Figure 3.3b All IFQ QS Holders over Time, 1994–2009

While initial issuees were leaving the fishery, IFQ crewmembers were entering, slowing the rate of decline in QS holders. Figures 3.4a and especially 3.4b illustrate the slower decrease in recent years of numbers of all persons (not just initial issuees) holding halibut and sablefish QS. At the end of 2009, the number of persons holding any type of QS was 3,070, or 63.1 percent of the 4,865 persons initially issued QS (Figure 3.3b). Percentages are of the initial QS holders for the respective species.

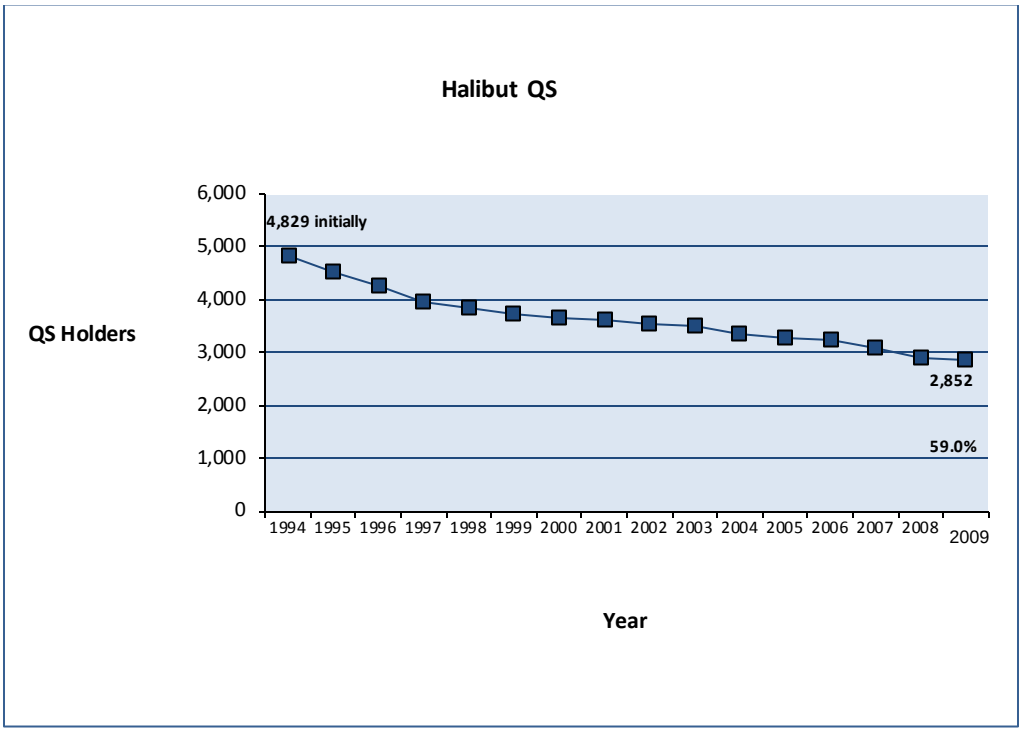


Figure 3.4a All Halibut QS Holders through 2009

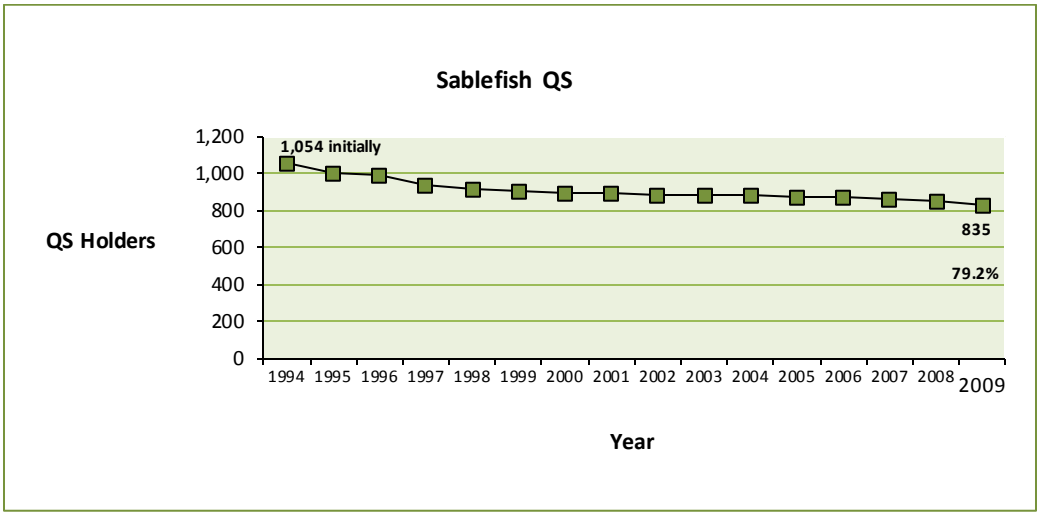


Figure 3.4b All Sablefish QS Holders through 2009

Vessel Participation

Tables 3.14 and 3.15 and Figures 3.5a and 3.5b display reductions in the numbers of vessels participating in fixed-gear fisheries under the IFQ Program, compared with years just prior to program implementation. During 2009, 1,120 distinct vessels participated in the halibut and sablefish fishery. Note that vessel counts are not additive across areas or species because the same vessels may have participated in more than one area or species. After an immediate steep decrease at the start of the IFQ Program, the numbers of vessels continue to decline slowly over time. The ADF&G provided pre-program data.

Table 3.14 Number of vessels with IFQ halibut harvests by area and year, 1992–2009

Species/ Area	Pre-Program			IFQ Program														
Halibut	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
2C	1,775	1,562	1,461	1,105	1,029	993	836	840	827	736	718	706	678	672	682	653	608	570
3A	1,924	1,529	1,712	1,145	1,104	1,076	899	892	842	806	750	712	696	670	644	623	599	576
3B	478	401	320	332	350	357	325	323	342	329	316	328	303	302	287	287	282	268
4A	190	165	176	140	147	142	120	121	127	122	121	114	112	104	93	90	91	88
4B	82	65	74	57	64	69	47	51	55	53	53	44	42	38	36	34	39	36
4C	62	58	64	35	41	46	30	36	35	29	24	24	24	9	8	6	9	9
4D	26	19	39	27	33	33	22	29	33	31	33	26	27	29	30	25	29	30
Total vessels[a]	***3,452***	***3,393***	***3,450***	***2,057***	***1,962***	***1,925***	***1,601***	***1,613***	***1,586***	***1,460***	***1,393***	***1,338***	***1,304***	***1,276***	***1,255***	***1,211***	***1,156***	***1,090***

[a] "Total Vessels" shows the total number of individual vessels that participated in the fisheries in any regulatory area.

Table 3.15 Number of vessels with IFQ sablefish harvests by area and year, 1992–2009

Species/ Area	Pre-Program			IFQ Program														
Sablefish	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
AI	50	65	61	67	64	56	39	42	43	41	38	44	36	34	30	29	36	35
BS	100	85	61	68	64	55	45	44	53	42	48	45	38	45	40	37	38	43
CG	613	500	602	347	312	291	260	244	228	227	209	204	192	192	189	188	175	178
SE	510	393	488	391	368	339	309	295	280	267	262	250	252	234	227	221	214	210
WG	126	47	30	101	97	91	81	77	77	76	74	75	73	76	75	73	63	64
WY	275	209	265	243	230	206	188	172	158	146	144	136	136	131	128	129	115	116
Total vessels[a]	***1,166***	***969***	***1,191***	***616***	***565***	***530***	***477***	***463***	***450***	***436***	***416***	***409***	***396***	***378***	***372***	***373***	***362***	***363***

[a] "Total Vessels" shows the total number of individual vessels that participated in the fisheries in any regulatory area.

Figures 3.5a and 3.5b show the consistent pattern of decreasing numbers of vessels in the halibut and sablefish IFQ fisheries since the Program began in 1995. The figures reveal initial precipitous declines that, as expected, gradually slowed over time.

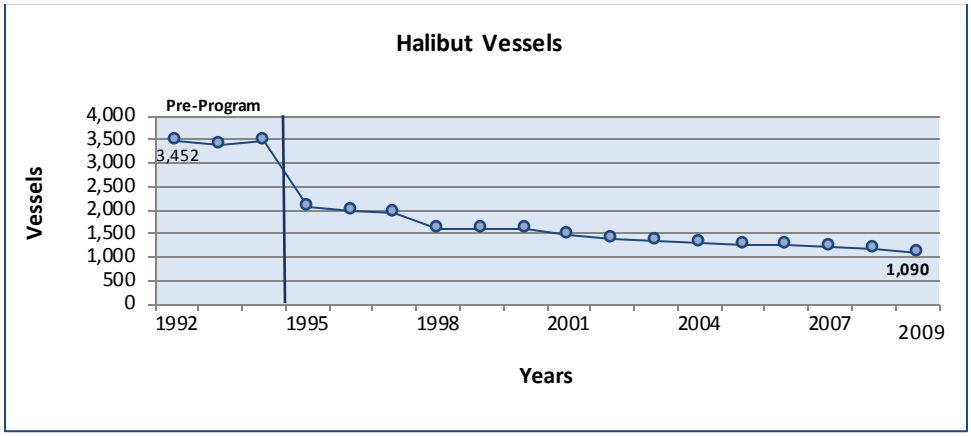


Figure 3.5a Vessel Participation in the IFQ Halibut Fisheries, 1992–2009

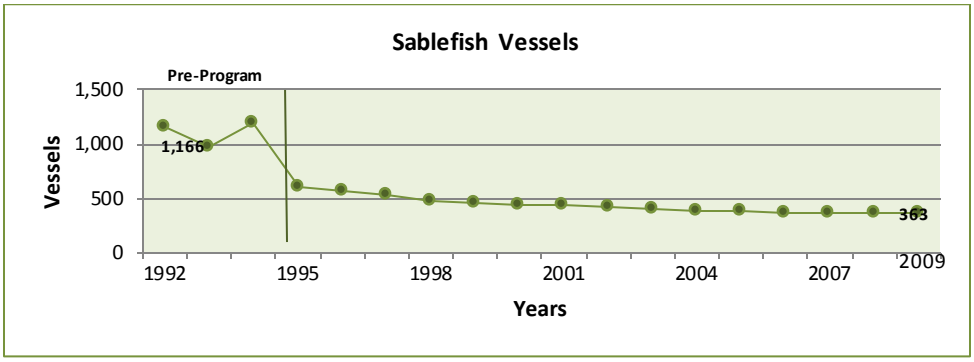


Figure 3.5b Vessel Participation in the IFQ Sablefish Fisheries, 1992–2009

Vessel Size

Since the beginning of the IFQ Program, median vessel length (ft) for halibut and sablefish IFQ fishing vessels has respectively increased by two feet and seven feet length over all (LOA). Figures 3.6a and 3.6b show the gradual changes in vessel length for halibut and sablefish IFQ vessels over time.

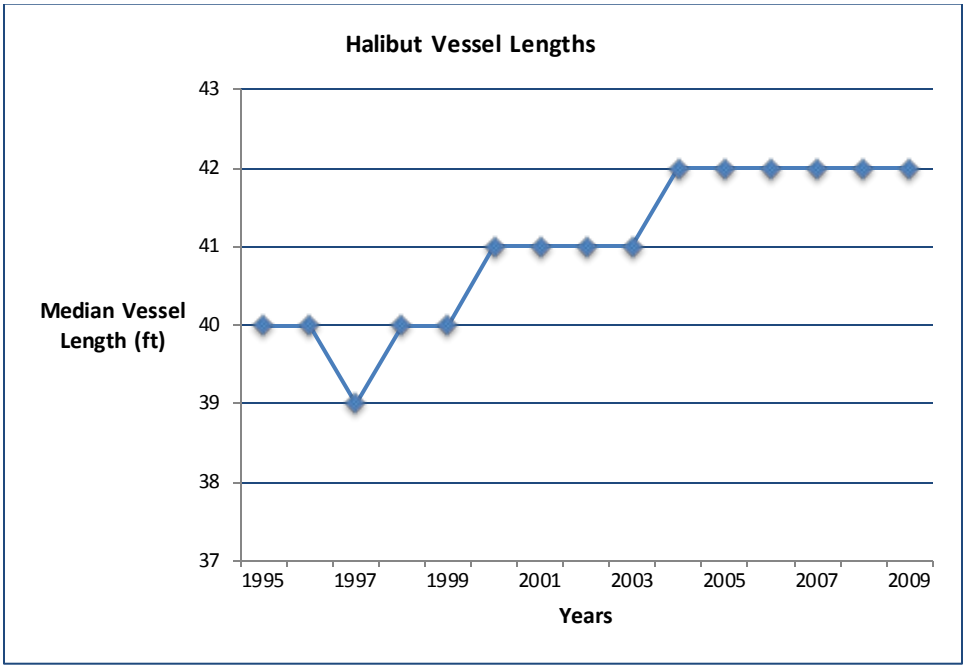


Figure 3.6a Median LOA (ft) for halibut IFQ vessels, 1995–2009

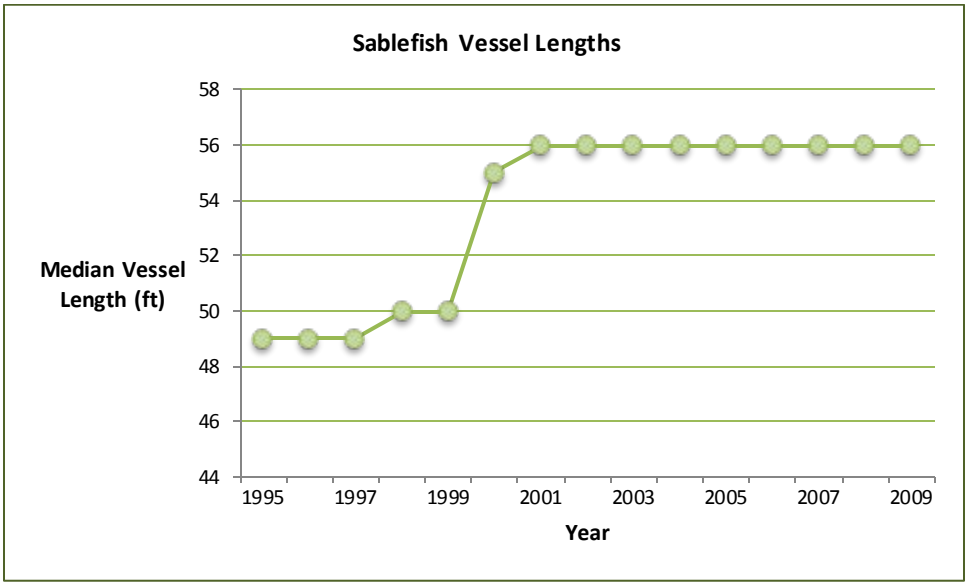


Figure 3.6b Median LOA (ft) for sablefish IFQ vessels, 1995–2009

Vessel Use

The rest of this section displays information about other aspects of vessel use, such as areas fished, use in one or both IFQ fisheries, and pounds landed. The International Pacific Halibut Commission (IPHC) provided pre-Program (1994) data for this section.

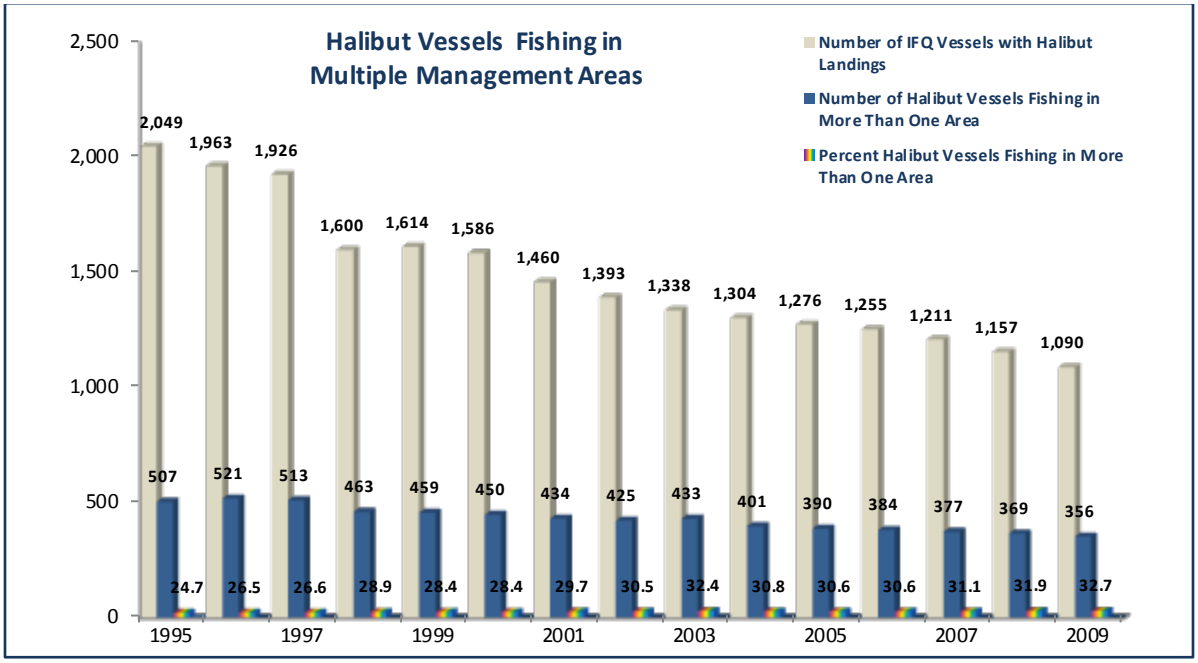


Figure 3.7a Halibut Vessels Fishing in More Than One Management Area, 1995–2009

In pre-program fishing year 1994, the IPHC reported 3,450 vessels landed halibut in IPHC regulatory areas. Of these vessels, 3,068 (89 percent) fished only one regulatory area, and 309 (9 percent) used two. While 59 (2 percent) pre-program vessels fished three areas, only 14 (0.4 percent) vessels fished four areas that year. One year later during the first IFQ program year, the number of halibut vessels using more than one area increased by 198 vessels; the percentage of multiple-area vessels increased more than two-fold. In 2009, with 959 fewer vessels participating than in the first program year, the percentage of vessels using multiple areas increased 8 percent over the first IFQ year's percentage. Figure 3.7a shows an immediate steep decrease of halibut fishing vessels at the start of the IFQ program. The number of halibut fishing vessels fishing multiple IPHC regulatory areas has gradually decreased during the Program, most likely from overall vessel consolidation.

Figure 3.7b shows the numbers of IFQ vessels fishing for sablefish in multiple regulatory areas. The percentage of IFQ sablefish vessels fishing in more than one regulatory area shows little variation over time, ranging between 42 and 44.6 percent. However, the actual number of vessels using multiple areas (fishing sablefish) has decreased by 116 vessels (57 percent) since 1995.

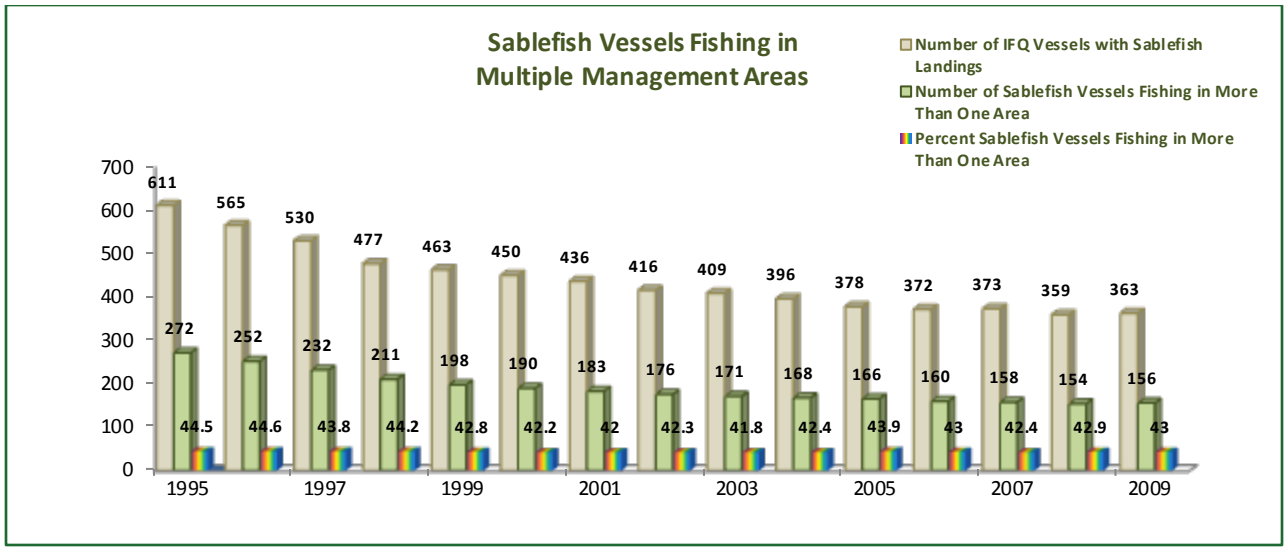


Figure 3.7b Sablefish Vessels Fishing in More Than One Management Area, 1995–2009

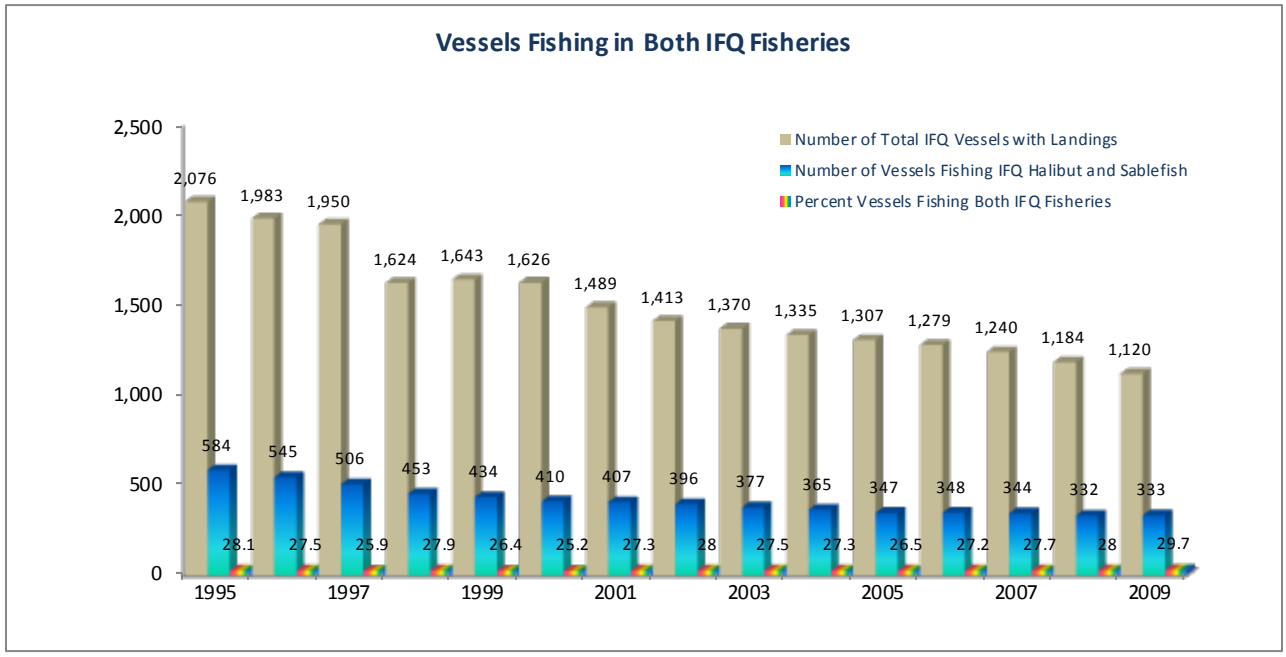


Figure 3.8 Numbers of Vessels Fishing in Both the Halibut and Sablefish IFQ Fisheries, 1995–2009

For many years, fishermen have combined fishing for Pacific halibut with sablefish to achieve economic efficiency in both fisheries. Figure 3.8 shows an anticipated gradual decrease in vessels fishing both IFQ fisheries.

Figures 3.9 and 3.10 show the IFQ median pounds (net and round, respectively) landed per halibut and sablefish vessel over time according to vessel category, which are described by both operation type and length overall (LOA). Vessel category A designates a freezer vessel of any length, category B a catcher vessel greater than 60 ft LOA, and category C refers to a catcher vessel less than or equal to 60 ft LOA for sablefish or a catcher vessel greater than 35 ft but less than or equal to 60 ft LOA for halibut. Category D designates a catcher vessel less than or equal to 35 ft LOA for halibut. Among other calculations, NMFS initially assigned QS according to whether halibut and groundfish were initially processed at sea and to

the LOA of the vessels on which qualifying landings were made during IFQ "base" and seven qualifying years.

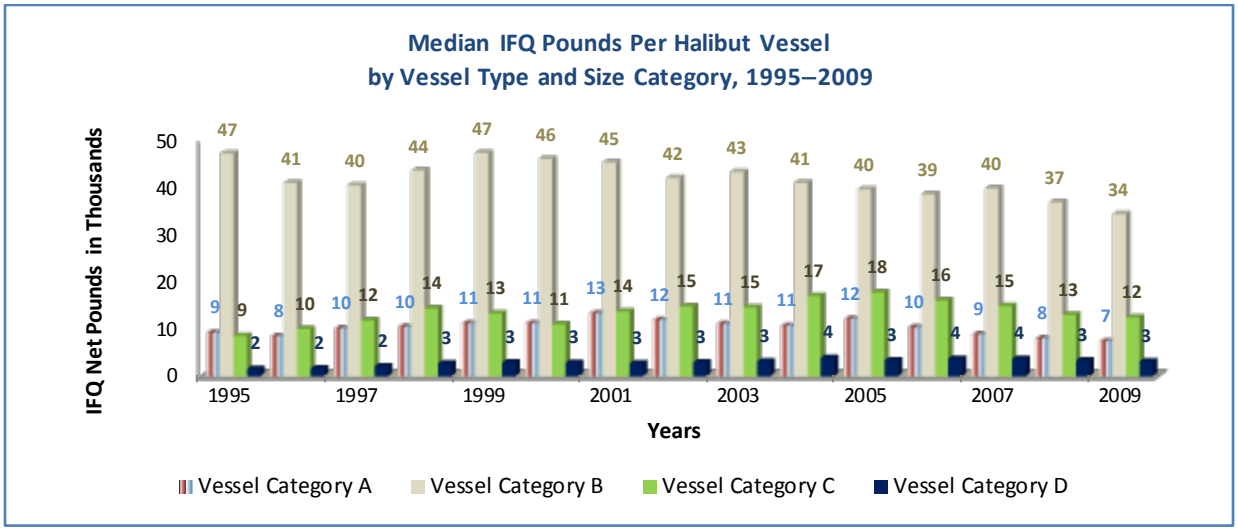


Figure 3.9 Median IFQ Pounds per Halibut Vessel by Vessel Type and Size, 1995–2009

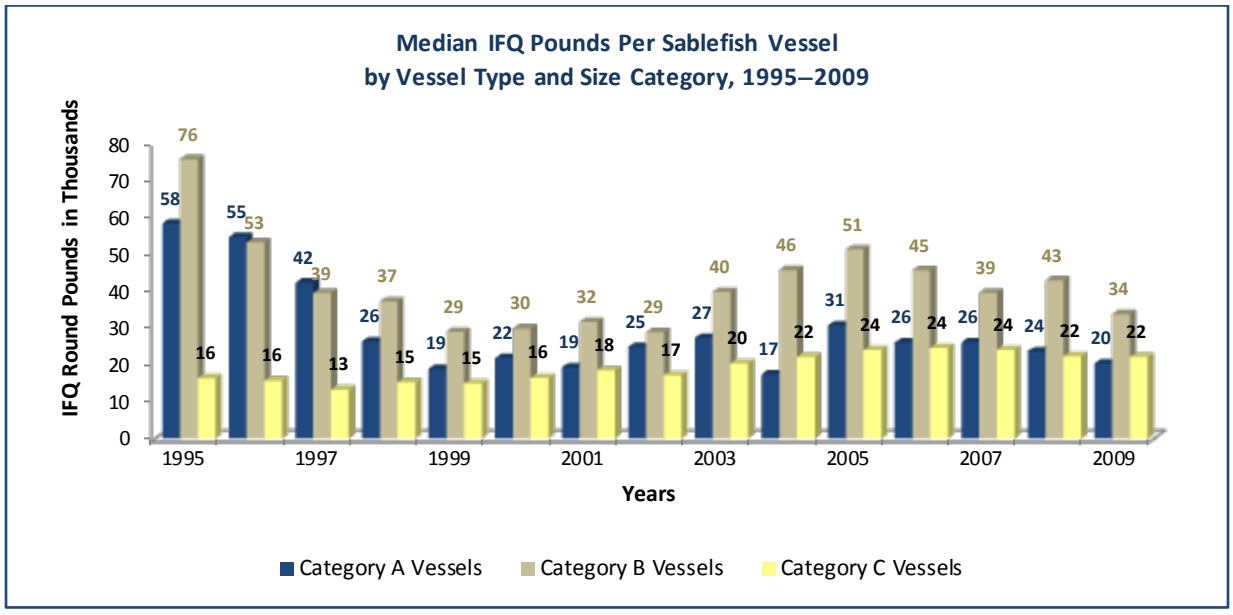


Figure 3.10 Median IFQ Pounds per Sablefish Vessel by Vessel Type and Size, 1995–2009

Figures 3.9 and 3.10 illustrate, respectively, the median IFQ pounds per halibut and sablefish vessel by both vessel type and size category. In 2009 changes in IFQ median landed weight per halibut vessel were moderate. Both vessel categories C and D slightly increased their median weights compared with those in 1995. However, halibut vessel categories A and B IFQ pounds per vessel decreased by approximately 2,000 and 13,000 IFQ pounds, respectively, since the start of the Program. Since 1995 median IFQ pounds per sablefish vessel in category C increased by 6,000 round pounds. However, median IFQ pounds for category A vessels decreased almost a third since 1995 and for category B vessels by more than half.

IFQ Loans

The North Pacific Loan Program

Under the authority of the Magnuson–Stevens Act, the NMFS financial Services Division, Seattle Branch, issues loans to purchase or refinance quota share primarily to entry-level fishermen and those fishing from small vessels. In Federal fiscal year (FY) 1998, congressional appropriations established a loan fund of $5,000,000 for each fiscal year. In FY2008, however, the fund was increased to $8,000,000 to meet higher costs of QS in IFQ programs and to serve more constituents. Table 3.16 displays the number of loans and amounts approved each fiscal year by borrowers' state of residence. In FY2009 Alaska fishermen assumed 13 of the 27 loans (48.1 percent of the loans) issued during the fiscal year, nearly the same number as in FY2008 (14 loans of 29; 48.3 percent). Fishermen in Washington also participated as principal users of the loan program (8 of 27; 29.6 percent of FY2009 loans). Virginia is this year's newcomer to the list. Shaded rows reference loans issued to borrowers' during FY2009. The Federal fiscal year is October 1 through September 30.

Table 3.16 Status of NMFS loans for purchase of QS/IFQ by residence, fiscal year, amount, and number of loans, 1998–2009

Borrower's State of Residence	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Cumulative Number of loans	Average loan amount	Cumulative Total loan amount
Alaska	2,704,749	2,942,881	2,852,759	2,506,978	2,898,348	3,886,000	2,412,042	1,921,075	2,623,980	2,859,000	3,627,134	3,375,408	238	145,422	34,610,354
Arizona				185,000	170,187						630,000		4	246,297	985,187
California			260,000				272,178		201,912		300,000	322,592	6	226,114	1,356,682
Colorado			60,000				150,000	288,000	256,000				4	188,500	754,000
Florida		360,019						360,240					2	360,130	720,259
Georgia	250,000		92,871										2	171,436	342,871
Idaho			80,000	99,564									2	89,782	179,564
Michigan		61,500											1	61,500	61,500
Minnesota					100,000								1	100,000	100,000
Missouri											287,709		1	287,709	287,709
Montana											100,000		1	100,000	100,000
Nebraska				200,000									1	200,000	200,000
Nevada					100,000								1	100,000	100,000
Oregon	169,336	205,800	393,000	354,955	100,000	300,000	342,000		368,108	360,000	1,240,000	852,000	24	195,217	4,685,199
S. Dakota							100,000	200,000					2	150,000	300,000
Texas							68,780					225,000	2	146,890	293,780
Utah	114,808							240,000					2	177,404	354,808
Virginia												106,000	1	106,000	106,000
Washington	1,761,107	1,429,800	1,261,370	1,570,914	1,631,465	814,000	1,655,000	1,990,685	1,550,000	1,781,000	1,815,157	3,119,000	107	190,463	20,379,498
Wisconsin				65,089									1	65,089	65,089
FY Totals	***5,000,000***	***5,000,000***	***5,000,000***	***4,982,500***	***5,000,000***	***5,000,000***	***5,000,000***	***5,000,000***	***5,000,000***	***5,000,000***	***8,000,000***	***8,000,000***	***403***	***163,728***	***65,982,500***

Section 4

Annual Report
IFQ Fee (Cost Recovery) Program

Cost Recovery

Section 304(d)(A) of the Magnuson–Stevens Fishery Conservation and Management Act (MSA), enacted in late 1996, obligates NMFS to recover the "actual costs of managing and enforcing" the IFQ Program. The law provides that the fee be paid by IFQ fishermen and premised on the ex-vessel value of fish landed under the program. The fee cannot exceed 3 percent of the annual ex-vessel value in dollars, goods, and services.

Use of Funds

Receipts from the collection effort are deposited in two accounts. Twenty-five percent (25 percent) of the collections are deposited in the U.S. Treasury. They are available to Congress for annual appropriations to support the North Pacific (IFQ) Loan Program. The other 75 percent is deposited in the "Limited Access System Administrative Fund" (LASAF). Funds in this account are available only to the Secretary of Commerce and must be spent on IFQ Program management and enforcement.

Requirements and Responsibilities

The program places responsibilities on two categories of participants: 1) IFQ Registered Buyers who are acting as shoreside processors and 2) IFQ permitholders with landings of halibut or sablefish authorized by their permit.

For IFQ Registered Buyers

Registered Buyers acting as shoreside processors must report the monetary value and amount of purchased pounds of halibut and sablefish by species, month, and port, information essential for calculating annual standard ex-vessel prices of IFQ fish. Reports are due at RAM by October 15 each year and can be submitted on the Internet or on paper forms.

For IFQ Permitholders

IFQ permitholders are responsible for fees owed for all landings on their permit(s), regardless of whether their IFQ pounds were from their own QS or leased from another quota shareholder and regardless of whether a permitholder or hired skippers made the landings.

Permitholders must pay their fee liability by no later than January 31 of the year after the calendar year of the landings. There are two payment options:

Option 1: Permitholders may pay the amount billed, (RAM's calculation of the annual fee owed, based on standard prices and values) or

Option 2: Permitholders may pay an amount based in whole or in part on actual ex-vessel value from the sale of their IFQ halibut or sablefish. If they choose this option, they must be prepared to demonstrate, with written documentation, how much they were paid for those IFQ landings.

NMFS Responsibilities

At the end of each IFQ season, NMFS is responsible for these actions:

- ✓ compiles a list of all IFQ landings by species, month, and port or port group;
- ✓ uses shoreside Registered Buyer data to calculate a set of standard ex-vessel prices for IFQ fish landed;
- ✓ applies the appropriate standard ex-vessel price to each landing, creating a standard ex-vessel value for each landing;
- ✓ sums the total standard ex-vessel values of all landings to derive the total ex-value of the year's IFQ fishery;
- ✓ compiles all costs directly attributable to the IFQ fishery;
- ✓ uses direct program costs and total ex-vessel value to calculate the annual fee percentage; and
- ✓ applies the percentage to the standard ex-vessel values to determine the fee owed for each landing;
- ✓ sums the fees owed for all landings on all IFQ permits held by each person. This final figure is the *annual fee* owed by each permitholder, based on standard prices and values.
- ✓ mails IFQ permitholders a summary that itemizes their landings and shows their calculated fee liability. RAM bases the fee liability on the sum of all payments of monetary (in dollars, goods, and services) worth to fishermen for landings of IFQ fish.

Penalties: Failure to pay on time results in NMFS action against the permitholder's quota share holdings and additional monetary charges, fines, and/or permit sanctions. If a permitholder fails to pay by the January 31 due date, his/her QS/IFQ will become nontransferable until the fee liability is satisfied, and he or she may not receive QS or IFQ by transfer. Also, RAM will issue an Initial Administrative Determination (IAD) to which the permitholder must respond within 30 days. If an account is unpaid for 30 days after the due date, administrative fees, interest, and penalties start to accrue.

If the account is not paid within the 30 days provided by the IAD, in addition to penalties, interest, and fees, the permitholder's IFQ permit account will be sanctioned and the permitholder will be unable to fish until the fee liability is satisfied. Additional fines may also apply.

Calculating the 2009 Fee

The fee for 2009 was set at 1.6 percent. This figure derives from at least three sources:

- ➢ the total ex-vessel value of the halibut and sablefish fisheries
- ➢ the total costs of managing and enforcing the IFQ Program (by actual expenditures during Federal fiscal year 2009)
- ➢ the balance in the Limited Access System Administrative Fund (last year's overpayment, if any)

These sources are discussed below.

The 2009 IFQ Cost Recovery Fee Percentage

NMFS announced that the 2009 IFQ fee percentage was set at 1.6. Under cost recovery regulations, IFQ permitholders who used their permits to record landings of halibut or sablefish during the 2009 IFQ fishery were obligated to pay 1.6 percent of the total ex-vessel value from the sale of their IFQ halibut and sablefish.

The fee percentage was premised on a total standard ex-vessel fishery value calculated at $209,893,255 and total program expenditures of $3,352,386.

Calculating the Fee Percentage

Effective September 5, 2006, NMFS published a Final Rule (71 FR 44231, August 4, 2006) that changed the manner in which the annual fee percentage is calculated (*See* Page 4 in the Rule Changes in the Pacific Halibut-Sablefish IFQ Report for Fishing Year 2006, Section 1). Specifically, the formula was simplified by eliminating or consolidating some variables:

- The nonpayment rate (NPR) was eliminated because of its negligible effect on the calculation of the fee percentage since the beginning of the program; and
- The LASAF Account Balance (AB) is now automatically incorporated into the Direct Program Costs (DPC) rather than treated separately. The fee percentage is calculated using the following formula:

[100 x (DPC)/V]

This is not as complicated as it may seem. It simply means that the Direct Program Costs of management and enforcement (DPC), which now incorporate the LASAF Account Balance, multiplied times 100, is then divided by the fisheries Value (V). The result, rounded to the nearest 0.1 percent, is the *fee percentage*. Table 4.1 shows the 2009 fee percentage computation.

Table 4.1 Detail of formula for calculating the 2009 fee percentage

Factor	Value	Activity
Cost (DPC)	3,352,386	times 100
Fisheries Value (V)	209,893,255	divided by
=	1.59	rounded to nearest 0.1 percent yields
Rate for 2009 IFQ Season = 1.6 percent		

Cost Components of the IFQ Fee Program

Within NMFS, the two highest cost components are NMFS Enforcement Division (AKD) and RAM, respectively. Between years, costs fluctuate due to changes within the programs, such as new purchases of patrol equipment and personnel changes.

Ex-Vessel Value of the IFQ Fisheries

Because the fee obligation is a percentage of the ex-vessel value of the IFQ fisheries, it has been necessary to calculate those values. Ex-vessel prices vary from port to port and with the time of year.

RAM used the Registered Buyer data to calculate the average ex-vessel value for each species, port, and month. Then the amount of IFQ products delivered to each port, by month, was multiplied by this "standard value." The calculations show the total standard ex-vessel value of the two fisheries in 2009 as follows:

Halibut	132,460,410.58
Sablefish	77,432,844.82
Total	$209,893,255.40

Costs of Management and Enforcement

The other part of determining the fee is calculating costs associated with managing and enforcing the IFQ Program. Note these costs are incremental (that is, costs that would not have been incurred but for the IFQ Program). To arrive at these costs, in early September NMFS agency units and the IPHC each calculated their own IFQ-associated costs. Agency units included NMFS/RAM, NMFS Sustainable Fisheries, NMFS OAA, NMFS OMD, NMFS Alaska Enforcement (AKD), NMFS Financial Service Division, and General Counsel, AK. Table 4.2 shows the costs by agency and operating unit, and Figure 4.1 is a comparison of those expenses with those during FY08.

Results

During 2009 costs increased twenty-four percent (approximately $800,000) over the 2008 total IFQ management and enforcement expenses ($3,468,590) due to rising transportation costs and contracts/training due to AKD's new Joint Enforcement Agreement (JEA) and funding of data technician services. NMFS printing costs rose sharply due to the cost of new logbooks, while other costs were either less than or similar to last season's IFQ fee recovery costs.

Sablefish Long-line Survey Vessel NOAA Fisheries Service

Table 4.2 Costs associated with management and enforcement of the IFQ Program, year-end 2009

Cost Recovery	NMFS RAM	NMFS Enforcement	NMFS Sustainable Fisheries	Financial Services	NMFS OMD	NMFS OAA	General Counsel AK	IPHC	Total
Personnel Costs[a]	281,583	1,898,200	109,236	241,375	37,821	23,991	5,234	358,980	3,041,210
Travel[b]	7,994	197,300	16,414	–	6,532	–	–	74,236	163,486
Transportation[c]	–	51,800	–	–	–	–	–	–	51,800
Printing	457	–	10,702	–	550	–	–	–	11,709
Contracts/Training	1,699	386,500	25,060	–	358	–	–	86,826	516,319
Supplies	10,096	51,600	–	–	669	–	–	1,456	65,303
Equipment	6,554	44,500	–	–	–	–	–	–	187,879
Rent/Util/Overhead[d]	33,243	205,400	11,253	–	3,360	2,958	342	–	263,705
Other	–	–	–	–	–	–	–	615	615
Total	***341,626***	***2,835,300***	***172,665***	***241,375***	***49,289***	***26,950***	***5,575***	***373,641***	***$4,302,026***

[a] Personnel Costs include cost of living adjustments (COLA) and all benefits.
[b] Travel includes per diem payments. IPHC uses a scalar to determine costs so IPHC travel expenses reflect costs derived by a separate cost formula.
[c] Transportation includes shipment of items.
[d] Rent/Utilities/Overhead includes costs of space and utilities and shared common space and services.

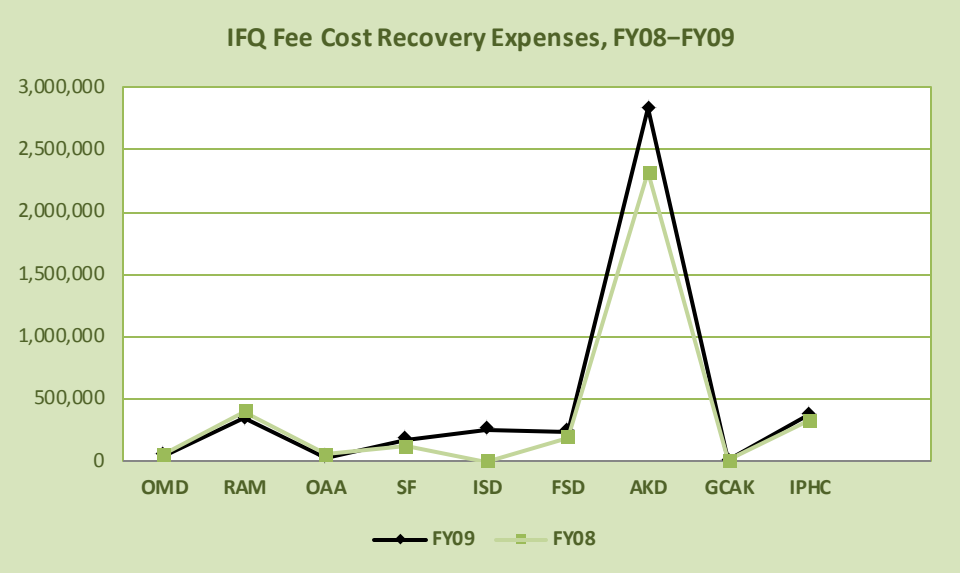


Figure 4.1 IFQ Fee Cost Recovery Comparison, FY08–FY09

Conclusion

Figure 4.1 illustrates comparable cost recovery expenses between FY08 and FY09. Notable differences in increased costs resulted from three areas: equipment, contracts, and training expenses. Sustainable Fisheries' (SF) printing costs rose due to a periodic printing of logbooks and reprinting of forms. The Information Services Division's (ISD) increased costs were largely for equipment to support computer systems and online services. NMFS Alaska Enforcement Division (AKD) equipment costs decreased due to previous year purchases and long-lasting equipment. However, AKD rent and utilities increased for the Dutch Harbor and Anchorage offices. This season's AKD costs for contracts and training increased due to a new Joint Enforcement Agreement, funding of data technicians, and permanent change of station costs. Total cumulative cost for the divisions was somewhat higher than in FY08, although almost half the divisions' costs were lower than their FY08 expenses.

This season Registered Buyers and members of the IFQ fleet complied well with fee program requirements. Each year RAM calculates the annual fee relying directly on good reporting by Registered Buyers. IFQ fleet participation in 2009 remained strong, further strengthening the IFQ fee program.

Cost recovery fees do not increase agency budgets or expenditures. They simply offset funds that would otherwise have been appropriated, except the IPHC expenditures, for which there is no direct appropriation. No budgetary advantage is ever gained by inflating IFQ management and enforcement costs.

Although some costs are controlled by "economies of scale," other costs will decrease with the number of IFQ Program participants.

SECTION 5

NMFS Protected Resources Seabird Report

Nonbreeding subadult Short-tailed albatross 'practice' courtship dance on Mukojima Island, Japan

Refinements to the seabird avoidance regulations for IPHC Area 4E became effective April 27, 2009

NMFS revised the seabird avoidance measures currently implemented for the hook-and-line groundfish and halibut fisheries in IPHC Area 4E. The changes are based on the best available information regarding seabird occurrence and potential fishing vessel interactions. NMFS compiled seabird sightings data from many sources, and the information that seabird species of concern are not likely to occur in portions of Area 4E where vessels using hook-and-line gear may operate makes it unlikely that interaction between the fishing vessels and these seabird species of concern would occur in those portions of Area 4E.

NMFS issued a final rule in the Federal Register (74 FR 13355, March 27, 2009) that eliminates seabird avoidance measures in the portion of Area 4E where seabird species of concern are not likely to occur. The revisions apply to vessels greater than 26 ft to less than or equal to 55 ft length overall fishing in the EEZ. Vessels less than or equal to 26 ft LOA are not required to use seabird avoidance measures. However, vessels greater than 55 ft LOA continue to be required to use seabird avoidance measures in all of Area 4E. Vessels this size and larger are more likely to interact with other seabirds because of the greater amount of offal discharge and greater number of hooks fished compared to smaller vessels. Vessels greater than 55 ft LOA are capable of efficiently deploying seabird avoidance gear.

Species of concern of pelagic seabirds (particularly the Endangered Species Act-listed Short-tailed albatross) are rarely observed in most of Area 4E, and, therefore, are not likely to interact with hook-and-line fisheries in most of this area. Pelagic seabird species of concern that may interact with hook-and-line vessels have been observed and documented in the southern portion of Area 4E west of Bristol Bay. The seabird avoidance measures continue to be required in this area for all hook-and-line vessels greater than 26 ft LOA.

The final rule is posted on our website: http://fakr.noaa.gov/protectedresources/seabirds/guide.htm. See information here for a comprehensive view of the seabird avoidance regulations.

Albatross Bycatch

We are particularly interested in albatross bycatch as some species face serious conservation concerns. The Short-tailed Albatross (*Phoebastria albatrus*) is listed as endangered under the US Endangered Species Act. They have been documented taken in the Alaska demersal longline fisheries (last documented take in 1998). Two other albatross species inhabit Alaska waters and have been taken in the Alaska groundfish longline fisheries. The Black-footed Albatross (*P. nigripes*) and Laysan Albatross (*P.*

immutabilis) both breed in the Northwestern Hawaiian Islands and travel to the Gulf of Alaska, Bering Sea, and Aleutian Islands to forage in the productive offshore waters. The total estimated bycatch of all albatross, for all groundfish fisheries, was 195 birds in 2006. This represents a small increase from the 182 albatross taken in 2005. The demersal longline fishery bycatch of Laysan Albatross decreased from 83 in 2005 to 57 in 2006 (both below the 120 in 2004). Because the trawl fishery estimate was only 2 Laysan, the overall combined take of Laysan Albatross decreased to 59, as opposed to 139 in 2005, and 120 in 2004. No albatross were observed taken in the 2004 trawl fishery. This trend is opposite for Black-footed Albatross. In the demersal longline fishery, the estimated bycatch of Black-footed Albatross was 134 in 2006, up from 43 Black-footed Albatross estimated taken in 2005 and 35 in 2004. **Most of this take occurred in the Gulf of Alaska in the sablefish IFQ fleet.** No black-footed albatross have been observed taken in any of the Alaska trawl fisheries, 1993–2006. In 2006 there were 2 unidentified albatross, compared with none in 2005 and an estimated 3 in 2004.

Once available, updated seabird bycatch estimates are updated on this website:
http://www.afsc.noaa.gov/REFM/REEM/Seabirds/Default.php

"Making More Shorties"

A collaborative effort is underway to greatly enhance the conservation status of the Short-tailed albatross. The US Fish and Wildlife Service and US scientists (Rob Suryan, Oregon State University; Paul Sievert, University of Massachusetts) are working closely with Japan's Yamashina Institute of Ornithological Research and the Ministry of the Environment to move closer to the delisting of the Short-tailed albatross under the US's Endangered Species Act.

(See USFWS Fact Sheet:
http://www.fakr.noaa.gov/protectedresources/seabirds/usfws_stal_translocation_%20factsheet.pdf
and North Pacific Research Board Project Progress Report
#F0723http://project.nprb.org/view.jsp?id=9f7843f6-2ebe-42a1-a397-4dcdd79a4609)

Once the most abundant albatross in the North Pacific and a common dietary component of indigenous people, the Short-tailed albatross (*Phoebastria albatrus*, STAL) was hunted to near extinction. The population has since increased to approximately 2,500 individuals but still nests on only two islands, which are geologically or politically unstable.

Recolonization of a third "stable" island is required to remove this species from the endangered species list. Precedence exists for attracting STAL to an alternate breeding site on Torishima (the primary breeding island); however, it took 14 years for the new colony to increase to 15 pairs using passive attractants (decoys and vocalization playback).

(source: http://doc.nprb.org/web/08_prjs/0723_pr_jul08.pdf)

Endangered Short-tailed albatross (*Phoebastria albatrus*) frequent waters of Alaska, Russia, and Japan that are heavily fished by commercial fisheries. Our (Balogh and Suryan) previous research, partially funded by the North Pacific Research Board, addressed an assessment for potential interactions with commercial fisheries in the Alaska EEZ and issues associated with at-sea habitat preferences for this species. While the commercial fishing fleet in Alaska has taken admirable measures to avoid incidental take of this species, there remains the threat of catastrophic levels of take associated with volcanic activity on the primary breeding site in Japan. The Short-tailed albatross recovery team has determined the establishment of additional colonies is of utmost importance to the recovery of this species. In their draft recovery plan, they consider the establishment of new colonies on nonvolcanic islands to be a

prerequisite for removal from the endangered species list. Pilot translocation and hand-rearing studies were conducted in 2006 with 10 Laysan albatross (*P. immutabilis*) chicks in Hawaii and in 2007 with 10 black-footed albatross (*P. nigripes*) chicks in Japan. These pilot studies proved successful in refining techniques, and by the second year fledging success was greater than long-term means for naturally reared birds. The second phase of this work is satellite-tracking the fledglings to ensure that translocated and hand-reared chicks are surviving and migrating similarly to naturally reared individuals. Additionally, by using long-lasting, solar-powered transmitters, we are able to track individuals into U.S. waters to evaluate potential fishery interactions. This contribution is particularly important because from a small sample during previous studies this age class appears to have very different movement and distribution patterns than adults/subadults and therefore overlap a larger variety of fisheries. Successful establishment of new Short-tailed albatross breeding colonies through translocation is expected to hasten the recovery of this species, resulting in its removal from the endangered species list in less time than if we were to await natural range expansion. We anticipate 3 to 5 years of Short-tailed albatross translocation efforts.

Progress Summary

In February 2009, 15 postguard (~1 month old) Short-tailed albatross chicks were translocated by helicopter from Torishima to Mukojima, Japan, where they were hand-reared to fledging (Figs. 1 and 2). Techniques refined during the two pilot years were applied to the hand-rearing of Short-tailed chicks with great success. Between February and May chicks exhibited optimal growth patterns relative to naturally reared chicks and 100% of the chicks successfully fledged by 24 May. Continued satellite tracking of these individuals will greatly contribute to our knowledge of juvenile distribution and interaction with regional fisheries. The third year of the translocation project is planned for February 2010.

Toroshima Subadults Visit Mukojima

The Yamashina Institute for Ornithology announced on July 7 that a courtship dance occurred between two subadult Short-tailed albatross at Mukojima, Ogasawara Islands. Teppei Hayakawa photographed the event, said to be the first time such courtship activity took place in this location (see photograph on first page of this section). Based on leg-band information, Yamashina confirmed that one of the participating birds was born five years ago on Torishima, Izu Islands. From about six years of age, Short-tailed albatross repeatedly perform courtship rituals in the process of forming mating pairs. The observed courtship dance seems to have bolstered the hope that after a number of years, birds would return to the latter island to breed.

Reestablishment of a Short-tailed albatross colony on a nonvolcanic island is the goal of the translocation efforts, but one that will not be realized for up to a decade or more given the life history characteristics of this long-lived species. Stay tuned to this ongoing conservation story!

Free Streamer Lines

Limited supplies of free streamer lines are still available, including the lighter weight line expressly designed for smaller vessels. For information on how to receive these streamer lines, see our website at alaskafisheries.noaa.gov/protectedresources/seabirds/streamers.htm .

Report Short-Tailed Albatross Sightings

In the event of a sighting from your vessel of a Short-tailed albatross, we request your cooperation in completing the enclosed U.S. Fish & Wildlife Service (USFWS) form /Endangered Species Encounter

Reporting Form. We are coordinating efforts with the USFWS, and they have asked us to seek your assistance with this important sighting information.

Completed forms can be mailed to USFWS at the address provided on the form, which is available on the Internet at alaskafisheries.noaa.gov/protectedresources/seabirds/repform.pdf

"Alaska Seabirds" Laminated Identification Guides

In addition, the USFWS and NOAA have teamed up with the Marine Conservation Alliance, Washington Sea Grant, Birdsmith Ecological Research, and Fraser Research and Development to produce a laminated three-page guide to common seabirds of Alaska, species that commercial fishermen in Alaskan waters are likely to see. The guide is designed to be helpful in identifying common seabirds on the water and in the air. If you did not receive the laminated guide "Alaska Seabirds" with a NMFS mailing to Federal Fisheries Permitholders, and you would like the guide, please contact Kim Rivera, NMFS's Seabird Coordinator, at 907-586-7424. Email Kim at Kim.Rivera@noaa.gov .

For additional information about the reduction of seabird incidental catch in fisheries and our research on seabird-fishery interactions, please see our websites at

alaskafisheries.noaa.gov/protectedresources/seabirds/guide.htm
http://www.afsc.noaa.gov/REFM/REEM/Seabirds/Default.php .

Figure 1. Translocation of 15 Short-tailed albatross chicks from Torishima and hand-reared on Mukojima (300 km away), Japan. (Courtesy of Dr. Kiyoaki Ozaki, Yamashina Institute of Ornithology, and member of the US Endangered Species Act Short-tailed Albatross Recovery Team)

Figure 2. The chicks being hand-reared on Mukojima Island, Japan. (Photos courtesy of Dr. Tomohiro Deguchi, Yamashina Institute of Ornithology, Japan)

APPENDIX

Description of the Halibut and Sablefish IFQ Program

A Brief History of the IFQ Program

In December of 1991, the Council proposed an IFQ Program as the best alternative to address problems associated with excess harvesting capacity in the Pacific halibut and sablefish longline fisheries off Alaska. The decision to propose an IFQ Program resulted from years of discussion and debate about the best way to address the problems created by overcapitalization in the fisheries (sometimes expressed as "too many boats chasing too few fish"). These problems included short "derby" openings (in most cases, seasons lasted less than a week), lost gear (and resulting "ghost fishing"), gear conflicts, safety concerns, poor product quality, low ex-vessel prices, and a host of other issues.

The IFQ approach was chosen to provide fishermen with the authority to decide the amount and type of investment they wished to make to harvest the resource. By guaranteeing a certain amount of catch at the beginning of the season, and by extending the season over a period of 8 or more months, those who held the IFQ could determine where and when to fish, how much gear to deploy, and how much overall investment in harvesting they would make.

One way to achieve the advantages of such a program was to insure the transferability of quota from one person to another. However, concerns were expressed about allowing quota to be freely transferred. To address the fear that most of the quota could eventually be concentrated into very few hands (thus undermining the economies of fishery-dependent communities), and could be held by persons who do not fish (thus establishing a "landlord" class of quota holders), the Council designed a number of constraints to unrestricted transferability. This was done to ensure that the characteristics of the fleet that existed prior to the IFQ Program (an essentially "owner-operator" fleet of catcher vessels of various lengths) would not be fundamentally changed by the program.

Following further refinement, the Council's IFQ proposal was approved by the Secretary of Commerce and finally published in the Federal Register in November of 1993. The IFQ Program is administered by the National Marine Fisheries Service, Restricted Access Management (RAM) Program.

During the initial application period, more than 6,000 persons applied for more than 9,000 QS awards (by area, species, and vessel category). From that pool of applications, RAM determined approximately 1,100 not to be eligible for QS, while some 750 others challenged part or all of the official records used to determine who received QS, what amount, and which type. RAM issued an Initial Administrative Determination (IAD) to all applicants whose claims were denied in whole or in part. An appeal process within the Office of Administrative Appeals (OAA) allowed an appellant to appeal a Final Agency Action (a decision of the OAA that had been published for 30 days) to the federal courts.

General IFQ Program Description

Under the IFQ Program, eligible persons were issued QS based on halibut and sablefish landings made aboard vessels that they owned or leased during 1988, 1989, or 1990. Applications for initial issuance of QS were received and processed by RAM. The application deadline was July 1994, and most applications were received in 1994. Issuance of QS to eligible applicants began in November of 1994.

To determine how many pounds of fish a QS holder may harvest during each year's fishing season (i.e., the person's annual IFQ), RAM first establishes the QS Pool (QSP) for each species and each regulatory area combination. There are eight halibut regulatory areas and six sablefish regulatory areas. The QSP is the sum of all the QS units that have been issued in a given area for each species. RAM calculates the QSP annually (on or about January 31), which may vary slightly from year to year due to administrative adjustments and civil penalties.

After fisheries managers determine what the annual Total Allowable Catch (TAC) will be, each QS holder's QS for the area is divided by that area's QSP and the resulting fraction is then multiplied by the area "IFQ TAC." This equation yields the number of pounds of IFQ that a QS holder may harvest that year, before adjustments for the previous year's fishing activity. Put simply, the above explanation can be expressed in this equation:

$$QS \div QSP \times TAC = IFQ$$

Note that although a person's QS remains the same, and the QSP may vary by a slight amount from year to year, the TAC may change significantly annually, depending on the condition of the stocks. As the TAC rises, so does each person's IFQ; as it declines, each person's IFQ likewise decreases.

In this manner, the total annual TAC is divided up; those to whom IFQ permits have been issued may then harvest their allocation at any time during the eight plus-month IFQ halibut and sablefish seasons. Those who do not hold QS are generally excluded from the fisheries, although the program contains several very limited provisions for "leasing" IFQ. Administrative actions provide for some limited adjustments to annual IFQ permit amounts resulting from underages or overages of IFQ the prior year; however, significant fishing in excess of an IFQ permit is a violation.

Other Significant Program Elements

As noted above, the Council took steps to insure that QS would not eventually be consolidated into a very few hands. To accomplish this goal, strict limits on how much QS can be held by any person are imposed on QS holders (persons who received more than the "cap" by initial issuance were "grandfathered" in; however, they may not receive more QS by transfer). Caps on vessel use ensure continued participation by at least a minimum number of vessels. Catcher vessel QS categories help maintain the size stratification of the fleet. Refer to Section 1 in this report for a breakdown of the annual QS use and vessel IFQ caps.

In addition to the caps, the Council has provided for QS blocking provisions. Under this program element, QS that originally yielded less than 20,000 pounds of IFQ (using the 1994 QSPs and TACs) was issued as a block, and such blocks may not be subdivided upon transfer. Further, there is a limit on the number of blocks a person may hold for the same species in any regulatory area. In this way, smaller amounts (blocks) of QS will always be available for those who wish to enter the fishery by acquiring QS by transfer. Very small blocks may be "swept up" to result in one larger block up to a maximum size specified for each area. This promotes usefulness of small blocks otherwise uneconomic to fish.

To meet the goal of an owner-operated fleet, upon change of a QS-holding business, catcher vessel QS must be transferred only to individuals who must be aboard the vessel when the fish are harvested and landed. In recognition of historical fishing practices, initial issuees may hire skippers (with some exceptions) to fish their annual IFQ. Currently, the QS holder must demonstrate that she or he holds at least a 20 percent ownership interest in the vessel on which the IFQ is to be fished.

Leasing of catcher vessel IFQ is extremely limited. A Community Purchase Program allows authorized GOA communities to form nonprofit organizations that acquire and hold QS for use by community residents. A special "surviving heir" provision allows an immediate family member to receive QS on the death of an individual holder and to lease out the IFQ for three years. A medical transfer provision allows persons temporarily incapacitated to lease IFQ. Finally, members of the National Guard and military reserves who are mobilized to active duty may temporarily transfer their annual halibut and sablefish IFQ to other eligible IFQ recipients.

Quota share and the annual IFQ that it yields are classified by species, regulatory area, vessel category, and whether it may be fished on a vessel in another size category ("fish up" or "fish down"). A variety of restrictions regarding harvesting, processing IFQ and non-IFQ species, landing, and reporting IFQ fish are also in place. Although there is no space here to discuss these in detail, more information about the program, including restrictions, is available in the IFQ regulations on the NMFS website alaskafisheries.noaa.gov or by contacting RAM.

A Good Day in Stephens Passage, Area 2C

Halibut and Sablefish
IFQ Regulatory Areas

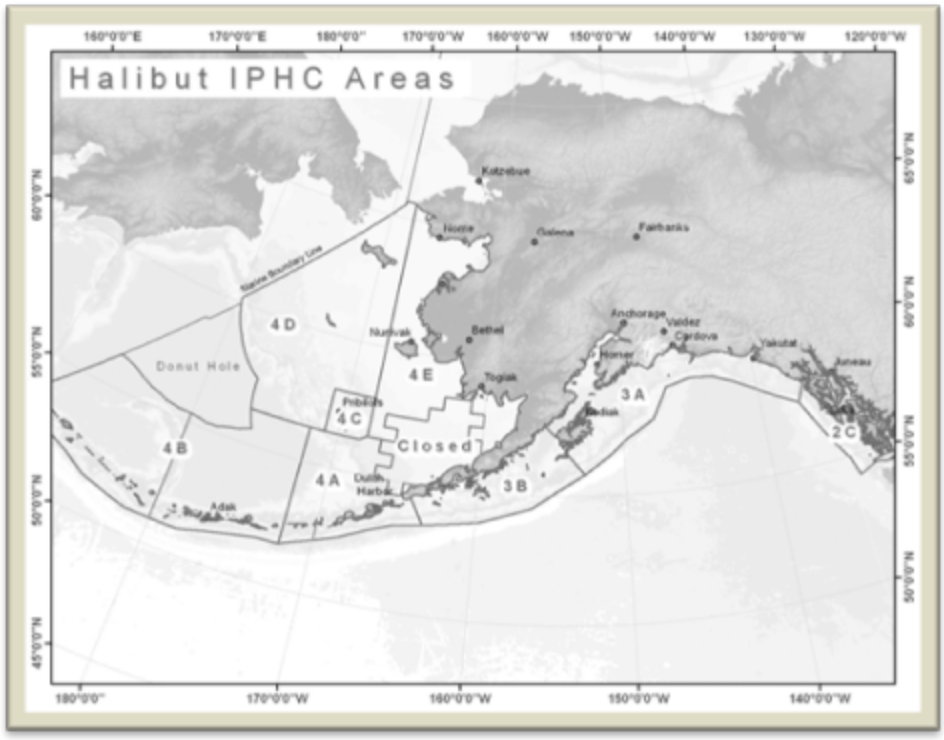


Figure A.1 Halibut IFQ Regulatory Areas

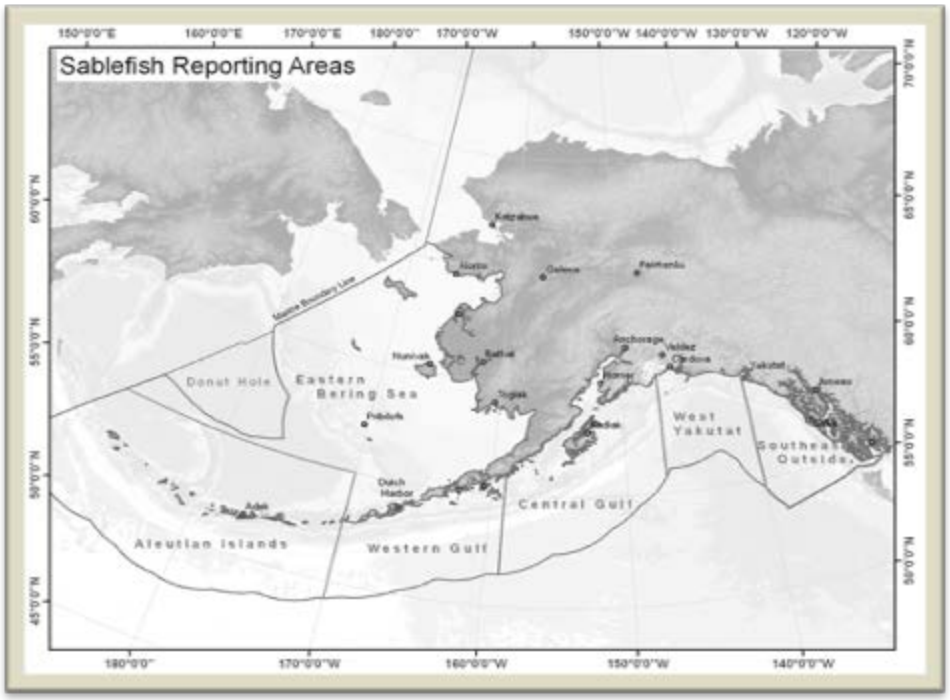


Figure A.2 Sablefish IFQ Regulatory Areas