

# Kodiak Vessel Owners Association Kodiak, Alaska

NPFMC February 2014 - Staff Tasking

## HALIBUT IFQ VESSEL CAP RESTRICTIONS

Objective: To provide relief for halibut quota share holders and vessel owners in low harvest limit seasons.

Proposal: Create a minimum vessel cap which would apply to the statewide cap for vessels harvesting IFQ in Areas 3 and 4. This would not change the statewide existing harvest limit cap of 0.5%, but simply create a minimum. This would not apply to Area 2C and the proposal would not change the use cap (ownership).

Specifics: Analyze the following options for consideration:

- a) Status quo (2013 cap) – 109,000
- b) 150,000 pounds – similar to the 2011 cap
- c) 175,000 pounds

### Need for Action:

As the harvest limits have decreased dramatically, the opportunities for quota share holders and vessel owners to have financial stability have been severely restricted and many are in danger of losing their investment in the fishery. Those impacted the most are:

- Vessel owners who hold quota share in multiple areas and need enough pounds to justify the cost of traveling to the fishing grounds.
- Quota share holders who bought in at the high harvest limits and need flexibility in order to meet their financial obligations.
- Halibut fishermen who are not diversified in other fisheries and have limited fishing opportunities other than this fishery.
- Crew members who have purchased quota share and depend on long-term relationships with vessel owners or wish to have flexibility for which vessel they choose to harvest their IFQ.

### Addressing Consolidation Concerns:

By not changing the cap percentage, but simply creating a minimum vessel harvesting cap, the concerns regarding long-term consolidation are alleviated. When the harvest limits return to reasonable levels, the cap would activate.

The average cap for the years 1997-2013 was 241,871. The average for the last five years was 160,042. A minimum vessel cap of 150,000 is reasonable and would provide some relief and flexibility.