

(viii) *Fee.* The Regional Administrator may, after publication of a fee notification in the **Federal Register**, charge a permit fee before issuance of the permit to recover administrative expenses. Failure to pay the fee will preclude issuance of the permit.

(ix) *Abandonment or voluntary relinquishment.* Any ITQ permit that is voluntarily relinquished to the Regional Administrator, or deemed to have been voluntarily relinquished for failure to renew in accordance with paragraph (a)(1)(ii) of this section, shall not be reissued or renewed in a subsequent year, except as specified in paragraph (a)(1)(x) of this section.

(x) *Transitional grace period.* A surfclam or ocean quahog quota share holder who does not apply for an ITQ permit before the end of the 2015 fishing year, may be granted a grace period of up to one year to complete the initial application process, and be issued an ITQ permit, before the quota share is considered permanently relinquished. If an individual is issued a 2015 ITQ permit, but fails to renew that ITQ permit before the end of the 2016 fishing year, the Regional Administrator may allow a grace period until no later than July 1, 2017, to complete the renewal process and retain the permit. A permit holder may not be issued cage tags or transfer quota share until a valid ITQ permit is issued. Failure to complete the ITQ permit application or renewal process, and be issued a valid ITQ permit before the end of such a grace period would result in the ITQ permit and any associated ITQ quota share being permanently forfeit.

(2) [Reserved]

(b) *Transfers—(1) Quota share percentage.* Subject to the approval of the Regional Administrator, part or all of a quota share percentage may be transferred in the year in which the transfer is made, to any person or entity with a valid ITQ allocation permit under paragraph (a). Approval of a transfer by the Regional Administrator and for a new ITQ permit reflecting that transfer may be requested by submitting a written application for approval of the transfer and for issuance of a new ITQ permit to the Regional Administrator at least 10 days before the date on which the applicant desires the transfer to be effective, in the form of a completed transfer form supplied by the Regional Administrator. The transfer is not effective until the new holder receives a new or revised ITQ permit from the Regional Administrator reflecting the new quota share percentage. An application for transfer may not be made between October 15 and December 31 of each year.

(2) *Cage tags.* Cage tags issued pursuant to § 648.77 may be transferred at any time, and in any amount subject to the restrictions and procedure specified in paragraph (b)(1) of this section; provided that application for such cage tag transfers may be made at any time before December 10 of each year. The transfer is effective upon the receipt by the transferee of written authorization from the Regional Administrator.

(3) *Denial of ITQ transfer application.* The Regional Administrator may reject an application to transfer surfclam or ocean quahog ITQ quota share or cage tags for the following reasons: The application is incomplete; the transferor or transferee does not possess a valid surfclam or ocean quahog ITQ permit for the appropriate species; the transferor's or transferee's surfclam or ocean quahog ITQ permit has been sanctioned pursuant to an enforcement proceeding under 15 CFR part 904; or any other failure to meet the requirements of this subpart. Upon denial of an application to transfer ITQ allocation, the Regional Administrator shall send a letter to the applicant describing the reason(s) for the denial. The decision by the Regional Administrator is the final decision of the Department of Commerce; there is no opportunity for an administrative appeal.

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## DEPARTMENT OF COMMERCE

### National Oceanic and Atmospheric Administration

#### 50 CFR Part 679

[Docket No. 131115973-4630-01]

RIN 0648-BD74

#### Fisheries of the Exclusive Economic Zone Off Alaska; Amendment 96 to the Gulf of Alaska Fishery Management Plan; Management of Community Quota Entities

**AGENCY:** National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

**ACTION:** Proposed rule; request for comments.

**SUMMARY:** NMFS proposes regulations to implement Amendment 96 to the Fishery Management Plan for Groundfish of the Gulf of Alaska (FMP). If approved, Amendment 96 would amend certain provisions of the

Individual Fishing Quota Program for the Fixed-Gear Commercial Fisheries for Pacific Halibut and Sablefish in Waters in and off Alaska (IFQ Program). This action would remove a regulation that prohibits a Gulf of Alaska (GOA) Community Quota Entity (CQE) from transferring and holding small blocks of halibut and sablefish quota share (QS). This action would allow CQEs to acquire additional QS and facilitate sustained participation by CQE community residents in the IFQ Program. This action would promote the goals and objectives of the Magnuson-Stevens Fishery Conservation and Management Act, the Northern Pacific Halibut Act of 1982, the FMP, and other applicable law.

**DATES:** Submit comments on or before September 8, 2014.

**ADDRESSES:** You may submit comments on this document, identified by NOAA-NMFS-2013-0161, by any of the following methods:

- *Electronic Submission:* Submit all electronic public comments via the Federal e-Rulemaking Portal. Go to [www.regulations.gov/](http://www.regulations.gov/) #!docketDetail;D=NOAA-NMFS-2013-0161, click the "Comment Now!" icon, complete the required fields, and enter or attach your comments.

- *Mail:* Submit written comments to Glenn Merrill, Assistant Regional Administrator, Sustainable Fisheries Division, Alaska Region, NMFS, Attn: Ellen Sebastian. P.O. Box 21668, Juneau, AK 99802-1668.

*Instructions:* Comments sent by any other method, to any other address or individual, or received after the end of the comment period, may not be considered by NMFS. All comments received are a part of the public record and will generally be posted for public viewing on [www.regulations.gov](http://www.regulations.gov) without change. All personal identifying information (e.g., name, address), confidential business information, or otherwise sensitive information submitted voluntarily by the sender will be publicly accessible. NMFS will accept anonymous comments (enter "N/A" in the required fields if you wish to remain anonymous). Attachments to electronic comments will be accepted in Microsoft Word, Excel, or Adobe PDF file formats only.

An electronic copy of the Regulatory Impact Review (RIR)/Initial Regulatory Flexibility Analysis (IRFA) (collectively, Analysis) prepared for Amendment 96 and the regulatory amendment to allow CQE acquisition of small block halibut QS is available from <http://www.regulations.gov> or from the NMFS Alaska Region Web site at [http://](http://www.regulations.gov)

*alaskafisheries.noaa.gov*. An electronic copy of the 2010 Review of the CQE Program under the Halibut and Sablefish IFQ Program prepared by the North Pacific Fishery Management Council (Council) is available from the Council Web site at *www.npfmc.org/community-quota-entity-program/*.

**FOR FURTHER INFORMATION CONTACT:**

Peggy Murphy, (907) 586-7228.

**SUPPLEMENTARY INFORMATION:**

**Regulatory Authority**

NMFS proposes regulations to implement Amendment 96 to the FMP and a regulatory amendment to revise the CQE Program. The Council recommended and NMFS approved the FMP in 1978 under the authority of the Magnuson-Stevens Fishery Conservation and Management Act (Magnuson-Stevens Act) (16 U.S.C. 1801 *et seq.*). Regulations implementing the FMP and general regulations governing groundfish appear at 50 CFR part 679. Fishing for Pacific halibut (*Hippoglossus stenolepis*) is managed by the International Pacific Halibut Commission (IPHC) and the Council under the Northern Pacific Halibut Act of 1982 (Halibut Act). Section 773(c) of the Halibut Act authorizes the Council to develop regulations that are in addition to, and not in conflict with, approved IPHC regulations. Such Council-recommended regulations may be implemented by NMFS only after approval by the Secretary of Commerce.

The Council submitted Amendment 96 for review by the Secretary of Commerce, and a Notice of Availability of this amendment was published in the **Federal Register** on July 25, 2014 (79 FR 43377) with comments invited through September 23, 2014. All relevant written comments received by the end of the applicable comment period, whether specifically directed to the FMP amendment, this proposed rule, or both, will be considered in the decision to approve or disapprove Amendment 96 and addressed in the response to comments in the final decision.

**Background**

The IFQ Program is a limited access privilege program for the commercial fixed-gear halibut and sablefish (*Anoplopoma fimbria*) fisheries in and off Alaska. The IFQ Program limits access to the halibut and sablefish fisheries to those persons holding QS in specific regulatory areas. Quota shares equate to individual harvesting privileges that are given effect on an annual basis through the issuance of IFQ permits. An annual IFQ permit authorizes the permit holder to harvest

a specified amount of IFQ halibut or sablefish in a regulatory area. A comprehensive explanation of the IFQ Program can be found in the final rule implementing the IFQ Program (58 FR 59375, November 9, 1993).

Although the IFQ Program resulted in significant safety and economic benefits for many fishermen, since the inception of the IFQ Program, many residents of Alaska's smaller remote coastal communities in the GOA who held QS have transferred their QS to non-community residents or moved out of the smaller coastal communities. As a result, the number of resident QS holders has declined substantially in most of the GOA communities with IFQ Program participants. This transfer of halibut and sablefish QS and the associated fishing effort from the GOA's smaller remote coastal communities has limited the ability of residents to locally purchase or lease QS and reduced the diversity of fisheries to which fishermen in remote coastal communities have access. The Council recognized that a number of remote coastal communities were struggling to remain economically viable and developed the CQE Program to provide these communities with long-term opportunities to access the halibut and sablefish resources that have been historically available to resident fishermen.

The Council recommended the CQE Program as an amendment to the IFQ Program in 2002 (Amendment 66 to the FMP), and NMFS implemented the program in 2004 (69 FR 23681, April 30, 2004). The CQE Program adopted by the Council, and implemented by NMFS, was specifically intended to provide fishing opportunities to communities in the GOA that had a historic dependence on the halibut and sablefish fisheries. The Council recommended and NMFS implemented a CQE Program that would provide similar opportunities to coastal communities in the Aleutian Islands in 2013, known as the Aleutian Islands CQE Program (79 FR 8870, February 14, 2014). The Aleutian Islands CQE Program would not be affected by this proposed action and is not addressed further. Where the terms "CQE" or "CQE Program" are used in this preamble, they are specifically referring to the regulations and management measures applicable to the GOA CQE Program, and not to the Aleutian Islands CQE Program.

The CQE Program allows 45 small, remote, coastal communities in the GOA that met historic participation criteria in the halibut and sablefish fisheries to transfer (purchase) and hold catcher vessel halibut and sablefish QS in specific regulatory areas (see Table 21 to

50 CFR Part 679). The communities are eligible to participate in the CQE Program once they are represented by a NMFS-approved non-profit entity called a CQE. After NMFS approval, a CQE may receive catcher vessel QS for the represented community or communities through NMFS-approved transfers. The CQE is the holder of the QS and is issued the IFQ annually by NMFS. Once a CQE holds QS in the GOA, the CQE can lease the annual IFQ derived from its QS to individual GOA community residents. With certain exceptions, the QS must be held by the CQE. This program structure creates a permanent asset for the community to use. The structure promotes community access to QS to generate participation in, and fishery revenues from, the commercial halibut and sablefish fisheries. The CQE Program also promotes QS ownership by individual community residents. Individuals who lease annual IFQ from the CQE could use resulting IFQ revenue to transfer their own QS. The Council believed, and NMFS agrees, that both CQE- and non-CQE-held QS are important in terms of providing community residents fishing access that promotes the economic health of communities.

Current CQE Program regulations include a number of management provisions that originated from the IFQ Program structure and affect the use of CQE-held QS and the annual IFQ derived from the QS. Under some provisions, a CQE has the same privileges and is held to the same limitations as individual QS holders in the IFQ fishery. For example, CQE-held QS is subject to the same IFQ regulatory area use cap that applies to non-CQE held QS. In other instances, the CQE is subject to less restrictive provisions than individual, non-CQE QS holders. For example, a community resident leasing IFQ from a CQE may fish the IFQ assigned to a larger vessel size category on a smaller size category of catcher vessel. In other instances, the CQE must operate under more restrictive provisions than individual, non-CQE QS holders, in part to protect existing QS holders and preserve "entry-level" opportunities for new entrants. A comprehensive explanation of the CQE Program provisions can be found in the final rule implementing the CQE Program (69 FR 23681, April 30, 2004). Recent modifications to the CQE Program can be found in a rule that amended several components of the CQE Program (78 FR 33243, June 4, 2013).

A number of IFQ Program provisions that apply to CQE Program participants are important to understanding the

proposed action and are summarized in this preamble. These provisions include regulatory area and vessel size categories; QS use caps; and QS blocks. Additional detail on the IFQ Program is available in the final rule implementing the IFQ Program (58 FR 59375, November 9, 1993). Since implementation of the IFQ Program, there have been changes to halibut and sablefish QS use caps (62 FR 7947, February 21, 1997; 67 FR 20916, April 29, 2002) and to the halibut block use cap (72 FR 44795, August 9, 2007).

*IFQ Regulatory Area and Vessel Size Categories*

The IFQ Program annually issues fixed-gear halibut and sablefish QS specific to IFQ regulatory area and vessel category. In the GOA there are three IPHC halibut regulatory areas: Areas 2C (Southeast Alaska), 3A (Central Gulf of Alaska), and 3B (Western Gulf of Alaska), and four sablefish regulatory areas: Southeast (SE), West Yakutat (WY), Central GOA (CG), and Western GOA (WG). The boundaries for the halibut and sablefish IFQ regulatory areas are defined in regulation (see definition of “IFQ Regulatory Area” at § 679.2). Each QS is assigned to a vessel based upon the size of the vessel from which IFQ halibut and sablefish may be harvested and/or

processed (see regulations at § 679.40(a)(5)). Halibut QS and its associated IFQ are assigned to one of four vessel categories in each regulatory area: Freezer (catcher/processor) category (category A); catcher vessel greater than 60 ft. length overall (LOA) (category B); catcher vessel 36 ft. to 60 ft. LOA (category C); and catcher vessel 35 ft. LOA or less (category D). Sablefish QS and its associated IFQ are assigned to one of three vessel categories in each regulatory area: Freezer (catcher/processor) category (category A); catcher vessel greater than 60 ft. LOA (category B); and catcher vessel 60 ft. LOA or less (category C). The vessel categories were designed to ensure that the IFQ Program did not substantially change the structure of the fleet that existed at the time the IFQ Program was implemented. These vessel size restrictions prevent the fishery from being dominated by large vessels or by any particular vessel category.

CQEs may obtain by transfer and hold QS only in specified areas in order to facilitate local support of community fishing operations (see § 679.40 and Table 21 to part 679). However, CQEs are restricted in terms of the IFQ regulatory area(s) in which they may transfer and hold halibut. Table 1 below illustrates the IFQ regulatory area and

vessel category of halibut QS a CQE can transfer and hold based on the location of the community represented by the CQE. As shown in Table 1 (below) and in Table 21 to part 679, a CQE representing an eligible community may transfer and hold halibut QS in the regulatory area in which the community is located (their regulatory area). CQEs are restricted, however, to transferring and holding certain halibut QS inside and outside their regulatory area. For example, CQEs in Area 2C may not transfer and hold halibut category D QS in Area 2C. Generally, CQEs can transfer and hold halibut QS in adjacent regulatory areas. However, CQEs located in Area 3A may not transfer and hold halibut QS in Area 2C, although CQEs located in Area 2C may transfer and hold halibut category A, B and C QS in Area 3A. CQEs located in Areas 3A or 3B may transfer and hold halibut QS in Areas 3A and 3B, but CQEs in Area 3B cannot transfer and hold category D QS in Area 3A. Table 1 (below) illustrates the limitations on CQEs’ transferring and holding halibut QS by regulatory area and vessel category. For further explanation and the rationale for the restrictions, see the final rule implementing the CQE Program (69 FR 23681, April 30, 2004) and subsequent amendment (78 FR 33243, June 4, 2013).

**TABLE 1—AUTHORITY OF A CQE REPRESENTING A COMMUNITY LOCATED IN IFQ REGULATORY AREAS 2C, 3A, OR 3B (ROW) TO OBTAIN THROUGH TRANSFER AND HOLD CATEGORY A, B, C AND/OR D HALIBUT QUOTA SHARE BY AREA 2C, 3A OR 3B (COLUMN)**

Area	Halibut quota share category by area					
	Area 2C A, B, C	Area 2C D	Area 3A A, B, C	Area 3A D	Area 3B A, B, C	Area 3B D
2C .....	Yes .....	No .....	Yes .....	No .....	No .....	No.
3A .....	No .....	No .....	Yes .....	Yes .....	Yes .....	Yes.
3B .....	No .....	No .....	Yes .....	No .....	Yes .....	Yes.

The CQE Program authorizes CQEs to obtain by transfer and hold catcher vessel QS: Category B, C, and D halibut QS, with area-specific limitations for category D halibut QS; and category B and C sablefish QS. However, the vessel size categories do not apply to IFQ derived from QS held by a CQE, with an exception for category D halibut QS in Area 3A.

The Council recommended specific limitations for CQEs to transfer and hold category D halibut QS in Areas 2C and 3A. These limitations were intended to balance the Council’s objective for providing CQEs with increased opportunities to acquire halibut QS with its objective to limit potential competition for category D halibut QS

between non-CQE and CQE QS holders. Vessel category D halibut QS is generally the least expensive category of halibut QS because non-CQE IFQ derived from category D QS must be used on the smallest category of catcher vessel. It is often transferred and held by smaller operations or by new entrants to the IFQ fisheries. CQE Program regulations at § 679.41(g)(5) prohibit a CQE from transferring and holding category D halibut QS in Area 2C. The Council recommended this prohibition because a greater portion of the total Area 2C halibut QS is issued as category D QS relative to Areas 3A and 3B, and category D halibut QS is more commonly transferred by new entrants in Area 2C than in Areas 3A and 3B.

A CQE representing one or more communities in Area 3A is allowed to transfer and hold a limited amount of Area 3A category D halibut QS, but the IFQ derived from that QS must (among other restrictions) be fished on a category D vessel, which are vessels less than or equal to 35 ft. LOA (see regulations at § 679.42(a)(2)(iii)). Category D vessels are typically held by new entrants and by most fishery participants residing in Area 3A communities. An Area 3A CQE is limited to transferring and holding no more than the total number of category D halibut QS units initially issued to individual residents of Area 3A CQE communities. The Council recommended this provision to provide

opportunities for CQEs to transfer and hold an amount of category D halibut QS up to the amount historically held by CQE residents without increasing potential competition for category D halibut QS between non-CQE and CQE QS holders (78 FR 14490, March 6, 2013).

A CQE representing one or more communities in Areas 3A and 3B is allowed to transfer and hold Area 3B category D halibut QS. As noted in the final rule implementing the CQE Program (69 FR 23681, April 30, 2004), a relatively small amount of category D halibut QS exists in Area 3B, and traditionally few prospective buyers exist for this category of QS.

#### *CQE Program QS Use Caps*

Individual community use caps limit the amount of halibut QS and sablefish QS that each CQE may transfer and hold on behalf of a community. The use caps accommodate existing QS holders who are concerned that shifting QS holdings to CQEs could disadvantage individual fishermen in the IFQ fishery by reducing the amount of QS available to them in the QS market. In the CQE Program, the CQE individual community use cap is limited to an amount of QS equal to the individual IFQ Program use cap. GOA CQEs are limited to transferring and holding a maximum of 1 percent of the Area 2C halibut QS (see regulations at § 679.42(f)(2)(ii)) and a maximum of 0.5 percent of the combined Area 2C, 3A, and 3B halibut QS (see regulations at § 679.42(f)(2)(i)). GOA CQEs also are limited to transferring and holding a maximum of 1 percent of the Southeast sablefish QS (see regulations at § 679.42(e)(5)) and a maximum of 1 percent of all combined sablefish areas QS (see regulations at § 679.42(e)(4)(i)).

In addition to individual community use caps, cumulative community use caps limit the amount of halibut QS and sablefish QS that all CQE eligible communities within an IFQ regulatory area can transfer and hold. CQEs are limited to a maximum of 21 percent of the total halibut QS pool (see regulations at § 679.42(f)(5)) and a maximum of 21 percent of the total sablefish QS pool (see regulations at § 679.42(e)(6)) in each IFQ regulatory area in the GOA. Therefore, all CQEs in the GOA are subject to the maximum cumulative community use cap of 21 percent of each species' total QS pool in each IFQ regulatory area.

#### *QS Blocks*

The IFQ Program initially issued QS in blocks. A block is a consolidation of

QS units that cannot be subdivided upon transfer (see regulations at § 679.41(e)(1)). One of the primary purposes of QS blocks and the subsequent amendments to the block provisions was to conserve small blocks of QS that could be transferred at a relatively low cost by crew members and new entrants to the IFQ fisheries. Blocked QS typically is less expensive and more affordable for new entrants. The IFQ Program incorporates a "sweep-up" provision to allow very small blocks of QS to be permanently consolidated, up to specified limits, so as to be practical to fish (see regulations at §§ 679.41(e)(2) and (e)(3)).

#### **QS Block Use Cap**

A block use cap restricts how many blocks of QS an individual can transfer and hold. In the IFQ Program, an individual may transfer and hold no more than three blocks of halibut QS and two blocks of sablefish QS (see regulations at § 679.42(g)(1)). The purpose of this cap is to limit the consolidation of blocked QS and to ensure that smaller aggregate units would be available on the market. These provisions were established to prevent unrestricted transfer of QS by fishermen with greater capital or operating efficiency. These fishermen could also disadvantage new entrants, particularly fishermen with smaller operations in remote communities who have typically sought to transfer "blocked QS." The block use cap was intended to preserve the character of the fishing fleet in remote Alaska fishing communities by ensuring that QS would be available to the fleet of smaller operators, thereby maintaining the diversity in operation types that exist in more remote coastal communities.

The IFQ Program also limits the number of blocks a CQE may transfer and hold. The limitation prevents CQEs from consolidating the type of QS that is most attractive to and feasible for new entrant, non-CQE fishermen to transfer. CQEs may transfer and hold up to a maximum of 10 blocks of halibut QS and 5 blocks of sablefish QS in each GOA regulatory area (see regulations at § 679.42(g)(ii)). These limits on CQE block holdings and the limit on where CQEs can hold QS restrict CQEs to 20 halibut QS blocks (10 blocks in each of two areas) and 20 sablefish QS blocks (5 blocks in each of four areas).

#### **Minimum Block Size**

During development of the CQE Program, the Council and NMFS were concerned that CQEs would seek to

acquire as much of the most affordable QS as they were allowed to hold. The Council and NMFS determined that if no limit on the acquisition of blocked QS was established, then gains in CQE holdings could reflect losses of QS holdings among residents of the same CQE communities. The Council and NMFS were also concerned that CQEs might have greater access to capital than individuals, so they could buy up blocks of QS that are most in demand by non-CQE fishermen with small operations. Fishermen entering the IFQ fishery tend to seek relatively smaller blocks of QS. Smaller blocks of QS are typically designated for vessels of a smaller size category: Category C and D in the halibut fishery and category C in the sablefish fishery. New entrants tend to own or use smaller category C and D vessels. Therefore, smaller blocks are more in demand by new entrants, and less in demand by fishermen using larger vessels. Smaller blocks of QS are typically more affordable due to their low total cost compared to the cost of larger blocks (see Section 2.7.2.2 of the Analysis). Given these factors, the Council and NMFS determined it was appropriate to restrict CQEs from purchasing or holding blocked QS of less than a minimum size to preserve fishing opportunities for new entrants in certain regulatory areas.

The CQE program prohibits CQEs from transferring and holding a QS block that is less than the "sweep up" limit, or the number of QS units initially issued as blocks that could be combined to form a single block (see regulations at §§ 679.41(e)(4) and (e)(5)). Quota share blocks that are less than or equal to the "sweep up" limit are known as "small blocks." The amount of QS units that comprise a small block in each IFQ regulatory area in the GOA is specified for the halibut fishery (see regulations at § 679.41(e)(3)) and for the sablefish fishery (see regulations at § 679.41(e)(2)) (see Table 2 below). Currently, CQEs are prohibited from purchasing or using small blocks of halibut QS in Areas 2C and 3A (see regulations at § 679.41(e)(5)), and sablefish QS in the SE., WY, CG, and WG (see regulations at § 679.41(e)(4)) regulatory areas. The Council did not recommend a small block restriction for Area 3B halibut QS. Fewer small blocks exist in Area 3B and few new entrants in Area 3B have sought these small blocks of halibut QS (69 FR 23681, April 30, 2004). Therefore, CQEs transferring Area 3B QS are not subject to a small block restriction.

TABLE 2—CURRENT AND PROPOSED RESTRICTIONS ON THE MINIMUM BLOCK SIZE BY IFQ REGULATORY AREA.

Species	Area	Current minimum block size restriction	Proposed block size restriction
Halibut	2C	33,320 QS	No Restriction.
	3A	46,520 QS	No Restriction.
	3B	No Restriction	No Restriction.
Sablefish	SE	33,270 QS	No Restriction.
	WY	43,390 QS	No Restriction.
	CG	46,055 QS	No Restriction.
	WG	48,410 QS	No Restriction.

The total amount of QS units issued in small blocks differs by IFQ regulatory area. Sections 2.6.3.2 and 2.7.1 of the Analysis report that 11.3 percent of the total Area 2C and Area 3A halibut QS is small block halibut QS, and 3.7 percent of the total sablefish QS (i.e., SE., WY, CG, and WG) is small block sablefish QS. Even though a relatively small proportion of QS is issued as small blocks and not available for transfer by CQEs, existing regulations may constrain small block holders from selling their small blocks and CQEs from transferring QS.

#### Proposed Action

This proposed action would amend the FMP and halibut and sablefish CQE regulations to remove the restriction on CQEs' ability to purchase and use small blocks of halibut and sablefish QS less than or equal to the sweep-up limit currently specified in regulations at §§ 679.41(e)(5) and 679.41(e)(4), respectively. Under this proposed action, all CQEs in the GOA could receive by transfer any size block of halibut and sablefish QS to hold for use by eligible community members. CQEs would be able to transfer the similar size of QS blocks in the market place as individual non-CQE QS holders. The objectives of this action are to provide CQE communities in the GOA with increased opportunity to transfer and hold QS and sustain participation of CQE community residents in the IFQ halibut and sablefish fisheries.

Although the proposed action would allow CQEs to transfer any size block of QS from any QS holder, provisions of the IFQ Program described above would still apply. These include regulatory area restrictions, community QS use caps (individual and cumulative), the prohibition on CQEs' transfer and holding of category D halibut QS in Area 2C, the limitation on the amount of category D halibut QS that an Area 3A CQE may transfer and hold, and the prohibition on transfer and holding of category D halibut QS in Area 3A by CQEs located outside Area 3A.

The proposed rule would update Table 21 to part 679 to clarify the category of halibut QS (A, B, C and D) and IFQ regulatory area of the QS that a CQE can transfer by area. This revision to Table 21 to part 679 would provide a clearer and more comprehensive summary of CQE harvesting privileges.

#### Rationale for and Effects of the Proposed Action

This proposed action would provide additional opportunities for CQEs to transfer and hold QS, and NMFS expects it will not adversely affect the ability of non-CQE fishery participants to transfer and hold small blocks of QS. In proposing this action, the Council and NMFS considered the current participation of CQE and non-CQE QS holders in the IFQ fishery, and the potential impact on QS access and markets. The Council and NMFS determined that removing the small block restriction from the CQE Program could improve the ability of CQEs to obtain the most affordable blocks of QS without negatively impacting the ability of non-CQE fishery participants to obtain the similar size blocks of QS.

CQEs participating in the CQE Program have made little progress towards reaching the regulatory limits on the maximum amount of QS that may be transferred or IFQ that may be harvested. Since implementation of the CQE program in 2004, only two of the 45 communities eligible for the CQE program have formed CQEs, transferred QS, and harvested the resulting IFQ. These two CQEs hold less than 0.5 percent of the combined Area 2C, 3A, and 3B halibut QS pool. These two CQEs do not hold sablefish QS. The Council's analysis of the CQE Program indicated that lack of participation in the CQE Program can be attributed to 1) financial barriers to transferring QS, and 2) CQE Program-related restrictions. Key financial barriers to the transfer of QS by CQEs include limited availability of QS for transfer, increased market prices for halibut and sablefish QS, and limited viable options for financing QS transfer. Each of these barriers is a

function of market forces and cannot be addressed through regulatory amendment (see the Review of the CQE Program under the Halibut and Sablefish IFQ Program and Section 2.6.3.1 of the Analysis for additional detail (see **ADDRESSES**)).

Analysis of the percent of blocked and unblocked QS in 2013 (the year of the most recent available data) indicates that the percentage of small block QS relative to the total amount of QS in the GOA IFQ regulatory areas is greater for halibut (11.3 percent of the total Area 2C and Area 3A halibut QS) than for sablefish (3.7 percent of the total SE., WY, CG, WG sablefish QS). Therefore, while this proposed action would impact sablefish QS holders, it likely would have a greater impact on halibut QS holders. Section 2.7.2.1 of the Analysis (see **ADDRESSES**) examines the amount of small block QS in the 2013 QS pool by regulatory area and vessel size category and serves as an example of the amount of small block QS that could be made available to CQEs as a result of this action. The Analysis considers the maximum potential impacts of the proposed action, which assumes that all eligible communities form CQEs and secure funding to transfer all the newly available small blocks of QS, up to CQE Program limits described above and in regulations at §§ 679.41 and 679.42. For reasons described above, the Analysis indicates this outcome is unlikely given reasonably foreseeable trends in QS holdings by CQEs.

Within Areas 2C and 3A, less than 1 percent of the total amount of category A halibut QS could be made available for transfer by CQEs if they could hold small blocks of category A halibut QS; less than 5 percent of the total amount of category B halibut QS could be made available for transfer by CQEs if they could hold small blocks of category B halibut QS; about 50 percent of the total amount of category C halibut QS in these areas could be available for transfer by CQEs if they could hold small blocks of category C halibut QS; and 43 percent of Area 3A category D

halibut QS could be available for transfer by CQEs if they could hold small blocks of Area 3A category D halibut QS. This proposed action would not remove the regulation at § 679.41(g)(5) prohibiting a CQE from transferring and holding category D halibut QS in Area 2C. Therefore, no small blocks of category D halibut QS could be transferred and held by a CQE in Area 2C (see Table 1 in the section titled "IFQ Regulatory Area and Vessel Size Categories" of this proposed rule). Because there is no restriction on CQEs transferring and holding small blocks of Area 3B category D halibut QS, this proposed action would not affect the ability of CQEs in Areas 3A and 3B to transfer and hold small blocks of Area 3B category D halibut QS.

In Southeast, West Yakutat, Central GOA and Western GOA regulatory areas, 2 percent, 7 percent, 3 percent, and 15 percent of the total amount of A share sablefish QS could be available, respectively, for purchase by CQEs if they could hold small blocks of A share sablefish QS; 9 percent, 19 percent, 26 percent, and 37 percent of the B share sablefish QS could be available, respectively, for purchase by CQEs if they could hold small blocks of B share sablefish QS; and 89 percent, 75 percent, 71 percent, and 47 percent of the C share sablefish QS could be available, respectively, for purchase by CQEs if they could hold small blocks of C share sablefish QS.

Analysis of the amount of small block QS by regulatory area in 2013 indicates that cumulative use caps on CQE QS ownership would not constrain the maximum potential transfer of QS by CQEs. The more likely constraint on CQE transfer and holding of QS would be the limit on the number of blocks that a CQE can own in any one area (10 halibut blocks and 5 sablefish blocks). Based on 2013 data, CQEs in Area 2C would gain access to 507 small blocks of Area 2C halibut QS plus 635 small blocks of Area 3A halibut QS in categories A, B and C. At maximum participation, even if all 23 eligible communities in Area 2C formed CQEs, those CQEs could not transfer and hold more than 230 small blocks of the 507 small blocks of halibut QS available in Area 2C due to the block limit of 10 blocks per CQE eligible to purchase in Area 2C. At maximum participation, even if all 23 eligible communities in Area 2C, all 14 eligible communities in Area 3A, and all 8 eligible communities in Area 3B formed CQEs, those CQEs could not transfer and hold more than 450 of the 635 small blocks of halibut QS available in Area 3A due to the block limit of 10 blocks per CQE eligible

to transfer in Area 3A. In addition, the 8 eligible communities in Area 3B would gain access to the same 635 blocks of category A, B and C QS in Area 3A, but none of the category D QS in Area 3A. Even at maximum CQE participation, QS block limits and the reservation of a limited amount of Area 3A category D QS for transfer by CQEs representing communities in Area 3A would prevent CQEs from collectively acquiring all small block halibut QS made available under the proposed action. Thus, the Council and NMFS determined that small block halibut QS would continue to be available to non-CQE participants in the IFQ halibut fishery. See section 2.7.2.1 of the Analysis for additional detail.

For sablefish, a CQE can own up to 5 blocks of QS in its area plus 5 blocks from each of the other 3 sablefish regulatory areas. Based on 2013 data, CQEs would gain access to 156 small blocks of SE sablefish QS, 122 small blocks of WY sablefish QS, 179 small blocks of CG sablefish QS, and 59 small blocks of WG sablefish QS. At maximum participation, if all 45 eligible communities formed CQEs, those CQEs could transfer and hold 225 small blocks of sablefish QS in each IFQ regulatory area. Under these allowable block limits, CQEs would be able collectively to transfer and hold all the available sablefish small block QS in each IFQ regulatory area. Given the financial barriers to CQE transfers of QS, such as limited availability of QS for transfer, increased market prices for halibut and sablefish QS, and limited viable options for financing QS transfer, described above and in the Analysis, the Council and NMFS determined it is unlikely that CQEs would transfer the maximum amount of small block sablefish QS made available by the proposed action. Thus, small block halibut QS would continue to be available to non-CQE participants in the IFQ sablefish fishery. See sections 2.6.3.1 and 2.7.2.1 of the Analysis for additional detail.

Although this proposed action would allow CQEs to transfer and hold small blocks of category A halibut and sablefish QS, the Council and NMFS anticipate that CQE transfers of category A QS would be extremely limited. Because IFQ derived from category A halibut and sablefish QS may be caught and processed at sea, category A QS is typically priced much higher than all other QS categories. In addition, the total amount of category A QS issued is small relative to all other categories of QS. Therefore, the potential impact of allowing CQEs to transfer and hold small blocks of category A QS on new

entrants, small-boat operations and CQE fishery participants would be minimal. See sections 2.6.3.1 and 2.7.2.1 of the Analysis for additional detail.

To date, CQEs have transferred and held a limited amount of QS that likely has not negatively impacted non-CQE fishery participants' ability to acquire QS in the open market. Transferring and holding small block QS will benefit CQEs, their community members, and future community members, who tend to rely on these restricted blocks of mainly small vessel category QS. Allowing CQEs to transfer and hold small block QS could also enhance a CQE's ability to keep QS in remote communities and create some operational efficiencies that could provide a net benefit to both the CQEs and their community residents. The impacts of the proposed action can be categorized into (1) changes in access to QS, (2) effects on the QS market, and (3) social and economic tradeoffs. These impacts are described in section 2.7.2.2 of the Analysis and are summarized here.

#### *Changes in Access to QS*

Under this proposed action, CQE fishery participants gain access to more lower-cost QS, though the extent to which this occurs will be shaped by a CQE's progress in securing the necessary financing for CQE transfers. In turn, CQEs provide fishery access by leasing QS to community residents. Leasing QS from a CQE at favorable financial terms, compared to lease fees on the QS market, can aid new entrants in building up the financial base necessary to transfer and hold QS in the future. While this may facilitate CQE community resident ownership of QS, it may not benefit persons who do not reside in a CQE-eligible community. Transfer of small block QS by CQEs under the proposed action could result in a reduction in the amount of QS that would be available to individual CQE community residents and could constitute an economic loss for these individuals. Conversely, CQE acquisition of QS could also be considered a benefit to community residents because it is a public investment in the community's future. The proposed action would also enable CQE residents retiring from the IFQ fishery to transfer small block QS to a CQE by selling or gifting the QS.

#### *Effects on the QS Market*

The Council and NMFS considered whether entry of CQEs into the small block QS market could bid up the price of QS. This price effect could occur through price competition and reduced

supply of small blocks on the market. If CQEs can afford to pay as much or more for small block QS than existing buyers, then competition could increase the price for small block QS. This type of demand-driven price effect would impact both CQE and non-CQE community residents who are in the market for small block QS. However, based on the 10-year review of the CQE Program (see **ADDRESSES**), CQEs have not and are not likely to accrue the financial assets to transfer a quantity of QS that would have a large impact on QS price.

Allowing CQEs to transfer and hold small blocks of QS could reduce the supply of small block QS available for transfer. This could occur when CQE community residents, who are reducing their fishery participation, transfer their QS to benefit other small operators or new entrants in the CQE community. However, allowing CQEs access to small block QS is not expected to reduce QS supply to non-CQE fishery participants or result in a corresponding near-term increase in QS price.

#### *Social and Economic Tradeoffs*

An increase in CQE QS holdings would likely result in both social and economic trade-offs. Social benefits could include increased fishery participation for communities eligible to form CQEs and transfer QS, as well as increased harvest opportunities for new entrants and fishery participants who live in these communities. These social benefits could have varying distributional impacts since CQEs by nature are localized. From an economic view point, facilitating community QS transfer comes at a cost but also offers some operational efficiency that may not be realized when QS is held by individuals living in remote communities. For example, when CQEs transfer QS they gain an asset that can be leased out to new entrants and small-boat operators who then could build up their own financial base to transfer QS. Benefits from QS holdings that provide future value to the community support the original goals of the CQE Program. Any future value that does not accrue to individual CQE or non-CQE community residents could be viewed as an indirect impact that the Council and NMFS acknowledged as consistent with the goals of the CQE Program.

#### *Other Alternatives Considered*

The Council and NMFS considered two alternatives for the proposed action, one of which is the status quo. The action alternative (Alternative 2) would revise regulations to allow a CQE to transfer and hold any size block of

halibut and sablefish QS from any QS holder (Option 1), or from a subset of QS holders determined by the location of the QS holder's residence (Options 2 and 3). The Council selected the least restrictive option, Option 1 under Alternative 2.

Option 2 would allow CQE communities to transfer and hold any size block of halibut and sablefish QS from residents of any CQE community. Option 2 was not selected because a relatively small number of small blocks are held by residents of CQE communities, and many of those small blocks are designated as category C and D QS. This would greatly limit the potential number of small blocks available to CQEs, and would increase potential competition among CQEs and residents of CQE communities seeking to transfer these small blocks (see Section 2.7.2 of the Analysis for additional detail).

Option 3 would allow CQE communities to transfer and hold any size block of halibut and sablefish QS from residents of their CQE community, but not from any non-resident. Option 3 was not selected because an even smaller number of small blocks are held by residents of CQE communities, and in some CQE communities, no CQE resident may hold small blocks, effectively excluding some CQE communities and not others from holding small blocks. Section 2.7.2 of the Analysis notes that no CQE residents hold small blocks of halibut QS in 17 of the 45 eligible CQE communities, and no CQE residents hold small blocks of sablefish QS in 31 of the 45 communities. Overall, option 3 would limit the number of CQEs that could transfer and hold small block QS more than Options 1 or 2 (see Section 2.7.2 of the Analysis for additional detail).

#### **Classification**

Pursuant to sections 304(b)(1)(A) and 305(d) of the Magnuson-Stevens Act, the NMFS Assistant Administrator has determined that Amendment 96 and this proposed rule are consistent with the FMP, provisions of the Magnuson-Stevens Act, the Halibut Act, and other applicable laws, subject to further consideration after public comment.

This proposed rule has been determined to be not significant for purposes of Executive Order 12866.

#### *Initial Regulatory Flexibility Analysis*

An Initial Regulatory Flexibility Analysis (IRFA) was prepared for this action, as required by section 603 of the Regulatory Flexibility Act (RFA). The IRFA describes the economic impact

this proposed rule, if adopted, would have on small entities. The IRFA describes the reasons why this action is being proposed; the objectives and legal basis for the proposed rule; the number of small entities to which the proposed rule would apply; any projected reporting, recordkeeping, or other compliance requirements of the proposed rule; any overlapping, duplicative, or conflicting Federal rules; impacts of the action on small entities; and any significant alternatives to the proposed rule that would accomplish the stated objectives of the Magnuson-Stevens Act, and any other applicable statutes, and would minimize any significant adverse impacts of the proposed rule on small entities. The description of the proposed action, its purpose, and the legal basis are contained earlier in this preamble and in the **SUMMARY** and are not repeated here. A summary of the IRFA follows. A copy of the Analysis is available from NMFS (see **ADDRESSES**).

On June 12, 2014, the Small Business Administration (SBA) issued a final rule revising the small business size standards for several industries effective July 14, 2014 (79 FR 33647, June 12, 2014). The rule increased the size standard for Finfish Fishing from \$19.0 to 20.5 million. The new size standards were used to prepare the IRFA for this action.

#### *Number and Description of Small Entities Directly Regulated by the Proposed Action*

The proposed action would directly regulate 45 CQEs that would be considered small entities under the RFA (Section 601(3)). The CQEs qualify as small not-for-profit organizations that are not dominant in their field. CQEs represent small communities that would directly benefit from the proposed action. Each of the communities qualifies as a small entity under the RFA since they are governments of towns or villages with populations less than 50,000 people. The CQE acquires QS and makes the resulting IFQ available by lease to eligible harvesters who are community residents. Those harvesters are required to make a series of reports and declarations to NMFS in order to be found eligible to participate. Therefore, those commercial fishing operations would be directly regulated small entities, although their number is unknown at this time. No adverse economic impact on community residents is expected under the proposed action. Further, NMFS anticipates that any economic impacts accruing from the proposed action to these small entities would be beneficial

because their access to the IFQ fisheries will be improved.

Existing individual halibut and sablefish QS holders and new entrants to the IFQ fishery have potential to be impacted by this proposed action but are not directly regulated by this proposed rule. Currently, there are 2,565 unique halibut QS holders and 845 unique sablefish QS holders across all regulatory areas. These entities and future fishery entrants, of which the number is unknown, could potentially be impacted by this proposed action. Under the IRFA, NMFS considers only those entities that are directly regulated by the proposed action. An impact on existing halibut and sablefish QS holders and new entrants to the IFQ fishery could be realized if CQE transfer of QS results in a significant increase in the price for QS. The Analysis indicates this impact has not been observed in the past and is not likely to occur in the future, given the present constraints on CQE access to investment capital and the range of other factors that also influence QS prices (see Section 2.6.3.1 of the Analysis). Therefore, existing and potential future non-CQE QS holders are not considered to be directly regulated by this action and are not further analyzed in this IRFA.

#### *Impacts of the Action on Small Entities*

This proposed rule would remove the regulations prohibiting Gulf of Alaska CQE from transferring and holding small blocks of halibut and sablefish quota share. The proposed rule is intended to allow CQEs to acquire small block QS and make the resulting IFQ available by lease to eligible harvesters who are community residents. Allowing CQEs to transfer and hold small block QS should benefit their community members or future community members. Unrestricted transfer of small block QS should enhance the CQEs' ability to keep QS in remote communities and as a result provide for active participation of CQE and community residents in the halibut and sablefish fisheries in the future. By increasing their QS transfers and holdings under the proposed action, CQEs would provide fishery access through leasing to community residents who are new entrants to the fishery or who currently fish small quota holdings and wish to increase their participation. Leasing quota from a CQE at favorable terms, compared to market lease fees, could aid new entrants in building up the financial base necessary to transfer and hold individual QS in the future. However, Section 2.7.2.1 of the Analysis

notes that the amount of QS that would become available is likely greater than what CQEs could expect to finance in the present capital market. Increased QS availability to CQEs under the proposed action could provide some operational efficiency that results in a net benefit to both the CQEs and their community residents. One such efficiency that could result from allowing CQEs to transfer and hold small block QS is that community residents would be able to transfer small block QS to a CQE as they retire or otherwise reduce their active participation in the fishery, keeping the QS holdings within the community.

#### *Description of Significant Alternatives That Minimize Adverse Impacts on Small Entities*

The IRFA also requires a description of any significant alternatives to the preferred alternative that accomplish the stated objectives, are consistent with applicable statutes, and would minimize any significant economic impact of the proposed rule on small entities. The suite of potential actions includes two alternatives and associated options. A detailed description of these alternatives and options is provided in section 2.7 of the Analysis.

The significant alternative to the proposed action is the status quo alternative (Alternative 1). Under Alternative 1, NMFs would make no changes to the current regulations. Alternative 1 would not have adverse economic impacts on CQEs or the resident QS holders in the CQE qualifying communities, which would be the small entities directly regulated by this action. Alternative 1 does not meet the objectives of the action to promote more CQE access to QS and facilitate the sustained participation by CQE community residents in the IFQ Program. Under Alternative 2, NMFS would implement the proposed action, which is less restrictive on CQEs than Alternative 1, and is the least burdensome of the available alternatives for directly regulated small entities. Alternative 2 specified three options (Options 1, 2 and 3) that allow CQEs to transfer any size block of QS from any QS holder or a subset of QS holders depending on the option and determined by the location of the QS holder's residence.

Option 1 would allow CQEs to transfer and hold any size block of halibut or sablefish QS. This option is the least burdensome on directly regulated small entities of all the options considered, and would minimize any significant adverse

economic impact. Option 2 would allow CQE communities to transfer and hold any size block of halibut and sablefish QS from residents of any CQE community. Option 2 was not selected because it would have greatly limited the potential number of small blocks available to CQEs. This would be more burdensome on directly regulated CQEs than Option 1. Option 3 would allow CQE communities to transfer and hold any size block of halibut and sablefish QS from residents of their CQE community, but not from any non-resident. Option 3 was not selected because it would have limited the potential number of small blocks available to CQEs and the number of CQEs that could transfer and hold small block QS. Option 3 would be more burdensome on directly regulated CQEs than either Option 1 or 2. The Analysis did not identify any other alternatives that would more effectively meet the RFA criteria to minimize adverse economic impacts on directly regulated small entities.

#### *Projected Reporting, Recordkeeping and Other Compliance Requirements*

This action does not modify reporting, recordkeeping or other compliance requirements.

#### *Duplicate, Overlapping, or Conflicting Federal Rules*

No Federal rules that might duplicate, overlap, or conflict with these proposed actions have been identified.

#### **List of Subjects in 50 CFR Part 679**

Alaska, Fisheries.

Dated: August 1, 2014.

**Samuel D. Rauch III,**

*Deputy Assistant Administrator for Regulatory Programs, National Marine Fisheries Service.*

For the reasons set out in the preamble, NMFS proposes to amend 50 CFR part 679 as follows:

#### **PART 679—FISHERIES OF THE EXCLUSIVE ECONOMIC ZONE OFF ALASKA**

- 1. The authority citation for part 679 continues to read as follows:

**Authority:** 16 U.S.C. 773 *et seq.*; 1801 *et seq.*; 3631 *et seq.*; Pub. L. 108–447.

#### **§ 679.41 [Amended]**

- 2. In § 679.41, remove paragraphs (e)(4) and (e)(5).
- 3. Revise Table 21 to part 679 to read as follows:

TABLE 21 TO PART 679—ELIGIBLE COMMUNITIES, HALIBUT IFQ REGULATORY AREA LOCATION, COMMUNITY GOVERNING BODY THAT RECOMMENDS THE CQE, AND THE FISHING PROGRAMS AND ASSOCIATED AREAS WHERE A CQE REPRESENTING AN ELIGIBLE COMMUNITY MAY BE PERMITTED TO PARTICIPATE

Eligible GOA or AI community	Halibut IFQ regulatory area in which the community is located	Community governing body that recommends the CQE	May hold halibut QS in halibut IFQ regulatory area and vessel category				May hold sablefish QS in sablefish IFQ regulatory areas		Maximum number of CHPs that may be held in halibut IFQ regulatory area		Maximum number of Pacific cod endorsed non-trawl groundfish licenses that may be assigned in the GOA groundfish regulatory area	
			Area 2C	Area 3A	Area 3B	Area 4B	CG, SE, WG, and WY (All GOA)	AI	Area 2C	Area 3A	Central GOA	Western GOA
Adak	4B	City of Adak				All		X				
Akhiok	3A	City of Akhiok		All	All			X		7		2
Angoon	2C	City of Angoon	A,B,C	A,B,C				X	4			
Chenegga Bay	3A	Chenegga IRA Village		All	All			X		7		2
Chignik	3B	City of Chignik		A,B,C	All			X				3
Chignik Lagoon	3B	Chignik Lagoon Village Council		A,B,C	All			X				4
Chignik Lake	3B	Chignik Lake Traditional Council		A,B,C	All			X				2
Coffman Cove	2C	City of Coffman Cove	A,B,C	A,B,C				X	4			
Cold Bay	3B	City of Cold Bay		A,B,C	All			X				2
Craig	2C	City of Craig	A,B,C	A,B,C				X				
Edna Bay	2C	Edna Bay Community Association	A,B,C	A,B,C				X	4			
Elfin Cove	2C	Community of Elfin Cove	A,B,C	A,B,C				X				
Game Creek	2C	N/A	A,B,C	A,B,C				X	4			
Gustavus	2C	Gustavus Community Association	A,B,C	A,B,C				X				
Halibut Cove	3A	N/A		All	All			X		7		2
Hollis	2C	Hollis Community Council	A,B,C	A,B,C				X	4			
Hoonah	2C	City of Hoonah	A,B,C	A,B,C				X	4			
Hydaburg	2C	City of Hydaburg	A,B,C	A,B,C				X	4			
Ivanof Bay	3B	Ivanof Bay Village Council		A,B,C	All			X				2
Kake	2C	City of Kake	A,B,C	A,B,C				X	4			
Karluk	3A	Native Village of Karluk		All	All			X		7		2
Kasaan	2C	City of Kasaan	A,B,C	A,B,C				X	4			
King Cove	3B	City of King Cove		A,B,C	All			X				9
Klawock	2C	City of Klawock	A,B,C	A,B,C				X	4			
Larsen Bay	3A	City of Larsen Bay		All	All			X		7		2
Metlakatla	2C	Metlakatla Indian Village	A,B,C	A,B,C				X	4			
Meyers Chuck	2C	N/A	A,B,C	A,B,C				X	4			
Nanwalek	3A	Nanwalek IRA Council		All	All			X		7		2
Naukati Bay	2C	Naukati Bay, Inc	A,B,C	A,B,C				X	4			
Old Harbor	3A	City of Old Harbor		All	All			X		7		5
Ouzinkie	3A	City of Ouzinkie		All	All			X		7		9
Pelican	2C	City of Pelican	A,B,C	A,B,C				X	4			
Perryville	3B	Native Village of Perryville		A,B,C	All			X				2
Point Baker	2C	Point Baker Community	A,B,C	A,B,C				X	4			
Port Alexander	2C	City of Port Alexander	A,B,C	A,B,C				X	4			
Port Graham	3A	Port Graham Village Council		All	All			X		7		2
Port Lions	3A	City of Port Lions		All	All			X		7		6
Port Protection	2C	Port Protection Community Association	A,B,C	A,B,C				X	4			
Sand Point	3B	City of Sand Point		A,B,C	All			X				14
Seldovia	3A	City of Seldovia		All	All			X		7		8
Tatitlek	3A	Native Village of Tatitlek		All	All			X		7		2
Tenakee Springs	2C	City of Tenakee Springs	A,B,C	A,B,C				X	4			
Thorne Bay	2C	City of Thorne Bay	A,B,C	A,B,C				X	4			
Tyonek	3A	Native Village of Tyonek		All	All			X		7		2
Whale Pass	2C	Whale Pass Community Association	A,B,C	A,B,C				X	4			
Yakutat	3A	City of Yakutat		All	All			X		7		3

N/A means there is not a governing body recognized in the community at this time.  
 CHPs are Charter halibut permits.  
 All means category A, B, C, and D quota share.