

# **TRANSFER REPORT**

## **Changes Under Alaska's Halibut IFQ Program, 1995 Through 2011**



Photo by Klas Stolpe

**November 2012**



**Final Report:**

This is a report from National Oceanic and Atmospheric Administration Fisheries Service (NOAA Fisheries) **Restricted Access Management (RAM)** covering the halibut IFQ program from 1995 through 2011. The executive summary is contained in a separate document. The final report for the sablefish fishery is contained in a separate document.

**Project Title:**

Halibut and Sablefish IFQ Program Transfer Reports.

**Organization:**

U.S. Department of Commerce  
National Oceanic & Atmospheric Administration  
NOAA Fisheries Alaska Region  
Restricted Access Management  
P.O. Box 21668  
Juneau Alaska 99802-1668

**Abstract:**

This study uses NOAA Fisheries-RAM administrative data and other ancillary data to analyze the first fifteen years of the halibut individual fishing quota (IFQ) program in Alaska. The topics covered in the report include basic data on the extent of consolidation of quota share (QS) holdings, the volume of permanent QS transfers; QS prices; the volume of seasonal QS lease transfers, and IFQ lease prices. The report highlights the importance of several special features of the IFQ program and provides an extensive overview of changes in the geographic distribution of QS holdings. The report includes summary data on permanent transfers including the amount of QS transferred as sales, gifts, and trades; the relationships between the transferors and transfer recipients; and the finance methods used in sales transfers. The report investigates changes in the distribution of QS by person-type, changes in the distribution of QS between initial QS recipients and new entrants, and changes in halibut harvest and delivery patterns. The report also provides information on the consolidation of IFQ permit holders onto single vessel operations and on the underharvest of IFQ during the 1995 to 2011 fishing seasons.

## Table of Contents

---

<b>1 Introduction</b> .....	1
1.1 The Purpose of This Study .....	1
1.2 The Halibut Fishery .....	2
1.3 Background on the Halibut IFQ Program .....	3
<b>2 Halibut: Consolidation of QS Holdings</b> .....	6
2.1 Introduction .....	6
2.2 QS Consolidation by Vessel Category .....	9
2.3 QS Consolidation by Size of QS Holding .....	10
<b>3 Halibut: QS Transfers and QS Prices</b> .....	12
3.1 Transfer Rates by Area .....	12
3.2 Transfer Rates by Area and Vessel Category .....	13
3.3 QS Sales Prices .....	13
<b>4 Halibut QS Leases</b> .....	17
4.1 Halibut QS and QS Holder Lease Rates by IFQ Area .....	17
4.2 Halibut QS and QS Holder Transfer and Lease Rates by Area and Vessel Category, 1995-2011 .....	20
4.3 Lessors, Lessees, Leases, and Lease Rates .....	21
4.4 QS Lease Prices .....	22
<b>5 Types of Transfers, Financing of Transfers, Relationships Between Transferors and Transfer Recipients, and Use of Brokers</b> .....	24
5.1 Sales, Gifts, Trades, and Other Transfers.....	24
5.2 Finance Source on Priced Sales Transfers .....	25
5.3 Relationship of Transferors and Transfer Recipients .....	26
5.4 Use of Broker Services in Permanent QS Transfers.....	27
5.5 Use of Broker Services in Lease Transfers .....	28
<b>6 “Sweep-ups” of Small QS Blocks</b> .....	30
6.1 Changes in Sweepable QS Blocks .....	30
6.2 Sweep-up Transactions .....	31
6.3 Sweepable QS Relative to Total QS.....	32
6.4 Summary .....	32
<b>7 Changes in QS Holdings by Type of Person</b> .....	34
<b>8 Changes in the Distribution of Halibut QS by State</b> .....	38
<b>9 Changes by Management Area, Rural-Urban, and Local-Nonlocal</b> .....	39
9.1 Initial and Year-end 2011 QS Holdings .....	39
<b>10 Changes in the Distribution of Halibut QS by Census Area</b> .....	41
<b>11 New Entrants in the Fishery</b> .....	42
<b>12 Changes in Harvest and Delivery Patterns</b> .....	43
12.1 Deliveries by State, Census Area, Annual Quarter, and Residency .....	43
12.2 Harvests by QS Owners and Hired Skippers.....	46
<b>13 Overharvest and Underharvest of IFQs and TACs</b> .....	49
13.1 TACs and Harvests: 1990 to 2011.....	49
<b>14 Consolidation of Permit Holders on Fishing Operations</b> .....	51

<b>15 Annual Halibut Ex-Vessel Price</b> .....	54
--	----

<b>Appendix I</b> Local/Nonlocal and Rural/Urban Designations.....	
--	--

<b>Appendix II</b> Previous QS Transfer Application Forms .....	
---	--

<b>Appendix III</b> Current 2012 QS Transfer Application Form.....	
--	--

## List of Figures

Figure 1. Map of IPHC Halibut Management Areas .....	3
Figure 2 Quota share Pool (# of pounds) by halibut management area 95-2011.....	5
Figure 3. Halibut Deliveries (pounds), by State of Delivery, 1995-2011 .....	46
Figure 4 Halibut Deliveries by Alaska Census area.....	46
Figure 5 Average landings in the halibut fishery from 1995-2011 .....	46
Figure 6 Percent of halibut TAC harvested by Area .....	50
Figure 7 Average pounds per person .....	52
Figure 8 Halibut total harvest by area and year .....	53
Figure 9. QS Transfer Application Form - 1995 .....	59
Figure 10. QS Transfer Application Form - 2011 .....	62

## List of Tables that can be downloaded

### 1 Introduction

Table 1-1. Quota Share Pools and IFQ TACs by Halibut Management Area, 1995-2011 .....	
---	--

### 2 Consolidation of QS Holdings

Table 2-1a. Initial Issuance and Year-end 2011 QS and QS Holders by Management Area .....	
Table 2-1b. Consolidation of Halibut QS Holdings From Initial Issuance Through Year-end 2011, by Management Area .....	
Table 2-2a. Initial Allocation and Year-end 2011 QS by Management Area and Vessel Category .....	
Table 2-2b. Initial Allocation and Year-end 2011 QS Holders by Management Area and Vessel Category .....	
Table 2-3a. Initial Allocation and Year-end 2011 QS by Management Area and Size of QS Holding .....	
Table 2-3b. Initial Allocation and Year-end 2011 QS Holders by Management Area and Size of QS Holding .....	

### 3 QS Transfers and QS Prices

Table 3-1. Halibut QS Transfer Rates by Area and Year .....	
Table 3-2. Halibut QS Transfer Rates by Area, Vessel Class, and Year.....	
Table 3-3. Annual Prices for Halibut QS and IFQ Transfers by Area and Year .....	
Table 3-4. Annual Prices for Halibut QS and IFQ Transfers by Area, Vessel Class, and Year .....	
Table 3-5. Annual Prices for Halibut QS-Only Transfers by Area and Year .....	
Table 3-6. Annual Prices for Halibut QS-Only Transfers by Area, Vessel Class, and Year .....	

### 4 Halibut QS Leases

Table 4-1. Halibut QS and QS Holder Lease Rates by Area, 1995-2011 .....	
Table 4-2a. Halibut QS Transfer and Lease Rates, 1995-2011 by Area,	

	Year, and Vessel Category .....
Table 4-2b.	Transfer and Lease Rates of Halibut QS Holders, 1995-2011 by Area, Year, and Vessel Category .....
Table 4-3.	Leases of QS, by Area and Vessel Category, 1995-2011 .....
Table 4-4.	Priced and Unpriced Halibut QS Leases by Area and Vessel Category, 1995-2011 .....
Table 4-5.	Average Prices For Halibut "Priced" QS Leases by Area and Vessel Category, 1995-2011 .....

**5 Types of Transfers, Financing of Transfers, Relationships Between Transferors and Transfer Recipients, and Use of Brokers**

Table 5-1a.	Halibut QS Transfer Activity by Area, Year, and Nature of the Transfer .....
Table 5-1b.	Numbers of Halibut QS Transfers by Area, Year, and Nature of the Transfer .....
Table 5-2a.	QS Financed for Priced QS Sales, by Area, Year and Finance Method, 1995-2011 .....
Table 5-2b.	QS Transactions for Priced QS Sales, by Area, Year, and Finance Method, 1995-2011 .....
Table 5-3a.	QS Transferred by Area, Year, and Relationship of Transfer Parties, 1995-2011 .....
Table 5-3b.	QS Transfer Transactions by Area, Year, Relationship of Transfer Parties, 1995-2011 .....
Table 5-4a.	Use of Brokers In Halibut QS Transfers, by Year .....
Table 5-4b.	Use of Brokers In Halibut QS Transfers, by Area and Year .....
Table 5-4c.	Use of Brokers In Halibut QS Transfers, by Vessel Category and Year .....
Table 5-5a.	Use of Brokers in Halibut QS Leases, by Year .....
Table 5-5b.	Use of Brokers in Halibut QS Leases, by Area and Year .....

**6 "Sweep-ups" of Small QS Blocks**

Table 6-1.	Persons Holding Sweepable Halibut QS Blocks, Number of Sweepable Blocks, and Total Sweepable QS Holdings at Initial Issue and Year-end 2011 .....
Table 6-2.	Number of Transferors and Recipients of Sweep-up Transactions, With Mean QS of Sweep-ups, by Area .....
Table 6-3.	2011 Year-end Total Halibut QS, Blocked QS, and Sweepable Blocked QS by Area .....

**7 Changes in QS Holdings by Type of Person**

Table 7-1.	Halibut QS by Area and Type of Holder.....
Table 7-2.	Halibut QS Holders by Area and Type of Holder .....
Table 7-3.	Halibut QS by Type of Holder, Vessel Category, and Area .....
Table 7-4.	Halibut QS Holders by Type of Holder, Vessel Category, and Area .....

**8 Changes in the Distribution of Halibut QS by State**

Table 8-1.	Initial Allocation and Year-end 2011 QS Holdings by Area and State .....
Table 8-2.	Initial Allocation and Year-end 2011 QS Holders by Area and State .....

**9 Changes by Management Area, Rural-Urban, Local-Nonlocal**

Table 9-1a.	Initial Allocation and Year-end 2011 QS Holdings by Management Area and Resident Type .....
Table 9-1b.	Initial Allocation and Year-end 2011 QS Holders

by Area and Resident Type .....

**10 Changes in the Distribution of Halibut QS by Census Area**

- Table 10-1a. Initial Allocation and Year-end 2011 QS Holdings by Management Area and Census Area .....
- Table 10-1b. Initial Allocation and Year-end 2011 QS Holders by Management Area and Census Area .....

**11 New Entrants in the Fishery**

- Table 11-1a. Halibut QS Holdings for Initial Issuees and New Entrants at Year-end .....

**12 Changes in Harvest and Delivery Patterns**

- Table 12-1. Alaska Halibut Harvest (Pounds) by State of Delivery: 1990-2011 .....
- Table 12-2. Halibut Deliveries by Alaska Census Area: 1990-2011 .....
- Table 12-3. Comparison of Persons with Landings and Average Landings in the Halibut Fishery From 1990 to 2011 .....
- Table 12-4. Halibut Harvest (pounds) by Area, Year, and Quarter: 1995-2011 .....
- Table 12-5. Halibut Harvest (pounds), by Area, Year, and State of QS Owner: 1995-2011 .....
- Table 12-6. Halibut Harvest by QS Owners and Hired Skippers, 1995-2011 .....
- Table 12-7. Halibut Harvests by QS Owners and Hired Skippers, 1995 to 2011, by Vessel Category .....

**13 Overharvest and Underharvest of IFQs and TACs**

- Table 13-1. Comparison of Halibut TACs and Harvest by Management Area, 1990 to 2011 .....

**14 Consolidation of Permit Holders on Fishing Operations**

- Table 14-1. Summary of 1990-2011 Halibut Harvest and Participation .....
- Table 14-2. Summary of 1995-2011 Halibut Harvest and Participation by Vessel Category .....

**15 Annual Halibut Ex- Vessel Price**

- Table 15-1. Halibut estimated ex-vessel prices by management area and year, including annual statewide estimates, 1992-2010 .....