

UPDATE ON CHANGES TO ANNUAL TIMING OF ISSUING SHOREBASED INDIVIDUAL FISHING QUOTA SURPLUS CARRYOVER

The National Marine Fisheries Service (NMFS) recommends removing specific mention of carryover from future Pacific Fishery Management Council (Council) meeting agendas because of recent changes to post-season quota trading provisions, and the current role of the Groundfish Management Team (GMT) in calculating carryover.

Changes to Post-Season Quota Trading Provisions

Post-season quota pound (QP) trading, implemented under Amendment 21-4 to the Pacific Coast Groundfish Fishery Management Plan (84 FR 68799; December 17, 2019), allows Shorebased Individual Fishing Quota (IFQ) participants to trade surplus QP from the previous fishing year to cover remaining deficits from that year. The post-season trading period runs from January 1st until two weeks after catch accounting data is finalized, on or about March 14th of each year. Vessel account owners may trade surplus QP to cure deficits from the prior year freely during the trading period.

In prior years of the Catch Share Program, initial surplus carryover amounts could be estimated on January 1st, before catch accounting data from the previous fishing year was finalized. Once end-of-the-year account reconciliation was complete, NMFS could calculate surplus carryover and issue it later in the year. With the implementation of Amendment 21-4, carryover cannot be estimated until after post-season trading period is complete in mid-March. As vessel account owners trade surplus QP to cover prior year deficits, the amount of surplus QP later available for carryover may change significantly until the conclusion of the post-season trading period.

Because the end of the post-season transfer period is dependent on catch accounting data, the post season trading period may run longer than the January 1st to March 14th timeframe described in regulations. Calculation of surplus carryover cannot be estimated until the conclusion of post-season trading. The timing of the post-season trading period extends the determination of carryover amounts beyond the April Council meeting. NMFS is more likely to be able to provide finalized surplus carryover amounts at the June Council meeting. However, in some years, waiting until the June Council meeting to present this information may unnecessarily delay NMFS issuing surplus carryover to the Shorebased IFQ sector.

GMT Role in Calculating Carryover

As of April 2019, the GMT no longer provides the Council a comprehensive report analyzing carryover, as NMFS staff completes a similar analysis each year in its memo on issuing carryover ([Agenda Item G.9.a, Supplemental GMT Report 1, April 2019](#)). The GMT currently works with NMFS staff when necessary to calculate carryover estimates, and ensure issuing carryover does not risk exceeding harvest guidelines. Input from the GMT has focused on recommending whether the maximum carryover amount should be reduced in a given year. To date, the GMT has always recommended issuing the maximum carryover amount, and the Council has not decided to reduce the carryover amount from the maximum percentage each year.

Recommendation

For these reasons, it may no longer be useful to specifically mention carryover in the Council notice for the annual March and April inseason agenda items. To adjust carryover amounts, the Council has the option to take routine inseason action if necessary under existing regulations at 50 CFR §§ 660.60(c) and 660.140 (e)(5)(ii). There is no additional requirement for the Council to provide advance notice to make these adjustments, other than the existing notice the Council provides for the inseason agenda item. The GMT can continue to make recommendations for Council adjustments to the carryover percentage as part of its inseason report to the Council at either the March or April meetings.