

13 New Entrants in the Fishery

Other sections of this report examine the net result of consolidations and transfer activities that have occurred since the initial QS allocation. Some of the transferred QS went to initial QS recipients and some went to new entrants. The tables in this section present data that show the extent to which new entrants obtained QS and entered the sablefish fishery. The data suggest that significant numbers of persons who were not initial issues for an area were able to obtain sablefish QS.

The IFQ program provides for free transferability of QS, subject to several constraints designed to temper consolidation and ensure preservation of opportunities for the smaller-boat and part-time portion of the fleet that existed under open access. These constraints are discussed in Chapter 3 and other sections of this report.

Any United States citizen or entity can receive freezer vessel QS through transfer. Persons who are initial QS recipients or IFQ crew members may receive catcher vessel QS through transfer. Under the IFQ program, an IFQ crew member is defined as any individual who has at least 150 days experience working as part of a harvesting crew in any United States commercial fishery or as any individual who receives an initial allocation of QS.

New entrants may also occur through regulations which allow an individual to transfer QS to the individual's solely owned corporation (a new entity). New entrants might also occur because of transfers due to court order, operation of law, or as part of a security agreement. However, in these latter cases IFQ is not assigned unless the person receiving the QS transfer meets all of the eligibility requirements.

Table 13-1a shows, by area, the amount of QS and the percentage of QS which was still held by initial issuees at the end of each year from 1995 through 1997. The table provides the percentage these initial holders represent of all QS holders, and their average QS holdings.

The table also shows the amount and percentage of sablefish QS which is held by new entrants to the area at the end of each year. Note that a new entrant in one area may have initially received sablefish QS in some other area(s). The table provides the number of new entrants to each area, the percentage these new entrants represent of all QS holders, and their average QS holdings.

The number of initial issuees who still held QS declined in all areas from 1995 through 1997. By the end of 1997, new entrants held between 7.1% of the available QS in the West Yakutat area to 12.2% in the Southeast area. Similarly, by the end of 1997, the percentage of QS holders who were new entrants to the area ranged from 9.9% of the QS holders in the Bering Sea area to 19.9% of the QS holders in the Southeast area. These

data suggest significant numbers of new persons have been able to enter the sablefish fishery after initial allocation.

As stated, some of the new QS holders in an area were initial issuees in other sablefish areas or received an initial allocation of halibut QS. This can be seen in Table 13-1b, which examines more closely the new entrants in each sablefish management area.

The first six columns of Table 13-1b provide data on the total QS and the total number of persons holding QS at the end of each year, by sablefish management area. They also show the number of remaining initial issuees at the end of the year and the percentage of the total QS holders which they represent.

The next columns of Table 13-1b examine new entrants in each area. New entrants are defined as entities that were not initial recipients of QS in an area, but held QS for that area at the end of the year in question. However, some of the new entrants in an area were initial recipients of QS in another area or for another species.

For example, in the Central Gulf area there were 86 new entrants who held QS as of year-end 1997. Of these persons, 81 were "new holders" of sablefish QS -- meaning they were not initial issuees of QS in any other area -- and 59 were entirely new entrants to the IFQ program. The numbers imply that 5 of the 86 new entrants in the Central Gulf were initial issuees of sablefish QS in some other area, and 27 of the 86 new Central Gulf entrants were either initial issuees of sablefish QS in some other area or were initial issuees of halibut QS.

Table 13-2 provides information on the extent to which lessees (persons who receive leased QS) were initial QS recipients or new QS holders. A large portion of the leased QS went to persons who were not initial QS recipients.

Table 13-1a. Sablefish QS Holdings of Initial Issues and New Entrants at Year-end

Area	Year	Total QS Held By Initial Issues	% of QS Held By Initial Issues	Avg. QS Held By Initial Issues	Initial Issues For Area	Percent Who Are Initial Issues	Total QS Held By New Entrants	% of QS Held By New Entrants	Avg. QS Held By New Entrants	New Entrants For Area	Percent Who Are New Entrants
Southeast	1995	61,934,533	94.8	104,974	590	89.9	3,418,229	5.2	51,791	66	10.1
	1996	60,369,833	91.7	117,680	513	84.4	5,459,642	8.3	57,470	95	15.6
	1997	57,882,234	87.8	130,660	443	80.1	8,056,528	12.2	73,241	110	19.9
W. Yakutat	1995	51,120,475	97.2	130,743	391	93.1	1,476,794	2.8	50,924	29	6.9
	1996	50,017,543	94.3	149,306	335	85.5	3,010,683	5.7	52,819	57	14.5
	1997	49,333,311	92.9	175,563	281	80.3	3,783,309	7.1	54,831	69	19.7
C. Gulf	1995	105,094,376	97.6	189,701	554	93.6	2,540,934	2.4	66,867	38	6.4
	1996	104,898,351	95.4	214,956	488	88.2	5,099,495	4.6	78,454	65	11.8
	1997	101,161,444	91.2	246,735	410	82.7	9,712,414	8.8	112,935	86	17.3
W. Gulf	1995	34,657,516	98.5	169,890	204	94.0	539,326	1.5	41,487	13	6.0
	1996	33,084,728	92.4	173,218	191	90.5	2,708,574	7.6	135,429	20	9.5
	1997	32,135,348	89.4	197,149	163	82.7	3,799,891	10.6	111,762	34	17.3
Bering Sea	1995	17,027,736	96.8	130,983	130	94.2	571,066	3.2	71,383	8	5.8
	1996	17,070,758	92.7	135,482	126	93.3	1,350,271	7.3	150,030	9	6.7
	1997	16,612,071	89.3	140,780	118	90.1	1,990,327	10.7	153,102	13	9.9
Aleutians	1995	29,184,860	97.7	249,443	117	93.6	678,469	2.3	84,809	8	6.4
	1996	29,211,688	93.9	243,431	120	92.3	1,892,172	6.1	189,217	10	7.7
	1997	28,129,408	89.2	262,892	107	86.3	3,388,768	10.8	199,339	17	13.7

Table 13-1b. New Entrants to the IFQ Fisheries

Area	Year	Total QS	Total Year-end Persons	Initial Issuees	% Initial Issuees	New to Area	% New to Area	New to Sablefish	% New to Sablefish	New to IFQs	% New to IFQs
Southeast	1995	65,352,762	656	590	89.9	66	10.1	63	9.6	45	6.9
	1996	65,829,475	608	513	84.4	95	15.6	93	15.3	74	12.2
	1997	65,938,762	553	443	80.1	110	19.9	108	19.5	83	15.0
W. Yakutat	1995	52,597,269	420	391	93.1	29	6.9	26	6.2	21	5.0
	1996	53,028,226	392	335	85.5	57	14.5	48	12.2	36	9.2
	1997	53,116,620	350	281	80.3	69	19.7	58	16.6	45	12.9
C. Gulf	1995	107,635,310	592	554	93.6	38	6.4	33	5.6	23	3.9
	1996	109,997,846	553	488	88.2	65	11.8	60	10.8	42	7.6
	1997	110,873,858	496	410	82.7	86	17.3	81	16.3	59	11.9
W. Gulf	1995	35,196,842	217	204	94.0	13	6.0	8	3.7	5	2.3
	1996	35,793,302	211	191	90.5	20	9.5	14	6.6	11	5.2
	1997	35,935,239	197	163	82.7	34	17.3	27	13.7	21	10.7
Bering Sea	1995	17,598,802	138	130	94.2	8	5.8	4	2.9	4	2.9
	1996	18,421,029	135	126	93.3	9	6.7	5	3.7	5	3.7
	1997	18,602,398	131	118	90.1	13	9.9	7	5.3	7	5.3
Aleutians	1995	29,863,329	125	117	93.6	8	6.4	5	4.0	4	3.2
	1996	31,103,860	130	120	92.3	10	7.7	7	5.4	6	4.6
	1997	31,518,176	124	107	86.3	17	13.7	15	12.1	12	9.7

Table 13-2. Leases of Sablefish QS to Initial Issues and New Entrants to the Area

Area	Year	Total QS Leased By Initial Issues	% Leased QS By Initial Issues	Lessees Who Are Initial Issues	% Lessees Who Are Initial Issues	Avg. QS Leased By Initial Issues	Total QS Leased By New Entrants	% Leased QS by New Entrants	Lessees Who Are New Entrants	% Lessees Who Are New Entrants	Avg. QS Leased By New Entrants	Total Leased QS in Category	Total Lessees in Category
Southeast	1995	1,243,254	98.7	10	90.9	124,325	16,155	1.3	1	9.1	16,155	1,259,409	11
	1996	973,348	79.1	5	55.6	194,670	257,830	20.9	4	44.4	64,458	1,231,178	9
	1997	1,145,584	72.2	9	69.2	127,287	440,354	27.8	4	30.8	110,089	1,585,938	13
W. Yakutat	1995	442,414	49.9	8	66.7	55,302	444,689	50.1	4	33.3	111,172	887,103	12
	1996	181,905	30.0	4	57.1	45,476	423,997	70.0	3	42.9	141,332	605,902	7
	1997	244,956	100.0	5	100.0	48,991	0	0.0	0	0.0	0	244,956	5
C. Gulf	1995	2,244,036	77.3	10	76.9	224,404	658,748	22.7	3	23.1	219,583	2,902,784	13
	1996	869,672	56.4	7	63.6	124,239	672,401	43.6	4	36.4	168,100	1,542,073	11
	1997	915,675	88.9	6	85.7	152,613	114,005	11.1	1	14.3	114,005	1,029,680	7
W. Gulf	1995	1,701,742	45.8	7	70.0	243,106	2,016,756	54.2	3	30.0	672,252	3,718,498	10
	1996	1,156,656	36.9	3	60.0	385,552	1,980,599	63.1	2	40.0	990,300	3,137,255	5
	1997	954,224	29.0	6	75.0	159,037	2,334,406	71.0	2	25.0	1,167,203	3,288,630	8
Bering Sea	1995	1,832,016	91.2	4	57.1	458,004	176,922	8.8	3	42.9	58,974	2,008,938	7
	1996	411,482	41.2	3	75.0	137,161	587,458	58.8	1	25.0	587,458	998,940	4
	1997	643,469	45.2	4	66.7	160,867	781,250	54.8	2	33.3	390,625	1,424,719	6
Aleutians	1995	3,924,949	60.9	7	77.8	560,707	2,520,280	39.1	2	22.2	1,260,140	6,445,229	9
	1996	760,024	20.1	5	71.4	152,005	3,024,611	79.9	2	28.6	1,512,306	3,784,635	7
	1997	927,298	17.1	4	66.7	231,825	4,510,240	82.9	2	33.3	2,255,120	5,437,538	6