

GROUND FISH ADVISORY SUBPANEL REPORT ON
SABLEFISH PERMIT STACKING PROGRAM REVIEW SCOPING

The Groundfish Advisory Subpanel (GAP) heard presentations and reviewed materials from Mr. Jim Seger of the Council staff and Ms. Ariel Jacobs of NMFS. The GAP would like to thank staff for providing us with written analysis, and the extra effort involved in doing so, given the government shutdown.

We also appreciate that in addition to the *Federal Register* notice, in order to encourage maximum permit holder participation, the Council sent a notice to all permit holders regarding this agenda item.

For this meeting, the Council direction on this issue was to request the GAP make recommendations as to:

- 1) What potential changes to the program should be included in phase #1 review of the program?
- 2) What, if any, additional proposed program changes should go forward if there is a phase #2?
- 3) What information would be helpful in identifying whether the program has met its objectives?

The GAP noted that the main issue for program review is an evaluation of the degree to which the program is meeting its original objectives. At the September Council meeting, based on a request from industry, the Council decided to include in phase #1 a consideration of how “control and ownership” is determined for the purpose of assessing the three permit control limit.

We reviewed two documents from staff, “Potential Changes to Own and Hold Regulations” and “Potential Changes to Catch Accounting,” as well as the written public comment (1) submitted to the briefing book.

In regard to “Potential Changes to Own and Hold Regulations,” the GAP recommends the following alternatives for further analysis:

Alternative 1: Status Quo.

Alternative 2a: Only ownership of more than 20% of a vessel counts toward “holding.”

Alternative 2b: Only ownership of more than 30% of a vessel counts toward “holding.”

With Alternatives 2(a) and (b), the GAP recommends that there be a maximum of partial ownership in two (2) vessels only.

Alternative 1, 2(a), and 2(b) specifically address the “hold” issue raised by industry for vessels that participate in the fixed gear fishery on the West Coast and in the individual quota fishery in Alaska.

The GAP eliminated consideration of Alternative 3, 4, 5, and 6 as being too complex and/or likely to result in a far greater control/concentration of permits in one owner than was intended by the program.

In regard to “Potential Changes to Catch Accounting,” the GAP acknowledged enforcement’s concerns that for all of the fixed gear sablefish fisheries, the current regulations have resulted in an opportunity for under-reporting that is extremely high. As between the states, there are not uniform reporting requirements on the fish tickets. There exists confusion as to whether a delivery is a limited entry (LE)/daily-trip-limit (DTL) landing or a LE/Tier delivery and/or to which permit the landing is to be attributed.

The technology is readily available to modernize catch accounting in this fishery. All interested parties (i.e. owner, state and federal management, public, enforcement) would have access to delivery information without the current lag time and guesswork. The GAP recommends the following alternatives for further analysis:

Alternative 1: Status Quo.

Alternative 2: All Limited Entry tier deliveries be recorded on an electronic fish (EFISH) ticket.

Alternative 3: All Limited Entry Tier and DTL deliveries be recorded on an EFISH ticket.

Alternative 4: All imited Entry Tier, DTL and Open Access deliveries be recorded on an EFISH ticket.

The GAP also recommends that this potential change to the program and an analysis of these alternatives take place in phase #1 of the program review. Because of time constraints in the GAP meeting, only a subcommittee of the GAP reviewed Attachment 3 “Indicators for Evaluating Program Performance.”

In general, for each of the original program objectives, fixed gear LE representatives offered some suggestions for analysis by staff. These suggestions included: where to obtain permit price information, the extent to whether initial permit recipients remained in the fleet, the frequency of permit transfers from season to season, the extent of permit leasing and its costs, use of sablefish and halibut derby fisheries in Alaska as a proxy to assess improvements in safety, and relative price differences from time of the derby fishery to the current fishery.

The GAP also addressed the possibility of the Council proceeding with a phase #2 for possible changes to the fixed gear permit stacking program. There was a written public comment that suggested a fisherman be able to decide whether a landing was a DTL landing or a tier landing at the time of delivery. Another suggestion from one GAP member was to eliminate the bimonthly DTL fishery, and re-allocate the DTL fish to both the tier sablefish-endorsed permit holders and those limited entry permit holders that do not have a sablefish endorsement, based on participation. There was another suggestion that the DTL fishery be eliminated, and the fish be allocated equally to all tier permit holders, with a portion set aside for a DTL for those that do not have a sablefish endorsement. The ramifications and details of these suggestions are not addressed in this statement. It was acknowledged by the GAP members that the consideration of any change in the DTL fishery and its allocation would involve most all of the issues that pertain to the establishment of a new individual quota fishery. If the Council were to consider any modifications of the DTL fishery, it is recommended that it be addressed in a Phase #2 process.