

GROUND FISH ADVISORY SUBPANEL REPORT ON WIDOW ROCKFISH REALLOCATION AND DIVESTITURE ISSUES

The Groundfish Advisory Subpanel (GAP) heard presentations from Mr. Jim Seger and Mr. Colby Brady regarding widow rockfish reallocation and divestiture issues. Additionally the GAP heard public testimony from affected stakeholders and has the following comments and recommendations.

The GAP appreciates the Council's decision in September to prioritize the issue of widow rockfish reallocation and our preference is to keep this process on track for final action in April 2015 with implementation in January 2016.

Range of Alternatives for Widow Reallocation

The GAP discussed the range of alternatives presented in Agenda item J.2.a Attachment 2 and believes that the current range does not consider recent participation adequately.

While the GAP understands the Council's intent is to reestablish historic widow rockfish target opportunities for initial quota share recipients, the Magnuson Stevens Act requires that certain characteristics must be considered when allocating fish. Magnuson requires that we consider:

- Current and historical harvests
- Employment in the harvesting and processing sector
- Investments in and dependence on the fishery
- Current and historical participation of fishing communities

The GAP recommends removing Alternatives 3 & 5 from the current list. The GAP recommends removing Alternative 3 because landings through 2010 do not reflect target fisheries so this alternative is somewhat similar to status quo. We recommend removing Alternative 5 because our amended Alternative 4 captures the effects of Alternative 5.

We recommend adding a new Alternative 3 that utilizes non-whiting groundfish revenue as a proxy for participation between 2003 and 2010 to consider recent participation. Additionally we recommend modifying the original Alternative 4 by replacing 2012 with 2014.

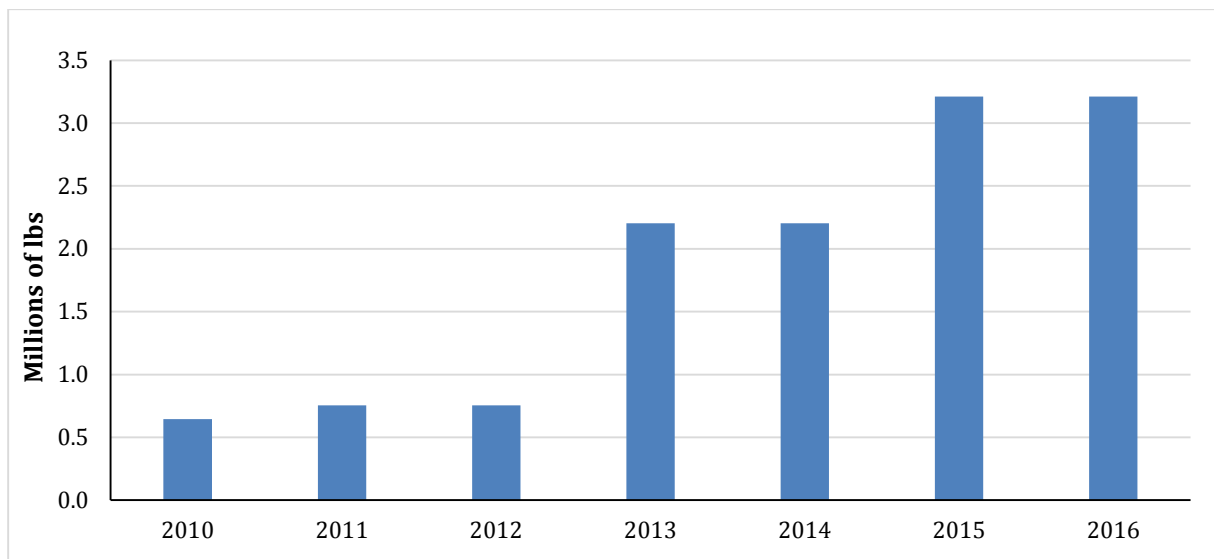
The GAP's recommended list of alternatives for analysis is as follows:

Alternative 1: No Action – status quo

Alternative 2: Reallocate widow quota shares using the Amendment 20 target species allocation formula (a portion to all permits equally and a portion to permits based on landings history between 1994-2002).

Alternative 3: Reallocate widow rockfish using non-whiting groundfish revenue between 2003-2010 as a proxy for recent participation. The equal sharing component, set-aside for whiting, and adaptive management would come off the top and then the remaining quota is computed 50% by the revenue proxy (2003-2010) and 50% by the landings history 1994-2002.

Alternative 4: Leave a base amount of quota share unallocated such that in 2016 every permit would receive the same amount of quota pounds that they received in 2014 and reallocate the remainder using the historic landings formula (a portion to all permits equally and a portion to permits based on landings history between 1994-2002). By base amount the GAP means the difference between the top of the 2014 column and the top of the 2016 column depicted in the figure below taken from Agenda Item J.2.a Attachment 2.



This range of alternatives provides a look at both historical catches and recent participation in the non-whiting groundfish fishery. The alternatives are varied enough that a robust analysis should be available for the Council, GAP and stakeholders to choose a final preferred alternative in April which meet the goals and objectives of Amendment 20 while meeting the requirements of the MSA and other applicable law.

Widow Rockfish Divestiture deadline

The GAP recommends that Widow rockfish divestiture should occur twelve months following implementation of reallocation of widow rockfish.

Range of alternatives for aggregate non-whiting species divestiture deadline

The GAP believes that with the following change to Alternative 2, suboption A (in italics) that the following is a reasonable range of alternatives to consider action with regards to the divestiture deadline.

Alternative 1: No Action (current divestiture deadline of November 15th, 2015 remains)

Alternative 2: Extend the aggregate control limit deadline to coincide with the widow control limit.

Suboption A: *Delay the non-whiting aggregate control limit until the implementation of any regulatory changes developed pursuant to the first program review for the trawl rationalization program (the November 15th 2015 deadline would still apply to all individual species except widow)*

Suboption B: Exclude widow rockfish from the non-whiting aggregate control limit until 12 months following the implementation of the widow reallocation.

Rules for Revoking Forfeited Quota Share

The GAP believes a non-punitive option that allows participants to “abandon” quota share should be developed. In some cases there may be no market for quota share that needs to be divested. If a participant is unable to transfer that quota share for reasons beyond his control, he should not be penalized. An option that allows the quota to be “abandoned” to NMFS should be developed.

PFMC
11/18/14