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AD HOC GROUND FISH TRAWL INDIVIDUAL QUOTA COMMITTEE REPORT

The Ad Hoc Groundfish Trawl Individual Quota Committee (TIQC) is unanimous in its recommendation that the Council continue considering individual fishing quotas (IFQs) for the groundfish trawl fishery. The committee has met five times over the last year-and-a-half to conduct preliminary scoping of alternatives and review results of the public scoping under National Environmental Policy Act (NEPA), completed last summer. Additional work on this project includes the efforts of the Groundfish Trawl Individual Quota Enforcement Group (2 meetings), the Groundfish Trawl Individual Quota Independent Experts Panel (2 meetings) and the Groundfish Trawl Individual Quota Analytical Team (4 meetings). On May 11, 2005, the TIQC completed its deliberations for this phase of the process and recommends the Council approve five basic management regime alternatives for analysis in a draft environmental impact statement (EIS):

Alternative 1: Status Quo

Alternative 2: IFQs for Trawl Target and Species for Which There is a Trawl Allocation

Alternative 3: IFQs for All Groundfish Species Except "Other Fish"

Alternative 4: IFQs for All Groundfish Species Except "Other Fish" and Individual Bycatch Quota (IBQ) for Pacific Halibut (with sector caps for halibut as a suboption)

Alternative 5: Permit Stacking with Cumulative Catch Limits and an Extended Season

These alternatives are specified in detail in **TIQC Decision Table A** (attached), which the committee proposes the Council adopt to cover the actions requested under Decision Table A of Agenda Item C.5.a, Attachment 1.

For **Decision Table B** (Agenda Item C.5.a, Attachment 1), the committee recommends the Council plan to establish additional areas as needed, at a later time (Process Option 1). Provisions in the IFQ programs provide for the later subdivision of IFQ (Section B.1.8).

Decision Table C (Agenda Item C.5.a, Attachment 1) calls for the Council to consider specific design elements for the catch control tools: IFQ programs, cumulative catch limits, and permit stacking. In what follows, the committee recommends three different IFQ programs for analysis, elimination of the cumulative catch limit options that do not include permit stacking, and the adoption of one permit stacking option, that includes moving from cumulative landing limits (status quo) to cumulative catch limits.

For purpose of facilitating the analysis, the TIQC has developed three different IFQ programs. These programs are comprised of slates of options for various program design elements and are reflected in **Option Table C-1** (attached and identical to Option Table C-1 of Agenda Item C.5.a, Attachment 1). It is the committee's intent and understanding that the Council will be able to mix and match provisions of each program at the time of final action, so long as the effects of the resulting program fall within the scope of the analysis. To fill out the above list of management regime alternatives, the IFQ programs will need to be associated management

regime alternatives. The committee recommends the following associations between the IFQ program and the management regime alternatives:

Alternative 2 (IFQ for Trawl Targets): Program C

Alternative 3 (IFQ for All Groundfish Except “Other Fish”):

Alternative 3A: Program A

Alternative 3B: Program B

Alternative 3C: Program C

Alternative 4 (IFQ for All Groundfish Except “Other Fish” and IBQ for Pacific Halibut): Program C

It is the committee’s understanding that impacts related to differences in species coverage between Alternatives, 2, 3 and 4 are so great that they will likely swamp any differences in impacts related to differences between the programs (e.g. the differences between Alternative 2 Program C and Alternative 3B Program B will be driven more by differences in the species coverage than differences between the IFQ program design). Therefore, Alternative 3 has been divided into 3 subalternatives (3A, 3B, and 3C), associated with IFQ programs A, B and C, respectively. These subalternatives will be used when necessary to illustrate the effects of different IFQ program designs on management regime impacts.

The committee recommends that the Council drop the stand alone cumulative catch limit options provided in **Option Table C-2**. It is the committee’s understanding that if cumulative catch limits with permit stacking are considered for Alternative 5 that the Council could still adopt cumulative catch limits without permit stacking. Therefore there is no need for a separate alternative that includes only cumulative catch limits.

The committee recommends that for management regime Alternative 5, the Council adopt Permit Stacking Alternative 2 (PS Alt 2 from **Option Table C-3** of Agenda Item C.5.a, Attachment 2) as follows

PS Alt 2. Stacking With Fractional Cumulative Limit for Additional Permits and Extended Period Lengths

- A vessel would receive partial credit for an additional cumulative limits for each stacked trawl endorsed permit. The percentage of an additional limit allowed could be a fixed amount or depend on permit length or history of recent participation.
- Length endorsement provisions: Only one permit would need to have the appropriate length for the vessel.
- Period Length: 4-month cumulative limit periods.
- No limit on the number of permits stacked.
- At-sea monitoring (observers or video cameras).
- Permit transfers are only effective at the end of a cumulative limit period.

The above recommendations, taken in combination, compose the following committee recommendation with respect to **Decision Table D** (Agenda Item C.5.a, Attachment 1):

TIQC Decision Table D - Main analytical alternatives for the EIS.							
Catch Control Tool Alternatives	Alt 1 Status Quo	Alt 2 IFQ for Targets Spp	Alt 3: IFQ for Groundfish Except "Other Fish"			Alt 4 IFQ for Groundfish Except "Other Fish" and IBQ for Halibut	Alt 5 Stacking, Cum Catch Limits, & Extend Periods
			Alt 3-A	Alt 3-B	Alt 3-C		
Cumulative Landing Limits	X	-	-	-	-	-	-
Season Closures	X	*	*	*	*	*	X
IFQ: Program A Program B Program C	-	Program C	Program A	Program B	Program C	Program C	-
Cumulative Catch Limits	-	X	(Low OYs)	(Low OY)	(Low OY)	-	X
Permit Stacking and Extended Cumulative Limit Periods (PS - Alt 2)	-	-	-	-	-	-	X

*There may be seasons for whiting to limit impacts on ESA listed salmon stocks, but season closures would not be the primary catch control tool.

Decision Table E (Agenda Item C.5.a, Attachment 1) covers allocation among trawl sectors. The committee recommends that the period eventually chosen for allocation of IFQ be used to allocate groundfish among the trawl sectors. If different periods are used to allocate to different trawl sectors, either use the shortest period common to the allocation of IFQ for all sectors or calculate a sector share of catch based on the IFQ period and adjust the shares proportionally such that they sum to 100%. If the Council adopts the committee's recommendations, the periods under consideration for IFQ allocation (and hence division of catch among the trawl sectors) would be: 1994-2003; 1998-2003; 1999-2004.

Two suboptions would be considered with respect to the above allocation rule. Under one suboption, a recency requirement would be applied and the catch history of permits not meeting the recency requirement would not be included as part of the calculation of the relative sector shares. Under the other suboption, no such recency requirement would be applied. Under either option, a permit formed from the combination of several permits would include the catch history of all of the combined permits.

If the shoreside fishery is segregated into a shoreside whiting and nonwhiting fishery, the following are the options for criteria to be applied to distinguish the two types of landings. A whiting landing would be any landing in which . . .

- Option 1: more than 50% of the landing is whiting AND there is more than 10,000 pounds of whiting
- Option 2: more than 50% of the landing is whiting OR there is more than 10,000 pounds of whiting
- Option 3: more than 50% of the landing is whiting

The TIQC recommends Options 2 or 3, but has requested additional data.

TIQC Major Recommendations

In summary, the committee recommends the Council continue with considering IFQs for the groundfish trawl fishery and take the following actions with respect to each of the decision tables before the Council:

(TIQC Decision Tables A and D vary from the Attachment 1 tables in ways noted in Attachment 1. All other attached tables are the same as in Attachment ,1 except notes on TIQC recommendations have been added to the tables)

- Decision Table A Adopt for analysis **TIQC Decision Table A**
- Decision Table B Adopt Option 1 of **TIQC Decision Table B**
- Decision Table C Adopt for analysis **TIQC Option Table C-1** for the IFQ Program
 ... **TIQC Option Table C-2** (Eliminate all cumulative limit alternatives in this table)
 Adopt for analysis Option PS-2 from **TIQC Option Table C-3**
- Decision Table D Adopt for analysis alternatives in **TIQC Decision Table D (Above)**
- Decision Table E Adopt for analysis options in **TIQC Decision Table E**

Other TIQC Recommendations on Options for Analysis

B.1.1 Eligible Groups and Group Shares

Eliminate detailed analysis of the option of allocating to vessel owners. The TIQC recommends against allocation to vessel owners rather than permit owners, because once the limited entry fishery was established most of the value of the fishery was capitalized into the value of the permit. Elimination from detailed analysis means the option will not be included in the option list but will be discussed to the extent necessary to explain why it was eliminated and as a possible point of contrast for options that are the primary focus.

B.1.3 Elements of the Allocation “Formula”

Eliminate detailed analysis of auctions as a means of allocating IFQ (minority supports maintaining the auction option).

B.2.3.3 Limits on Time of Transfer

A transfer embargo on quota shares was considered for situations in which a vessel had an overage (a landing not covered by quota pounds). However, because the quota shares from which a vessel’s quota pounds were derived may be held by someone not directly associated with the vessel and difficult to trace, these options have been eliminated as not being reasonable.^{1/} They were replaced with a limit on permit transfer (see Section B.2.1).

Supplement on the Community Stability Hold Back Program (Not Reviewed by Full TIQC)

1/ The TIQC has recommended elimination of the transfer embargo options.

Transfer Embargo Options	
Option 1	Quota shares may not be transferred from any account for which there is a deficit of quota pounds (i.e., any account for which catch exceed quota pounds for at least one species.
Option 2	Quota share pounds may be transferred from an account even if it is deficit for some species.

*The TIQC included a community stability hold back provision in Section B.2.2.5 of Program C (as can be found in Option Table C-1) with the understanding that more complete development of the provision would be provided by the proponents of the provision. The proponents of this provision have submitted the following contribution in order to more fully develop this provision. **This submission has not been reviewed or endorsed by the full TIQC.***

The following is for discussion/analysis.

The intent of the community hold back is to economically benefit coastal communities. Market development and enhancement, flexibility/coordination with market forces, facilitation of new operations, and industry stabilization at the local level are all desired outcomes.

This program should be simple and straightforward – using a point system based on specific measurable criteria. Program models in Alaska, Canada and the Shetland Islands are more subjective and would not be a good fit for the West Coast because of wide ranging differences community to community and the profusion of lawsuits based on subjective decisions.

Purpose: Quantitative benefits for coastal communities.

Description: Community set aside quota awarded to fishermen and fishermen/processors or others who submit proposals to a review panel which will rank the proposals based on a point system designed to specifically bring additional fishery economic benefits to coastal communities. This quota is in addition to the initial quota allocation for any specific fisherman.

Quantitative criteria would be used as a simple and clear means of ranking proposals received for review. These criteria are specifically linked to trawl individual quota (TIQ) program Goal #1: *Increase regional and national net benefits including improvements in economic, social, environmental and fishery management objectives.*

These are further linked to specific TIQ Program Objectives:

- #1. Provide for a viable, profitable and efficient groundfish fishery.*
- #5. Increase stability for business planning.*
- #6. Increase operational flexibility.*
- #7. Minimize adverse effects from IFQs on fishing communities to the extent practical.*
- #8. Promote measurable economic and employment benefits through the seafood catching, processing, distribution elements, and support sectors of the industry.*

Who Reviews Proposals and Awards Quota

By using a point system and quantitative criteria, National Marine Fisheries Service (NMFS) should be able to rank these proposals. Alternatively, a community committee could be formed with adequate community representation. Pacific States Marine Fisheries Commission in consultation with community and fishery representatives could also rank these proposals.

Who May Submit Proposals

1. Fisherman(men) and processor(s) who meet the qualifying criteria set forth under TIQ Program design alternative Section B.2.1 Qualifying Criteria. These would be joint proposals.
2. Fisherman(men) meeting the qualifying criteria set forth under B.2.1.
 - a. Alone.
 - b. In association with a coastal community member or coastal community organization (i.e., community economic development department; port district, etc.).
 - c. In association with a person or organization from outside the community.

Criteria for Ranking Proposals:* (see notes)

Stabilization - (max 25 points) (Objectives 1, 5, 7)

- Additional product flow into community
- Maintain product flow into community
- Additional traditional processing
- Maintaining traditional processing

Innovation - (max 25 points) (Objectives 1, 5, 6)

- New or additional niche marketing
- New or additional value added products

Employment Opportunity - (max 25 points)* (Objectives 7, 8) (see notes)

- Number of coastal community jobs created
 - Increase in jobs
 - Maintaining jobs, avoiding loss

Personal Quota Committed - (max 25 points) (Objectives 7, 8)

- Amount of quota committed to community proposal

(Max 100 points total)

Additional Criteria for Subsequent Years and Applicants Who Re-Apply

Evaluation of Follow on Proposals - (max 10 points)

- For existing projects, additional consideration will be provided for meeting or exceeding performance indicated in prior award.

(Max of 110 points possible when subsequent year criterion in effect)

Timing of Awards and Duration

Awards made in January of each year, held for two years. May reapply to continue.

Program Review

Program reviewed and adjustments made as part of the overall TIQ Program review.

***Notes:**

Net benefits measured in dollars, where possible.

Jobs created measured not only in employment numbers. Additional factors include full time vs. part time, year around vs. seasonal, wage, duration, training, and other benefits.

Small communities compete equally with larger communities. Point ranking based on the merits of the individual community.

In total personal quota committed, the intention is to promote collaboration between parties to foster investments into community

Suggest 10% of initial quota allocation held back for Communities.

Program intent is to award quota among multiple applicants in any single proposal review process. For example, the top five qualifiers may share the quota setback amount, or minimum requirements can be established for proposal scores to receive a percentage of hold back quota. How much is enough for any individual project needs to be determined.

TIQC Decision Table A (Proposed Replacement): Accept or modify the following 5 management regimes (see bottom of table for Alt 5) (Page 1 of 4).

Species Groups and Management Tools				
Alt 1 - Stat Quo	Alt 2 - IFQs for Trawl Target Groundfish	Alt 3 - IFQs for All Groundfish Except "Other Fish"^{a/}	Alt 4 - IFQs for All Groundfish Except "Other Fish" and IBQ for Halibut	
NonWhiting Fishery Management Tools and Species (Sections 2.1.1.1 - 2.1.1.3)				
Primary Management Tools	-	Mange with IFQ for Target Species(Spp) and Species for Which There is a Trawl Allocation	Mange with IFQ for all groundfish except the "Other Fish" category of groundfish and except in situations in which the OY for the species is very low (see below).	Mange with IFQ for all groundfish except the "Other Fish" category of groundfish.
	Cumulative landing limits for nonwhiting species/species groups	Transferable cumulative catch limits for other groundfish species managed with cumulative landing limits under status quo ^{b/}		-
	Monitoring only for other species	Monitoring only for other species	Monitoring only for other species	-
Adjustments for Low Harvest Levels	The Council may suspend intersector allocations when a species is overfished	<p>Same as status quo plus</p> <p>For IFQ species, management does not change with low OYs.</p> <p>If the OY for a nonIFQ species becomes extremely low (such as for a rebuilding species) manage with nontransferable cumulative catch limits.^{c/d/e/}</p> <p>Low OY Threshold: Establish a threshold at which point a species would switch from incidental catch management to "Low OY management." (e.g., B_{25%})</p>	<p>Same as status quo plus</p> <p>Low OY Management If the OY for any species becomes extremely low, switch from IFQs for that species and instead manage the sector allocation as a pool using nontransferable cumulative catch limits.^{f/g/}</p> <p>Decide on whether or not to use "Low OY management" as part of the biennial specifications process.</p>	Same as status quo
Prohibited Species	Trawl prohibited species - monitoring only	Trawl prohibited species: monitoring only	Trawl prohibited species: monitoring only	Trawl prohibited species: monitoring only except IBQ for halibut (or sector cap)

TIQC Decision Table A (Proposed Replacement): Accept or modify the following 5 management regimes (see bottom of table for Alt 5) (Page 2 of 4).

Species Groups and Management Tools				
Alt 1 - Stat Quo		Alt 2 - IFQs for Trawl Target Groundfish	Alt 3 - IFQs for All Groundfish Except "Other Fish"^{al}	Alt 4 - IFQs for All Groundfish Except "Other Fish" and IBQ for Halibut
Whiting Fishery Management Tools and Species (Sections 2.1.1.1 - 2.1.1.3)				
Primary Management Tools	No IFQ	IFQ for whiting	IFQ for whiting and all incidentally caught groundfish except the "Other Fish" category of groundfish	IFQ for whiting and all incidentally caught groundfish except the "Other Fish" category of groundfish
	Sector allocation with catch limited by season closure	Possible continuation of seasons to control impacts on ESA listed salmon stocks	Possible continuation of seasons to control impacts on ESA listed salmon stocks	Possible continuation of seasons to control impacts on ESA listed salmon stocks
	Possible season constraints to protect overfished species.	Sector catch caps for other incidentally caught nonwhiting groundfish species for which allocations have been specified. No cumulative catch limits. Season closes when fleet catch cap is reached.	-	-
	Monitoring only for other species	Monitoring only for other species	Monitoring only for other species	Monitoring only for other species
Prohibited Species	Trawl prohibited species - monitoring only	Trawl prohibited species: monitoring only	Trawl prohibited species: monitoring only	IBQ for halibut (or sector cap)

TIQC Decision Table A (Proposed Replacement): Accept or modify the following 5 management regimes (see bottom of table for Alt 5) (Page 3 of 4).

Species Groups and Management Tools				
Alt 1 - Stat Quo	Alt 2 - IFQs for Trawl Target Groundfish	Alt 3 - IFQs for All Groundfish Except "Other Fish"^{9a/}	Alt 4 - IFQs for All Groundfish Except "Other Fish" and IBQ for Halibut	
Trawl Sectors and Intersector Transfers (Section 2.1.1.4)				
Sectors	Three Sectors <ul style="list-style-type: none"> • shoreside deliveries • mothership deliveries and • catcher-processor deliveries 	Four Sectors: <ul style="list-style-type: none"> • shoreside whiting deliveries • shoreside nonwhiting deliveries • mothership deliveries and • catcher-processor deliveries 	Three Sectors: <ul style="list-style-type: none"> • shoreside deliveries • mothership deliveries and • catcher-processor deliveries 	One Sector
		(FROM 2.1.1.4 Option 3)	(FROM 2.1.1.4 Option 2)	(FROM 2.1.1.4 Option 1)
Intersector Transfer/ Trading	<p><u>Whiting:</u> Sector allocations fixed by formula with procedure for midseason transfer of unused allocation.</p> <p><u>Nonwhiting species:</u> There is no inseason transfer of catch opportunity between trawl sectors except through Council inseason management.</p>	<p><u>Whiting</u></p> <p>Option 1: IFQ nontransferable between trawl sectors.</p> <p>Option 2: IFQ nontransferable between trawl sectors with procedure for midseason rollover of unused IFQ to another sector.</p> <p><u>Nonwhiting species:</u> Sector catch cap roll-over: Roll-over any unused incidental catch from one whiting sector to the next as the year progresses.^{9/} Allow purchase of nonwhiting species IFQ from the nonwhiting sector. Such IFQ would be placed in the pool for vessels operating in the whiting sector.</p>	<p><u>Whiting</u> IFQ nontransferable between trawl sectors.</p> <p><u>Nonwhiting species:</u> Do not allow transfer of nonwhiting IFQ from one trawl sector to another.</p>	No subdivision of whiting sectors (there may or may not be a subdivision for purposes of initial allocation)

TIQC Decision Table A (Proposed Replacement): Accept or modify the following 5 management regimes (see bottom of table for Alt 5) (Page 4 of 4).

Species Groups and Management Tools				
Alt 1 - Stat Quo	Alt 2 - IFQs for Trawl Target Groundfish	Alt 3 - IFQs for All Groundfish Except "Other Fish"^{a/}	Alt 4 - IFQs for All Groundfish Except "Other Fish" and IBQ for Halibut	

**Groundfish Catch of Limited Entry Trawl Vessels Using Gears Other Than Groundfish Trawl (Section 2.1.1.5)
(Options are Relevant for IFQ Catch Control Only)**

<p>Trawl Vessel Exempted Gear Catch: Quota Accounting and Catch Control (Includes Exempted Trawl and Exempted Nontrawl Gears)</p>	<p><u>Exempted gear</u> catch by LE trawl vessels counts against LE allocation (trawl and fixed gear)* but is subject to open access trip limits.</p> <p>*With the exception of sablefish for which there is a separate LE trawl allocation against which such catch is counted.</p>	<p><u>Exempted gear</u> - IFQ is not required.</p> <p>Catch counts against the OA allocation and is managed as part of the OA fishery. Some catch will be allocated from the LE trawl to OA fishery.</p> <p>(FROM 2.1.1.5 Opt 2c)</p>	<p><u>Exempted gear</u> - IFQ required.</p> <p>Catch counts against LE Trawl. Open access catch control regulations apply</p> <p>(FROM 2.1.1.5 Option 1A)</p>	<p><u>Exempted gear</u> - IFQ required.</p> <p>Catch counts against LE Trawl. Open access trip limits do not apply</p> <p>(FROM 2.1.1.5 Option 1B)</p>
<p>Trawl Vessel Longline and Fish Pot Catch Without LE Endorsement (Fixed Gear Gear): Quota Accounting and Catch Control</p>	<p><u>Longline and fishpot</u> catch by LE trawl vessels counts against LE allocation (trawl and fixed gear)* but is subject to open access trip limits.</p> <p>*With the exception of sablefish for which there is a separate LE trawl allocation against which such catch is counted.</p>	<p><u>Longline and fishpot</u> - IFQ required.</p> <p>Catch counts against LE Trawl. LE fixed gear catch control regulations apply.</p> <p>(FROM 2.1.1.5 Option 1A)</p>	<p><u>Longline and fishpot</u> - IFQ required.</p> <p>Catch counts against LE Trawl. LE fixed catch control regulations do not apply.</p> <p>(FROM 2.1.1.5 Option 1B)</p>	<p><u>Longline and fishpot</u> - IFQ required.</p> <p>Catch counts against LE Trawl. LE fixed catch control regulations do not apply.</p> <p>(FROM 2.1.1.5 Option 1B)</p>

Alternative 5: Nonwhiting Cumulative Catch Limits, Permit Stacking and Extended Periods - all other features of status quo remain in place.

- a/ "Other Fish" is a groundfish category that includes sharks, skates, rays, ratfish, morids, genadiers, kelp greenling, and Pacific cod.
- b/ NonIFQ Species - Trawl share based on biennial Council decision.
Transferable cumulative catch limit between vessels within period (full or partial limit transfers, depending on length of limit period).
Any transfers between vessels are temporary.
- c/ Eliminate the transferability of cumulative catch limits and implement season closure for the affected species on reaching the fleet limit for that species.
- d/ Retention allowances within the catch limits may vary based on annual management measure decisions.
- e/ Other measures to keep bycatch rates low may stay in place (e.g., RCAs).
- f/ Implement season closure for the affected species on reaching the fleet limit for that species.
- g/ There would not be a rollover from the nonwhiting to whiting sector.

TIQC Decision Table B: Decide on a process for addressing regional management area issues .

Process Option 1 Plan to establish additional regional management areas as needed at a later time.
(TIQC recommendation: Area restrictions should be based solely on the need to address stock conservation concerns.)

Process Option 2 **Task a group to immediately** begin considering the need for additional regional management areas (biological or socio-economic) and potential boundaries along with a process for identifying and responding to regional management area issues that may develop or become more apparent in the future.

THE TIQC DID NOT RECOMMEND THIS OPTION

Process Option 3 **If an IFQ Program is adopted, task a group** with considering the need for additional regional management areas (biological or socio-economic) and potential boundaries along with a process for identifying and responding to regional management area issues that may develop or become more apparent in the future.

THE TIQC DID NOT RECOMMEND THIS OPTION

TIQC Decision Table C - Adopt catch control tool design element alternatives for analysis (Section 2.1.2)

Status Quo - Cumulative Landing Limits and Season Closures (Section 2.1.2.1)

No decisions needed

Trawl Individual Quotas (Section 2.1.2.2) -
Table of options provided starting on page [15](#) of this document
(Options Table C-1).

A narrative of the IFQ program design elements is provided starting on page 2 of Attachment 2, and is followed by a complete list of options, elements,^{a/} and public comment.

The Council should:

adopt rawl IFQ programs to be included for full analysis in the EIS (Option Table C-1) and make adjustments to the programs, as it deems appropriate.

THE TIQC RECOMMENDS OPTION TABLE C-1 BE ADOPTED FOR ANALYSIS.

Cumulative Catch Limits (Section 2.1.2.3) -
Table of options provided on page [20](#) of this document
(Options Table C-2).

The Council should:

adopt cumulative catch limit design alternatives to be included for full analysis in the EIS (Option Table C-2) and make adjustments to the alternatives, as it deems appropriate,
(if cumulative catch limit alternatives were included as part of decision made on Decision Table A).

THE TIQC RECOMMENDS ELIMINATION OF OPTION TABLE C-2.

Permit Stacking and Extended Limit Periods (Section 2.1.2.4) -
Table of options provided on page [20](#) of this document.
(Options Table C-3).

The Council should:

adopt permit stacking and extended limit period design alternatives to be included for full analysis in the EIS (Option Table C-3) and make adjustments to the alternatives as it deems appropriate,
(if permit stacking alternatives were included as part of decisions made on Decision Table A).

THE TIQC RECOMMENDS PERMIT STACKING ALTERNATIVE 2 BE ADOPTED FOR ANALYSIS.

a/ The term "element" is used for design provisions that are not mutually exclusive (several elements from a list may be adopted). The term "option" is used when a choice must be made between design elements.

TIQC Option Table C-1. IFQ program design alternatives recommended by the TIQC, for analysis (Section 2.1.2.2). (Page 1 of 5)

	IFQ Program A	IFQ Program B	IFQ Program C
B.1.0 IFQ Allocation			
B.1.1 Eligible Groups	Allocate 50% of quota shares to current permit owners and 50% to processors (Option 3b)	Allocate 100% of quota shares to current permit owners (Option 1)	Allocate 75% of quota shares to current permit owners and 25% to processors (Option 3a)
<i>Processor Definition:</i>	Use special IQ Program definition (processors: receive and process unprocessed fish; or catch and process) (Option 1)	Use FMP Definition (Option 2)	Same as Program A
B.1.2 Qualifying Criteria: Recent Participation	<p>Harvesters (including catcher-processors): 1998-2003 participation required in order to qualify for an initial allocation of quota shares (number of trips or years to be specified) (Option 2)</p> <p>For shoreside processors and motherships: 1999-2004 recent participation requirement (number of trips or years to be specified). (Option 4)</p>	<p>All Members of Eligible Groups: No recent participation required in order to qualify for an initial allocation of quota shares (Option 1)</p> <p>OR</p> <p>All Members of Eligible Groups: 1998-2003 participation required (one trawl groundfish landing/delivery of any groundfish species) in order to qualify for an initial allocation of quota shares (Option 2)</p>	Same as Program A
B.1.3 Elements of the Allocation “Formula”			
<i>Vessel/Permit Related Allocation</i>	<p>Catcher vessel permit owners will receive quota shares based on their permit history plus an equal division of the quota that could be attributed to permit history of bought-back permits (catcher-processors permit owners will not receive a portion of the quota shares distributed on an equal sharing basis) (Option 2)</p> <p>Suboptions for incidentally caught overfished species, either: (a) same as for other species OR (b) equally divide quota for incidentally caught overfished species.</p> <p>For catcher-processors permit owners, use an allocation schedule developed by unanimous consent of that sector (to be provided).</p>	Same as Program A, except no special catcher-processor schedule.	Same as Program A
<i>Processor Allocation</i>	Processors are allocated quota shares based entirely on the processing of groundfish trawl landings received unprocessed. (Option 1)	No Allocation	Same as Program A

TIQC Option Table C-1. IFQ program design alternatives recommended by the TIQC, for analysis (Section 2.1.2.2). (Page 2 of 5)

	IFQ Program A	IFQ Program B	IFQ Program C
B.1.4 History: Species/Species Groups to Be Used for Allocation	Allocate Quota Shares Based on Individual Species/Species Groups: Allocate quota shares for each species/species group based on relative amounts of each respective species/species group caught/landed or processed - for permits applies to permit history; for processors applies to amounts processed (Option 2).	Same as Program A, except applies only to permit catch/landings history (i.e. there is no processor allocation).	Same as Program A

B.1.5 History: Allocation Periods

Periods/Years to Drop:	<p>Vessels: 1994-2003 Drop 2 years for whiting sector fishing (applies to incidental harvest and whiting) Drop 3 years for nonwhiting sector fishing (Option 1, Suboption B)</p> <p>Shore Processors: 1999-2004 Drop 2 years (Option 5, Suboption B)</p> <p>Motherships: 1998-2003. No opportunity to drop worst year. (Option 4, Suboption A)</p>	Same as Program A for vessels but no allocations for shore processors or motherships.	Same as Program A
Weighting Among Years:	Absolute pounds - no weighting between years (Suboption (i))	Relative pounds (calculate history based on the entity's percent share of each year's total) (Suboption (ii))	Same as Program B

B.1.6 History: Combined Permits and Other Exceptional Situations

Combined permits:	All Permits Count (Option 1)	Same as Program A	Same as Program A
Illegal landings/catch:	Don't count	Same as Program A	Same as Program A
Landings in excess of trip limits, as authorized under an EFP	Don't count landings in excess of the cumulative limit in place for the nonEFP fishery	Same as Program A	Same as Program A
Compensation fish:	Don't count	Same as Program A	Same as Program A

B.1.7 Initial Issuance Appeals Process

Only one provision has been identified: Appeals would occur through processes consistent with the Administrative Procedures Act, and any proposed revisions to fishtickets would undergo review by state enforcement personnel prior to finalization of the revisions.

TIQC Option Table C-1. IFQ program design alternatives recommended by the TIQC, for analysis (Section 2.1.2.2). (Page 3 of 5)

	IFQ Program A	IFQ Program B	IFQ Program C
B.1.8 Creating New IFQ Species/Species Groups After initial Implementation	<p>Only one practical option has been identified: When a management unit is subdivided, quota shares for that unit will be subdivided by issuing quota share holders amounts of shares for the subdivisions equivalent to their holdings of the shares being subdivided.</p> <p>If a new management unit is established that is not a subset of an existing unit managed with IFQ, the Council will need to take action at that time to develop criteria for quota share allocation.</p>		
B.2.0 IFQ/Permit Holding Requirements and IFQ Acquisition (After Initial Allocation)			
B.2.1 IFQ and LE Permit Holding Requirements	<p>Catch must be covered with quota pounds within 30 days of the landing (Option 3). Only LE trawl vessels would be allowed to participate in the IFQ fishery. For any vessel with an overage (landings not covered by quota) there would be no more fishing by the vessel until the overage is covered. Additionally, for vessels with an overage, the limited entry permit cannot be sold or transferred until the deficit is cleared. A possible suboption would require some amount of quota pounds be held prior to departure from port (to be analyzed).</p>	Same as Program A	Same as Program A
B.2.2 Annual IFQ Issuance			
B.2.2.1 Start-of-Year Quota Pound Issuance	<p>Only one practical option has been identified: Quota pounds are issued annually to share holders based on the amount of quota shares they held. (Quota shares are issued at the time of initial IFQ allocation).</p>		
B.2.2.2 Rollover (Carryover) of Quota Pounds to a Following Year			
Nonoverfished	10% rollover for nonoverfished (Option 3)	30% rollover for nonoverfished (Option 5)	5% rollover for nonoverfished species (Option 2)
Overfished	5% rollover for overfished species (Option 3)	Full (30%) rollover allowance for overfished species (Option 5)	No rollover allowance for overfished species (Option 2)
B.2.2.3 Quota Share Use-or-Lose Provisions	<p>Include use-or-lose option (require use at least once every three years). (Option 1)</p>	<p>Do not include a use-or-lose provision but evaluate need as part of future program reviews (Option 3).</p>	Same as Program B
B.2.2.4 Entry Level Opportunities for Acquiring Quota Shares and Low Interest Loan Options	No special provisions.	No special provisions.	<p>Provide new entrants an opportunity to qualify for revoked shares and shares lost due to non-use (if such non-use provisions are created) (Element 2)</p>

TIQC Option Table C-1. IFQ program design alternatives recommended by the TIQC, for analysis (Section 2.1.2.2). (Page 4 of 5)

	<i>IFQ Program A</i>	<i>IFQ Program B</i>	<i>IFQ Program C</i>
B.2.2.5 Community Stability Hold Back	No special provisions.	No special provisions.	Set aside up to 25% of the nonwhiting shoreside trawl sector allocation each year and allocate that share as quota pounds for joint fishermen/processor venture proposals, ranked on the basis of objective criteria that evaluate benefits to local communities.
B.2.3 Transfer Rules			
B.2.3.1 Eligible Owners/holders (Who May Own/hold)	Any entity eligible to own or operate a US documented fishing vessel. (Option 2) TIQC intent: preserve opportunity for existing participants)	Same as Program A	Same as Program A
B.2.3.2 Duration of Transfer - Leasing and Sale	Permanent transfers and leasing of quota shares and quota pounds allowed. (Option 2)	Permanent quota share transfers only--leasing prohibited. Permanent transfers and leasing of quota pounds allowed. (Option 1)	Same as Program A
B.2.3.3 Limits on Time of Transfer			
Time of Year	Allow transfers of quota shares any time during year (Option 1).	Same as Program A	Same as Program A
Embargo When in Deficit	Provisions prohibiting transfer of quota shares when a vessel makes a landing not covered by quota pounds were eliminated as not being practical due to the difficulty of tracing quota pounds back to quota shares, the ownership of which may not be associated with the vessel. The quota share embargo was replaced with a limit on permit transfers when deficits occur (see Section B.2.1).		
B.2.3.4 Divisibility	Only one practical option has been identified: Quota Shares: nearly unrestricted divisibility - "many decimal points." Quota Pounds: divisible to the single pound		
B.2.3.5 Liens	No options have been proposed to restrict liens. Liens can and should be facilitated through a central lien registry. Options for the central lien registry are covered in Section B.3.1.		
B.2.3.6 Accumulation Limits	50% or No Limits (Option 5).	Consider all limits as suboptions	Most restrictive limits(1% or 5% Intermediate level limits (10% or 25%)
B.2.3.7 Vertical Integration Limit	Only one option has been identified: No additional limits on vertical integration beyond those already provided through accumulation limits.		

TIQC Option Table C-1. IFQ program design alternatives recommended by the TIQC, for analysis (Section 2.1.2.2). (Page 5 of 5)

	IFQ Program A	IFQ Program B	IFQ Program C
B.3.0 Program Administration			
B.3.1 Tracking IFQ, Monitoring Landings, and Enforcement (see Table B.3-1)	<p>Enforcement Program 2 100% at-sea monitors Discards allowed</p> <p>Upgraded bycatch reporting system needed Electronic landings tracking</p> <p>Shoreside monitoring opportunity Advance notice of landing Licenses for delivery sites Electronic IFQ reporting Unlimited landing hours VMS</p>	<p>Enforcement Program 1 100% at-sea monitors Full retention required</p> <p>No upgraded bycatch reporting system needed Electronic landings tracking</p> <p>100% shoreside monitoring Advance notice of landing Limited ports of landing Electronic IFQ reporting Unlimited landing hours VMS</p>	<p>Enforcement Program 3* 100% at-sea monitors or cameras Discards allowed if at-sea monitor is present (otherwise full retention) Upgraded bycatch reporting sys needed Parallel federal electronic landings tracking</p> <p>Shoreside monitoring opportunity* Advance notice of landing Licenses for delivery sites Electronic IFQ reporting Unlimited landing hours VMS *With 100% shoreside monitoring</p>
Quota Share Tracking	Create a central lien registry but exclude all but essential ownership information (Option 2).	Create a central lien registry including all related ownership information (Option 1).	Same as Program B.
<p>B.3.2 Cost Recovery/Sharing and Rent Extraction</p> <p>The TIQC has not developed options for this issue; however, it has discussed the following elements of a cost recovery/sharing and rent extraction program: Privatization of Elements of the Management System, for example:</p> <ul style="list-style-type: none"> Monitoring IFQ Landings (e.g., industry pays for their own compliance monitors) Fishtickets (industry payment for Trawl IQ program landings information to be fed into a Federal electronic system) 	<p>Cost recovery for management (not enforcement or science).</p> <p>Up to 3% of exvessel value, the limit specified in the Magnuson-Stevens Act.</p>	<p>Cost recovery for management (not enforcement or science).</p> <p>Up to 3% of exvessel value, the limit specified in the Magnuson-Stevens Act.</p>	<p>Landings fee plus privatization of elements of the management system. In particular, monitoring of IFQ landings (e.g., industry pays for their own compliance monitors). Stock assessments should not be privatized, and the electronic fishticket system should not be privatized.</p>
B.3.3 Program Duration and Procedures for Program Performance Monitoring, Review, and Revision (Magnuson-Stevens Act (d)(5)(A))	A four year review process is specified along with review criteria. Among other factors, the review would include evaluation of whether or not there are localized depletion problems and whether or not quota shares are being utilized. Standard fishery management plan and regulatory amendment procedures will be used to modify the program.		
B.3.4 Data Collection	Expanded voluntary submission of economic data (Option 2).	Expanded mandatory submission of economic data (Option 1).	Expanded mandatory submission of economic data (Option 1).

TIQC Option Table C-2. Cumulative catch limit design alternatives (Section 2.1.2.3)
THE TIQC RECOMMENDS ELIMINATING ALL OF THESE ALTERNATIVES

CC Alt 1: Nontransferable Cumulative Catch Limits	CC Alt 2: Transferable Cumulative Catch Limits	CC Alt 3: Transferable and Divisible Cumulative Catch Limits
Cumulative limits may not be transferred from one permit to another and permit transfers are only effective at the end of a cumulative limit period.	Temporary transfers between permits are allowed. Cumulative catch limits are period specific. Partial transfers are not allowed.	Same as CC Alt 2 except Partial transfers are allowed
Cumulative limit periods will remain two months long	Cumulative limit periods will remain two months long	Cumulative limit periods will be four or six months long
Full retention and at-sea video camera	At-sea compliance monitors (100%)	Same as CC Alt 2
Spot dockside enforcement presence and plant audits	Dockside compliance monitors (100%)	Same as CC Alt 2
No change to system for reporting at-sea catch data.	Upgrade at-sea catch data reporting system such that catch data is complete and available at the vessel level in a time frame similar to that for dock receipts and fish tickets	Same as CC Alt 2

Note: Provisions below the dashed line may be mixed and matched between alternatives.

TIQC Option Table C-3. Cumulative catch limits with permit stacking and extended period design alternatives (Section 2.1.2.4)
THE TIQC RECOMMENDS ADOPTING FOR ANALYSIS PS ALT 2, ONLY.

PS Alt 1. Stacking With Whole Cumulative Catch Limits for Additional Permits and Status Quo Period Lengths	PS Alt 2. Stacking With Fractional Cumulative Catch Limit for Additional Permits and Extended Period Lengths
A vessel would receive a full cumulative limit for each trawl endorsed permit stacked (increased utilization of cumulative limits would be expected and would reduce the amount of the cumulative limit associated with each permit).	A vessel would receive a full cumulative limit for its "base" permit and a part of an additional cumulative limit for each stacked trawl endorsed permit. The percentage of an additional limit allowed could be a fixed amount or depend on permit length or recent catch history.
Length Endorsement: The vessel would need to have only one permit with the appropriate length endorsement. Trawl permits with other size length endorsements could be stacked without penalty.	Length Endorsement: Same as PS Alt 1
Period Length: status quo, 2-month cumulative limit periods	Period Length: 4-month cumulative limit periods
A maximum of 3 permits could be stacked	No limit on the number of permits stacked
Monitoring and enforcement measure such as those under the cumulative catch limit alternatives (Option Table C-2) would be included as part of the permit stacking alternatives..	

Note: Provisions below the dashed line may be mixed and matched between alternatives.

TIQC Decision Table D provided in Text of TIQC Report (Page 3)

TIQC Decision Table E - Within Trawl Allocations (Section 2.1.3)

For analysis, adopt options to allocate groundfish between divisions of the trawl sector.

Options: For whatever subdivisions of the trawl sector are established (see Decision Table A: Trawl Sectors and Intersector Transfers--Section 2.1.1.4) ,

establish the subdivision of the trawl sector allocation based on the relative shares for each sector during the time period used for the initial IFQ allocation.

Options: Options will be the same as for the allocation periods considered for the trawl IFQ program (Section B.1.5).

If different periods are used to allocate to different trawl sectors, either use the shortest period common to the allocation of IFQ for all sectors or calculate a sector share of catch based on the IFQ period and adjust the shares proportionally such that they sum to 100%.

When calculating fleet history based on permit history of the individual vessels, a permit formed from the combination of several permits would include the catch history of all of the combined permits.

Suboption a: **A recency requirement would be applied** and the catch history of permits not meeting the recency requirement would not be included as part of the calculation of the relative sector shares. The recency requirement would be the same as that used for the IFQ program.

Suboption b: **No recency requirement.**

THE TIQC RECOMMENDS ANALYSIS OF ALL OF THE ABOVE OPTIONS

For analysis, adopt options to separate shoreside nonwhiting landings from shoreside whiting landings

Criteria for a Whiting Trip			
Classification Option 1	>50% whiting	AND	>10,000 pounds of whiting
Classification Option 2	>50% whiting	OR	>10,000 pounds of whiting
Classification Option 3	>50% whiting		

THE TIQC RECOMMENDS CLASSIFICATION OPTIONS 2 OR 3 BUT HAS REQUESTED ADDITIONAL DATA.

SCIENTIFIC AND STATISTICAL COMMITTEE REPORT ON
TRAWL INDIVIDUAL QUOTAS
(FROM NOVEMBER 2004)

Mr. Jim Seger briefed the Scientific and Statistical Committee (SSC) on the process for developing alternatives for trawl individual quotas (TIQs) on the West Coast. Currently, description of the TIQ process is contained in several documents, including reports by the Ad Hoc TIQ Analytical Team and Ad Hoc TIQ Independent Experts Panel (IEP). The TIQ process is now addressing several preliminary issues including defining goals and objectives, development of tools to achieve objectives, and description of data needed to define a baseline for comparing alternatives. The SSC agrees with the IEP that clarification and refinement of goals and objectives is necessary so that measurable criteria may be specified. These criteria will aid formulation and analysis of alternatives and facilitate future evaluation of the TIQ program. The TIQ Analytical Team and IEP's statements of TIQ goals and objectives are given in the Decision Step Summary (E.6.a. Attachment 3, November 2004 [*Table 1.2-1 of C.5.a, Attachment 3 of the June 2005 Briefing Book*]). Two overarching objectives of the TIQ program appear to be: (1) efficiency gains in the trawl sector, and (2) reduction of discard mortality.

As described in the reference materials, TIQs could provide efficiency gains to the groundfish fishery. Typically, efficiency gains from IQ programs are associated with more efficient fishing operations (i.e., those with lower unit costs) purchasing quota from less efficient operations, thus, providing an equitable means of capacity reduction. The extent of these gains can be affected by several factors including the trawl buyback program, degree of fleet heterogeneity, and other regulations. The trawl sector is one component of a multi-sector, multi-species fishery, which raises important issues of quota transferability between sectors.

The reference materials explain how IQ-based management tools can have unintended consequences. These include increased economic discards (i.e., high-grading), and changes in the balance of market power among vessel crew, vessel owners, and processors. In addition, the establishment of IQs can create barriers to entry and changes in the distribution of fishing effort, catch, and landings. In some well-known cases, IQs have redistributed landings from rural fishing communities to urban areas where processing facilities are located.

By providing economic incentives to avoid bycatch, an IQ program could be a cost-effective means of reducing discard mortality. Some elements of the British Columbia groundfish IQ program could provide a reasonable case study. In this regard, a framework to analyze effects of management alternatives on economic incentives would be useful. At the Council's direction, the SSC would be willing to consult with the TIQ Analytical Team and IEP on developing this framework. As a starting point, the SSC refers to sections on IQs in the SSC Report on Overcapitalization in the West Coast Groundfish Fishery (March 2000) and the Groundfish Strategic Plan (June 2000).

PFMC
11/03/04

GROUND FISH MANAGEMENT TEAM REPORT ON TRAWL INDIVIDUAL QUOTA PROGRAM DEVELOPMENT

The Groundfish Management Team (GMT) reviewed and discussed the goals, objectives, constraints, and guiding principles for a trawl individual quota (TIQ) system, the different TIQ alternatives, and the recommendations of the Ad Hoc Groundfish Trawl Individual Quota Committee (TIQC) with Jim Seger at our May meeting, and offers the following comments and recommendations.

Constraints and Guiding Principles

The GMT recommends adding to the list of constraints, a statement referencing management and administrative costs of implementing and overseeing a TIQ program and complementary catch monitoring programs. With regard to catch monitoring alternatives—specifically, observer coverage and shoreside sampling—the GMT notes that state and federal resources are becoming increasingly limited. Therefore, mechanisms for recovering the increased costs of catch monitoring from the fleet will likely need to be developed and discussed further as the TIQ initiative moves forward.

TIQ Alternatives

The GMT believes the TIQC made significant progress at its last meeting by focusing on key alternatives and narrowing the scope of the analysis; however, there was some confusion as to which species were covered under alternatives 3 and 4. The TIQC revised alternative 3 to include all groundfish species, except those in the “other fish” category (e.g., Pacific cod, spiny dogfish), and eliminated alternative 4 (all groundfish species). As a result, there is no alternative currently that includes all species and species groups covered under the groundfish fishery management plan. The GMT recommends that the Council consider retaining alternative 4 (individual fishing quota (IFQ) for all groundfish species).

The GMT recommends the TIQC recommendations be approved and that two additional alternatives—one that includes IFQs for overfished species and another based on permit stacking—be included in the suite of alternatives the Council adopts for public review:

IFQs for Overfished Species

The GMT recommends creating a new alternative that implements an IFQ system for overfished species only. The GMT considers two primary factors in developing trip limits for target species: 1) the amount of incidental catch of co-occurring species and bycatch of overfished species that is estimated to be taken; and 2) the amount of target species estimated to be taken, both of which are predicted using the trawl bycatch model. Logbook and fish ticket data are used to project the amount of individual vessel effort in terms of when and where the vessel has fished, and trip limit achievement for recent years, weighted to the most recent year. In estimating the amount of incidental catch and bycatch of non-targeted species, the GMT uses the NMFS groundfish observer program data and assumes that the vessels covered are representative of the fleet.

In a few cases, target species trip limits are set at levels that are expected to achieve the optimum yield (OY) on an annual basis. The achievement of the OY for those species, however, may be

restricted by the vessel's ability to access the full amount because of Rockfish Conservation Area constraints. In many cases, though, trip limits are set based on the amount of assumed bycatch of overfished species. For these cases, in particular, having IQs for overfished species could allow vessels to access more target species, provided that they acquire sufficient quota pounds to cover their bycatch. This would also encourage fishers to develop mechanisms to avoid overfished species, as doing so would permit them to sell overfished species quota. And, because this alternative implements a more stringent bycatch accounting system, the GMT anticipates that trip limits for target species would be liberalized considerably.

Permit Stacking

The GMT recommends retaining the previous alternative 6 (which was eliminated by the TIQC). This alternative includes permit stacking and consideration of cumulative catch limits for species with low OYs, such as overfished rockfish. While these elements are contained within alternative 7 (which the TIQ Committee kept in the mix), alternative 7 also includes the element of the extended season. The GMT recommends that a full analysis of alternative 6 (without the extended season) be included.

While permit stacking would not accomplish all of the objectives of an IQ program, it would be considerably less complex, less expensive, and easier to implement and administer, and would move toward achieving the objectives in the Council's Groundfish Strategic Plan. As such, the GMT believes that alternative 6 is a viable alternative and should remain in the suite of alternatives adopted for public review.

As part of the permit stacking alternatives, there are two options: 1) allowing fishers to get the full amount of the permit limit when permits are stacked; or 2) setting a limitation (percentage) on the amount of the permit limit that can be stacked. Under option 1, permit limits would be set to achieve respective OY; whereas under option 2, the cumulative total of permit limits would be higher than respective OYs with the expectation that, as a result of stacking, total catch would remain within the OYs. Therefore, the individual permit limits under option 1 would be lower than those set under option 2. If the permit limits are set at a level that accommodates some individual fishing practices, then option 2 would create a disincentive to stack permits, would run counter to the objective of capacity reduction in the Council's Groundfish Strategic Plan. Additionally, there would be difficulty in estimating how many and which permits would be stacked prior to the fishery and modeling catch projections. Therefore, the GMT recommends keeping permit stacking option 1 and removing permit stacking option 2.

Cumulative Catch Limits

The GMT identified a couple of issues on cumulative catch limits for the Council's consideration. On the one hand, in implementing cumulative catch limits for low OY species (e.g., overfished species) as is proposed in IFQ alternative 3, the GMT notes that the individual limits (on a periodic basis), in some cases, would be extremely low (e.g., 40-50 lbs/2 mo. for canary, one fish/2 mo. for yelloweye). As these cumulative catch limits would not be transferable, it is unlikely that fishers would be able to access high amounts of target species before a cumulative limit for an overfished species was reached. Also, by using two-month limits, rather an aggregate annual limit, there is a greater potential for "disaster tows" of species, such as canary rockfish, to affect other fishing sectors inseason.

On the other hand, the GMT notes that use of cumulative catch limits (as opposed to landing limits, which are used under status quo), in general, would provide a more accurate catch accounting method. This is becoming increasingly important as we try to manage to particularly low OYs for some species, such as canary rockfish, that are encountered by several fisheries coastwide.

GMT Recommendations

1. Approve the TIQ Committee recommendations with the following changes:
 - a. Add the following statement to the list of Constraints and Guiding Principles:

“Taking into account the management and administrative costs of implementing and overseeing a TIQ program and complementary catch monitoring programs and the limited state and federal resources available.”
 - b. Retain alternative 4 (IFQ for all groundfish species.)
 - c. Add a new alternative for an IFQ program for overfished species only.
 - d. Include former alternative 6 (permit stacking with cumulative catch limits) with permit stacking option 1 only (exclude permit stacking option 2.)

06/01/05

STATEMENT OF THE GROUND FISH ADVISORY SUBPANEL
ON TRAWL IQ PROGRAM

The Groundfish Advisory Subpanel (GAP) reviewed the reports of the Ad Hoc Groundfish Trawl Individual Quota (TIQ) Committee, the Allocation Committee, and the Groundfish Management Team (GMT), as well as the extensive documentation prepared for this agenda item. The GAP appreciates the assistance of Mr. Jim Seger and members of the TIQ Committee in providing information to the GAP.

The GAP looked first at the Goals and Objectives identified in Agenda Item C.5.a, Attachment 1 (page 2). The GAP agrees with the Goals and Objectives - which include comments made by the GAP at previous meetings - and endorses the additional Constraint recommended by the GMT.

The GAP then examined the list of impacts found in Agenda Item C.5.a, Attachment 1 (pages 19 and 20). Again, this list encompasses comments previously made by the GAP, and the GAP recommends that the list be adopted.

The GAP then endorsed the alternatives recommended by the TIQ Committee and urges the Council to adopt them as appropriate options for analysis. The GAP does not support the additional alternatives recommended by the GMT.

Finally, the GAP urges the Council to begin the scoping process for groundfish allocation as soon as possible, as it is important both for the TIQ program and for a variety of management issues.

PFMC
06/15/05