

CONTROL DATE FOR POTENTIAL LIMITED ACCESS IN THE OPEN ACCESS FISHERY

Situation: The Council will be considering whether or not to establish control dates for limiting access to what is currently the open access segment of the commercial groundfish fishery. If a control date is set, development of proposals to limit access to the open access fishery should be addressed under workload priorities. The Council is considering setting a control date action in response to a proposal it received at its April meeting (Attachment G.8.a.). The proposal would put a moratorium on new entrants to the open access fishery. According to the proposal, all current open access fishers would be included in the program; the moratorium would simply prevent additional boats from entering the fishery. The Council's April newsletter included a notice of the Council's intent to consider setting a control date at the June meeting. The Council indicated it would consider dates in January, April, or June 1999, or some other date that would be decided at this meeting. The Groundfish Advisory Subpanel suggested using January 1, 1999.

Why a control date? When new limited entry programs are considered, control dates are generally established in order to reduce the incentive for fishers to enter the fishery speculatively. A control date is a notice to the public that if the Council decides to limit participation in the fishery, any fishing related activities after the specified date might not be considered in determining an individual's eligibility. The purpose is to advise the public not to rush out and catch some fish, buy some gear, buy a boat, etc., before the door closes; it may already be too late to qualify. Speculative entry increases effort, exacerbating management problems. Additionally, if speculative entrants eventually receive permits, the overall effectiveness of the program, and hence benefit to the fleet, is reduced.

How important is a decision on a control date? The Council's history of setting and using control dates has a bearing on their effectiveness. The more often control dates are set and not used the less effective they become in preventing speculative entry and the accompanying management problems. On the other hand, beginning discussion of control dates and not setting a date results in new speculative entrants who may be grandfathered into the fishery if a date and limited entry program are adopted at a later time, reducing the effectiveness of the limited entry program. Thus, the decision on whether or not to set a control date for the open access fishery at this meeting will have a bearing not only on management of the open access fishery and effectiveness of a limited entry program for the fishery, but also on the effectiveness of future announcement of control dates for other fisheries. The following is a history of control dates adopted by the Council and their use.

| Fishery/Program | Date | Used |
|---|--------------------|------------------|
| Groundfish Limited Entry | July 11, 1987 | no |
| Groundfish Limited Entry | August 1, 1998 | yes |
| Groundfish Limited Entry new construction cut-off | September, 30 1990 | yes |
| Groundfish and Halibut Individual Quotas | November 13, 1991 | no |
| Coastal Pelagics | November 13, 1991 | no |
| Coastal Pelagics | November 5, 1997 | yes |
| Sablefish Endorsements | June 29, 1995 | yes |
| Limited Entry Species Endorsements and Between Gear Allocations | April 9, 1998 | not used to date |

The above paragraph addresses the effect of a control date on those who might enter a fishery only in hopes of receiving a valuable transferable limited entry permit. Also impacted are those who are in the middle of gearing up to enter a fishery solely on the basis of expected income from fishing and those who are hoping to sell a vessel or gear in order to leave the fishery. Normal fishery entry and exit becomes uncertain and more difficult once a control date is announced. There is usually an expectation that

fishing history will be the primary basis for allocating permits, but uncertainties about the amount of history and, in particular, what history (vessel or personal) may dampen business transactions. Once the control date is announced, this uncertainty continues until the Council takes final action. For the license limitation program, the Council used vessel history as an allocation basis as a way to facilitate entry and exit during development of the program. When the 1991 individual quota program control date was announced, no declaration was made with respect to Council intent to consider vessel history or permit history.

Council Action: Consider setting a control date for limiting participation in the open access fishery.

Reference Materials:

1. Proposal from Mr. Scott Boley to Restrict Entry to the Commercial Groundfish for PFMC Waters (Attachment G.8.a.).

PFMC
06/08/99