

Fixed Gear Sablefish Permit Stacking

(September 2000)

Key Concepts from Strategic Plan

- Capacity Reduction
- Profitable and Flexible Operations
- Efficient and Effective Management
- Stable and Enforceable Regulations

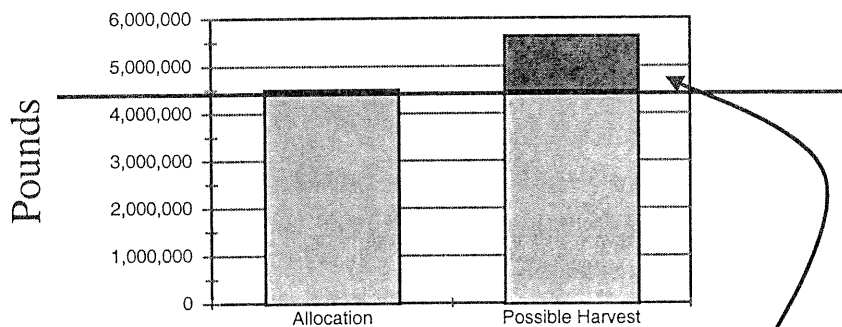
Today's Presentation

- Review Identified Objectives
- Review Provisions and Major Impacts
- Some Possible Council Actions
 - Confirm Objectives
 - Modify Provisions. In particular evaluate
 - o Owner-on-board provisions
 - o Ownership limit
 - Approve for Public Review
(Must be approved for public review at this meeting if program is to be in place for 2001)

Implied Objectives

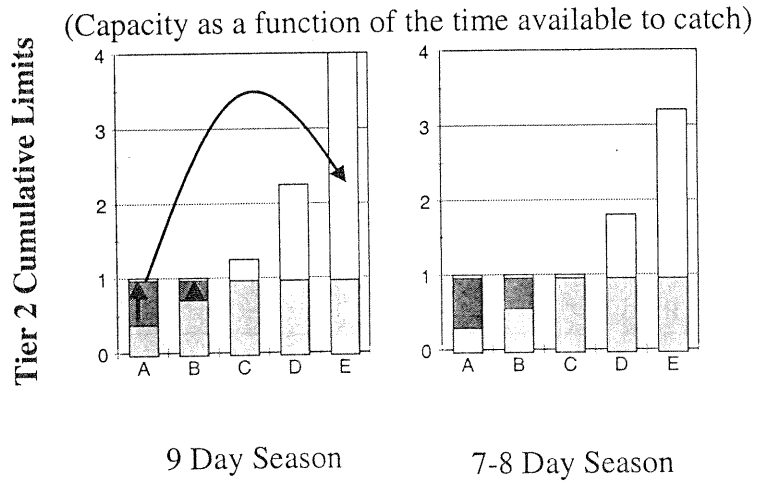
- Rationalize, promote efficiency
- Maintain benefits for fishing communities
- Prevent excessive concentration of ownership
- Mitigate reallocation effects of recent policies
- Promote equity
- Resolve onshore-offshore allocation (preserve 100% onsh)
- Promote safety
- Improve product quality and value
- Avoid substantial new disruptive effects
- Transition to IFQ program with multimonth season

Overhead Revisited (avoiding the IFQ classification)

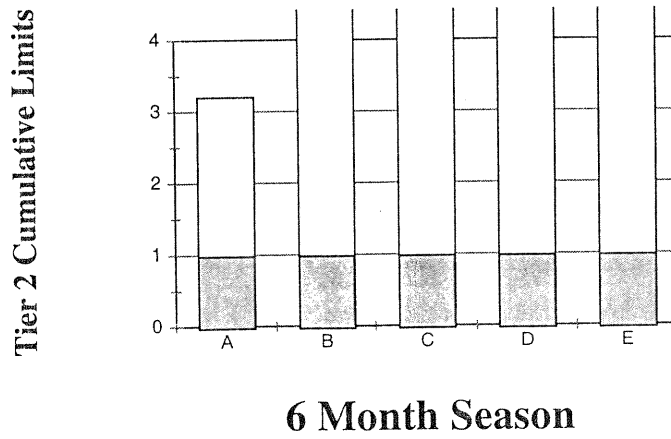


Possible harvest = cum limits * permits Overhead

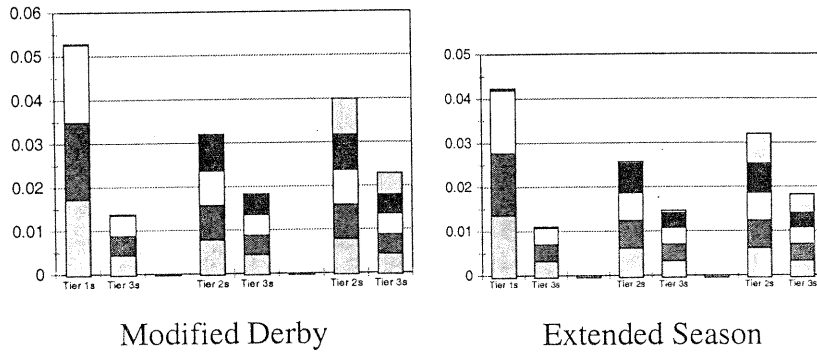
Prov-1. Basic Stacking Prov-5. Season Length



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Prov-3. Stacking Limit

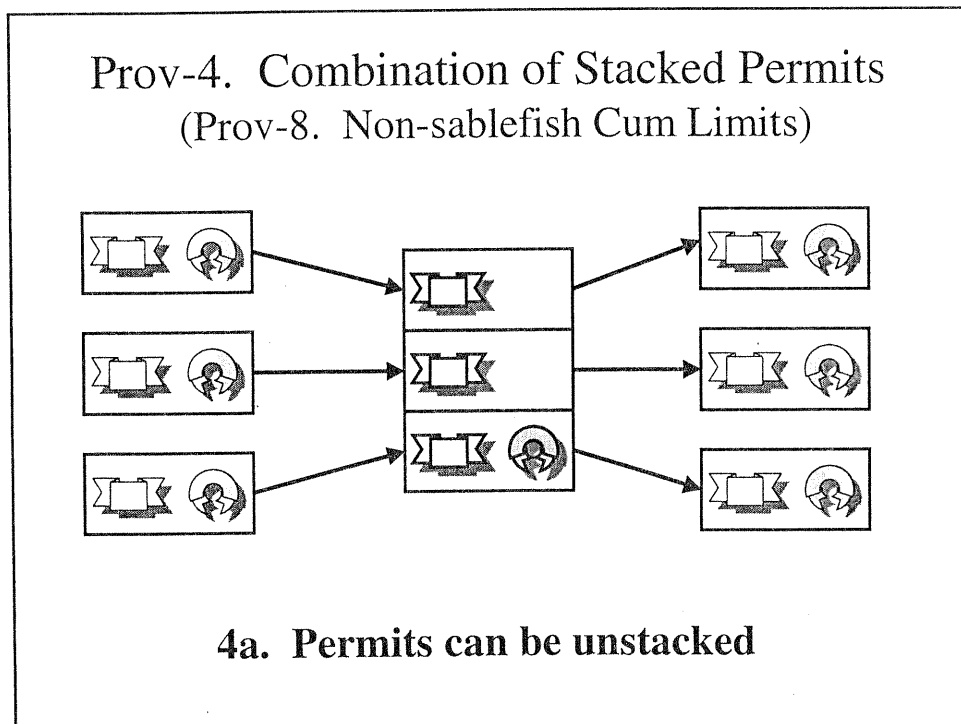
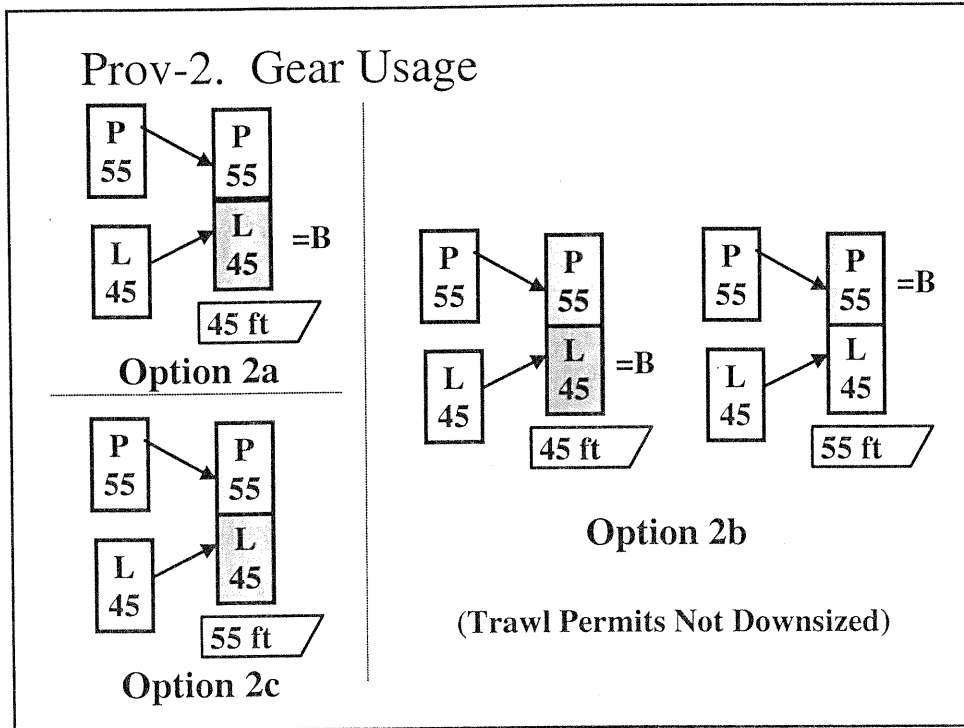


4%=Roughly 180,000 pounds
 27 Tier-1; 43 Tier-2; 94 Tier 3
 (Limit on number of permits per vessel but not on ownership)

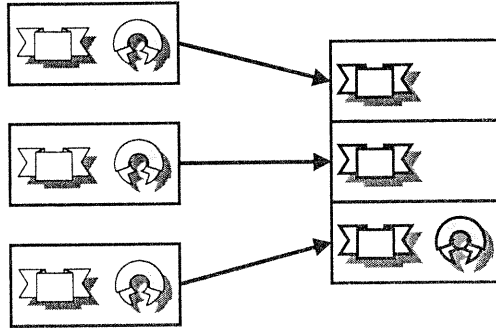
Prov-3. Stacking Limit

StackingLimit	Min Ves	Max Hvst Extended Season (3 Tier-1)
2	82	129,600
3	55	194,400
4	41	259,200
4 (no Tier 1)	44	194,400
5 (no Tier 1)	38	194,400

(Limit on number of permits per vessel but not on ownership)

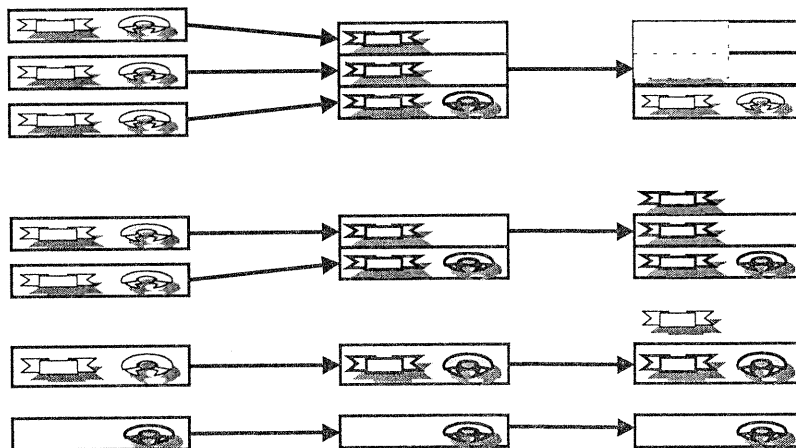


Prov-4. Combination of Stacked Permits
(Prov-8. Non-sablefish Cum Limits)



4b. Permits can NOT be unstacked

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(Prov-8. Non-sablefish Cum Limits)



**4c. Permits can NOT be unstacked,
transferable tier endrsmnts**

Prov 6. No At-Sea Processing

Establishes allocation based on current of at-sea processing (none).

- Prevents allocation controversy from developing
- Ensures benefits flow through communities where landings occur
- May prevent more efficient modes of harvest and processing
- Does not prevent at-sea H&G

Prov 7. Owner-on-Board

- Grandfather provisions
 - Must own vessel (AK = 20%)=>No Leasing
 - Can acquire additional permits
 - Ceases with change in identity of corp or partnership (addition of new members). Does not cease on trade of public stocks.
- AK Provisions
 - If corp or partnership owns, must designate fishing master on annual basis
 - Complete ownership info must be submitted annually (multiple levels).
 - Resource intensive exercise (public and private).
 - Can only be sold to initial recipient or IFQ qualified crew (150 days)

Ownership Limits AK

- Alaska Ownership Provisions
- Any percent ownership of a block constitutes ownership of the entire block (2 block limit)
- Percent cap: If a person owns part of two corporations:
 - Percent of A Corp * QS of A Corp +
 - Percent of B Corp * QS of B Corp
- Phantom financing is accepted, most financing is by financial institutions
- Sale contract and amount paid must be provided

Prov 9. DTLs for Vessels Without Sablefish Endorsements

- Limited entry vessels without sablefish endorsements CANNOT fish their DTLs during the primary sablefish fishery
- Open access vessels CAN fish their DTLs during the primary sablefish fishery
- If Limited entry vessels are prohibited from fishing their DTLs during an extended primary season (Option 5a) the bulk of their fishing opportunity will be eliminated.

Time Line

- Sept 2000 - Adopt for public review at this meeting
- Nov 2000 - Public hearing and final action
- June 2001 - Regulations finalized
- July 2001 - Abbreviated stacking declaration and limit setting process (reduced Council consultation or alternative consultation process). Season
- Mid-August 2001 – Season starts
- October 31 2001 – Season ends (if IQ moratorium lifted)

Possible Council Actions

- Confirm Objectives
- Modify Provisions, as necessary
 - In particular evaluate council direction on
 - o Owner-on-board provisions
 - o Ownership limit
- Approve for Public Review
 - (Must be approved for public review at this meeting if program is to be in place for 2001)

