

NMFS PROPOSED ADDITIONS TO TRANSFER REGULATION CHANGES

NMFS Northwest Region's Fisheries Permits Office administers the Council's limited entry permit program, including permit transfers. The Permits Office acts under the authority of, and is governed by, the groundfish regulations at 50 CFR §660.333-341. Experience with implementing the permit transfer regulations has shown that office several areas where the permits regulations might be modestly updated and changed to make the regulations more clear and less burdensome while still achieving the original goals. Given that experience, NMFS asks that the Council consider the following suggestions as it develops larger changes to the permit transfer regulations:

- Restrictions on frequency of transfers would apply only to when a permit is transferred from one vessel to another vessel, not from one permit holder to another permit holder. By restricting permit transfers between vessels, these regulations would continue to constrain effort by limiting the number of vessels associated with a permit in any one year. Allowing more freedom for permit transfers between permit holders who are not changing the vessel associated with the permit would end the confusion of whether to apply the once-per-year restrictions to minor changes in permit owner names (such as an individual becoming a corporation, or a permit owner adding a spouse to the owner name). It would also allow a permit and vessel to be sold together, without being restricted to the one year limit. This change would not allow new effort into the fishery or otherwise weaken the effects of the regulations
- Clarify permit transfer requirements for participating in a fishery at the start of a cumulative limit period. Restricting the effectiveness date of permit transfers to the start of the cumulative limit period following the date of the transfer was designed to ensure that no more than one vessel would be associated with a permit per cumulative limit period.

Transferring a permit requires that the persons involved assemble several different documents (original permit, NMFS transfer request form, US Coast Guard or state vessel document, marine survey of vessel length). Often, the Permits Office will receive an incomplete permit transfer request within the last few days of a cumulative limit period, and the person making the transfer will expect NMFS to make the transfer immediately to ensure his participation in the new cumulative limit period. Transfers cannot be made until the Permits Office receives all of the required documents, which can take permit holders several days to assemble. Immediate transfers are impossible because the Permits Office must conduct a violations check with NMFS enforcement before each transfer.

To reduce frustration for permit holders and the Permits Office, NMFS proposes a change to the regulations that would allow a permit holder who submits his original permit and his NMFS transfer request form before the start of a cumulative limit period to participate in the fishery during that period. The Permits Office would not complete the transfer until receiving all necessary documents, but the permit holder would not be prevented from fishing for the length of a cumulative limit period because of timing mishaps. This change is suggested for the convenience of permit holders and would not change the effect of the regulations because the permit would still only be able to used on one vessel per period.

- The suite of permit regulations was initially written to implement the limited entry permit program, and subsequently amended to accommodate the sablefish endorsement program, the three-tier program, and the permit transfer regulations. All of these changes have resulted in a somewhat convoluted set of regulations. NMFS would like to make additional housekeeping changes to update and clarify some of the language in the regulations. These housekeeping changes would not change the effect of the regulations, but would make those regulations easier to read and understand.