

GROUND FISH ADVISORY SUBPANEL REPORT ON COUNCIL THREE-MEETING
OUTLOOK AND APRIL 2007 COUNCIL MEETING AGENDA

The Groundfish Advisory Subpanel (GAP) requests that the Council agenda the following issue for the GAP discussion for the April Council meeting:

Fishery - Sablefish Tiered fishery.

Issue - The definition and interpretation of ownership and control for purposes of determining excessive ownership of sablefish tiers.

Current Problem: The problem arises when a person has invested in more than one fishing vessel. The limit of 3 permits per person and vessel use limit of 3 are not a problem.

Example of the problem: There is a vessel owner and his partner who each own 50% of a vessel. In addition to this, one of the partners owns 20% interest in a second vessel with his brothers. Both vessels fish the maximum of three tiers. However, the vessel owner only personally owns 50% of one permit, which is fished on the first vessel, of which he owns 50%. Because ownership and control includes his name on the Coast Guard ownership certificate papers of both vessels as well as whom NMFS has named on the tiered permit, this particular vessel owner owns and controls 6 permits. He is being charged with ownership and control of 3 permits on his brothers' vessel, none of which he has ownership in. He is also being charged with the three permits being fished on his vessel which he has 50% ownership.

Anyone who has ownership in more than one vessel, regardless of the ownership percentages can find themselves in this situation. NMFS has included vessel ownership as part of the control definition because they contend the vessel will get some financial benefit for the fish being fished on the vessel and therefore has some control over the permit. The GAP does not believe this to be the case and is not part of the intent of ownership and control of a permit. The control is with the person who actually owns the fishing permit not the owners of the vessel.

Solution 1: Drop the ownership of a vessel from the definition of ownership and control of a sablefish tier.

Solution 2: Ownership of less than 50% of a vessel will not count toward ownership and control of a sablefish tier.

This discussion will likely provide some insight on how excessive use and ownership caps might be enforced and considered for the trawl individual transferable quota program.