

GROUND FISH MANAGEMENT TEAM REPORT ON FISHERY MANAGEMENT PLAN
AMENDMENT 22 – OPEN ACCESS LICENSE LIMITATION

The Groundfish Management Team (GMT) discussed updates to the “Preliminary Draft Environmental Assessment (EA) for Pacific Coast Fishery Management Plan Amendment 22: Conversion of the Open Access Fishery to Federal Permit Management” and provides the following comments.

The GMT spent its time for discussion and report writing at this meeting discussing, generally, how the Groundfish Allocation Committee’s (GAC) refinement of the Council’s September 2008 preliminary preferred alternative (GAC refinement of the preliminary preferred alternative [PPA]) might impact inseason management of the fishery. We did not have time to explicitly address the other alternatives being considered by the Council.

As a reminder, the Groundfish Allocation Committee (GAC) refinement of the PPA would create four types of permits (Table 1).

Table 1. Numbers of vessels that would qualify for single, dual, or no species endorsements by state, and overall under A-6 with ≥ 500 lb sablefish and ≥ 100 lb lingcod qualification criteria. Note: Counts in this table are off 9 vessels from those in Appendix I, Table 2 of the EA. This was a data sort issue that will be corrected in the final EA

State	Sable Only	Only Ling	Dual	None	Totals
WA	93	3	18	7	121
OR	107	131	69	17	324
CA	106	257	71	124	558
Total	306	391	158	148	1003

We approached this discussion by asking how we would respond if the Council requested that the GMT recommend trip limits for the four new permit types through inseason action at this meeting. From this frame of reference, we then discussed how management might change over the long-term.

Sablefish Endorsed B-Permits

For sablefish endorsed permits, we envisioned recommending to the Council that they begin with status quo trip limits. The program would create 464 sablefish endorsements, which is considerably more than the 212-345 vessels that landed open access sablefish between 2004-2008.¹ Although, there is some worry that all 464 permits would be fished this year; under status quo, there is no cap on vessel participation. The trip limits would be expected to provide the same economic incentive to fish as they do now. This led us to believe that effort patterns would

¹ See Table 2-5 of Agenda Item G.5.b, Supplemental EA Writing Team Report.

not deviate substantially from what we see now. At the same time, many on the GMT saw the potential for fleet behavior to change under a permit system, meaning that vessels might respond differently to trip limits. Per standard practice, we would closely monitor catches in the fishery and recommend adjustments to trip limits at the June or September meetings if necessary. In addition, having a Federal permit number associated with the landings would likely aid our ability to track open access landings. As seen in 2008, there have been some difficulties in the past identifying open access landings through the quota species management (QSM) system.

Over the long-run, with the number of permits capped, the GMT could potentially improve modeling of the fishery. We would need more data on catch and effort patterns and how they respond to adjustments in the trip limits in order to do so. However, initial look at the model suggests that the fleet size would need to be reduced below 225 before the concerns about effort surges disappear. At this fleet size, the GMT might be comfortable recommending removing the daily limit, and possibly even the weekly limit. Removing these limits would increase harvesting efficiencies.

Lingcod Endorsed B-Permits

The GMT also envisioned recommending status quo trip limits for lingcod. The GMT does not currently model lingcod trip limits, although lingcod catches are taken into account in our overfished species impact models (see below). We track catches each year through the Total Mortality Report. Lingcod trip limits have been stable in recent years and are largely constrained by overfished species management. Recent catches have remained under the optimum yield. Lingcod is an important stock in the Oregon and California nearshore fisheries.

Over the long run, if catches of lingcod increased above current levels, the GMT would need to build a trip limit model tied to the endorsed B-permits.

Dual Endorsed Permits

The GMT could not identify reasons why dual endorsed permits would need special trip limits.

Non-Endorsed B-Permits

As shown in Table 1, the GAC's refinement of the PPA would create 148 non-endorsed B-permits, with 124 of those being issued to vessels in California. For non-endorsed permits, the GMT would not recommend new trip limits at this time. The permits would fish under current trip limits for everything sablefish and lingcod. This potentially raises the need to create additional incidental allowances for lingcod and sablefish. For example, the non-endorsed B-permits might require an incidental allowance of lingcod to accommodate bycatch while fishing for shelf rockfish. It might be as simple as decreasing the current open access limits, or the GMT could look to available data sources such as landings composition from fish tickets, logbooks, and observer data.

Modeling of Overfished Species Impacts

All of our current open access overfished species impact models are catch-based models. In other words, even with a proposed B-permit program estimates of overfished species bycatch would remain unchanged unless the open access catch increased.

The C-permit

The GMT concurs with the GAC recommendation to not include C-permits in the program.

The Council may still need to consider incidental allowances for permit holders in other fisheries (e.g., state nearshore fisheries) that do not qualify for a B-permit.

Transferability

The GMT's discussion also focused on the transferability of the B-permits. In general, transferability raises the basic question of whether the buyer of a B-permit will fish the same target strategy, in the same intensity, and in the same location as the seller. If on the whole, buyers tend to differ from sellers, there will be shifts in patterns of fishing effort and catch. As previously noted in the GMT's March 2008 report there could be significant, unintended socioeconomic impacts consequences to the shift in permits (Agenda Item F.4.b, Supplemental GMT Report).²

These shifts could have socioeconomic impacts and could create some instability in the GMT's ability to model trip limits in the short-term. Over the long-term, as more information on catch and effort patterns becomes available, changes due to transferability would be incorporated into the GMT's trip limits model, just as with the limited entry A permits.

The GMT also discussed the general pros and cons of transferability of permit ownership (as distinguished from transfer of a permit to a different vessel without changing owners). The major benefits of transferability in this fishery would be to facilitate entry and exit into the fishery. Allowing transferability of permits will not facilitate fleet attrition. Once permits become tradable and have an associated value they will be traded or sold, resulting in extremely low rates of attrition. Many of the transferable permits could ultimately exist in perpetuity. With a non-transferable permit, there would be attrition as permit holders chose to not renew their permits. There was also some discussion that certain B-permits might take on a high value, which could make new entry difficult.

PFMC
03/12/09

² Agenda Item F.4.b, Supplemental GMT Report (March 2008).