

IMPLEMENTATION CHALLENGES

Perspectives from NMFS Permit Office and NWFSC

One of the other instructions you gave in June was for staff to provide some information on challenges that might be entailed in implementing the proposals. To that end Council staff met with the permit office and NWFSC programmers and they had an additional meeting to try to address this request.

After their last meeting, they concluded that at this point the sheer number of proposals and mechanisms is too large to comprehensively evaluate in a timely manner. Inevitably, the discussion of a potential policy move leads to more questions about the specific business rules, the cascading effects on the existing database structure, etc. Therefore, it is not easy to give concise answers on implementation for the long list of proposed alternatives.

However, they were in agreement that there aren't any truly red flags. Especially at this stage, when most of the proposals have very little content to evaluate, nothing seems un-doable. When it comes to yellow flags, they spent a lot of their time trying to figure out how to account for one currency (trawl-only QP) turning into another type of currency (any gear QP) on September 1, and yet still being able to account for all the transactions properly at the end of the year (Proposal S-1). They also had quite a bit of discussion on whether it was easier from an accounting perspective to split into gear types at the QS level or at the QP level.

However, they reported that the database team is up to the task when it comes to implementing the proposed actions; but they will have many more questions, and much more input, when the number of alternatives is culled down. At this juncture, there is no reason to reject any of the proposed alternatives on the basis of implementation concerns. As more details emerge, cost and administrative burden could become an issue. The NMFS West Coast Region permits branch had 6 full-time employees working on groundfish permits and monitoring last year, but has had 3 full-time employees working on it for most of this year. Nevertheless, from a purely technical point of view, the current input from the experts is that they can make it happen.

With respect to the questions that they did raise, keep in mind that they did not make it very far into reviewing all of the proposals. The comments provided on the challenges they encountered does not mean that they are not resolvable or that there were not equally or more challenging aspects of other proposals.

Previous NMSF Report (Sablefish Area Management and Gear Switching Proposals) –
[\(Agenda Item F.2.a, NMFS Report, November 2017 - excerpt\)](#)

Trawl sablefish management

NMFS recommendation: NMFS suggests the Council consider, under Alternative 3 (gear switching measures [GAP-3]), moving forward the September 2017 Groundfish Advisory Panel alternative establishing a limited entry fixed gear endorsement on the trawl limited

entry permit (potentially based on certain level of fixed gear landings during a qualification period) along with the “eliminate and mitigate” Alternative 3 quota caps proposal. An endorsement would be far easier and more affordable to implement than creating new categories of quota shares or pounds, a factor that merits consideration during the analysis. For Alternative 2 (removing the 36 degree management line), NMFS notes that from an implementation standpoint, removing or changing the boundary would be relatively straightforward, likely similar to the process to that used for changing boundaries for lingcod.

Council Staff Assessment of Implementation Challenges

The following is a list of tasks related to the sablefish area management and gear switching proposals that are currently being considered. Council staff has grouped the tasks from those that appear to be more difficult to those that appear least difficult, but these groups and ordering should not be considered hard and fast. There is some uncertainty in the initial assignment to the tiers and the assignments may vary as more details on the proposals are developed. Additionally, the WCR permit office and NWFSC programmers may identify other challenges or easier way to solve some of the apparent challenges. While there may be some movement between the tiers it seems likely that the tasks toward the top of the list will be more difficult than the tasks toward the bottom.

1. (Most Difficult)

- Tracking majority ownership from the past and on an ongoing basis into the future and matching majority ownership between QS accounts and vessel ownership.
- Tracking majority ownership from the past to the present and matching majority ownership between QS accounts and vessel ownership (but not tracking into the future).
- Tracking majority ownership for one type of entity from the past and on an ongoing basis into the future.
- Tracking majority ownership from the past to the present for one type of entity (but not tracking into the future).

2.

- Linking QS accounts and vessel accounts through common majority ownership (but not tracking from year-to-year).
- Midyear change of designations from trawl-only to any gear. (There is much uncertainty about workload for this, so placement here is uncertain. See below for an alternative midyear approach that might be easier.)

3.

- Annual determination of vessel participation levels and incorporation of those levels as a different threshold for every vessel (e.g. individualized gear switching thresholds based on amount of trawl caught sablefish in the previous year).
- Annual determination of vessel participation levels to see if a particular threshold is met, and if so application of the same criteria for all vessel that meet those thresholds (e.g. active trawler designations).

4.

- Applying a gear switching limit that is different for every vessel or permit that varies each year.

- Applying a gear switching limit that is different for every vessel or permit but is a constant percent across time.
 - Applying a gear switching limit that is different for different sets of vessels (somewhat more work than having the same limit for all vessels).
 - Applying a gear switching limit (common for **all** vessels but different from vessel QP limit).
- 5.
- Midyear change of rules for use of gear specific QP: allow trawl-only QP to be used as any gear (change the Landings/QP matching requirement, not the gear designation on the QP)
- 6.
- Landings/QP matching for different gear types
 - Landings/QP matching for different areas (allowing southern QP to be fished in the north)
- 7.
- Annual designations of additional area identifiers for southern sablefish QP (assuming the designations are made in the same proportions to every account).
 - One time designation of gear specific QS. (Everyone gets the same proportion of each gear designation. This becomes much more difficult if the designations need to be linked to a vessel and QP account history of gear switching.)
 - Designation of QP as gear specific based on QS designation.
- 8.
- Tracking transfers of gear specific QS between QS accounts
 - Tracking transfers of gear specific QP
 - Tracking transfers of area specific QP (additional designators on southern QP)
- 9.
- One time qualification of LE permits for gear switching endorsements based on permit history.
 - One time qualification of vessels for gear switching endorsements based on vessel history (a bit more work than for permits because permits already have endorsements that are tracked)
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10. (Least difficult)
- One-time reallocation of southern sablefish QS as coastwide QS (based on rules already in regulation)
 - Annually determine the amount of sableifsh to allocoate to the northern area for the trawl sector. (Council task that impacts the total northern sablefish QP made available.)