

## DESIGN ELEMENTS FOR LIMITED ACCESS ALTERNATIVES

Full development of the alternatives that add an additional access privilege designation to the existing program will require considering and addressing to at least some degree eight design factors:

1. the means of limiting access;
2. the scope of activity allowed under the designation (and the scope allowed to those that do not receive the designation);
3. the geographical extent of the designation,
4. the entity that qualifies for the designation (e.g. permit, vessel, vessel owner);
5. the qualifying criteria
6. the transferability of the designation (e.g. without or without the permit);
7. opportunities to aggregate; and
8. the duration of the designation.

These factors are covered under the following six questions. These factors and questions were originally presented at the November 2017 meeting under Agenda Item F.2, as part of [Supplemental Attachment 7](#) and [Supplemental Attachment 8](#).

### **What is the Method of Limiting Access?**

Several means of further limiting access have been identified:

- A gear switching endorsement attached to a qualified permit
- An annual determination of a vessel's ability to gear switch based on previous year trawl activities and a vessel-based exemption from limits on gear switching
- Restricting the amount of gear switching by particular entities
- Designation of some quota (quota share [QS] or quota pounds [QP]) as trawl only (with the remainder being designated as eligible for catch with any gear)

### **What would be the Scope and Geographic Extent of Gear Switching Restrictions/Privileges?**

For each method for limiting access, to what degree would gear switching be limited/allowed (what amount of gear switching would be allowed)?

What species are covered by the gear switching restrictions and privileges? Sablefish has been the main focus of discussion. For each option considered, is the intent to limit/allow gear switching for all species (including, for example, lingcod) or just sablefish? Similarly, what is the geographic scope of any proposed limitation or allowance? Sablefish is the only individual fishing quota species that is split north and south of 36° N. latitude. Would this line also be used to delimit an area in which gear switching is allowed from an area from which it is not? Even though sablefish is the main focus, gear switching could be limited north of some other line and allowed south of the line, or *vice versa* (for example 40° 10' N. latitude). Such a change could be implemented without changing any of the designations on QS or QP or the 36° N. latitude line.

For proposals that would change the designation of sablefish north quota, to allow some quota to be reserved for use only with trawl gear and other to be used with any gear (gear switched), would there be any reason to also limit gear switching for other types of quota?

### **What Entity Qualifies for the Designation?**

Closely related to the method of limiting access, which includes identification of the entity whose access would be limited, is identification of the entity that would be evaluated to determine qualification. For example, limited entry permit history might be evaluated to determine whether the limited entry permit qualifies for a sablefish endorsement. However, it would also be possible to evaluate the history of a vessel or the vessel owner and provide an endorsement for a limited entry permit currently associated with that vessel or vessel owner.

The choice of the entity that meets qualification criteria (together with the criteria) has implications for such things as the consideration of recent and historic participation, fairness and equity, and administrative burden. For example, if criteria are based on the activity of owners, then after a control date there may be only limited opportunity for new entry into the activity, until the new limitation policy is completed and implemented. This is because it would be difficult for a newly entering owner to meet qualification criteria. Thus, their new investments might be placed at risk. On the other hand, if the activity of a vessel or permit is evaluated to determine qualification, then during policy development new fishermen may enter the fishery as owners by acquiring a vessel or permit (this also would allow for exit by, for example, those wanting to retire).

Limitations of the data system may limit the ability to allocate based on certain entities. For example, a reallocation of QS among QS owners based on the use of related QP would be difficult, since QP are transferred to and between vessel accounts and there is not a direct link between the QP and the QS account that originated the QP. However, it might be possible to establish a qualification criteria based on a link between ownership of a QS account and the ownership of a vessel or vessel account, where such links exist.

### **What are the Qualifying Criteria?**

Once the entity that must qualify is identified, then the criteria that they must meet in order to qualify need to be determined. A September 15, 2017 control date is in place to support development of the qualifying criteria.

One issue to be addressed is the link between the qualifying criteria and the scope of the restriction. For example, some of the preliminary ideas and data have focused on qualifying criteria based on sablefish north of 36° N. latitude. If that focus is maintained but the scope of the restriction is gear switching for all species or sablefish in all areas, a rationale would need to be provided justifying the link between the northern sablefish focused criteria and the more extensive restrictions.

### **What are the Transferability and Aggregation Rules?**

What are the transferability rules? Can a harvest privilege be transferred to a new owner or vessel, or to a different permit? Can a privilege be accumulated to allow an entity to engage in increasing amounts of gear switching?

### **What is the Duration of the Restriction/Privilege?**

A few possibilities include no expiration (indefinite), a sunset date, a phase down or out, and expiration with transfer of ownership.