

OVERVIEW: OTHER ALTERNATIVE 3 ISSUES

The following topics have been identified for Sablefish Management and Trawl Allocation Attainment Committee (Committee) discussion under this agenda item.

- a. **Effect of QS Divestment on Exempt Permit Limits:** This issue is identified in footnote 31 of the alternatives package. The language of this alternative requires that for exempt permit gear-switching limits that are based on the amount of quota share (QS) owned by the qualifying vessels owner, only that QS owned as of and continuously since the control date counts. Is that limit to be determined one time and then apply for the life of the active trawler exemption? Or, if the trawlers divest themselves of a portion of the northern sablefish QS, should the limit be reduced by that amount. Based on the “continuously since” language, staff assumed that a reduction was intended and included a sentence in the alternative to that effect but would like confirmation or additional guidance from the Committee.
- b. **Limits for Exempt Vessels that are Also Active Trawlers:** This issue is identified in footnote 27 of the alternatives package. It is possible that a vessel with an exempt permit could also qualify as an active trawler; or an exempt permit could be transferred to an active trawler, so long as the permit ownership does not change. Under such circumstances would the active trawler that also has an exempt permit be able land just one of the gear switching limits or both the gear switching limit for active trawlers and that for the exempt permit. If only one, which one?
- c. **Fishing a Single Exempted Permit on Multiple Vessels:** This issue is identified in footnote 25 of the alternatives package. For Alternative 3, the gear-switching limits have been described as vessel limits that would be associated with a permit. This could be interpreted to allow a single permit to be moved to different vessels and fish a full limit when associated with each vessel. Given that permits can only be transferred to a different vessel once per year, this would effectively allow a single permit to fish two full limits. Under Alternative 2, at its January 2020 meeting the Committee specified the gear-switching limits as a permit limit in order to avoid this result. If this approach is also taken for Alternative 3, then the committee might also want to address the issue of allowing a single vessel to fish multiple permits, thereby accessing multiple limits (as discussed for Alternative 2 under Agenda Item F). At the same time, as compared to Alternative 2, this would less likely be a concern under for Alternative 3 because under Alternative 3 there would be substantially fewer vessels with gear-switching limits. (Under Alternative 2, every permit has a gear switching limit—either by qualifying for a gear-switching endorsement or through the default 0.5 percent limit for all other permits).
- d. **Reduction of the 0.6 Percent Limit to Stay Within the 10 Percent Backstop:** This issue is identified in footnote 34 of the alternatives package. Based on the current analysis, it appears to be a non-issue. A concern had been identified that a situation could arise in which the default gear-switching limit for a permit with an active trawler exemption (0.6 percent) could be driven to zero. For qualifying vessel owners that also own QS, the gear-switching limits

to be associated with their active trawler exemption would be based on the amount of QS they own. Qualifying vessel owners that do not also own QS would receive active trawler exemptions associated with a default gear-switching limit of 0.6 percent. The sum of all the permit limits is not to exceed 10 percent, and the default 0.6 percent limit is to be reduced to keep that sum within 10 percent. If the limits for QS owners were to be above 10 percent, that would reduce the 0.6 percent limit to zero. However, the current analysis shows that limits for permits held by QS owners are expected to be low enough to allow all other exempted permit owners to receive the full default limit of 0.6 percent.

Other Topics: Footnotes 23 identifies a wording change that may be made based on the Committee determination for how overages are handled (see SaMTAAC Agenda Item D for overage issues).