

COMPARISON OF PROVISIONS IN THE RANGE OF ACTION ALTERNATIVES

In general, the alternatives can be viewed as varying from one another in six main ways:

1. The degree to which gear switching is restricted when the alternative is first implemented.
2. The degree to which gear switching would be phased down over time.
3. Existing entrants' ability to gear switch: determined by the means used to grandfather in existing participants (e.g. applying a qualifying criteria to the history of a vessel or permit), the mechanism used to restrict gear switching, the degree of restriction imposed, and duration of the grandfather status (phase down mechanism).
4. Future entrant's ability to gear switch: determined by transferability of the rights given to grandfathered participants, the mechanism used to restrict gear switching, and the degree of restriction imposed.
5. Individualization and scalability of gear-switching opportunities (individualization of gear switching opportunity to past gear-switching activity and flexibility of gear-switching vessels to adjust the scale of their gear-switching opportunity).
6. Opportunities for gear switching targeted on non-sablefish species.

Under all alternatives, the first two items in the above list can be adjusted within an alternative by altering initial qualifying requirements and the level of the annual gear switching limits provided (or in Alternative 1, the amount of QP issued as trawl only).

Table 1. Comparison of provisions of action alternatives.

	Alt 1 Gear Specific QP	Alt 2 Sablefish Endorsement	Alt 3 Active Trawler	
Amount of Gear Switching (On Implementation and Expiring Over Time)	<p>If Opt-Out is Not Chosen 70% Trawl Only/ 30% Unrestricted QP</p> <hr/> <p>If Opt-Out is Chosen Either 90% Trawl Only/ 10% Unrestricted OR 70% Trawl Only/ 30% Unrestricted QP ^a</p> <p style="text-align: center;">+</p> <p>QP for Opt-Out QS Accounts (Expires Over Time)</p>	<p>Option for Conversion Date After Which All Unused QP Become Unrestricted</p>	<p>Determined by</p> <p>Limits for Non-Endorsement Holder</p> <p style="text-align: center;">+</p> <p>Number of Endorsement Holders and Gear Switching Limits (Option to Expire Over Time)</p>	<p>Determined by</p> <p>Number of Active Trawlers and Related Gear Switching Limits (1%) (Bounded at 10 percent of the Trawl Allocation)</p> <p style="text-align: center;">+</p> <p>Number of Active Trawler Exemptions and Related Gear Switching Limits (Bounded at 10 percent of the Trawl Allocation) (Expires Over Time)</p>
Grandfathered Participants	<p>When Program Starts: LEPs with Qualifying History May Designate a QS Account that is Opted-Out</p> <p>(Opt-Out QS Account Receives all its QP as Unrestricted)</p>	<p>When Program Starts: Gear Switching Endorsement Attached to LEPs with a Qualifying History. Those LEPs Receive a Larger Gear-Switching Limit than Non-Endorsed Permits</p>	<p>When Program Starts: Vessels With a Qualifying History Designate an LEP to Receive an Exemption.</p> <p>Vessels with an Exempted Permit Have a Gear Switched Limit of 0.6% or an Amount Related to the QS They Own</p>	
Phase Down Mechanism	<p>Opt-Out QS Accounts Expire (Issuance of QP in Proportions Designated for Non-Opt-Out Accounts Continues Indefinitely).</p>	<p>Endorsements Expire on Permit Ownership Change (Expiration Option 1 Only, No Phase Down for Exp. Option 2)</p>	<p>Exempted Status Expires with Permit Ownership Change</p>	
Gear Switching Opportunities for New Entrants (And Those Not Grandfathered)	<p>Acquire QS to Receive Unrestricted QP Each Year in Proportion Identified Above And/Or</p> <p>Each Year Purchase Unrestricted QP Allocated Annually to All QS Accounts</p>	<p>Acquire Endorsed Permit (Expiration Opt 2 Only)</p> <p>Gear Switch Under the Non-Endorsed Vessel Limit</p>	<p>Become an Active Trawler (Active Trawler Status Determined Annually)</p> <p>Active Trawlers Have a Gear Switching Limit of 1 Percent.</p>	
Individualization and Scalability (Flexibility)	<p>Some individualization for opt-out QS accounts. Scalable through the access of unrestricted QP</p>	<p>Standardized GS Limits (One Option for Individualized Limits) No Scalability.</p>	<p>Standardized GS Limits (Some Individualization for Exempted Permits) No Scalability.</p>	
Impact on Gear-Switching Trips Targeting Non-Sablefish	<p>Unrestricted Sablefish QP Available.</p>	<p>Prohibited for Vessels Reaching Their Gear Switching Limit</p>	<p>TBD</p>	

While Table 1 highlights some of the major ways the alternatives vary in function, they also entail different balances in the degree to which they recognize past participation and investment and provide flexibility to gear switch by those who have not gear switched or enter the fishery in the future. Alternative 1 would provide some initial gear switching privileges to those with gear switching history that meet qualifying criteria but only to the extent that they opt-out a QS account with northern sablefish QP to which they would have access. There are some existing gear-switching vessels that rely on acquiring QP each year. These vessels would benefit from a grandfather status under the op-out provision only to the degree that they either acquire a QS account prior to implementation or reach some kind of an arrangement with the owner of a QS account to apply their opt-out privilege to that account in exchange for a consideration. Between those that own all the QS they rely on for gear switching and those that lease all their QP are those that might own QS but not enough to cover all their landings. Once an opted out QS account is established, additional QS can be added to it and the QP issued for that QS would be unrestricted. Additionally, all participants, including trawlers and new entrants, would be able to gear switch by annually acquiring unrestricted QP. Over time, as the opt-out status of QS accounts expired, all participants would be on the same footing with respect to their ability to gear switch.

In contrast to Alternative 1, Alternative 2 might provide those grandfathered in with undiminished opportunity to gear switch, under Endorsement Limit Option 2 (gear switching up to 4.5 percent of the allocation). Under Endorsement Limit Option 1, a vessel would be held to an average of their past gear switching levels. Unlike Alternative 1, Alternative 2 would not provide an avenue for restoring levels of fishing for vessels receiving less opportunity than reflected by their past gear-switching high-water marks (as would occur with Endorsement Limit Option 1). Additionally, for those not grandfathered in or entering the fishery at a later time, Alternative 2 would provide a lower level of opportunity to gear switch than either Alternative 1 or Alternative 3 (this applies to Alternative 3 with respect to active trawlers). With respect to that difference between Alternative 2 and 3, this is a function of the level at which the limits are set rather than the specific design elements of the alternatives. Alternative 2 also varies from Alternative 1 and 3 in that Alternative 2 includes an option that would make the grandfather status permanent and transferable, providing opportunity for gear switching to those that enter gear switching in the future that is on a par with those that have gear switched in the past.

In contrast to Alternative 2, Alternative 3 provides greater opportunity for vessels that trawl and less opportunity for vessels that have gear switched in the past but do not trawl. Under Alternative 3, active trawlers that are not grandfathered in as gear switchers (which includes the vast majority of vessel with historical use of both trawl and fixed gear) would be able to gear switch up to one percent of the trawl allocation, compared to only 0.5 percent for trawlers without grandfathered permits (without gear switching endorsements) under Alternative 2 and 0.6 percent for grandfathered gear switchers under Alternative 2. Under Alternative 3, there are a few grandfathered gear switchers that would be able to gear switch some larger amounts if they owned a QS account with more than 0.6 percent northern sablefish QS. Like Alternative 2, and in contrast to Alternative 1, Alternative 3 does not provide vessels with the flexibility to scale

their gear switching activity up to levels higher than they are initially provided under the alternative.¹

^a Council will determine which ratio applies at the time of its final action.

¹ Except that a gear switching vessel that has not previously trawled but has the ability to do so, could begin trawling and thereby qualify to land up to gear switch up to 1 percent of the trawl allocation, in common with other trawlers.