

E.4 Sablefish Gear Switching – Preliminary Preferred Alternative

Council Action:

1. Select a PPA and preliminary preferred options.
2. Address outstanding questions related to the PPA, if necessary (see discussion sections of Attachment 2).
3. Provide other guidance on the alternatives, as needed.

Draft - NOT for Administrative Purposes

Motion Agenda Item E.4.

I move that the Council identify Action Alternative 2 as its Preliminary Preferred Alternative, as identified in Agenda Item E.4., with the following modifications and clarifications.

The provisions of Alternative Two will only be used if the sablefish N. ACL is below **5,000 - 10,000** ~~6,000 - 8,000~~ mt. The trawl QP will be distributed consistent with the provisions of Alternative Two until the sablefish N. ACL is equal to or greater than **5,000 - 10,000** ~~6,000 - 8,000~~ mt. (potential of adding a 29% three-year rolling average provision)

Amendment #2 by Christa M. Svensson – strike 6,000 and change to 5,000; strike 8,000 and change to 10,000 Second by Brad Pettinger Amendment #2 passed. Ms. Marci Yaremko voted no.

Description of Alternative 2

Gear Switching Control: Trawl-Only and Any-Gear (Unrestricted) QP

Northern sablefish QP will be issued as trawl-only QP and any-gear QP (unrestricted QP).

Procedure for Determining the Amount and Distribution of Any-Gear QP

Upon implementation, NMFS will identify legacy participants, their eligible QS, and the standard ratio which will apply to QP issued for all other QS, based on the qualification criteria listed in the following section.

Legacy participants: will receive any-gear QP for their eligible QS (eligible QS is any QS owned by a legacy participant that does not exceed what the participant owned on the control date or the implementation date of this action, whichever is less).

For QS owned by non-legacy participants (and a legacy participant QS that is not eligible): QP Distribution Option **2** ~~1~~– Constant Proportion of Any-Gear QP (i.e., constant standard ratio). – At implementation, a standard any-gear and trawl-only QP ratio will be determined such that the total amount of any-gear QP will equal 29% (including that issued to legacy participants). As legacy participants divest of their eligible QS, the any-gear/trawl-only QP ratio for non-eligible QS will not change, such that the total amount of any-gear QP declines to less than 29%. **Amendment #1 by Maggie Sommer, change QP Distribution Option 1 to QP Distribution Option 2** Second by Brad Pettinger. Amendment passed unanimously.

Legacy Participants

Legacy participants are individuals that meet the qualifying criteria provided below. The designation as a legacy participant stays with the individual and is not transferable. As legacy participants divest themselves of QS, the total legacy participant holdings of eligible QS will decline.

To qualify as a legacy participant

As of and since the control date, an individual must have some ownership interest in a permit (or permits) that landed northern sablefish QPs with non-trawl gear totaling at least 30,000 pounds per year in at least 3 years between January 1, 2011 and September 15, 2017 (the control date) and had some ownership interest in northern sablefish quota shares (any amount).

Transferability and Accumulation Limits

As under status quo, all QS and QP would remain fully transferable and the existing QS control limit (3.0 percent) and annual vessel QP use limit (4.5 percent) will continue to be applied for northern sablefish quota as a whole (without distinction by gear type).

After Implementation

- If a legacy status holder divests their QS holdings below the amount held when they qualified any new QS acquisition will be treated as non-legacy QS.
- If a legacy participant divests all their QS their legacy status would expire.

Moved by Phil Anderson

Seconded by Bob Dooley

Main motion as amended passed.

Ms. Corey Ridings and Ms. Marci Yaremko voted no.