

Report from the 5th Bottomfish Task Force Meeting

The 5th meeting of the Bottomfish Task Force convened at the State Office Tower in Honolulu, Hawaii on 1 April 1997 from 9:00 am to 3:30 pm. Chairman Dave Kalthoff called the meeting to order and assigned rapporteurs. A list of attendees and the meeting agenda are appended to this report.

Background

Alvin Katekaru presented the new information to the task force members. Each document was reviewed to ensure understanding of the data matrix and worksheet. The first document summarized Mau Zone permits which were issued from 1989 to 1996. See summary Table 1 below.

TABLE 1

Total Mau Zone Permits Issued (1989-1996): 76			
		Number of Permits	Percentage
Pre-Control Date	Prior to 12/17/91	41	54%
Post-Control Date	After 12/17/91	35	46%
Grandfathers	*Active	21	51%
	Inactive	20	49%
Non-Grandfathers	*Active	9	26%
	Inactive	26	74%
Total Active Permit Holders		30	
*Active Grandfathers		21	70%
Active Non-Grandfathers		9	30%

* Active is defined as landing any amount of BMUS from the Mau Zone based on State records

The next document summarized the total number of potential entrants based on eight proposed options from the previous (4th) Task Force meeting. The eight options from the 4th Task Force meeting report include: (1A) two point system; (1B) weighted point system 3 point minimum; (1B) weighted point system 4 point minimum; (1B) weighted point system 5 point minimum; (2) landing requirements; (3) two groups; (4A) pounds and trips with transferable permits; and (4B) pounds and trips with use it or lose it. Each option included the estimated total number of permits to be issued and the number of permits which would be issued to grandfather and non-grandfather fishermen. The final document was a worksheet that allowed members to list the pros and cons for each proposed option.

Discussion

The Task Force used this meeting to determine preferred and rejected alternatives and the pros and cons for each of those alternatives. All alternatives were evaluated against criteria which the Task Force feels should be included in any limited entry system for the Mau zone. The criteria listed below were generally agreed to by the Task Force during the discussions to date.

The long-term optimal number of vessels operating in the Mau zone is seven.

The initial number of limited entry permits will likely be greater than seven to ensure equity and fairness.

The Control Date (12/17/91) should be used in conjunction with other criteria to establish the initial permit holders.

The initial program will include a use it or lose it provision to allow for attrition in the fishery.

All alternatives are evaluated against the Bottomfish and Seamount Groundfish FMP objectives.

The program should be as simple as possible for fishermen and be workable administratively.

Additional consideration should be given to the permit holders who had past or current fishing activity in the Mau zone based on State catch reports.

The Task Force evaluated and formulated pros and cons for each of the eight alternatives based on the statements listed above. Alvin outlined three scenarios for option 1 B as listed in the 4th Bottomfish Task Force report. The Task Force then modified option 1B to increase the equity between the grandfather and non-grandfather fishermen. Outlined below are three AB options (weighted point system) which are preferred by the Task Force with option AB3" being the most preferred option.

Preferred Option: Option B3: Weighted points system

Conditions:

1. All permit holders who entered the fishery prior to the control date (12/17/91) (Grandfathers) and have made one landing of BMUS from the Mau zone, will be given **1.5 points**.
2. All permit holders (grandfathers and non-grandfathers) will be given **3 points** for landing BMUS from the Mau Zone in **1996**.
3. All permit holders will be given **2.5 points** for activity in **1995**
4. All permit holders will be given **2 points** for activity in **1994**
5. All permit holders will be given **1.5 points** for activity in **1993**
6. All permit holders will be given **1 points** for activity in **1992**
7. All permit holders will be given **0.5 points** for activity in **1991**
8. Any permit holders with **3 or more points** is allowed to receive a limited entry permit.

Option B4: Same as B3, but permit holders will need 4 points to receive a limited entry permit.

Option B5: Same as B3, but permit holders will need 5 points to receive a limited entry permit.

Using the criteria above, the estimated number of permits to initially be issued is shown in table 2 below.

TABLE 2

Options	Total Number of Permits	Grandfathers	Non-Grandfathers
Option B3	18	9	9
Option B4	12	6	6
Option B5	10	5	5
Option B6	8	5	3
Option B7	7	4	3

The Task Force discussed the pros and cons for these alternatives extensively. The pros and cons are similar for all three AB@ options. However, option B3 is preferred by the Task Force because it does not initially eliminate the active Mau Zone fishermen. The Task Force feels these fishermen should be allowed to participate in the fishery, but a use it or lose it provision must be included as a requirement for permit renewal. The **pros** that were discussed for the first three options include:

1. Provides equity for grandfathers by giving 1.5 additional points for meeting the control date.
2. Provides equity for fishermen with current or recent fishing activity.
3. Honors the control date.
4. Recognizes last 5 years of fishing activity.
5. Not complex administratively. Does not require the use and calculation of the number of pounds and trips.

The following **cons** were discussed for the first three AB@ options:

1. While B3 will allow the highest number of initial permits to be issued, it is the most equitable for all fishermen, especially the active permit holders. Option B5 will eliminate 4 of the 9 currently active fishermen.
2. Need to redefine ownership
3. Need to enforce non-transferability to allow the use it or lose it clause to create attrition.

Options B6 and B7 were added to obtain an initial number closer to the optimal number of vessels for Mau zone.

Rejected Options:

The following alternatives were considered, but rejected for the reasons listed below.

Option A1-A@: The Atwo point system@ is very similar to the weighted point system but greatly favors the grandfathers. It would also allow 27 initial permits which the Task Force felt exceeded a reasonable total number.

Option AC@: The Alanding requirements@ option (C) was not considered for the following reasons: (1) it did not use the control

date; (2) landing requirements (pounds) would be applied retroactively, which the Task Force considered unacceptable; and (3) it did not consider recent fishing history.

Option AD: The two groups' option weighs heavily on the control date. Because of this, it disadvantaged the current or more recent fishermen. While the Task Force wants to use the control date as criteria, it does not want to use it without additional criteria. Also the total number of initial permit holders would be about 21, the number of grandfathers which showed fishing activity in the zone. Once again the group feels this might be too high.

Option AE and F:

The last two alternatives were least recommended. These options did not include the control date and thus was not fair to the grandfathers. The Task Force feels because this system tries to rank the number of pounds versus the number of trips, this system would be not be objective and therefore subject to dispute and legal challenge.

Other Elements of the Limited Entry System

Other important elements of the proposed limited entry system were identified by the Task Force during the eligibility criteria discussions. Because a higher number of initial permits will probably be issued (more than 7), the Task Force plans to include a use it or lose it provision to create attrition. However, to ensure that attrition occurs quickly, the Task Force recommends that the permits be non-transferable. The group specifically noted that permits should not be leased or rented. To ensure attrition occurs quickly, the Task Force feels the following must occur:

The definition of owner must be defined for the Mau Zone limited entry program with the intent to reduce the overcapitalization and reach an optimum number of vessels by utilizing a use it or lose it provision and not allow leasing or renting of permits. The Task Force recommends the definition of owner from the pelagic longline limited entry program (CFR6.60.12) be used for the Mau zone limited entry program. A person who is identified as the current owner of the vessel as described in the Certificate of Documentation (form CG-1270) issued by the USCG for a documented vessel, or in a registration certificate issued by a state or territory or the USCG for an undocumented vessel.

Only 45 days be allowed for prospective applicants to apply for and submit their documentation for a Mau Zone limited entry permit. Forty Five days is consistent with the Council's decision regarding adding new vessels to the Hoomalu zone.

The 5 trip and 500 lb/trip landing of BMUS requirement be used as criteria for permit renewal. Five trips and 500 pounds/trip is not unreasonable for fishermen who depend on the resource for their livelihood. This landing requirement needs to be evaluated for possible impacts on the bottomfish resources in the Mau zone. The Task force will consider the effects of temporarily increased fishing effort in the Mau zone due to the use it or lose it requirement and if the resource will

sustain the increase in fishing pressure. Finally, fishermen who are members of the task force feel that requiring the 5 trips and landing 500 lbs/trip is fair and should be effective in reducing the total number of permits.

The Chairman ended the meeting after establishing the date for next Task Force meeting, which is tentatively set for 29 May 1997. The location and time is yet to be determined.