

MEMORANDUM

TO: Council and Board Members

FROM: David Witherell  
Fishery Biologist

DATE: January 20, 1999

SUBJECT: Scallop Limited Entry

**ACTION REQUIRED**

Review alternatives for limiting entry into the Alaska scallop fishery.

**BACKGROUND**

The scallop fishery off Alaska has been characterized as an overcapitalized fishery. In 1997, Amendment 2 to the Alaska Scallop fishery management plan (FMP) established a Federal vessel moratorium, which is scheduled to expire in the year 2000. Also in 1997, the Alaska State Legislature enacted a scallop vessel moratorium for State waters that will expire in the year 2001. At its July 1998 meeting, the committee expressed a desire for development of a single license for state and federal waters.

In February 1998, the Council developed a problem statement and alternatives for analysis of a license limitation program to replace the existing vessel moratorium. The alternatives analyzed were as follows:

- Alternative 1: No Action. The fishery would revert back to open access in the year 2000.
- Alternative 2: Vessel owners who qualify for Federal moratorium permits would receive a license (for a total of 18 licenses).
- Alternative 3: Vessel owners who qualify for State moratorium permits would receive a license (for a total of 10 licenses).
- Alternative 4: Holders of either Federal or State moratorium permits that landed scallops in 1996 or 1997 would receive a license (for a total of 10 licenses).
- Alternative 5: Holders of either Federal or State moratorium permits that landed scallops in 1996, 1997, or 1998 (through 10/9/98) would receive a license (for a total of 11 licenses).
- Alternative 6: Holders of either Federal or State moratorium permits that landed scallops in two of the three years (1996, 1997, 1998 through 10/9) would receive a license (for a total of 9 licenses).

In addition two options applicable to Alternatives 2-6, were analyzed.

Option 1: Area Endorsements

- A: (1) Separate endorsements for Cook Inlet and statewide areas based on recent activity.  
(2) Separate endorsements for Cook Inlet and statewide areas based on recent or historic activity.
- B: No area endorsement. All licenses are statewide.
- C: (1) No area endorsements. All licenses are statewide, but Cook Inlet vessels would be restricted to a single 6 ft dredge in all areas based on recent activity.  
(2) No area endorsements. All licenses are statewide, but Cook Inlet vessels would be restricted to a single 6 ft dredge in all areas based on recent or historic activity.

**Option 2: Vessel Reconstruction and Replacement**

- A:** No restrictions on reconstruction or replacement.
- B:** Maximum LOA restricted to 120% of the vessel length on January 23, 1993
- C:** Maximum LOA restricted to 120% of the LOA of the vessel on which the permit was used in 1996 or 1997.
- D:** No increases in vessel length allowed.

The analysis indicates that all alternatives to the status quo provide more long-term stability to this fishery and to the communities that support the fishery. The number of licenses issued under Alternatives 3-6 would be more in line with the number of full-time scallop vessels that recent harvests can support at a break-even level. The break-even level estimated in the analysis is 6 to 7 vessels, based on current exvessel prices and landings. Although the number of licences that would be issued (9-11) would still be more than the number of vessels that could efficiently harvest the resource, most participants would have an opportunity to catch enough scallops to make normal returns on investments, without accruing excessive profits. Nevertheless, each additional vessel participating in the fishery or other additional increases in harvesting capacity impose additional costs to existing participants, including vessel owners and crew. Table 3.4.2 from the analysis (below) lists the number of vessels qualifying under each alternative and option. The Council scheduled final action on this amendment at this meeting to provide the BOF with an opportunity to comment on the alternatives.

**Table 3.4.2 Vessels that would qualify for licenses under the alternatives, based on preliminary CFEC fish ticket data.**

| Vessel                                | LOA <sup>1</sup> | Alt. 2    | Alt. 3    | Alt. 4    | Alt. 5    | Alt. 6   | Areas Fished in 1996-98       | # of years vessel fished 1980-98 |
|---------------------------------------|------------------|-----------|-----------|-----------|-----------|----------|-------------------------------|----------------------------------|
| Alaska Beauty                         | 98               | yes       | yes       | yes       | yes       | NO       | Cook Inlet                    | 3                                |
| Northern Explorer                     | 70               | yes       | yes       | yes       | yes*      | yes*     | Cook Inlet; Statewide in 1998 | 6                                |
| Kilkenny                              | 75               | yes       | NO        | yes       | yes       | yes      | Cook Inlet                    | 4                                |
| Wayward Wind                          | 52               | yes       | yes       | yes       | yes*      | yes*     | Cook Inlet w/leased vessel    | 4+ (see note 3)                  |
| Pursuit                               | 101              | yes       | yes       | yes       | yes       | yes      | Statewide                     | 19                               |
| Jacqueline&Joseph <sup>2</sup>        | 96               | yes       | yes       | NO        | yes       | NO       | Statewide in 1998             | 9                                |
| Rush                                  | 72               | yes       | yes       | NO        | NO        | NO       | Did not fish for scallops     | 7                                |
| Provider                              | 124              | yes       | yes       | yes       | yes       | yes      | Statewide                     | 10                               |
| Trade Wind                            | 88               | yes       | yes       | NO        | NO        | NO       | Did not fish for scallops     | 4                                |
| Carolina Boy                          | 96               | yes       | yes       | yes       | yes       | yes      | Statewide                     | 6                                |
| Carolina Girl 2                       | 96               | yes       | yes       | yes       | yes       | yes      | Statewide                     | 6                                |
| Ocean Hunter                          | 100              | yes       | NO        | yes       | yes       | yes      | Statewide                     | 10                               |
| Forum Star                            | 97               | yes       | NO        | yes       | yes       | yes      | Statewide                     | 5                                |
| Mr. Big                               | 146              | yes       | NO        | NO        | NO        | NO       | Did not fish for scallops     | 4                                |
| Lorraine Carol                        | 88               | yes       | NO        | NO        | NO        | NO       | Did not fish for scallops     | 3                                |
| Fortune Hunter                        | 82               | yes       | NO        | NO        | NO        | NO       | Permit transferred in 1998    | 3                                |
| Arctic Rose <sup>2</sup>              | 224              | yes       | NO        | NO        | NO        | NO       | Did not fish for scallops     | 2                                |
| Phoenix                               | 104              | yes       | NO        | NO        | NO        | NO       | Did not fish for scallops     | 6                                |
| <b>TOTAL NUMBER</b>                   |                  | <b>18</b> | <b>10</b> | <b>10</b> | <b>11</b> | <b>9</b> |                               |                                  |
| Option 1A (1) Statewide endorsements  |                  | 15        | 10        | 6         | 8         | 7        |                               |                                  |
| Option 1A (1) Cook Inlet endorsements |                  | 4         | 3         | 4         | 4         | 3        |                               |                                  |
| Option 1A (2) Statewide endorsements  |                  | 15        | 10        | 7         | 9         | 8        |                               |                                  |
| Option 1A (2) Cook Inlet endorsements |                  | 4         | 3         | 4         | 4         | 3        |                               |                                  |

\* Potentially could be endorsed for both statewide and Cook Inlet areas under Option 1A.

<sup>1</sup> LOA (length overall in feet) from moratorium permit or other sources.

<sup>2</sup> Jacqueline and Joseph renamed Arctic Queen; Arctic Rose renamed Seawind.

<sup>3</sup> Wayward Wind qualified for moratorium with 4 years landings (1983, 84, 85, 87); the permit holder fished the F/V LaBrisa in 1994, and fished the permit on leased vessels (Billy D and Trina) in 1996 and 1997.