Agenda Item E.4.a
Attachment 2
June 2007

Review and Update of Open Access Groundfish Fishery Permitting Issue and Possible Range of Alternatives for Issuance of B and C Limited Entry Permits

by

California Department of Fish and Game

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Introduction

The Pacific Fishery Management Council (Council) agreed at its September 2006 meeting to re-initiate discussions regarding conversion of the open access groundfish fishery to limited entry management. The issue has been vetted several times in Council meetings since about 1998 and was established as a high priority capacity reduction objective as part of the Council's groundfish strategic plan in 2001. A Groundfish Plan (Plan) development committee was formed in 2001 and considerable data analysis was performed and reviewed during 2001-2002. The issue is being brought forward again in part because of fishery informational needs associated with other important groundfish management issues, bycatch reduction and overfished species management in particular. However, the issue has merit for further discussion and implementation by itself because of the extreme overcapitalization that exists in the directed (targeted) component of the fishery[1], which will be explained below. Council staff work load limitations continue to be a major impediment to additional groundfish workload assignments. The California Department of Fish and Game (CDFG) has proposed to take the lead for the analysis of data and preparation of federal documents necessary for the conversion of the open access groundfish fishery to limited entry management, should the Council decide to move in that direction. The offer is in part self-serving because most of the participants in the open access fishery are California-based and such conversion would be expected to benefit California fishers and California coastal communities more so than the other coastal states. Staff members from the states of Oregon and Washington and the National Marine Fisheries Service (NMFS), Northwest and Southwest regions (NWR and SWR), had minimal opportunity to contribute to the report content and construct because of time constraints between Council meetings. Additional input is expected from these entities at the June 2007 Council meeting where the report is expected to be reviewed and discussed.

Conversion of the open access fishery to limited entry management is a Plan amendment issue, which, if undertaken in the present order of succession, would be the 22nd such action taken by the Council since the FMP was adopted in 1982. Preliminary discussions with NMFS-NWR indicate an Environmental Assessment (EA) may be appropriate for meeting National Environmental Protection Act (NEPA) requirements for the proposed action. Most of the following report sections are expected to be used in the development of a preliminary draft EA for Council review and comment at some future date.

[1] In this report a directed open access fishery landing is one in which only open access gear was used and >50% of the value of the landing was of federal groundfish.

Preface: Current Management of Open Access Fisheries and Interface with State Management Programs

It is important at the outset to briefly describe the current management of open access groundfish fisheries and to clarify the basis for the data analyses that are proposed to be used in the issuance of permits to convert those fisheries to limited entry management. A more detailed description of the open access fisheries is provided in the Draft EA entitled "Expanded Coverage of the Program to Monitor Time-Area Closures in the Pacific Coast Groundfish Fishery" (NMFS 2005).

Federal Management

The open access component of the groundfish fishery is allocated a portion of the available harvest to fishers targeting groundfish without limited entry permits, and fishers who target non-groundfish fisheries that incidentally catch groundfish (see: http://www.pcouncil.org/groundfish/gfprimer.html). The *directed* fisheries are those that harvest (1) shelf rockfish[2], primarily using hook-and-line gear; (2) sablefish, primarily using hook-and-line or pot gear; (3) nearshore species, primarily using hook-and-line or pot gear; and (4) "other" species, primarily using hook-and-line or setnet gear. Trawl gear may not be used in the directed groundfish open access fishery. Trawl gears for target species such as pink shrimp, California halibut, ridgeback prawns, and sea cucumbers are exempted from this rule and may land incidental amounts of groundfish.

Groundfish are managed through a number of measures including harvest guidelines, trip and landing limits, area restrictions, seasonal closures, and gear restrictions (such as minimum mesh size for nets and small trawl footrope requirements for landing shelf rockfish). All sectors of the groundfish fishery are constrained by the need to rebuild groundfish species that have been declared overfished. Groundfish specification and management measures are set on a biennial basis with inseason adjustments made at regularly scheduled Council meetings, when necessary, in order to keep the fisheries within species' harvest limits or rebuilding plans established for overfished species.

Federal groundfish species included in California and Oregon Nearshore Management Plans
Cabezon, *Scorpaenichthys marmoratus*
Kelp greenling, *Hexagrammos decagrammus*
Black rockfish, *Sebastes melanops*
Black and yellow rockfish, *S. chrysomelas*
Blue rockfish, *S. mystinus*
Brown rockfish, *S. auriculatus*
Calico rockfish, *S. dalli*
California scorpionfish, *Scorpaena guttata* (CA species only)
China rockfish, *S. nebulosus*
Copper rockfish, *S. caurinus*
Gopher rockfish, *S. carnatus*
Grass rockfish, *S. rastrelliger*
Kelp rockfish, *S. atrovirens*
Olive rockfish, *S. serranoides*
Quillback rockfish, *S. maliger*
Tiger rockfish, *S. nigrocinctus* (not in CA plan)
Treefish, *S. serriceps*
Vermilion rockfish, *S. miniatus* (not in CA plan)

Trip landing and frequency limits have been designated as routine for the following species or species groups all of which are potentially affected by open access fishers: black rockfish, blue rockfish, bocaccio, canary rockfish, chilipepper rockfish, cowcod, darkblotched rockfish, Pacific ocean perch, shortbelly rockfish, splitnose rockfish, widow rockfish, yelloweye rockfish, yellowtail rockfish, minor nearshore rockfish or shallow and deeper minor nearshore rockfish, shelf or minor shelf rockfish, and minor slope rockfish; DTS complex, which is composed of Dover sole, sablefish, shortspine thornyheads, and longspine thornyheads, both as a complex and for the species within the complex; arrowtooth flounder, English sole, petrale sole, Pacific

[2] There are over 40 species of shelf and slope rockfish. For a complete species listing see the Council web site at: http://www.pcouncil.org/facts/georock.pdf

sanddabs, rex sole, and the flatfish complex, which is composed of those species plus any other FMP flatfish species; Pacific whiting; lingcod; cabezon; Pacific cod; spiny dogfish; and "other fish" as a complex consisting of all groundfish species listed in the FMP and not otherwise listed as a distinct species or species group. Generally, directed open access vessels have substantial harvest opportunities for a variety of groundfish species, including but not limited to sablefish, nearshore rockfish, slope rockfish south of Point Conception, California scorpionfish, cabezon, kelp greenling, Pacific sanddab, and spiny dogfish. A relatively low harvest opportunity is provided for lingcod coastwide and certain shelf rockfish south of Point Conception (see http://www.nwr.noaa.gov/Publications/FR-Notices/2006/upload/71FR78638.pdf for final rule implementing 2007-2008 specifications and management measures and http://www.nwr.noaa.gov/Publications/FR-Notices/2007/upload/72FR13043.pdf for minor corrections). More restrictive salmon fishing opportunities in 2006 led those fishers to pursue other species, ultimately causing a noticeable increase in open access sablefish landing rates.

State Programs

The coastal states have management programs or regulations affecting fishermen and vessels that harvest federal groundfish either as target species or incidental to fishing for federal or state managed species. The state limited entry programs cover a variety of species and gear types (**Appendix A**). Nearshore species management has been addressed by the states in different ways. Washington law prohibits directed commercial fishing for groundfish in state waters, except for tribal fisheries (Makah, Quillayute, Hoh, and Quinault), which may fish for groundfish in the Usual and Accustomed fishing areas. Oregon and California have developed nearshore fishery management plans and associated limited entry programs that are aimed at capping or reducing harvest capacity in their nearshore fisheries (see **Appendix B** for more information on the states' nearshore regulations or management programs).

In developing a federal license limitation program, the coastal states, tribes, Council and NMFS must ensure that state and federal capacity reduction programs are compatible with each other and that together the programs ultimately result in less fishing pressure on both overfished and more abundant groundfish species. The Council process will provide a forum for this cooperation.

Review of Open Access Permitting Issue

Impact of Limited Entry Amendment

In 1994, NMFS implemented a limited entry program for the West Coast groundfish fisheries, which created a permitting program to restrict the number of vessels allowed to directly target groundfish. The Council had discussed and developed this limited entry program as Amendment 6 to the FMP in the early 1990s. At that time, West Coast fisheries as a whole were perceived as overcapitalized, meaning that fishing effort (number of vessels participating and fishing power of individual vessels) far exceeded potential West Coast fish and shellfish biological yields. In the Environmental Impact Statement (EIS) for Amendment 6, the Council expressed concern that vessels looking for opportunities to expand their fishing operations would begin to enter the groundfish fishery, which had only recently converted from partial foreign harvest to complete domestic harvest. To prevent this anticipated migration to the groundfish fisheries, the Council adopted the Amendment 6 limited entry program, which essentially capped the number of groundfish fishery participants to those vessels with historic participation in the groundfish fisheries.

The limited entry program did not reserve all groundfish for the limited entry fleet, which allowed for the development of the open access fisheries. Plan Amendment 6 specified that percentages of annual allowable groundfish catch that had been taken by vessels that did not qualify for limited entry permits would be set aside for an open access fishery. This fishery was left unlimited in participation to ensure that vessels participating in state-managed fisheries and landing groundfish incidentally would continue to have access to the groundfish resource. The fishery was also left unlimited to allow smaller vessels to directly target groundfish at lower landings rates than in the limited entry fishery. Since 1994, any vessel without a limited entry permit and using gear other than trawl gear has been allowed to directly target and land groundfish under open access fishery regulations and limits. Additionally, vessels using trawl gear in non-groundfish fisheries, such as shrimp and prawn fisheries, have been allowed to land groundfish taken incidentally in those fisheries under open access fishery regulations and limits. Allowable groundfish landings have been declining in recent years, primarily in response to requirements in the Magnuson-Stevens Fishery Conservation and Management Act (Magnuson-Stevens Act) that NMFS and the fishery management councils that implement measures to rebuild overfished fish stocks. As of 2007, seven groundfish species have been declared overfished and are managed under strict rebuilding guidelines. All of these species co-occur with more abundant groundfish stocks, which mean that harvest of both the overfished stocks and their more abundant co-occurring stocks has been severely restricted to protect the overfished stocks. Despite these overall harvest restrictions, participation in the open access sectors of the groundfish fisheries remains unrestricted.

Groundfish Strategic Plan

The Council's Groundfish Strategic Plan was adopted in 2000. The Plan noted that the groundfish resource could not support the number of vessels catching and landing groundfish, which numbered over 2,000 licensed commercial fishers, and many thousands of sport fishers. To bring harvest capacity in line with resource productivity, the number of vessels in most fishery sectors needed to be reduced by at least 50%. Fishing fleet overcapitalization had been a major factor in fish stock depletions and led to economic and social crises in the industry and in coastal communities. The Plan reported that

> "...allowing an open access fishery with a total absence of limits on capacity is a serious management problem. Decreased participation in non-groundfish fisheries such as salmon, improved prices for some groundfish species like sablefish, and the development of the live rockfish fishery had transformed the open access fishery from a primarily bycatch fishery with a small directed fishery component, to a much larger fishery with many more participants relying on the fishery for large portions of their annual incomes. Reducing capacity in the fishery is fundamentally necessary to reducing overfishing, minimizing bycatch and improving the economic outlook for the West Coast fishing industry. Capacity reduction should not be seen as just another type of management measure. Capacity reduction must be a key element of any plan to ensure management effectiveness and economic viability of the west coast groundfish fishery. Without significant capacity reduction, the Council will continue to find it difficult, if not impossible, to achieve many of the conservation and economic objectives of the Groundfish FMP. Current capital utilization rates are quite low for all sectors of the commercial groundfish fishery."

The Council's Scientific and Statistical Committee (SSC) compared potential harvest capacity for the fish actually available for harvest in 2000 and calculated a measure of overcapitalization in several different fishery sectors which they called "current capital utilization rate." This

parameter was used to describe the percentage of vessels in the current fleet that could harvest the available groundfish. They sorted vessel landings data by fishery sector for each year during 1984-1992 in descending order of total annual and cumulative groundfish landings and counted down the vessel list from the more to less productive vessels to determine the number of vessels needed each year to harvest the available groundfish. They used 1984-1992 for this comparison because vessel harvest constraints were much less restrictive in those earlier years and catches from those years seemed to be a better indicator of what vessels were able to harvest. By this approach they estimated that 6%-13% of the open assess vessels could take the open access fishery groundfish allocation in 2000.

> "Excess capacity is the difference at a point in time between what a fisherman can actually produce and what could potentially be produced if all restrictions on his operation were removed. Overcapacity may be defined as the difference between the fishing firm's potential level of production (individual vessel's catch) and the target level of production (total allowable harvest) that has been established for that particular fishery" (Kirkley et al June 2002)

The Plan also recommended that the Council consider deferring management of nearshore rockfish, and other species such as cabezon, kelp greenling and California scorpionfish to the states, and that all commercial fisheries should eventually be limited through federal or state license or permit limitation programs.

Strategic Plan Implementation Oversight Committee

Following adoption of its Strategic Plan, the Council convened the Strategic Plan Oversight Committee (SPOC) to monitor the Council's progress toward the goals of the Strategic Plan. The SPOC developed a list of 15 groundfish action priorities, which included two "critical" elements (science and Council process action items) for Council consideration. The open access permitting issue was ranked seven below the two critical operational elements, buyback, trawl permit stacking, observers, groundfish process, and fixed gear stacking. A subcommittee of the SPOC was formed to look at open access capacity reduction issues, the Ad-Hoc Open Access Permitting Subcommittee (OAPS).

The OAPS first met in January 2001 and continued with a series of meetings through March 2002. These meetings ceased for the remainder of 2002 due to increased Council's workload on other higher priority issues. However, the Council reviewed its progress with Strategic Plan recommendations in November 2002 and decided at that point that it would begin development of an open access permitting program and drafted the associated analysis for such a program in 2003. The proposed FMP amendment was intended to meet the Strategic Plan goal of reducing capacity in the open access fisheries landing groundfish and to meet the Council's commitment to an open access permitting program. Considerable advisory body and public input was provided in response to meetings of the OAPS (see **Appendix C**). A brief summary of findings from the analysis of 1990-2001 open access groundfish fishery data provided to the OAPS is as follows:

Incidental Fisheries

West Coast target species and associated federal groundfish data were extracted for PFMC fisheries that targeted non-groundfish species during 1990-2001. Landings data were presented in terms of metric tons and ex-vessel value of fish in the landings. Groundfish were treated as a group and not broken down by species. Most fisheries had very small (<10 mt annual average) groundfish impact. The pink shrimp fishery had by far the greatest groundfish

landings and accounted for about 70% of the total groundfish landings by all non-target or incidental fisheries. The fisheries with the highest groundfish landings relative to the target species landings were the California halibut trawl, salmon troll (with halibut on board), Pacific halibut, California prawn trawl and California sheephead fisheries with 13% or greater groundfish landed catch compared to the target species landed catch (**Table 1**).

Directed Fisheries

Analysis of data provided by Hastie (2001) is included in this report for the directed (targeted) open access fishery during 1994-2001. Whether a trip "targeted" groundfish in his analysis was determined using a combination of gear and revenue information from the trip. Only gears that could legitimately target groundfish in open access were included, and of those, only trips were included where groundfish revenue exceeded the revenue from all other species. It showed that the most valuable species or species group in the directed open access fisheries on an average annual basis were in descending order of importance: dead rockfish ($3.4 million), sablefish ($1.5 million), live rockfish ($1.0 million), cabezon ($0.6 million) and lingcod ($0.4 million). The value of all other species combined was $0.3 million. The most abundant species in the catch based on average annual tonnage landed during 1994-2001 were (in descending order of importance): dead rockfish (2,500 tons); sablefish (600 tons) and lingcod (300 tons). All other species combined averaged 400 tons (**Table 2**).

The primary gear types used to catch the more valuable species were: dead rockfish, line gear (68%) and net gear (25%); sablefish, longline gear (70%) and pot gear (19%); live rockfish, in about equal proportions by longline and other line gear; cabezon, by other line gear (45%), longline gear (34%) and pot gear (21%); lingcod, other line gear (52%), longline gear (39%) and net gear (23%; **Table 2**).

The number of vessels that participated in the directed open access fishery during 1994-1999 declined from nearly 1,400 to about 1000. The number of vessels that harvested 80% of the directed open access groundfish catch ranged from 175-234 during 1994-1999. The number of vessels that harvested 90% of the catch ranged from 302-347 during the same time period (**Figure 1**). This same analysis based on groundfish revenues showed similar numbers of vessels (within 26%) landed 80% and 90% of the directed open access fishery revenues during 1994-1999 (Hastie 2001)

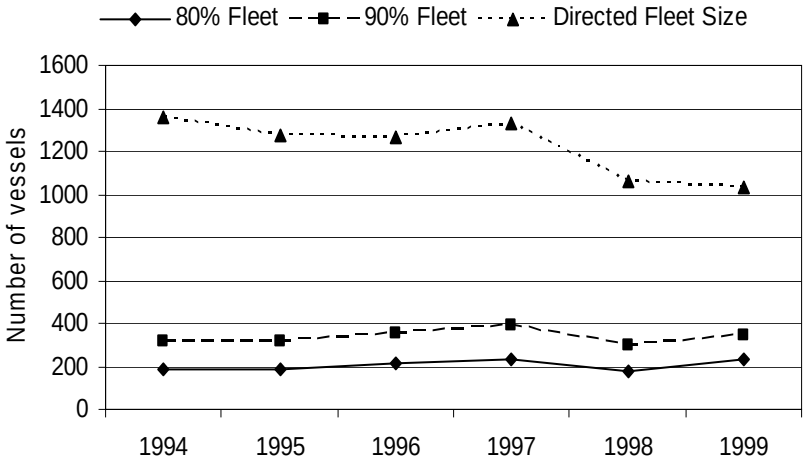

Fig 1. Number of vessels that landed specified proportions of total groundfish tonnage in the directed fishery by year, 1994-1999

Table 1. West Coast open access non-target groundfish fisheries: Annual target and non-target federal groundfish catch statistics, 1990-2001 (Hastie 2001).

	Number of Vessels		Target Species (mts)		Groundfish (mts)		Groundfish Proportion	
Fishery	**AVG**	**Range**	**AVG**	**Range**	**AVG**	**Range**	**AVG**	**Range**
Pink shrimp	97	69-127	9,766	2,876-16,850	415	94-896	4.4%	1%-8%
CA prawn trawl	41	16-60	288	37-701	24	5-53	14.3%	2%-30%
CA prawn pot	30	10-76	33	2-103	1	0-7	4.1%	0%-13%
CA halibut trawl	25	5-40	68	32-135	25	5-40	39.8%	13%-63%
Pacific halibut	149	81-210	54	30-97	12	9-23	23.6%	10%-54%
Dungeness crab (pot)	1,001	800-1,194	10,890	8,274-18,457	7	5-17	0.0%	none
Salmon Troll (w/o halibut)	1,338	969-2,254	2,206	600-4,256	51	11-149	4.5%	0%-25%
Salmon Troll (w halibut)	60	7-128	61	0-149	5	0-19	29.1%	3%-153%
Sea Cucumber	23	13-32	126	31-262	5	0-14	3.4%	0%-8%
Squid	104	67-144	49,059	2,879-89,858	1	0-1	0.0%	none
Coastal Pelagic Finfish	174	107-258	4,730	2,015-9,238	0	none	0.0%	none
CA Sheephead	172	124-245	93	52-140	12	6-16	13.4%	7%-20%
HMS Troll	530	85-973	6,240	703-11,820	2	0-5	0.0%	none
HMS Line	25	1-52	69	1-196	0	0-9	1.9%	0%-1%
HMS Pole	187	91-303	2,350	816-5,200	1	0-1	0.0%	none
HMS Gillnet	76	9-104	102	1-192	2	0-12	2.5%	0%-8%
HMS Seine	24	17-35	6,849	885-12,742	0	none	0.0%	none
CA Gillnet Complex	23	0-54	865	0-1,462	23	0-54	1.9%	0%-4%
Totals	n/a	n/a	93,849	n/a	586	n/a	0.6%	n/a

Table 2. Directed open access gear types that take the most species or species groups of federal groundfish presented as average landed catches and proportion of total landed catch for each species or species group during 1994-2001. Vessel and trip statistics are not presented because of possible gear switching by vessels within and between years (Hastie 2001).

		Dead Rock 1/		Sablefish		Live Rock 2/		Cabezon		Lingcod		All Others	
Gear code		**AVG**	**Prop.**	**AVG**	**Prop.**	**AVG**	**Prop.**	**AVG**	**Prop.**	**AVG**	**Prop.**	**AVG**	**Prop.**
	Mts	450.3	18%	434.4	70%	62.9	45%	26.0	34%	38.9	15%	138.9	58%
	$1,000s	681.8	20%	1058.4	72%	456.7	44%	201.6	35%	58.4	16%	119.8	41%
	# of ves	244.8	unk	159.3	unk	141.5	unk	111.7	unk	170.6	unk	unk	unk
	# of trips	1906.6	unk	1632.9	unk	1949.0	unk	1181.3	unk	1091.5	unk	unk	unk
Other line													
	Mts	1268.6	50%	37.5	6%	66.0	47%	35.0	45%	139.4	52%	15.2	6%
	$1,000s	1820.1	54%	79.2	5%	505.5	48%	227.8	40%	206.9	58%	59.9	21%
	# of ves	921.4	unk	70.3	unk	278.5	unk	273.0	unk	628.7	unk	unk	unk
	# of trips	8324.9	unk	276.0	unk	2643.8	unk	2038.1	unk	4349.5	unk	unk	unk
Troll													
	Mts	98.6	4%	5.8	1%	0.2	0%	0.2	0%	19.5	7%	0.7	0%
	$1,000s	110.4	3%	9.4	1%	1.7	0%	0.9	0%	23.7	7%	1.1	0%
	# of ves	97.1	unk	9.7	unk	9.8	unk	4.6	unk	56.9	unk	unk	unk
	# of trips	164.2	unk	20.3	unk	12.3	unk	5.4	unk	113.8	unk	unk	unk
Pot													
	Mts	7.1	0%	119.7	19%	6.9	5%	15.9	21%	2.9	1%	3.6	2%
	$1,000s	12.9	0%	291.5	20%	57.6	5%	143.0	25%	6.8	2%	21.4	7%
	# of ves	45.4	unk	33.3	unk	44.9	unk	36.9	unk	27.3	unk	unk	unk
	# of trips	142.4	unk	605.9	unk	289.7	unk	277.6	unk	138.9	unk	unk	unk
Net													
	Mts	643.4	25%	11.6	2%	2.2	2%	0.1	0%	61.0	23%	48.9	21%
	$1,000s	640.3	19%	10.9	1%	19.5	2%	1.1	0%	54.9	15%	59.2	20%
	# of ves	59.8	unk	20.4	unk	8.3	unk	4.4	unk	34.7	unk	unk	unk
	# of trips	431.3	unk	113.5	unk	16.0	unk	4.5	unk	213.7	unk	unk	unk
Misc.													
	Mts	81.2	3%	10.3	2%	1.0	1%	0.3	0%	4.9	2%	30.5	13%
	$1,000s	103.8	3%	13.2	1%	7.4	1%	1.2	0%	5.1	1%	29.1	10%
	# of ves	131.4	unk	15.5	unk	18.3	unk	13.0	unk	57.5	unk	unk	unk
	# of trips	292.2	unk	37.9	unk	27.8	unk	19.2	unk	100.7	unk	unk	unk
Totals													
	Mts	2549.3	100%	619.3	100%	139.2	100%	77.5	100%	266.6	100%	237.8	100%
	$1,000s	3369.1	100%	1462.7	100%	1048.4	100%	575.5	100%	355.8	100%	290.5	100%

1/ Dead rock includes all rockfish species not including fish in the Live Rock group.

2/ Differentiated based on average price per pound. Live rock sold for an average of $2.68-$4.45/lb compared to $0.72-$1.14/lb (Hastie 2001).

Hastie (2001) found that a total of 3,506 different vessels participated in the directed open access groundfish fishery during 1994-1999. Fifty percent of the vessels fished in only one year and only 155 vessels (4%) fished all six years (**Table 3**). He also found that the directed fishery vessels had widely different tonnage and revenue histories within and between years. Hastie (2001) analyzed a variety of catch history tonnage and revenue data sets and developed some example participation criteria tables that could possibly be used as a basis for converting open access directed fishery vessels to limited entry management. He developed several tables showing the effect of various qualifying criteria on directed fishery fleet size. One of his tables showed how qualifying criteria can be constructed, based either on tonnage or value of landed catch, to achieve similar fleet size objectives. In this particular example, the qualifying criteria were shown to create qualifying fleet sizes of about 220 and 139 vessels (**Table 4**). Many changes have occurred in the open access directed fishery in recent years that will probably require different considerations in the selection and analysis of qualifying criteria in order to match current open access fishing capacity to open access fishery resource availability. Reduced shelf rockfish availability and the option of deferring nearshore groundfish management to the states may require data stratification, removal of state-managed species from the data base used for qualification, and the creation of species or gear endorsements in order to balance historic species harvest opportunities with current conditions.

Table 3. Number of annual open-access vessels with targeted landings of groundfish grouped by first year and number of years of participation, 1994-99 (Hastie 2001)

	Number of years targeted GF ldgs >0, 1994-99						
1st yr w/ targeted GF ldgs >0	**1**	**2**	**3**	**4**	**5**	**6**	**Total**
1994	483	278	176	132	133	155	1,357
1995	256	125	87	47	49		565
1996	242	127	71	64			503
1997	262	109	92				463
1998	217	95					312
1999	306						306
Total	1,766	734	426	243	182	155	3,506

Based on groundwork laid by the SPOC and OAPS, NMFS staff led a joint Council/NMFS working session to identify key issues and concerns that would need to be addressed in developing a plan amendment for conversion of the open access fishery to limited entry management. Based on those discussions, the NMFS staff began initial drafting of an EIS to support deliberations on the issue. The first chapter of that document was provided to the Council at its November 2003 meeting (PFMC 2003). That draft "first step" document was used in preparation of the current report.

Table 4. Cross-qualification of open-access vessels under four alternative *tonnage-based* and four alternative *revenue-based* hypothetical qualifying criteria (Hastie 2001).

			Tonnage-based		Revenue-based			Tonnage-based		Revenue-based	
	Criterion	Total	Q1	Q3	Q5	Q7		Q2	Q4	Q6	Q8
	Total		**221**	**220**	**221**	**218**		**137**	**138**	**139**	**139**
Mt -	Q1	**221**	**221**	163	165	154		137	129	121	118
based	Q3	**220**	163	**220**	154	166		132	134	117	116
Rev. -	Q5	**221**	165	154	**221**	163		127	119	139	136
based	Q7	**218**	154	166	163	**218**		125	137	139	139
Mt -	Q2	**137**	137	132	127	125		**137**	117	107	104
based	Q4	**138**	129	134	119	137		117	**138**	106	105
Rev. -	Q6	**139**	121	117	139	139		107	106	**139**	128
based	Q8	**139**	118	116	136	139		104	105	128	**139**
% meeting alternative criterion							(Criterion)				
Mt -	Q1		**100%**	74%	75%	71%	Q2	**100%**	85%	77%	75%
based	Q3		74%	**100%**	70%	76%	Q4	85%	**100%**	76%	76%
Rev. -	Q5		75%	70%	**100%**	75%	Q6	78%	77%	**100%**	92%
based	Q7		70%	75%	74%	**100%**	Q8	76%	76%	92%	**100%**

Q1: **[** Best year (1994-99) >= 5 mt and best year (1998-99) >= 0.5 mt **]** or minimum of 1 mt in every year.
Q2: **[** Best year (1994-99) >= 10 mt and best year (1998-99) >= 0.5 mt **]** or minimum of 1 mt in every year.
Q3: **[** Minimum of 1 lb in 5 of 6 years or best year (1994-99) >= 10 mt **]** and best year (1998-99) >= 1 mt .
Q4: **[** Minimum of 1 mt in 5 of 6 years or best 2-year average (1994-99) >= 10 mt **]** and best year (1998-99) >= 0.5 mt.
Q5: **[** Best year (1994-99) >=$15K and best year (1998-99) >=$1K **]** or minimum of $1K in every year.
Q6: **[** Best year (1994-99) >=$25K and best year (1998-99) >=$2K **]** or minimum of $1K in every year.
Q7: **[** Minimum of $1K in 5 of 6 years or best year (1994-99) >= $25K **]** and best year (1998-99) >= $1K .
Q8: **[** Minimum of $5K in 5 of 6 years or best year (1994-99) >= $25K **]** and best year (1998-99) >= $2K .

Proposal to Expand Vessel Monitoring System (VMS) to Open Access Groundfish Fishery in Federal Waters

This Council regulatory recommendation proposes to require that all open access vessels start and continue to have and use vessel monitoring system (VMS) equipment once they begin fishing for groundfish within federal waters. These vessels would also be required to notify NMFS of their intent to fish in various groundfish fisheries so that their activities may be monitored relative to area management restrictions. This proposal, if adopted in final regulation, could reduce the number of open access groundfish vessels because of VMS equipment cost. However, NMFS currently has funds available to reimburse vessel owners purchasing VMS units that are required to be purchased as part of a new regulatory program. This reimbursement program is likely to either maintain the current number of open access fleet participants, or increase the universe of potential participants because of incentives for speculative VMS equipment purchases. It is not perceived that the VMS registration requirement for fishing in federal waters or fleet size reduction potential of the initiative will be sufficient for meeting the strategic plan goal of matching open access fleet size with groundfish resource availability or meeting the Council's goals for managing fishery capacity.

Update of Open Access Fishery Landings Data

West Coast commercial landings of the open access groundfish fishery were analyzed using the PacFIN database over a seven year period 2000-2006. Data on all federal groundfish from California, Oregon, and Washington were included in the analysis. Revenue values were calculated from ex-vessel price information included in commercial landings records. This review of the coastwide open access fishery examined the following: non-directed (incidental) and directed open access groundfish, with evaluation of groundfish directed fishery groups sablefish, nearshore species, shelf rockfish, slope rockfish, and other species, which included, to name a few, lingcod, thornyheads, grenadiers, and specified sharks and rays. Directed open access fisheries trips were defined as 50% or more of the vessel trip revenue attributed to groundfish consistent with Hastie (2001). Federal limited entry, tribal and research trips were excluded from the analysis. Directed open access gear was restricted to hook-and-line (excluding troll), trap and set gillnet, as these are the predominant gears in this fishery. Greater emphasis was placed in the analysis on the directed fishery because of its greater economic importance and much higher groundfish landings compared to the incidental fisheries. No attempt was made to explain the causes of the increases or decreased in landings or revenues. Rather, the focus was on giving a general overview of open access fishery revenues and landings in recent years.

Open Access Fisheries

The number of vessels that participated in open access fisheries declined from about 1,400 in 2000 to 960 in 2006 (**Figure 2**). The total value of groundfish harvested declined from about $5.9 million in 2000 to $4.8 million in 2003 then increased to $6.3 million in 2006 (**Table 5).** The weight of fish landed by open access vessels averaged about 1,400 metric tons (mts) and ranged from about 1,200 mts-1,600 mts during 2000-2006 (**Figure 3 and Table 5**).

Incidental Fisheries

Incidental fishery groundfish landings were primarily associated with landings in exempted trawl fisheries including pink shrimp, California halibut and sea cucumber. The incidental fishery component of total open access fishery revenues declined from 9% in 2000 to 3% in 2005 with an increase to 5% in 2006. The annual average for 2000-2006 was 5% of total revenues (**Table 5**).

Directed Fisheries

The number of directed fishery vessels declined from about 1,000 in 2000 to 675 in 2004 then increased to 704 and 781 in 2005 and 2006, respectively **(Figure 2**). Sablefish and nearshore species accounted for an average of 87% with an annual range of 84%-89% of directed open access fishery revenues during 2000-2006 (**Figure 4 and Table 6**). The sablefish component increased from 23% of total revenues in 2000 to 48% and 46%, respectively, of total revenues in 2005 and 2006. The nearshore revenues during the same period declined from 63% of the fishery total in 2002 to 42% in 2006. The remaining revenues were from landings of shelf and slope rockfish and other species such as lingcod, grenadiers, thornyheads, and specified sharks and rays. The turnaround in open access revenues that began in 2005 was associated with increased sablefish landings (**Figure 4 and Table 6**). The tonnage landed in directed open access fisheries averaged about 1,200 mts and ranged from 1,000 mts-1,500 mts during 2000-2006. Sablefish and nearshore species comprised most of the tonnage averaging 77% and ranging from 70% - 84% of the total weight landed during 2000-2006. There was a noticeable increase in sablefish landings in 2005 and 2006 while there was a general decline in nearshore tonnages in the more recent years (**Figure 5 and Table 6**).

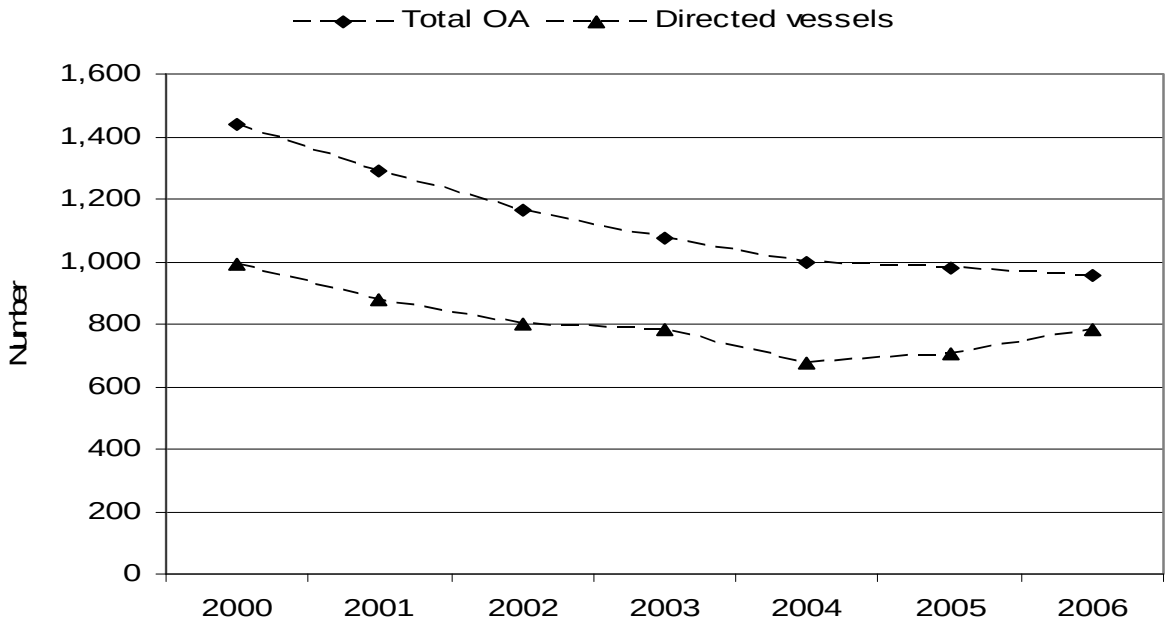

Fig 2. Number of open access vessels in total and in directed fishery, 2000-2006

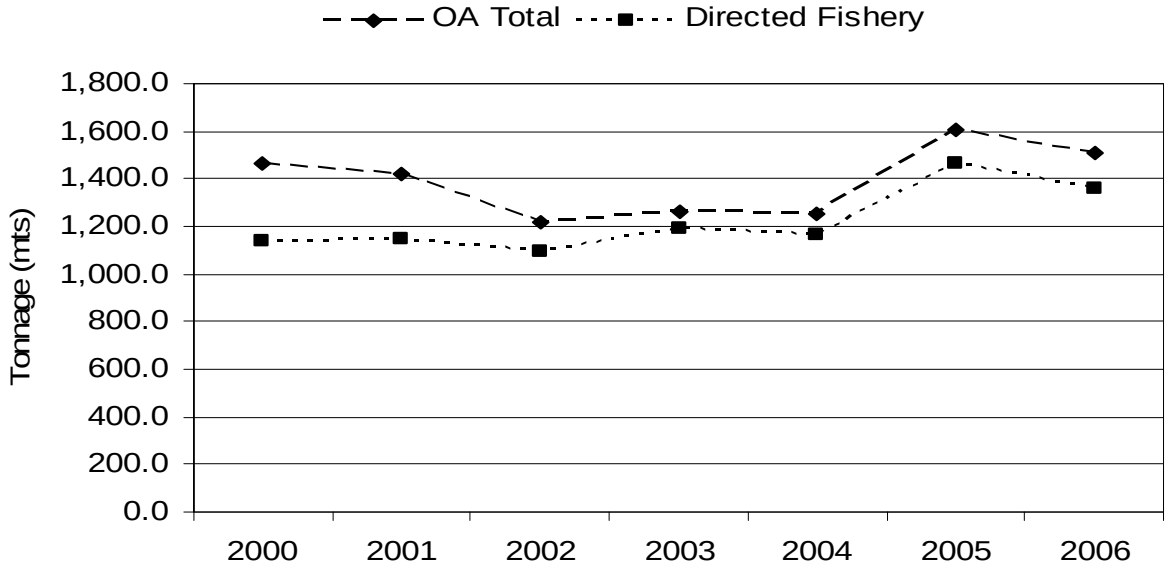

Fig 3. Tonnage landed in open access fishery in total and in directed fishery, 2000-2006

Table 5. Total open access fishery data including incidental catch revenues and proportions of total.

	Total OA			Incidental	
	No. Vsls	mts	(000s)	(000s)	Proportion of total
2000					
CA	970	1,019.2	$4,663.8		
OR	379	335.6	$983.7		
WA	88	109.1	$276.0		
TOTAL	1,437	1,463.9	$5,923.5	$506.6	8.6%
2001					
CA	785	878.5	$4,062.2		
OR	411	444.4	$1,265.5		
WA	96	98.8	$261.6		
TOTAL	1,292	1,421.7	$5,589.3	$414.8	7.4%
2002					
CA	708	778.3	$3,455.3		
OR	368	342.8	$1,414.9		
WA	86	94.9	$267.0		
TOTAL	1,162	1,215.9	$5,137.2	$201.4	3.9%
2003					
CA	635	742.4	$3,046.4		
OR	339	347.9	$1,295.6		
WA	100	171.3	$479.2		
TOTAL	1,074	1,261.6	$4,821.2	$162.4	3.4%
2004					
CA	559	746.5	$3,344.0		
OR	353	304.8	$1,144.0		
WA	88	201.8	$393.3		
TOTAL	1,000	1,253.0	$4,881.3	$221.1	4.5%
2005					
CA	503	871.7	$3,695.3		
OR	375	476.1	$1,862.4		
WA	102	258.1	$720.7		
TOTAL	980	1,605.9	$6,278.3	$215.9	3.4%
2006					
CA	519	769.4	$3,718.8		
OR	327	452.7	$1,919.6		
WA	112	290.5	$707.2		
TOTAL	958	1,512.5	$6,345.6	$283.3	4.5%
AVGS					
CA	668	829.4	$3,712.3		
OR	365	386.3	$1,412.3		
WA	96	174.9	$443.6		
TOTAL	1,129	1,390.7	$5,568.1	287	5.1%

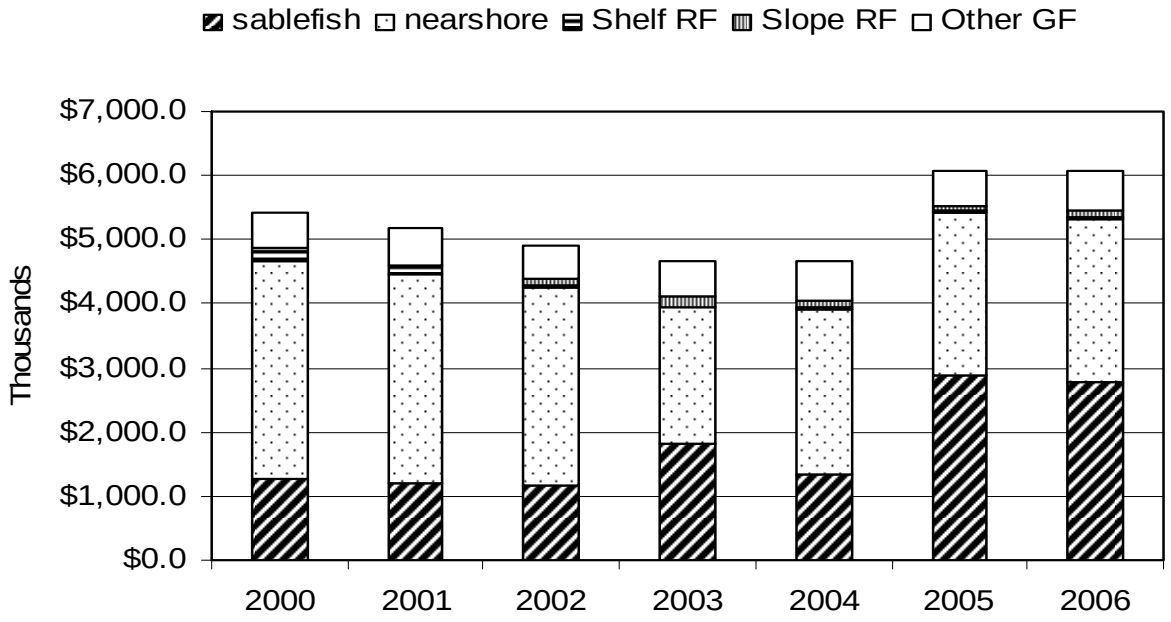

Fig 4. Directed open access fishery revenues by species and year, 2000-2006.

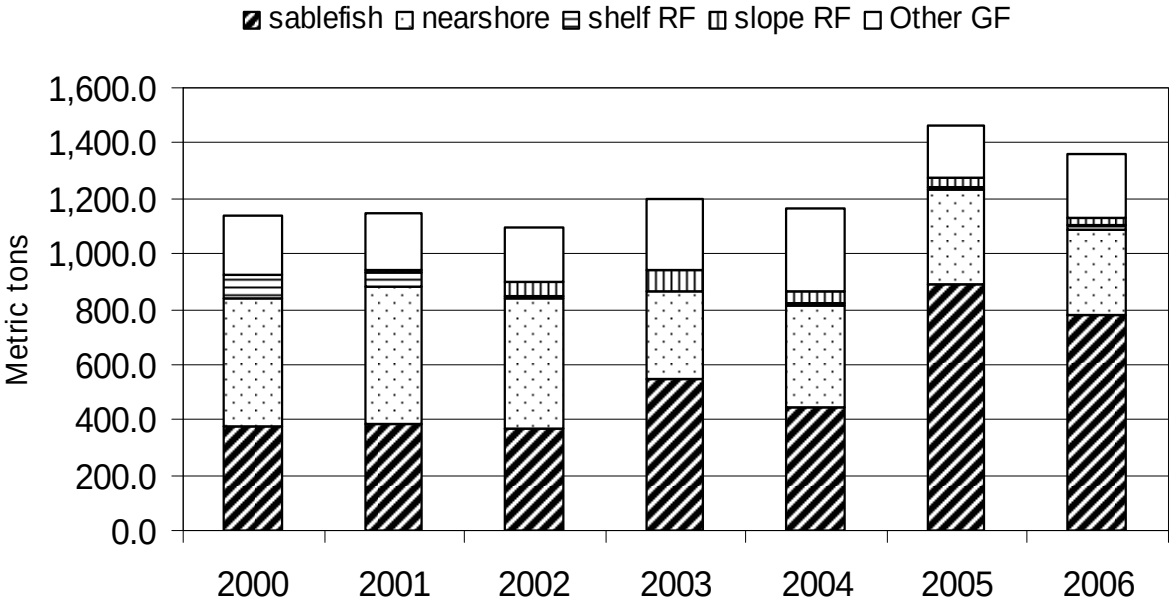

Fig 5. Tonnage landed in directed open access fishery by species and year, 2000-2006.

The majority of the landings and generated revenues were made by a relatively small number of vessels. In 2000, 80% of the directed fishery revenues were made by 238 of 972 (24%) directed fishery vessels. In that same year, 50% of the revenues were collected by 85 vessels (9%). This 80/50 percent pattern was fairly consistent throughout the seven-year period, 2000-2006 (**Figure 6 and Table 7**).

Table 6. Directed open access fishery participation and landings statistics, 2000-2006.

	Sablefish			Nearshore			Shelf RF			Slope RF			Others			Total Directed		
	No. Vsls	mts	(000s)	No. Vsls	mts	(000s)	No. Vsls	mts	(000s)	No. Vsls	mts	(000s)	No. Vsls	mts	(000s)	No. Vsls	mts	(000s)
2000																		
CA	113	284.2	$900.5	511	317.0	$2,857.8	186	78.1	$198.2	21	1.7	$5.3	N/A	182.2	$446.6	751	863.2	$4,408.4
OR	34	43.5	$158.6	146	145.7	$561.8	38	2.7	$5.3	0	0.0	$0.0	N/A	20.3	$67.7	192	212.2	$793.3
WA	32	51.4	$200.0	2	0.1	$0.1	9	0.5	$0.9	2	0.0	$0.0	N/A	10.9	$13.9	49	62.9	$215.0
TOTAL	179	379.1	$1,259.1	659	462.8	$3,419.6	233	81.3	$204.5	23	1.8	$5.3	N/A	213.3	$528.2	992	1,138.3	$5,416.7
2001																		
CA	107	263.3	$792.9	446	312.6	$2,529.3	107	49.1	$111.6	20	11.5	$25.1	N/A	162.2	$448.1	618	798.7	$3,907.0
OR	64	58.5	$197.7	419	186.4	$736.3	13	0.6	$1.2	0	0.0	$0.0	N/A	34.3	$108.3	203	279.8	$1,043.4
WA	44	60.1	$217.0	1	0.1	$0.1	7	0.2	$0.2	2	0.0	$0.0	N/A	7.1	$10.1	54	67.5	$227.5
TOTAL	215	381.9	$1,207.6	596	499.1	$3,265.6	127	49.9	$113.0	22	11.6	$25.1	N/A	203.6	$566.6	875	1,146.0	$5,177.9
2002																		
CA	120	255.7	$758.8	345	248.9	$2,013.5	70	10.7	$32.2	38	47.9	$104.5	N/A	149.2	$401.6	539	712.4	$3,310.7
OR	51	49.0	$177.4	157	220.4	$1,058.5	6	0.2	$0.4	0	0.0	$0.0	N/A	36.8	$117.5	211	306.5	$1,353.8
WA	44	64.6	$234.6	1	0.1	$0.1	0	0.0	$0.0	0	0.0	$0.0	N/A	9.6	$9.9	48	74.3	$244.6
TOTAL	215	369.3	$1,170.9	503	469.4	$3,072.1	76	10.9	$32.6	38	47.9	$104.5	N/A	195.6	$528.9	798	1,093.2	$4,909.1
2003																		
CA	119	299.1	$907.4	291	159.9	$1,472.4	40	2.1	$7.9	41	74.3	$175.2	N/A	159.0	$383.3	501	694.4	$2,946.2
OR	96	134.2	$492.1	132	159.9	$643.3	6	0.3	$0.5	0	0.0	$0.0	N/A	42.1	$122.3	216	336.4	$1,258.2
WA	64	111.6	$424.5	0	0.0	$0.0	0	0.0	$0.0	0	0.0	$0.0	N/A	51.2	$31.3	68	162.9	$455.9
TOTAL	279	544.9	$1,824.0	423	319.8	$2,115.7	46	2.4	$8.4	41	74.3	$175.2	N/A	252.3	$537.0	785	1,193.6	$4,660.3
2004																		
CA	92	281.6	$812.2	232	196.9	$1,817.2	82	10.1	$40.5	37	44.7	$108.9	N/A	162.1	$427.2	433	695.4	$3,205.9
OR	67	73.1	$223.9	114	166.8	$743.8	11	0.4	$1.2	3	0.1	$0.2	N/A	40.9	$125.7	186	281.4	$1,094.8
WA	52	91.3	$306.2	0	0.0	$0.0	1	0.1	$0.2	2	0.1	$0.2	N/A	94.8	$60.0	56	186.4	$366.6
TOTAL	211	446.0	$1,342.4	346	363.7	$2,560.9	94	10.6	$41.8	42	44.9	$109.2	N/A	297.8	$612.9	675	1,163.1	$4,667.3
2005																		
CA	101	452.6	$1,291.1	206	190.1	$1,777.4	66	8.9	$34.5	35	25.4	$68.4	N/A	133.2	$374.8	384	810.2	$3,546.2
OR	108	257.8	$916.5	114	147.6	$751.0	6	1.1	$3.2	4	0.4	$0.8	N/A	52.2	$142.7	241	459.2	$1,814.3
WA	69	181.6	$675.3	1	0.5	$0.6	2	0.2	$0.4	0	0.0	$0.0	N/A	15.0	$23.1	79	197.3	$699.4
TOTAL	278	892.0	$2,882.9	321	338.2	$2,529.0	74	10.2	$38.1	41	30.3	$74.5	N/A	196.0	$535.3	704	1,466.6	$6,059.8
2006																		
CA	137	373.3	$1,202.8	214	174.3	$1,825.3	85	14.7	$59.9	28	32.3	$80.3	N/A	111.4	$385.4	430	706.0	$3,553.7
OR	132	250.6	$983.0	113	131.5	$695.3	7	0.7	$2.4	3	0.1	$0.1	N/A	52.8	$177.5	261	435.6	$1,858.4
WA	86	155.0	$600.7	0	0.0	$0.0	0	0.0	$0.0	1	0.0	$0.0	N/A	66.0	$48.2	90	221.1	$648.9
TOTAL	355	778.9	$2,786.5	327	305.8	$2,520.6	92	15.4	$62.3	32	32.4	$80.5	N/A	230.2	$611.0	781	1,362.7	$6,060.9
AVG																		
CA	113	315.7	$952.3	321	228.5	$2,041.8	91	24.8	$69.3	31	34.0	$81.1	N/A	151.3	$409.6	522	754.3	$3,554.0
OR	79	123.8	$449.9	171	165.5	$741.4	12	0.9	$2.0	1	0.1	$0.2	N/A	39.9	$123.1	216	330.1	$1,316.6
WA	56	102.2	$379.8	1	0.1	$0.1	3	0.1	$0.2	1	0.0	$0.0	N/A	36.4	$28.1	63	138.9	$408.2
TOTAL	247	541.7	$1,781.9	454	394.1	$2,783.4	106	25.8	$71.5	34	34.7	$82.0	N/A	227.0	$560.0	801	1,223.4	$5,278.9

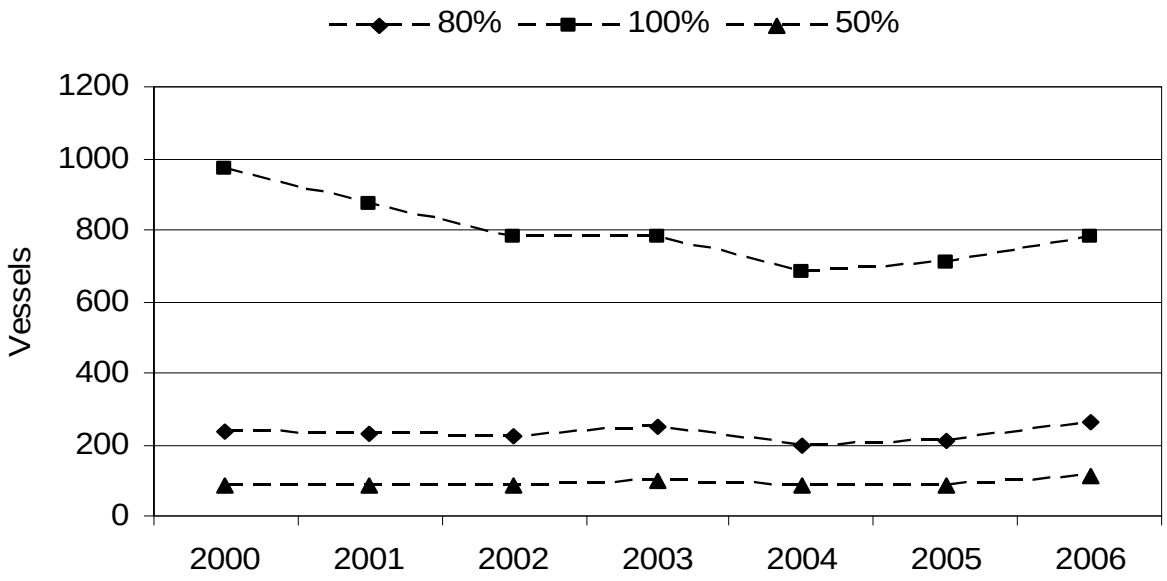

Fig 6. Number of vessels landing specified proportions of directed fishery revenues during 2000-2006

Table 7. Vessels landing specified proportions of open access groundfish revenues, 2000-2006.

	Number of Vessels	mts	000s	Number of Vessels 50%	Number of Vessels 80%
2000	972	1,138.3	$5,411.1	85	238
2001	873	1,144.7	$5,175.9	87	231
2002	782	1,093.3	$4,912.7	82	221
2003	782	1,193.3	$4,652.5	101	246
2004	682	1,160.8	$4,662.8	84	199
2005	706	1,467.9	$6,063.3	88	211
2006	783	1,363.8	$6,063.8	110	260

Changes in Directed Fishery

The previous open access fishery data analysis by Hastie (2001) and the updated analysis presented in this report used comparable criteria for designating directed and incidental open access fishery landings. Thus, vessel and species data are comparable between the two analyses. However, the rockfish category estimates used different criteria. Hastie sorted rockfish into dead and live fish categories based on price (see footnote 2/, **Table 2**). Some

nearshore rockfish were included as dead fish, particularly in the years before advent of the live fish fishery in the mid 1990s, but were relatively small in comparison to the more abundant shelf rockfish species such as widow, canary, chilipepper and yellowtail rockfish and bocaccio. The updated analysis combined nearshore rockfish with cabezon, kelp greenling and California scorpionfish to create a nearshore species category and reported shelf and slope rockfish separately.

Based on the Hastie analysis and the updated analysis, there have been several notable changes in the directed open access fishery since the A permit program was implemented in 1994. These are described below:

1. The directed open access fleet declined at an average rate per year of 3.3% from about 1,400 vessels in 1994 to about 800 vessels in 2006 **(figures 1 and 2);**
2. Total rockfish landings in the directed fishery declined from an average of about 2,700 mt per year during 1994-2001 (see above discussion and **Table 2**) to an average of about 450 mt per year during 2000-2006 (nearshore + shelf + slope rockfish, **Table 6**), a nearly 83% decrease, even with the addition of cabezon, kelp greenling and California scorpionfish;
3. Directed fishery sablefish landings declined slightly from an average of about 620 mt during 1994-2001 to about 540 mt during 2000-2006; a 13% drop (**tables 2 and 6**), and

These fishery changes may be important to the Council in deciding the window period years to use in analyzing vessel landings data for issuance of permits to open access fishery vessels.

Alternatives for Conversion of Open Access Fisheries to Limited Entry Management

Purpose and Need Statement

An important first step in the development of alternatives for permitting the open access groundfish fishery is to agree upon a Purpose and Need Statement, which forms the basis for what the Council is trying to do. The following draft verbiage was developed by the National Marine Fisheries Service, Northwest Region (2003) and has been updated for use in the proposed draft EA:

The purposes of the proposed action are to:

- For the open access fisheries, meet the Council's Strategic Plan goals of reducing capacity in the groundfish fisheries and the Council's commitment to an open access permitting program.
- Meet the FMP's Objective #2, as revised by Amendment 18 to the FMP: *Adopt harvest specifications and management measures consistent with resource stewardship responsibilities for each groundfish species or species group. Achieve a level of harvest capacity in the fishery that is diverse, stable, and profitable. This reduced capacity should lead to more effective management for many other fishery problems.*
- Ensure that federal management of the open access fisheries is compatible with state license limitation programs for nearshore and other state-managed fisheries

The needs for the proposed action include:

- All of the West Coast groundfish fisheries are overcapitalized, including the open access directed fisheries, and need to have reductions in number of participating vessels to better match harvest capacity with resource availability.

- The West Coast states have management programs for their nearshore groundfish fisheries. License limitation in these nearshore fisheries has pushed unlicensed vessels into federal waters, increasing fishing pressure there. Fishing capacity in federal waters needs to be carefully managed to ensure that capacity and/or effort in federal waters is maintained consistent with resource availability.
- Salmon fishing restrictions have resulted in effort shift to directed open access groundfish fisheries, which puts additional pressure on overfished groundfish stocks and reduces economic viability of affected groundfish fisheries.
- Management measures to protect overfished groundfish species have, in recent years, included large area closures and reduced harvest limits. Enforceability of these and other management measures would be improved by managers and enforcement officials being able to identify which vessels are permitted to participate in the groundfish fisheries.

Proposed Range of Alternatives

Considerable Council, advisory body and public discussion has taken place regarding the conversion of open access groundfish fishery participants to limited entry management since adoption of the Groundfish Strategic Plan in 2000. This section was developed based upon our review of those discussions, which are described in **Appendix C** and available for public review in Council meeting minutes. Directed and incidental fishery permits are designated as "B" and "C" permits, respectively. These labels are consistent with designation of the existing limited entry program permits as "A" permits. Note that "B" permit designation was previously used as a transitional permit term as part of the current A permit program. Duplicate use of the term should not cause significant confusion because of the considerable time lapse between now and when the A permit program was implemented in 1994. The assumptions and criteria used in developing open access fishery conversion alternatives appear in **Table 8**.

A "menu" of permitting issues and alternatives has been developed for the Council's consideration (**Table 9**). They range from status quo under which there would be no change in the current management to a B permit program that aims to substantially reduce the directed fishery fleet size in a fairly rapid manner by applying fishery participation and permit consolidation requirements. Under all alternatives the C permit would be a simple annual permit registration requirement. These and other alternatives that the Council may wish to pursue will need to be specified at the June 2007 meeting. This will allow time for analysis of the alternatives and preparation of the first draft EA by the September 2007 Council meeting. The time line for open access fishery conversion to limited entry management is very short, thus Council, advisory body and public attention to and action on this matter at the June 2007 meeting is very important.

Table 8. Basic assumptions regarding B and C permit programs

1. B permits will be assigned to vessels to be consistent with the existing Limited Entry or "A" permit program.
2. "B" permits will be issued to vessels and their *current vessel owner* that have qualifying *directed* groundfish landings and/or revenues during the adopted window period.

Table 8. Basic assumptions regarding B and C permit programs

3. "B" permits will apply to the directed taking and landing of all federal groundfish *not including nearshore rockfish, cabezon, kelp greenling and California scorpionfish,* which are protected or managed under state regulations. There would be no federal permit requirement to take this particular group of nearshore groundfish in federal waters since few of these fish occur there. Moreover, California and Oregon catch limits for these species are more restrictive than federal limits. The Council would continue to set biennial catch limits until which time management authority is transferred to the states. Exclusion of this nearshore species group is expected to affect about 72% of the recent open access groundfish vessels (NMFS 2005) and is consistent with the Council's strategic plan.
4. A major aim of the B permit program is to match fishing fleet capacity with resource availability.
5. Possession of a C permit will be required of all vessels that do not have an A or B permit to land incidental amounts of federal groundfish excluding nearshore species (which will continue to be managed under federal trip limits and/or state management programs).
6. B and C permits will be valid for fishing and landing of permitted species in the entire California, Oregon, and Washington EEZ.
7. Permits must be renewed annually and will be revocable by the NMFS; expired permits will not be renewed.

Analysis of Open Access Directed Fishery Data and the Development of B and C Permit Qualification Criteria

The analysis of historic open access fishery groundfish data will be based on the Pacific States Marine Fisheries Commission's Pacific Fisheries Informational Network (PacFIN) data base. For the purpose of issuing B permits, a directed groundfish landing is one in which an A permit vessel and specified gear types were not used and >50% of the value of the landing was of groundfish taken in the PFMC management area (excluding state internal and international waters) as reported on a state landing receipt and transmitted to the PacFIN data base. The specified gear types for exclusion in the analysis are drift gillnet, dip net, seine, trawl, shrimp trawl, prawn trap, roundhaul, and dredge (Burden 2005).

A variety of participation criteria will be developed for use in qualifying vessels for B permits. The proposed procedure to follow in the analysis of window period landings and revenue data applies a combination of the following participation standards: 1) recent year participation; 2) long-term directed fishery participation; 3) ability to contribute substantial landings; and 4) ability to contribute to coastal communities. The rationales for applying these standards and the analytical objectives for the associated data extractions are explained in **Table 10**.

Data will also be displayed for vessels that had incidental groundfish landings during the window period for possible use in issuing limited entry C permits.

Table 9. Recommended alternatives for B and C permit programs

Issue	**Alternative 1** – Status Quo, no licensing for either B or C fisheries	**Alternative 2** – License limitation for directed (B) fisheries; straight registration for incidental (C) fisheries. *Comment*: Relatively liberal initial issuance criteria accompanied by restrictive measures to reduce capacity		**Alternative 3** – License limitation for directed (B) fisheries; straight registration for incidental (C) fisheries. *Comment*: Immediately reduce participation with relatively restrictive initial issuance criteria and depend on fishery participation thereafter to retain permit
(1) Initial B permitted fleet size	N/A	1000 vessels, the Year 2000 directed fishery fleet size with nearshore included; about 340 with nearshore removed (Strategic Plan year)		430 vessels, the number of directed fishery vessels that fished for at least 3 years during the 6 year period 1994 – 1999 with nearshore included; about 150 (34%) with nearshore removed (A permit start year and first OA control date year)
(2) B Fleet Capacity Goal	N/A	50% of Year 2000 fleet size, approximately 500 vessels with nearshore included; about 170 with nearshore removed (General Strategic Plan goal)	20% of Year 2000 fleet size, approximately 200 vessels with nearshore included; about 70 with nearshore removed (SSC capacity analysis goal)	20% of Year 2000 fleet size, approximately 200 vessels with nearshore included; about 70 with nearshore removed. (Fleet would be already reduced by at least 50% from Year 2000 fleet size at the start of program)
(3) B Fleet qualifying window period and landings levels	N/A	**Council should request analysis of open access landings data from either April 1998 – September 2006 (the first Council meeting when permitting was formally discussed through to the most recent control date) or January 1994 – September 2006 (the period beginning when the limited entry program was established and ending with the most recent control date). Once analyses of landings are provided, Council recommendations on qualifying criteria would be based on initial fleet size goals.		

Table 9. Recommended alternatives for B and C permit programs

Issue	**Alternative 1** – Status Quo, no licensing for either B or C fisheries	**Alternative 2** – License limitation for directed (B) fisheries; straight registration for incidental (C) fisheries. *Comment*: Relatively liberal initial issuance criteria accompanied by restrictive measures to reduce capacity		**Alternative 3** – License limitation for directed (B) fisheries; straight registration for incidental (C) fisheries. *Comment*: Immediately reduce participation with relatively restrictive initial issuance criteria and depend on fishery participation thereafter to retain permit
(4) B Fleet consolidation requirements	N/A	After first year of program and every year thereafter, no permits will be issued to vessels with no groundfish landings in the previous year. After fifth year of program, participants must combine two permits in order to continue to fish in sixth year of program. 1/ Provision will be updated annually to keep within goal.	After first year of program and every year thereafter, no permits will be issued to vessels with no groundfish landings in the previous year. Also, after first *and* fifth years of program, participants must combine two permits to be issued a permit to fish in subsequent years. 2/ Provision will be updated annually to keep within goal.	After first year of program and every year thereafter, no permits will be issued to vessels with no groundfish landings in the previous year. 3/ Provision will be updated annually to keep within goal.
(5) B permit endorsements	N/A	**Similar to A permits, B permits would be length endorsed and gear endorsed. A vessel could meet qualifying criteria for B permit with landings made by multiple gear types (from the group hook-and-line, pot, setnet,) but then resultant permit would be endorsed for all of the gears used to qualify for permit.**		
(6) C permit requirements	N/A	C permits would be available to any vessel with a state fisheries permit, would be applied for and issued on an annual basis, and would not be transferable.		
(7) Integration of A & B programs	N/A	A and B permit holders may obtain the other permit type for use on the same vessel, but may use only one permit type in any year unless the vessel is lost, stolen, or rendered permanently inoperable.		A and B permit holders may not obtain the other permit type for use on the same vessel, but may obtain the other permit type if their permitted vessel is lost, stolen, or rendered permanently inoperable.

1/ At 5% natural attrition rate/ yr this alternative would result in a 387 vessels at the start of year 6 compared to a goal of 500 vessels with nearshore included.

2/ At 5% natural attrition rate/ yr this alternative would result in a 153 vessels at the start of year 6 compared to a goal of 200 vessels with nearshore included.

3/ At 5% natural attrition rate/ yr this alternative would result in a 333 vessels at the start of year 6 compared to a goal of 200 vessels with nearshore included.

Table10. Proposed participation standards and analytical approach for developing B permit qualification criteria 1/

Standard	Rationale	Action
1: Recent year participation	Vessel owner Is recently dependent on fishery	Determine the number of recently active vessels and their tonnage frequencies
2: Long-term directed fishery participation	Shows historic dependence on the fishery	Show vessel participation and tonnage frequencies for all window period years
3: Ability to contribute substantial landings	Shows vessel ability to harvest fish	Show vessel participation and tonnage frequencies for all window period years
4: Ability to contribute to coastal communities	Standard may be needed to offset possible skewed effect of high volume, low value species landings by some vessels	Show annual revenue frequencies for all vessels during window period

1/ Analyses will be done applying all four standards as follows: 1) all groundfish, 2) major or key groundfish species, 3) ecosystem groups, 4) all gear types, and 5) individual gear types or gear groups. The aim will be to create sets of qualifying criteria that will meet the Council's goal for initial issuance of B permits.

Other Issues and Concerns

Other areas of possible concern that were considered for inclusion in the alternatives presented above, but not made part of this document are listed in **Table 11**. The Council may wish to consider and expand upon one or more of these issues as part of the draft EA. Some of these issues are more complicated than others. Sablefish stacking and possible integration with the A permit program, for example, would be a major undertaking, while researching the citizenship of vessel owners would be relatively easy (but have very small effect). It will be important at the June 2007 meeting that the Council identifies those "additional" issues that have not been specifically addressed in this report for analysis and presentation at the September 2007 Council meeting. However, those issues identified as having a heavy or very heavy workload associated with them may not be possible to accomplish within the timeframe that the Council is considering for completion of the plan amendment process and program implementation.

Another area that may need to be explored more as part of this initiative is the consistency of state regulations with actions affecting open access vessels that impact federally managed groundfish (**Table 11**). It is imperative that this process does not set up a system that allows for the creation of another open access expansion situation. It is possible/likely that existing state limited entry programs for the same species and that impact federal groundfish treat fishers differently or have different management objectives, which is cause for concern in terms of consistency with the National Standards and the groundfish plan. The Council may need to consider as part of this initiative a review of the pertinent state limited entry programs relative to their potential for regulatory change that could result in increased impacts on federally managed groundfish. A contingency plan may be needed to ensure that any such changes will not reverse the effect of the proposed groundfish plan amendment. Also, the federal permit capacity goal may need to be flexible in the event state permits are reduced.

Table 11. Possible additional Plan amendment issues.

Issue	Added Workload	Comment
(1) Grounds for permit appeals	Moderate	Mostly administrative/policy in nature
(2) Permit stacking alternatives (within or between A and B permit holders) in order to increase trip limit allowances	Very Heavy	Considerable additional analysis required
(3) Sablefish tiering and possible integration with A permit sablefish program	Very heavy	Considerable additional analysis required
(4) Permit transferability conditions prior to attainment of B permit capacity goal	Moderate	Mostly administrative/policy in nature
(5) Fish allocations between B permit gear types (as there is for A permit sablefish between trawl and fixed gear)	Heavy	Considerable additional analysis required
(6) Specific fish allocations between B and C permit fisheries	Very Heavy	Considerable additional analysis required
(7) Sub-area endorsements; e.g., 36 ° N. Lat for sablefish and 40 ° 10 ' N. Lat for other species	Heavy	Considerable additional analysis required
(8) Consistency of State with Federal regulations	Moderate	Mostly administrative/policy in nature, but may be important

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APPENDIX A. State Limited Entry Program Information and General Assessment of Groundfish Interactions.

Permit Type by State	Date Implemented	Number of Permits	Groundfish Impact?
CALIFORNIA			
Deeper Nearshore Species Fishery Permit	2002	?	Y
Drift gill Net (Shark and Swordfish)	1981	?	M
Dungeness Crab Vessel	1995	?	M
General Gill/Trammel Net	1980	?	Y
Herring Gill Net	1976	?	?
Herring Stamp	1997	?	N
Lobster Operator	1977	?	M
Market Squid	2005	?	M
Market Squid Brail	2005	?	M
Market Squid Light Boat	2005	?	N
Nearshore Fishery Permit	2003	?	Y
Nearshore Fishery Trap Endorsement	2003	?	Y
Nearshore Fishery Bycatch Permit	2003	?	Y
Northern Pink Shrimp Trawl Vessel	2001	?	Y
Salmon Vessel	1983	?	Y
Sea Cucumber Diving	1983	?	N
Sea Cucumber Trawl	1997	?	Y
Sea Urchin Diving	1974	?	N
Southern Rock Crab Trap	2005	?	?
Spot Prawn Trap Vessel (tier 1, tier 2, tier 3)	2000	?	M
OREGON		?	
Black/Blue Rockfish Permit	2004	?	Pending OR response
Black/Blue Rockfish with a Nearshore Endorsement	2004	?	
Coast-wide Bay Clam Dive Permit	?	?	
Columbia River Gillnet Salmon Permit	1979	?	
Sardine Permit	2007	?	
Scallop Vessel Permit	1981	?	
Sea Urchin Permit	1987	?	
Ocean Dungeness Crab Permit	1995	?	
Ocean Pink Shrimp Vessel Permit	1979	?	
Ocean Troll Salmon Vessel Permit	1979	?	
South-coast Bay Clam Dive Permit	?	?	
Yaquina Bay Roe-Herring Permit	1991	?	
WASHINGTON		?	
Salmon Licenses:		?	Pending WA response
Grays' Harbor-Columbia River Gill Net	1991	?	
Puget Sound Gill Net	1991	?	
Purse Seine	1991	?	
Reefnet	1991	?	
Salmon Delivery	1991	?	
Single Salmon Delivery	?	?	
Troll	1991	?	

Permit Type by State	Date Implemented	Number of Permits	Groundfish Impact?
Willapa Bay-Columbia River Gill Net	1991	?	
Herring Licenses:		?	
Dip Bag Net	1994	?	
Drag Seine	1994	?	
Gill Net	1994	?	
Lampara	1994	?	
Purse Seine	1994	?	
Shellfish Licenses:		?	
Dungeness Crab (coastal)	1995	?	
Dungeness Crab (Puget Sound)	1994	?	
Ocean Pink Shrimp Delivery	1994	?	
Ocean Pink Shrimp Single Delivery	?	?	
Shrimp Pot Puget Sound	2000	?	
Shrimp Trawl Puget Sound Fishery	1994	?	
Other limited Licenses:		?	
Sea Cucumber Dive	1994	?	
Sea Urchin Dive	1994	?	
Whiting (Puget Sound)	1994	?	

APPENDIX B Description of Coastal States' Nearshore Fishery Management and Limited Entry Programs (**PRELIMINARY)**

Washington Nearshore Fishery Management

The open access fishery in Washington is substantially smaller than California and Oregon due to several actions taken to prohibit the take of nearshore species. In 1995, the Washington Department of Fish & Wildlife prohibited the directed non-trawl harvest of groundfish in coastal state waters. This was primarily in response to a developing hook-and-line fishery that was in direct competition with the coastal recreational fishery for black rockfish. Trawling (with a maximum footrope diameter of 5 inches) remained open to allow targeting of sand sole and starry flounder, but subsequent analyses demonstrated unacceptable levels of rockfish bycatch and as a result, trawling in coastal state waters was prohibited beginning in 2000. The Fish and Wildlife Commission also took action at this time to prohibit the live fish groundfish fishery. Groundfish allowance is restricted in the salmon troll fishery to incidental yellowtail rockfish only if any fishing occurs within the non-trawl RCA (shoreward of 100 fm). There are also small amounts of open access groundfish landed by pink shrimp trawlers without limited entry groundfish trawl permits. Washington's current directed groundfish open access fishery is limited to the sablefish DTL fishery. Members of the four groundfish treaty tribes operating off Washington (Makah, Quileute, Hoh, and Quinault) may fish for groundfish within their Usual and Accustomed fishing areas. These areas include both state and federal waters. A tribal vessel's participation in the groundfish fisheries is at the discretion of that vessel owner's tribe and tribal participation in groundfish fisheries would not be managed by this action.

Oregon Nearshore Permit History

The Oregon Fish and Wildlife Commission (OFWC) adopted an Interim Management Plan for Oregon's Nearshore Commercial Fishery at their October 11, 2002 meeting. The action taken was an interim measure pending the development of a comprehensive Oregon Nearshore Fisheries Management Plan. The primary intent of the interim plan was to protect nearshore groundfish populations, which are primarily reef fish, from over harvest.

Since 1997, the nearshore commercial fishery continued to grow due to the development of high value-added live-fish markets. This interim plan was adopted in recognition of this increased harvest trend and in anticipation of further growth of the nearshore commercial fishery due to increasing restrictions and area closures for other commercial fisheries.

In 2000, The Oregon Fish and Wildlife Commission directed staff to develop a plan to take precautionary measures to limit the growth of nearshore commercial and recreational fisheries and to protect the nearshore resource, because little is known about the status of nearshore fishery stocks. The adoption of the Oregon Commercial Nearshore Interim Management Plan was the first step in the development of a comprehensive plan for Oregon's nearshore fisheries, while fishery managers gather information needed to determine optimum harvest levels for a sustainable resource. The plan adopted by the Oregon Fish and Wildlife Commission went into effect on January 1, 2003 and focused on 21 species of nearshore fish (includes vermilion rockfish and tiger rockfish) that live predominantly in the Oregon territorial sea.

The Oregon interim plan was a result of multiple public meetings and reflects several suggestions received at those meetings. The issues directly addressed under the Oregon Commercial Nearshore Interim Management Plan are:

- The number of commercial participants who will be permitted to target and land selected nearshore species
- The qualification criteria for nearshore commercial permits
- The areas of fishing commercial nearshore operations
- Legal gears in the commercial nearshore fishery
- Reporting requirements for the commercial participants

The adopted interim plan addressed several goals and objectives for managing Oregon's commercial nearshore fisheries:

- Sustain biological resources at optimal levels
- Minimize the number of commercial nearshore vessels fishing off central and northern coastal waters in areas of high recreational use
- Allow the continuation of the black rockfish open access fishery
- Precautionary reduction in Oregon nearshore rockfish commercial effort by at least 50%
- Develop a cap on landed levels of nearshore species for commercial fisheries

Following the OFWC action, the Oregon Legislature established a separate commercial black rockfish limited entry program for the nearshore fishery during the 2003 legislative session (Oregon Revised Statutes 508.945-508.960). This Legislative action also included the adoption into state law, provisions that were similar to the earlier OFWC administrative rule action to limit permits for nearshore species as described above. The nearshore limited entry was incorporated as an “endorsement” on the black rockfish/blue rockfish limited entry permit for those who qualified earlier under the OFWC action. Implementation of the law began on January 1, 2004.

The Legislatively adopted limited entry plan defined qualification criteria for initial permit issuance and permit renewal criteria for black rockfish/blue rockfish permits. The permits were associated with the vessel and were initially issued to applicants owning a vessel that landed a minimum of 750 pounds of nontrawl caught black rockfish, blue rockfish, or nearshore fish defined under the OFWC plan in any one calendar year between January 1, 1995 and July 1, 2001. Additionally, vessels that had received a nearshore endorsement issued by the OFWC in 2003 were granted a nearshore endorsement in legislation.

Under the new law, Oregon limited entry permits for the commercial harvest of black rockfish and blue rockfish were issued to 142 of the 214 vessels that qualified. Seventy two of the 214 vessels that qualified for the commercial black rockfish and blue rockfish limited entry permit failed to purchase the permit; some fishers were no longer fishing commercially. Nearshore endorsements (for nearshore rockfish other than black rockfish and blue rockfish, cabezon, and greenling) were granted to 73 of the 142 vessels that had been issued permits for the black rockfish and blue rockfish limited entry program. In addition, state landing caps and cumulative trip limits (more restrictive than federal trip limits) for black rockfish and blue rockfish, other nearshore rockfish, cabezon, and greenling were enacted following the implementation of the limited entry program.

Initial target goals of not less than 80 black rockfish/blue rockfish permits without nearshore endorsements and 50 black rockfish/blue rockfish permits with nearshore endorsements were established by the OFWC. This level of effort was consistent with the goal of reducing the 2002 fleet size by approximately 50% (note: 142 vessels landed nearshore fish in 2002;

approximately 100 of those vessels had at least one landing of which nearshore fish comprised 50% or more of the landing signifying targeting of nearshore fish). The final Legislative limited entry plan provides for a lottery of black rockfish/blue rockfish permits and nearshore endorsements at the time the permit number reaches the above mentioned thresholds, if determined warranted by the OFWC. The target participation goals will be evaluated prior to developing a federal limited entry program.

Oregon has conversed with the affected industries and communities through public meetings and has made changes to the commercial nearshore fishery capacity goals since the original program was implemented.

Changes to the commercial nearshore fishery capacity goals include:

- Oregon landing caps have been implemented. These are more restrictive than the Federal limits for the species included in the state nearshore species list
- Cumulative commercial trip limits are now set more restrictive than Federal levels
- Season length is set by the OFWC in December for the following year (In-season adjustments to the cumulative trip limits are implemented by rule by the OFWC to sustain the fishery through the desired season duration without exceeding the landing caps)
- Gear restrictions: pot gear prohibited (except as permitted by the state commercial nearshore limited entry permit endorsement) and dive gear prohibited. Additional in-season gear restrictions considered
- **Commercial Black Rockfish Zones**

  Oregon landings of black rockfish with all commercial gear except trawl are limited to 200 pounds per vessel per trip in the following areas (defined by latitude in Oregon regulations):

  - Tillamook Head to Cape Lookout
  - Cascade Head to Cape Perpetua
  - From a point approximately 8-1/2 miles north of the Coos bay north jetty to a point about 4-1/2 miles south of the Bandon south jetty
  - Mack Arch to Oregon-California border

- Size limits:
  - China, Copper, Grass, & Quillback Rockfish —12 inches
  - Greenling—12 inches
  - Cabezon—16 inches

- Logbooks required. Logbooks were implemented in 2003 by the OFWC, and legislatively mandated in 2004.
- Rockfish Conservation Area - Federal regulation compliance

ODFW is implementing the *Oregon Nearshore Strategy* and, as part of implementation, is currently developing a comprehensive Nearshore Fisheries Management Plan (NFMP) for the state of Oregon. The NFMP is to serve as a guide and plan of action for the state's management of nearshore commercial and recreational fisheries. The first phase of the NFMP

has been focused on developing a management framework and is scheduled to be completed by summer 2007. The second phase of the NFMP will be a revision of the Interim Management Plan focused on developing a Fishery Management Strategy for the commercial black rockfish/blue rockfish/nearshore groundfish limited entry fishery. Beginning in summer 2007, ODFW will be undergoing a public process to review and revise the commercial black rockfish/blue rockfish/nearshore groundfish limited entry fishery, with an anticipated completion date of December 2007. This may result in revisions to the details of the nearshore commercial fishery harvest and season requirements.

Status of Oregon Black rockfish/Blue Rockfish permits and Nearshore endorsements:

	2003	2004	2005	2006	2007
# of B/B permits with NS endorse issued	73	73	73	72	71
# of B/B permits with NS endorse USED	73	73	72	71	
# of B/B permits without NS endorse issued		69	62	60	56
# of B/B permits without NS endorse USED		62	60	56	

References:

1. Oregon Revised Statutes 508.945 through 508.960

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3. Fact Sheet, Oregon Department of Fish and Wildlife – New Commercial Black Rockfish/Blue Rockfish Nearshore Fishery Limited Entry Permit (final 12/10/03 (corrected 6/1/04)) (http://www.dfw.state.or.us/MRP/regulations/commercial_fishing/blackrf/blackblue_factsheet121003.pdf)

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California Nearshore Permit History

California's nearshore fishery has undergone many changes over the last decade. In 1999, commercial licensing changed with the requirement that a nearshore permit be required by any person landing the following nearshore species: black-and-yellow, gopher, kelp, China, and grass rockfishes, CA scorpionfish, kelp and rock greenlings, CA sheephead, and cabezon. This licensing requirement was set as the initial step in a permitting program and did not restrict participation. This process was followed by the "Nearshore Fishery Permit Moratorium; Renewal; Restricted Access" in 2002 which made it possible to renew the previously issued permit but disallowed any new entry/permitting. This regulation stated that the moratorium would expire on March 31, 2002 unless extended by the Fish and Game Commission (Commission). In addition, a December 31, 1999 control date was established for the purpose of developing a restricted access nearshore fishery. Only those possessing a valid Nearshore Fishery Permit as of the control date would be considered in a future restricted access nearshore fishery.

In 2002, the newly adopted CDFG Nearshore Fishery Management Plan (FMP) identified the need to restrict the nearshore fishery due to overcapitalization. During the FMP scoping process many aspects of the fishery were considered to ensure that a successful restricted access program was developed. The Commission submitted a policy report to the CDFG in which it voiced the credence of developing and utilizing a restricted access program as a fishery management tool. As a result, in 2003 California implemented a Restricted Access Fishery Permit Program.

Beginning in 2003, the moratorium was reconstructed into what is now the current "Nearshore Fishery Restricted Access Program". This full restricted access program was implemented for the shallow nearshore species to promote the ecological and economic sustainability of the fishery to be consistent with the Marine Life Management Act and Fish & Game Commission policies. The purpose was to reduce the number of participants and move closer to a statewide capacity goal set by the Commission at 61 participants. Transferable and non-transferable "Nearshore Fishery Permits" were issued based on historical fishery participation and were regional:

1. North Coast Region: OR/CA border to 40° 10'
2. North-Central Coast Region: 40° 10' to Año Nuevo
3. South-Central Coast Region: Año Nuevo to Point Conception
4. South Coast Region: Point Conception to CA/Mexico border

One of the requirements of the restricted access policy was establishment of a capacity goal. The nearshore plan analysis determined that 61 vessels would reduce the fishing fleet to reduce over-capitalization and increase sustainability. Title 14 of the California Code of Regulations (CCR) Section 150.01 states, "Until the number of permits in a regional management area equals or falls below the capacity goal for that regional management area a permit may only be transferred if one additional transferable permit for the same regional management area is surrendered to the department for cancellation at the same time the application for the transfer is submitted to the department" This strategy has allowed for the yearly decrease in the number of permittees at a total rate of 13% since implementation in 2003.

Table B-1. Regional capacity goals as defined in CCR, Title 14, section 150.

Shallow Nearshore Fishery Permit Regions	Capacity Goal
North Coast	14
North-Central Coast	9
South-Central Coast	20
South Coast	18
Non-transferable for all regions	0
Total	61

Also in 2003, a non-transferable statewide "Deeper Nearshore Species Fishery Permit" was first required to take black, blue, brown, calico, copper, olive, quillback, and treefish rockfishes. This permit, like the nearshore permit, also prevented further expansion of the fishery. The following table documents the issuance level of the nearshore and the deeper permits before and since the restricted access implementation. Additionally it documents the number of permittees that have utilized the permit to land the appropriate species group.

As part of the nearshore restricted access permit program, a Nearshore Fishery Bycatch Permit was provided. This program allowed permittees with vessels using trawl or entangling nets to take and possess small amounts of shallow nearshore species as bycatch. Bycatch permits are non-transferable and allow permittees to take 25 pounds of nearshore species per trip in the south-central region and 50 pounds of nearshore species per trip in the south region. Permit holders are subject to all state and federal cumulative trip limits as defined in regulations.

Table B-2. Total number of permits issued and actual number or permits used

	1999	2000	2001	2002	2003	2004	2005	2006
# of NS permits issued	1,128	1,060	753	504	-------	-------	-------	-------
# of shallow issued	-------	-------	-----	-------	227	208	202	195
# of deeper issued	-------	-------	-----	-------	292	275	257	247
# permits USED	-------	-------	-----	-------	S- 167 D-182	S-158 D-184	S- 145 D-173	S-149 D-173

APPENDIX C. Public Scoping Summary (NEEDS ADDITIONAL WORK)

Public Scoping

The Council has been conducting scoping on the issue of requiring permitting in the open access fisheries since January 2001. Both the scoping activities and public issues and concerns regarding this action that were conducted or expressed prior to the preparation of the draft EIS and those associated with the development of this EA are described herein.

JANUARY 2001
The Open Access Permitting Subcommittee (OAPS) of the Strategic Plan Oversight Committee (SPOC) had its first meeting via teleconference on January 18, 2001. The OAPS initially identified two fishery strategies wherein open access vessels were directly targeting groundfish: directed hook-and-line fisheries and directed setnet fisheries. Additionally, the OAPS identified the following gear types as being used to take groundfish incidentally in the open access fisheries: exempted trawl gear (non-groundfish trawl gear), salmon troll, halibut longline, non-directed setnet fisheries. The OAPS also noted that several of these fisheries are geographically distinct, which should be taken into account when developing initial permitting and allocation strategies. Finally, the OAPS recommended that the Council form a policy group to explore developing a restricted access program for the open access fisheries.

APRIL-MAY 2001
At the April 2001 Council meeting, the Council provided guidance for the SPOC on capacity reduction issues, but only briefly discussed license limitation in the open access fisheries. The OAPS met in April 2001 and the SPOC in May 2001, with both groups providing minutes to the Council at the Council's June 2001 meeting. At this meeting, the OAPS discussed setting a priority for introducing permitting for the directed fisheries for groundfish, with permitting for the incidental fisheries being a lower priority. The OAPS also reviewed Dr. James Hastie's "Analysis of Open Access Fishery," an analysis of groundfish landings data, which provides a profile of groundfish catches occurring in the open access fisheries (Hastie 2001). Following this review of Hastie's fleet profile, the OAPS composed six questions that it felt the Council should consider before embarking on a permitting program for the directed open access fisheries. OAPS recommendations from this meeting were reviewed by the SPOC at its May 2001 meeting, but the SPOC made no recommendations on this issue other than that the OAPS material should be provided to the Council and public at the June 2001 Council meeting.

JUNE 2001
At the June 2001 Council meeting, the Council discussed the results of the meetings of the OAPS and the SPOC and the various priority actions in the Strategic Plan. During Council discussions, members of the Council recommended that the Council proceed first with developing a directed groundfish permit for those vessels currently in the open access fisheries that target groundfish directly, and then look at fisheries that take groundfish incidentally. Council members further commented that one of the most important issues in considering a license limitation program for the open access fisheries is allocation between the different fisheries. There was some concern from Council members that this program might take too much time in an already overburdened schedule. The Council's Groundfish Advisory Subpanel (GAP) also commented on this issue at this meeting, noting that limiting access in the open access fisheries will take a lot of time and effort and that the states are already proceeding with license limitation in their nearshore fisheries. However, both of the open access fishery representatives on the GAP were in favor of proceeding with license limitation for the open access fisheries.

JULY - AUGUST 2001

The OAPS met on July 31, 2001 to discuss the Council's recommendations from their June meeting. At that meeting, the OAPS reviewed Dr. Hastie's analysis of historical fishing activities within the open access fleets, discussed whether the states could help with developing this program by providing state-level profiles of their open access fisheries, discussed whether it would be more or less complicated to include fisheries that incidentally take groundfish in the whole-fleet profile discussed whether the program should include an allocation between directed and incidental open access groundfish fisheries, and provided outlines of nearshore groundfish management off each of the three states. The SPOC met on August 30, 2001, and discussed all of the Strategic Plan's priorities, including license limitation in the open access fisheries and the July OAPS meeting. The SPOC made the following recommendations for the Council's consideration at its September meeting: Council staff's Executive Director to provide a report on funds available for Strategic Plan implementation at the Council's October/November meeting; a meeting of the OAPS should be held after the October/November meeting; Dr. Hastie should continue development of an historical analysis of participation and catch in open access fisheries; the SPOC will re-consider whether to develop an incidental groundfish permit (for nontargeting open access fisheries) after the historical analysis is complete.

SEPTEMBER 2001

The Council discussed the results of the OAPS and SPOC meetings held over the summer, but did not address open access license limitation beyond recommending that the OAPS hold another meeting after the October/November Council meeting. The Council's GAP commented only that work on this issue should be delayed until after the October/November Council meeting.

JANUARY 2002

The OAPS met January 30-31, 2002 and reviewed the FMP's goals for the original limited entry fishery, modifying it for license limitation in the open access fisheries so that it reads, "The primary objective of the limited entry program will be to match harvest capacity in the West coast groundfish fishery with the productivity of the resource." The OAPS also detailed objectives for a new license limitation program: to allow sustainable prosecution of fisheries for non-groundfish species without groundfish waste; and to set qualification criteria for a license limitation program high enough to reduce the number of vessels being licensed, then to bring both the current open access harvest allocations and the newly licensed vessels into the limited entry program. The OAPS also provided further data requests to NOAA Fisheries analysts for dividing historical open access landings data by fishery, geographic area, and gear type.

MARCH 2002

At its March 2002 meeting, the Council discussed Strategic Plan implementation, including license limitation in the open access fisheries. The OAPS report to the March Council meeting was intended to be a draft report, with the final available at the April 2002 Council meeting.

APRIL 2002

During its April 2002 meeting, the Council again discussed Strategic Plan implementation, with a more full report from the OAPS January meeting. At this meeting, a Council member recommended including a qualification criteria option proposed by a member of the public: that open access vessels be allowed to join the limited entry fishery based on landings made by gears other than the three limited entry gears (trawl, fishpot, longline) during the limited entry qualifying period of 1984-1988. At this meeting, the GAP commented only that the issues and alternatives associated with open access license limitation had not been fleshed out well enough for a comprehensive analysis on the effects of a new license limitation program.

NOVEMBER 2002
At its November 2002 meeting, the second anniversary of the Council's adoption of the Strategic Plan, the Council reviewed all of its Strategic Plan priorities. On the issue of open access license limitation, the Council recommended that an open access permitting development team meet to develop options for a moratorium permit for directed open access groundfish fisheries. Permits would be based on minimum historic participation, non-transferable, renewable, interim until a formal limited entry program were developed. At this meeting, the Council's Groundfish Management Team (GMT) commented that converting the directed open access fishery to a limited entry fishery has been a priority of the GMT for many years; however, the GMT also noted that there were ongoing state efforts to limit commercial groundfish fisheries participation. With state license limitation programs in place, only groundfish occurring outside of the three-mile state boundary, primarily sablefish and southern slope rockfish, would remain directed open access fisheries. Finally, the GMT noted that converting open access vessels to a permitted fleet would offer other management benefits, particularly because it would allow managers and enforcement agencies to better identify fleet participants for vessel monitoring system and observer program coverage. The GAP noted the state license limitation efforts could reduce open access directed groundfish fisheries participation coastwide and recommended that the Council continue regular meetings of its OAPS.

March 2003
No discussion of OA permitting (except under workload priorities).
(http://www.pcouncil.org/minutes/2003/0303min.pdf).

April 2003
No discussion. (http://www.pcouncil.org/minutes/2003/0403min.pdf). Other groundfish issues appear to have a higher priority (especially Amendment 16, Rebuilding Plans, and VMS)

June 2003
No discussion or mention under agendum B.15. Long-term Management Strategies. (http://www.pcouncil.org/minutes/2003/0603min.pdf).

September 2003
Under agendum B.7.c. Council Member Robinson reported he will have comments on open access at the November meeting. Vojkovich noted resolving the open access problem is imperative in CA. McIsaac said this item is moving up in the priorities and suggested taking the open access agenda item update and turning it into a planning session. (http://www.pcouncil.org/minutes/2003/0903min.pdf).

NOVEMBER 2003
Agendum D.15 addressed Open Access Limitation Discussion and Planning. Council staff presented the overview. Council Member Brown noted we still need to define the "directed" open access fishery. Council Member Vojkovich suggested working on the issue over the winter and to have a phone call in January (agendum I.4.). NMFS staff presented an initial start at NEPA document (see: http://www.pcouncil.org/bb/2003/1103/exd15.pdf). Open Access Limitation update was proposed for April and June 2004 meetings (http://www.pcouncil.org/bb/2003/1103/exi4.pdf). Council members expressed concern about continuation of unrestricted participation in the open access fishery and displacement of open access effort onto the shelf with implementation of the state nearshore limited entry system. There are several ways to approach the problem. One would be to move forward with a moratorium permit. .It was also agreed it was premature to discuss a new control date at this point and the issue need to be addressed in terms of staff workload.

March 2004
No discussion (http://www.pcouncil.org/minutes/2004/0304min.pdf

APRIL 2004
The Council discussed elevating the OA permitting issue but noted there were still other high priority issues to deal with, such as inseason management policies

June 2004
No discussion (http://www.pcouncil.org/minutes/2004/0604min.pdf).

September 2004
Under B.8.d. Vojkovich asks if its NMFS policy for handling fishing capacity had funds with it to support the OA permitting initiative. It is noted under C.11.d that identification of open access vessels is not possible in the VMS system. (http://www.pcouncil.org/minutes/2004/0904min.pdf).

November 2004
No discussion (http://www.pcouncil.org/minutes/2004/1104min.pdf).

March 2005
No discussion (http://www.pcouncil.org/minutes/2005/0305min.pdf).

APRIL 2005
The Council discussed whether the open access VMS requirement would reasonably address the need for permitting the OA fisheries. It was noted that most vessels that target groundfish operate in state waters which would be exempt from the VMS requirement. The Council considered adopting a control date for the longline spiny dogfish fishery which led to a discussion about the need for OA fishery permitting, which is a much larger than the spiny dogfish situation.

JUNE 2005
No discussion. (http://www.pcouncil.org/minutes/2005/0605min.pdf

SEPTEMBER 2005
Motion was passed to look at fishery impacts from expanded fishing on spiny dogfish by longliners under open access landing limits. Support was expressed to find time to work on OA permitting.

NOVEMBER 2005
The Council discussion regarding regulatory streamlining led to OA permitting issue and that it may be useful to begin documenting the steps that would be involved and develop a concrete plan, which would be like the groundfish harvest specifications planning schedule, but more fleshed out. Thus it could be a candidate for this regulatory streamlining exercise. The Council also discussed OA permitting in the context of groundfish work planning, by catch reduction and the need to identify OA vessels and estimate their catches.

MARCH 2006
OA Permitting suggested for June 2006 meeting.
http://www.pcouncil.org/bb/2006/0306/agb5a_supp_att1.pdf

APRIL 2006

OA Permitting issue moved from June to September 2006 meeting:
http://www.pcouncil.org/bb/2006/0406/agb5a_supp_att1.pdf

JUNE 2006
Council member Moore stated that the open access limitation issue needs to be done to be able to complete IQ and intersector allocation issues.

SEPTEMBER 2006
The Council and NMFS discussed the effectiveness of the November 1999 open access permitting control date. Legal Council noted that control dates are public notices of possible Council action and have no regulatory effect. Also, control dates do not preclude the use of earlier catch histories for issuing permits. The Council moved to set a new control date of September 13, 2006 to give people notice that landings after that date may not apply to catch history used to qualify for an OA limited entry permit. Council member Vojkovich, California, offered staff to undertake the plan amendment analysis and paperwork because a full-time Council member staff position would be needed to do the work. The GMT reported that they are in favor of reducing the size of the OA fleet and that a federal permit is recommended. The GAP prioritized open access limitation behind trawl individual quotas, intersector allocation and Amendment 15. The ECs reported that VMS will not identify all open access participants because VMS only applies in federal waters. The Council members expressed a wish for a simple program but noted public input will likely be substantial which could complicate the matter. The Council expressed support to get the process started in 2007. NMFS noted the observer program would be more effective with all sectors under a federal permit. Legal Council noted a NEPA analysis would be required, but it may not need to be an environmental impact statement.

March 2007
Open Access Limitation issue tentatively placed on June 2007 agenda, described as "Next Steps." (http://www.pcouncil.org/bb/2007/0307/Ag_D1.pdf).

April 2007
CDFG Report (Agendum C.1.a, supplemental CDFG report) submitted requesting June 2007 agenda item for Open Access Permitting. Issue is on June 2007 agenda for "Direct Development of Alternatives." (http://www.pcouncil.org/bb/2007/0407/C.1a_CDFG_sup.pdf).

Public Issues and Concerns Raised Through Public Scoping

APRIL - MAY 2001
The Council held a discussion and public comment session at its April 2001 meeting for the activities of the SPOC, which included discussions of license limitation for the open access fisheries. Public comment during that session included: an offer by a non-profit organization to create a fleet effort profile of where fishing activities take place; concern expressed that reduction of the groundfish fleet as a whole would require allocation between different users; observation that, under the Strategic Plan, all sectors of the fleet are to be reduced by 50%; comment that Council's current advisory committee structure might not be the most useful for moving the Council forward through SPOC priorities. Public comment at the May 2001 SPOC meeting was limited to a request that OAPS materials be provided to the Council's advisory bodies and the public prior to the June Council meeting.

JUNE 2001
During the public comment session at the Council's June 2001 meeting, public comment addressed open access fisheries license limitation: participation in the open access fisheries be not merely capped, but be reduced by 50%, as recommended in the Strategic Plan; if effort is only capped in the open access fisheries, not reduced, groundfish trip limits will remain at such low levels that groundfish will not provide reasonable income levels for participants; people come and go in open access fisheries all the time, many part-timers get involved who then fail; a license limitation program will be politically challenging for the Council and the fishing communities, but it is essential nevertheless; permits should be issued to vessels, rather than to persons as is done in the California nearshore plan; qualification criteria should be sufficiently high enough to cut the fleet down to about 300-350 boats, with consideration for the years before the control date, 1994-1999, perhaps some combination of annual or cumulative landings levels along with participation in at least 4 out of 6 years, or similar; salmon fishermen do encounter groundfish and they would like to continue to have access to groundfish, regardless of how the open access license limitation program comes out, perhaps by limiting groundfish take by allowing so many pounds of groundfish per pounds of salmon taken.

JULY - AUGUST 2001
Public comment at the OPAS meeting in July 2001: why is the OPAS considering accommodating directed groundfish fishing in the open access fisheries when those vessels never qualified for the original limited entry permit? Allocation of open access groundfish harvest levels between the directed and incidental open access sectors will result in lower landings limits for all and result increases in discards. Latent capacity will result from this program because Council will be permitting vessels that never had much of a participation level, and then you'll have to figure out how to get those vessels out of the fishery. Members of the public attending the August 2001 SPOC meeting did not comment on open access license limitation issues.

SEPTEMBER 2001 - MARCH 2002
At the September 2001 Council meeting, the public did not have specific recommendations on license limitation in the open access fishery, although there were comments on other aspects of the Strategic Plan. Similarly, the public did not specifically provide comments on open access license limitation at the March Council meeting, except that one commenter expressed disappointment that capacity reduction issues seem to be falling lower and lower on the Council's priority list. APRIL 2002 Public comments at the April 2002 Council meeting on license limitation for the open access fisheries: knowing the time it took to implement the original limited entry permit program, it doesn't seem possible to implement a new license limitation program for another five years; if there's going to be a new license limitation program for the boats now in the open access fisheries, all of the fish allocated to the open access fisheries with the original limited entry program should be shifted to the limited entry fisheries; failing to eliminate the open access fishery in 1994 was a mistake and fixing it with another limited entry program would be a bigger mistake – the Council should consider the option of closing the directed portion of the open access fleet by 2004, allocating the necessary portion of the open access quota to the open access incidental fisheries and redistribute the remainder of the open access quota to the existing limited entry fleet and recreational fisheries; coupled with the alternative of eliminating the directed open access fleet altogether would be an FMP amendment that would allow vessels using gears other than the three limited entry gears to purchase a limited entry permit and convert that permit's gear endorsement to their non-limited entry gear, additionally, new "A" permits should be issued to groundfish directed fishing vessels that met the original limited entry qualifying criteria during the qualifying period with gear other than the three limited entry

gears; finally, the goals and objectives that you've set for yourself cannot be met with limited entry programs and trip limit management alone.

NOVEMBER 2002
At the November 2002 Council meeting, the public did not have specific recommendations on license limitation in the open access fishery, although there were comments on other aspects of the Strategic Plan.

JUNE 2005
Public comment was made during Public Comment that the time is right to revisit the open access permitting issue**.**

SEPTEMBER 2006
NEED TO REVIEW RECORD FOR OA AGENDA ITEM AND PUBLIC COMMENT

APRIL 2006
NEED TO REVIEW RECORD FOR OA AGENDA ITEM AND PUBLIC COMMENT