

**DRAFT COMPONENT REGULATIONS
REPORT OF THE REGULATORY DEEMING WORKGROUP (WORKGROUP)**

The Regulatory Deeming Workgroup (Workgroup) met May 20-21 in Seattle Washington and reviewed a draft version of the trawl rationalization components rule provided to the group May 19, 2010. This document showed in track changes modifications to the component rule that were made since the April 2010 Council meeting. The Workgroup had numerous comments on the May 19 version of the rule. Some of its thematic concerns are summarized below.

The Workgroup will meet again on June 10 and 11 to review an updated version of the rule. The Workgroup *strongly* requests that the version of the components rule that it will be expected to review at its next meeting be provided at least 48 hours in advance of that meeting.

General Comments

The following are some of the general categories of concern identified by the Workgroup. At its June 10-11 meeting, the Workgroup will review the next version of the regulations to determine whether its specific concerns remain and will develop a more detailed report for the Council on remaining concerns. That report will also cover any new concerns that arise as a result of its review of the version of the draft regulations available at its June meeting.

Gear Switching and Declarations. Consideration should be given to allowing more than one gear to be used on an IFQ trip (see 660.12 (d)(5)(A)). The Council does not appear to have addressed this issue previously. The workgroup also recommends that in order to provide flexibility, both for gear usage and in the use of management measures such as closed areas, the declarations for IFQ gear switching should be divided into two nontrawl types: hook-and-line, and pot.

Observers and Shoreside Catch Monitors. Some of the major concerns of the Workgroup related to the impacts of the regulations on recruiting from local communities. One of these concerns was that conflict of interest provisions not encompass more potential conflicts than is necessary. Some other concerns were that the maximum lengths of deployment not be too restrictive and that overnight accommodation reimbursement provisions take into account the fact that observers and catch monitors may live in the local communities or establish temporary residences there. The Workgroup also questioned the need for a provision preventing an IFQ observer from being used to comply with observer coverage requirements for any other Pacific Coast groundfish fishery (see 660.16(c)).

With respect to observers for the shoreside IFQ fishery, the Workgroup was concerned that regulations placed a responsibility on the plant for ensuring that the vessel they receive fish from was in compliance with the observer provision. This did not seem appropriate (see 660.112(b)(2) (v))

The Workgroup felt observers should be able to access and view data on the vessel's position but not use the equipment. It therefore recommends deleting "and the use of" where it pertains to observer access to navigational equipment (e.g. 660.140(h)(2)(iv)).

Sections specifying the observer providers' obligation to provide observers to vessels need to be revised to take into account how an observer provider's contractual obligation to particular vessels arises (e.g. 660.140(h)(4)(v)). An observer provider is not required to provide an observer to any vessel that requests an observer without there being some established agreement.

QS Renewal. Requiring QS permit renewal by December 31 is too late (660.140(d)(3)(i)). QS is held in the accounts of QS permit holders. What happens to the QP that would go to a QS permit which is not renewed? Is it withheld pending QS permit renewal; or does it get redistributed to the remainder of the QS permits (i.e. the non-renewed QS permit loses QP distribution for the coming year, providing an incentive for renewing on time)?

QP Account Information. Since QP control has a bearing on QS control, add a requirement for the submission of ownership information similar to what is required for QS permits (see 660.140(e)(2)(ii)).

Whiting Fishery. The workgroup had numerous concern about provisions related to management of the whiting fishery including: whether or not a season start date needed to be maintained, whether there is a need to specify a season end date, whether there is a need to use trip limits to control harvest outside the primary whiting season, how the 5% limit on early season harvest in the south would be implemented, and that various conservation zones for the whiting fishery (marked for deletion) would need to be maintained.

Co-ops (Mothership and Catcher Processor). The Workgroup had numerous concerns about responsibilities being assigned to co-ops including requirements that they collect mandatory economic data forms and fees from their members for submission to NMFS. All mandatory economic data submissions and fees should be the responsibility of the harvesting vessels (including vessels that participate in the at-sea non-co-op fishery).

On another matter related to co-op responsibilities, it should be clarified that the co-ops will be responsible for ensuring that they do not go over the individual allocations and NMFS should only close co-ops when such allocations are reached (not when they are *projected* to be reached). This would be consistent with the Council's final preferred alternatives.

Three days is an unnecessarily tight time frame for notifying NMFS of changes to co-op agreements, particularly given that it is not even three business days (e.g. 660.150(e)(1)(iii)(B)(4)). Thirty days would be more reasonable. Consideration needs to be given to differentiating between those changes that are important to monitoring and enforcing the program and those which are less important. Less important changes need to be treated with more latitude.

Co-ops (Mothership). Draft regulations need to be adjusted to indicate that vessels without mothership catcher vessel endorsements that are fishing for members of the co-op are not themselves members of the co-op.

Mothership coop failure provisions seem unnecessary. These regulations should be written from the perspective of "mothership co-op permit validity."

Co-ops (Catcher-Processor). The Workgroup expressed concern with the role that NMFS would play in defining co-op failure (660.160(b)(3)(iii)(A)). Is it the Council's intent that NMFS determine a failure has occurred or that this determination be made by the Council after notice to the Council that certain criteria have not been?

Cost Recovery. Eliminate language in sections specifying measures related to cost recovery and leave for development as part of the full regulatory package on cost recovery.