

GROUND FISH ADVISORY SUBPANEL REPORT ON  
NATIONAL MARINE FISHERIES REPORT

The Groundfish Advisory Subpanel (GAP) discussed the National Marine Fisheries Service (NMFS) report on the Cost Recovery program for the Trawl Rationalization program.

The GAP notes that based on the information presented in the report close to 40,000 hours of employee time was spent working on the catch share program in 2013. This includes NMFS employees but not contractors – which could be as much as an additional 10,000 hours. The report also notes that it does not account for additional costs such as travel, rent and other costs associated with managing the program. These numbers would appear to equate to approximately 24 people working full time on the program in 2014.

The GAP would like to see increased transparency with regard to the cost recovery program. The information should be broken down not just by sector but by employee and/or contractors along with associated tasks. What were these 50,000 hours actually spent doing? Are these incremental costs? The Magnuson Act allows for collection of fees based on incremental costs that would not exist were it not for the catch share program. We are unable to make this determination because there is not enough information provided in the report. The report does indicate that employees tracked their time in 2013 by sector and task so this information should be easily available.

Further, the GAP notes that the information provided in cost recovery program reports in the North Pacific Fishery Management Council provide information at a much finer scale so providing this information is not unprecedented.

The GAP further requests that the Council ask NMFS to clarify the review process for this item. How will NMFS allow the Council and affected industry to provide input into the decisions on how much money it takes to manage the fishery? It appears that the decision for 2014 has been made – the program is already operational. How will this process occur in 2015? Will the Council's cost recovery committee be involved? Why weren't they involved in reviewing the plan for 2014 PRIOR to implementation?

As the Council is well aware, the industry is facing huge costs to participate in the trawl individual quota program, including: the 5 percent buyback loan payments (5 percent of ex-vessel value), the increasing costs of observers, and the 3 percent cost recovery fee. These are all in addition to the state landings taxes and other fixed costs associated with fishing. Overall these costs are approaching 18 percent of a business' gross income. As such, the GAP believes that the affected industry should be afforded a more transparent look into what the actual incremental costs for management, data collection and enforcement truly are. Currently there is little confidence in the numbers and the industry feels more like a blank check is being written potentially for costs not associated with the program.

It is frustrating to continually hear about the workload issues at NMFS that are preventing the many important trawl trailing amendments from being discussed and implemented given that there is an estimate of 50,000 hours having been expended on this program in 2013.