

SABLEFISH PERMIT STACKING PROGRAM- ACTION ISSUES, ELECTRONIC FISH TICKET ANALYSIS

In the *Draft Council Decision Analysis Document* for the sablefish permit stacking program action issues, Attachment 2 to Agenda Item C.6.a, pages 6-11 describe alternatives for developing a Federal electronic fish ticket program for some or all of the sectors of the commercial nontrawl groundfish fleet. Similar to the electronic fish tickets used in the Trawl Rationalization (IFQ) fishery, the National Marine Fisheries Service (NMFS) is proposing that the Council consider Federal electronic fish tickets for some or all sectors of the commercial nontrawl groundfish fleet. The electronic fish ticket alternatives presented in that document and re-stated below were developed from the Council's recommendations at the November 2013 meeting. The Council's recommendations were based on alternatives identified in the Groundfish Advisory Subpanel (GAP) report, Agenda Item H.3.b, Supplemental GAP Report and the bolded items in the Groundfish Management Team (GMT) report, Agenda Item H.3.b, Supplemental GMT Report.

Electronic fish ticket means a software program or data files meeting data export specifications approved by NMFS that are used to send landing data to the Pacific States Marine Fisheries Commission (PSMFC). Electronic fish tickets are used to collect information similar to the information required in state fish receiving tickets or landing receipts, but do not replace or change any state requirements. The electronic fish ticket system was designed and is managed by the PSMFC, with funding from NMFS. The electronic fish ticket system has been used for the Pacific whiting shoreside fishery since 2007 (see 72 FR 50906, September 5, 2007).

In 2011, the electronic fish ticket system was expanded to include not only the Pacific whiting shoreside fishery, but all groundfish delivered shoreside by vessels participating in the shoreside IFQ program under Amendment 20 (the Trawl Rationalization Program). The current electronic fish ticket system is software based, however PSMFC is in the process of moving to a web-based electronic fish ticket system. This change would affect the requirements associated with using the electronic ticket. Electronic fish ticket regulations at 50 CFR 660.15 explain the current software and hardware requirements associated with using the electronic ticket. These regulations currently apply only to first receivers¹ in the Shorebased Trawl IFQ program and not to the limited entry fixed gear (LEFG) and open access (OA) fisheries. The existing electronic fish ticket varies slightly by state such that each form records the information necessary for compliance with state landings regulations. Although the form is currently used for the Trawl Rationalization Program, it could easily accommodate landings in the commercial nontrawl groundfish fleet, and also provides unique reporting functions, such as preparation of tax information, that may be beneficial to first receivers.

¹ First Receiver means a person who receives, purchases, or takes custody, control, or possession of catch onshore directly from a vessel.

Electronic Fish Ticket Alternatives (see also Section 2.1 of Attachment 2)

Alternative 1: (No Action) There are currently no Federal regulations requiring fish ticket documentation for sablefish landings in the primary (tier) sablefish fishery or within the larger limited entry fixed gear (LEFG) fishery.

Alternative 2: A Federal requirement that **all primary/tier** deliveries be recorded on an electronic fish (E fish) ticket that documents the associated Federal groundfish permit number. That Tier Permits be loaded into the IFQ Vessel Account System with deductions completed as appropriate when a tier delivery is made and recorded on the E Fish Ticket.

Suboption: Delete the word “electronic” and the second sentence from Alternative 2, to allow the use of paper tickets.

Alternative 3: A Federal requirement that **all limited entry permit sablefish deliveries (primary/tier and daily trip limit (DTL))** be recorded on an electronic fish ticket that documents the associated Federal groundfish permit number. Tier Permits must be loaded into the IFQ Vessel Account System with deductions completed as appropriate when a tier delivery is made and recorded on the E Fish Ticket.

Suboption: Delete the word “electronic” and the second sentence from Alternative 3, to allow the use of paper tickets.

Alternative 4: A Federal requirement that **all sablefish deliveries (primary/tier, DTL, and open access)** be recorded on an E Fish Ticket. That Tier Permits be loaded into the IFQ Vessel Account System with deductions made as appropriate when a tier delivery is made and recorded on the E Fish Ticket.

Suboption: Delete the word “electronic” and the second sentence from Alternative 4, to allow the use of paper tickets.

Alternative 1: (No Action)

Catch accounting in the limited entry fixed gear and open access fisheries is based on landed catch derived from state landing receipts. Total catch is derived by combining landed catch values from state landing receipts with discard ratios derived from observer sample data. Current regulations at 50 CFR 660.3 require vessels to adhere to applicable state laws for recordkeeping and reporting. State landing receipts do not consistently include the federal groundfish permit number associated with the landing, which can be problematic, particularly when multiple permits are registered to a single vessel. Electronic fish ticket regulations at 50 CFR 660.15 apply only to first receivers in the Shorebased Trawl IFQ program and not to the limited entry and open access fisheries first receivers. Landings data

§ 660.3 Reporting and recordkeeping.

Any person who is required to do so by applicable state law or regulation must make and/or file all reports of management unit species landings containing all data and in the exact manner required by applicable state law or regulation.

are available in the Pacific Fisheries Information Network (PacFIN) database for management and enforcement purposes several months after the date of landing.

Suboption

Alternatives 2 through 4 each include a suboption to require sablefish deliveries be recorded on state paper fish tickets, rather than on Federal electronic fish tickets. Under these suboptions, NMFS would implement a Federal requirement that sablefish landings and the Federal groundfish permit number associated with the landing(s) be recorded on the state paper fish tickets. At the time of implementation of Amendment 14, no Federal regulations requiring fish ticket documentation of the groundfish permit number associated with sablefish landings in the primary (tier) sablefish fishery were enacted. Documentation of catch against tier limits and documentation of permit numbers was left to the states to implement. In the Amendment 14b final rule (71 FR 10614, March 2, 2006), comment and response section, Washington Department of Fish and Wildlife (WDFW) and Oregon Department of Fish and Wildlife (ODFW) committed to requiring Federal permit numbers to be recorded on state fish tickets by 2007. At that time California Department of Fish and Game, now California Department of Fish and Wildlife (CDFW), had already added a line for Federal permit number on their state ticket and entered that information into PacFIN. As of 2014, Federal permit numbers are not being recorded consistently on state landing receipts associated with sablefish landings.

Although the paper fish ticket suboptions would cause the least disruption to the existing landings process, adding new requirements to the state paper fish ticket system would fail to address the Purpose and Need Statement, as stated in Attachment 2 to Agenda Item C.6.a, for this action because doing so would not improve catch accounting and enforcement capabilities in the fishery. Adding new requirements to the state paper fish ticket system would also cause several logistical challenges in managing the sablefish fishery: sablefish landings data would not get into the PacFIN database at a faster than current rate; there would continue to be a lag time of several months between when the landings occur and when the data is available; the accuracy of landings data would not be improved; and further augmenting paper fish ticket recording requirements would be disruptive to state data collection and management practices.

NMFS recommends that this suboption be removed from each of the action alternatives.

Action Alternatives

Each of the Action Alternatives 2 through 4 would implement a Federal electronic fish ticket reporting program for nontrawl commercial sablefish landings to U.S. West Coast ports. The action alternatives differ from each other in the fleets that they address: Alternative 2 would affect participants in the primary (tier) limited entry fixed gear (LEFG) sablefish fishery; Alternative 3 would expand upon Alternative 2 to add participants in the LEFG daily trip limit fishery (DTL); Alternative 4 would expand upon Alternative 3 to add participants in the open access sablefish DTL fishery. Under each of the action alternatives, the Federal electronic fish ticket would use the electronic tickets already in use by the IFQ program. The Federal electronic ticket could easily accommodate nontrawl sablefish landings with little to no revision to the existing electronic ticket. PSMFC is currently in the process of converting its software based electronic tickets to a web-based system, meaning that any dealer required to fill out an

electronic ticket need only request a free PSMFC dealer account, then fill out an electronic ticket online, and submit that electronic ticket to PSMFC within 24 hours of landing. The catch data recorded on the electronic ticket is then added to the PacFIN data system by PSMFC staff. Table 1 of this document, below, summarizes some of the potential logistical differences between the No Action Alternative and Action Alternatives 2 through 4.

Table 1 Comparison of the No Action and Electronic Fish Ticket Alternatives

| Issues | No Action (Status Quo) | Electronic Ticket Alternatives |
|---|--|---|
| Timely reporting of catch | <ul style="list-style-type: none"> • Federal reporting requirements not specified • Paper landing receipts required by state of landing • May take 2-4 months for NMFS to have access to landings by permit, if the permit is even recorded on the ticket | <ul style="list-style-type: none"> • Federal electronic fish tickets required • Submission of electronic fish tickets within 24 hours of the date of landing • Paper landing receipts still required by state of landing |
| Accurate reporting of catch | <ul style="list-style-type: none"> • In-season data available for monitoring is a combination of landing receipt data and estimates • NMFS unable to obtain real-time, accurate landings data • Landing receipts are subject to compromise and error | <ul style="list-style-type: none"> • Data electronically entered into the system can be verified and validated at the time of entry by buyer personnel • Provides a tool for first receivers to capture and track fish tickets, generate tax reports and summary data |
| Enforce landing overage violations | <ul style="list-style-type: none"> • In-season estimates are not sufficient for enforcement purposes • Data delays prevent real-time, in-season enforcement of tier overages | <ul style="list-style-type: none"> • Accurate, real-time tracking of landings against tier limits will allow enforcement to monitor and enforce tier limits and DTLs |

The action alternatives include language that speaks to how the catch data recorded on the electronic tickets would be used on the back end (“That Tier Permits be loaded into the IFQ Vessel Account System with deductions made as appropriate when a tier delivery is made and recorded on the E Fish Ticket”). This language is potentially misleading and overly restrictive; how the data is processed and made available to end users is largely an implementation issue and it may be premature to discuss such implementation issues this early in the Council process. **NMFS recommends that the sentence, “That Tier Permits be loaded into the IFQ Vessel Account System with deductions made as appropriate when a tier delivery is made and recorded on the E Fish Ticket”, be removed from each of the action alternatives (Alternatives 2 through 4).**

Potential Impacts of the Alternatives

For the Council’s June 2013 meeting in Garden Grove, California, NMFS intends to supplement the Council staff analysis provided in Attachment 2 to this agenda item to provide a draft Environmental Assessment in support of the action. This supplemental attachment is not

intended to address the full suite of National Environmental Policy Act (NEPA) requirements for analysis of the action. Issues NMFS intends to address in its June analysis include the potential impacts of the alternatives on the physical, biological, and socio-economic environments, as summarized here.

Potential Impacts of the Alternatives on the Physical Environment

Alternatives 2 through 4 consider implementing a Federal electronic fish ticket program for some or all of the sectors of the commercial nontrawl groundfish fleet landing sablefish into U.S. West Coast ports. None of the action alternatives are expected to change where fishing vessels operate at sea or where they land their catch. None of the action alternatives would constrain how much or how little gear fishery participants use, where they use the gear, or whether and how they interact with the ocean floor or essential fish habitat. Therefore, NMFS does not anticipate that any of the alternatives would have any effect on the physical environment, nor would the action alternatives result in the monitored fisheries having different effects on the physical environment from those experienced under the No Action alternative.

Potential Impacts of the Alternatives on the Biological Environment

Effects on the biological environment resulting from fishery management actions primarily include changes in fishing mortality levels resulting from implementation of the alternatives. This particular action considers changes to a catch accounting system and record keeping and reporting requirements for fishery participants. No direct biological effects are expected to result from any of the action alternatives because none of the alternatives would change the allowable directed harvest or incidental catch levels allowed in the fishery. The Council considers allowable groundfish harvest levels under its specifications and management measures process and this action would not alter that process, nor would it alter the fishing practices of vessels pursuing the allowable harvest. Indirect impacts from fishery management actions include changes in fishing practices that affect the biological environment, but are further away in time or location than those occurring as a direct impact. Indirect biological impacts could result if catch data were inaccurate or delayed such that fishery specifications could not be adequately monitored or the fishing actually stopped before a specification was exceeded. Exceeding a specification increases the risk of overfishing, may affect rebuilding times for overfished species, or result in a stock becoming overfished.

Accurate and timely data are needed to monitor total catch of all groundfish, including sablefish (a precautionary zone stock), to prevent overfishing, and to maintain rebuilding schedules for overfished stocks. Since implementation of the permit stacking program in 2002, inseason management of the primary and DTL sablefish fixed gear fisheries has been based on two types of information: (1) paper landing receipts that typically have a two to four month time lag between the date of landing and when the landing data is available in PacFIN, and (2) the QSM Best Estimate Report, which fills in the three month time lag based on estimates from the previous years' landings. Both of these data sources estimate which landings are attributed to the primary (tier) fishery and which are attributed to the DTL fishery. Thus, under the No Action Alternative, the current catch accounting system is subject to inaccuracy and time delays, and is incapable of distinguishing between landings in the primary (tier) and DTL fisheries.

Under the No Action Alternative, the requirements for sending in paper landing receipts vary between states with Washington requiring the paper landing receipts to be received within six working days, Oregon requiring the landing receipts to be received within five working days, and California requiring the landing receipts to be received by the first and sixteenth of each month. It is a considerable time after the tickets are prepared and submitted that the data is entered into a state database, edited, and forwarded to the PacFIN database. Depending on the state, it may take several months. Extending the electronic fish ticket requirements to the non-trawl fisheries would result in fish tickets being submitted within 24 hours of landing. The requirement for daily submissions of electronic fish tickets, under Alternatives 2 through 4, provides for timely and efficient reporting of landing data such that species allocations and annual catch limit (ACL) can be effectively monitored and inseason adjustments for conservation purposes can be made as necessary within the DTL fishery. Electronic fish tickets would allow managers to use timely, accurate data to manage the fisheries inseason rather than having to rely on estimates and data from the previous year to supplement data from paper landing receipts. The electronic fish tickets would also provide daily landings estimates for all species landed, not just sablefish, providing improved inseason data for other species, including overfished species. Electronic fish ticket reporting is expected to expedite the receipt of catch data that is combined with observer data for total catch estimates. Thus, timely reporting reduces the risk of indirect impacts on the biological resource.

The quality and accuracy of data could also be expected to improve with the use of electronic fish tickets. Paper landing receipts introduce two areas where data entry errors could occur, when the first receiver enters the data on the paper form and when the data is entered into the database weeks to months later by the state. The electronic fish ticket allows users to pre-load landings data into their account. For example, a first receiver that generally receives sablefish landings from five different vessels could enter each of the vessels identifying information into their user account. Then, at the time of landing, the first receiver would simply select information such as vessel I.D. and permit number from drop down menus in each field. The first receiver also has the ability to fill out an electronic fish ticket and save it and submit it at a future date, should any corrections need to be made. There are also numerous, built-in data checks that prevent entry errors and improve the quality of landings data for all species. Also, a federal electronic ticket would allow NMFS to specify the reporting groups consistent with federal regulation. This could improve the quality of species-specific reporting (for example, when a stock is left in a complex, but NMFS requires species-specific reporting for conservation concerns). By reducing data entry errors, issues can be resolved in a timely manner by the first receivers and fishers, such that the resolution is likely to be more accurate and timely than errors found weeks to months after the landing occurred.

If catch accounting difficulties continue, delays in catch reporting may or may not have an effect on the biological condition of groundfish stocks. The severity of the impact caused by inaccurate or untimely landings data depends on how sensitive the groundfish stock is to changes in catch levels. For precautionary zone and healthy groundfish species or species groups, the risk to the stock is lower than it is for overfished species. If catch allocations of the most constraining overfished species are greatly exceeded due to delayed or inaccurate catch reporting, the risk of exceeding rebuilding based OYs is increased. Although there are many variables that affect the

time it takes a stock to rebuild, exceeding the rebuilding based OY could result in an extended rebuilding period for an overfished species. Additionally, since sablefish is a precautionary zone species that is usually fished to a high level of attainment, inseason monitoring and management is especially important when managers are trying to make decisions that may be impacted by exceeding or attaining sector ACLs, such as the annual issuance of carry over quota in the shorebased IFQ fishery.

In terms of improved catch accounting, Alternative 4 has the broadest scope in that it would require all sablefish and DTL landings in the LEFG, and OA fisheries to be reported via electronic fish tickets. The scope of Alternative 3 is narrower than Alternative 4 in that it would not require DTL OA landings to be recorded on electronic tickets. Alternative 2 has the narrowest scope in that it would require only sablefish landings in the primary (tier) fishery to be recorded on electronic fish tickets.

Potential Impacts of the Alternatives on the Socio-Economic Environment

The action alternatives primarily affect fishermen, first receivers where non-trawl sablefish are landed (limited entry fixed gear and open access), and state and federal management and enforcement agencies.

Impacts to Sablefish Fishermen

It is likely that under the action alternatives regulations will require that sablefish landings be made to first receivers that have electronic fish ticket capabilities. To the extent that this limits the number of first receivers that may receive sablefish landings, fishermen may find a reduced number of first receivers capable of recording sablefish landings on electronic fish tickets. The catch accounting issues previously discussed in this document (i.e. the time lag associated with landing data from state landing receipts and subsequent use of estimates for inseason management) affect the ability of state and federal enforcement to accurately track sablefish landings on an individual permit basis. Overages in the primary fishery may impact sector specific allocations and introduce potential issues of intersector inequity. By implementing an electronic fish ticket, NMFS will be able to better track instances of tier overages and ensure that neither the tier limits nor the DTL limits are exceeded inseason.

Impacts to Sablefish First Receivers

The main burden of implementation of an electronic fish ticket would fall on sablefish first receivers that receive: (1) primary (tier) sablefish landings, (2) primary and LEFG DTL sablefish landings, or (3) primary (tier) and DTL (LEFG and OA) sablefish landings. There are 100 unique sablefish first receivers that receive fish from fishermen fishing under sablefish tiers (primary), under limited entry fixed gear daily trip limits, and/or under open access fisheries (direct and indirect). Of these 100 first receivers, 23 are already operating as licensed IFQ first receivers and required to use electronic fish tickets. The 77 non-IFQ first receivers account for about one-third of the sablefish landings in these fisheries. There are 20 first receivers in California that do not receive fish from tier endorsed permits; they only received DTL landings of sablefish. Under Alternative 2 these 20 first receivers in California would not be required to use electronic tickets,

but they would be required to use electronic tickets under Alternatives 3 and 4. All first receivers in Washington and Oregon received both tier and LEFG DTL sablefish landings. Therefore, in terms of number of affected first receivers, there is no difference between Alternative 2 (All primary/tier processors) and Alternative 3 (All limited entry sablefish processors-primary/tier and DTL) for Oregon and Washington based first receivers.

The action alternatives would increase the amount of time first receivers spend recording sablefish landings. Action Alternatives 2 through 4 do not require that additional data be gathered, but do require additional time in the states of Washington and California, because the data would need to be recorded on both the paper forms provided by the state and entered into the electronic fish ticket forms. Action Alternatives 2 through 4 do not require additional time in the state of Oregon since state law already requires that the information be gathered and allows the submission of a printed and signed electronic ticket in lieu of a paper landing receipt. Entering the fish ticket information is expected to take eight minutes per ticket, including the time necessary to check for transcription errors. For first receivers in all three states, two minutes per response would be required to access the internet and send the data files.

This analysis assumes that all first receivers have access to a personal computer and internet access adequate to access the electronic fish ticket website developed by PSMFC. The electronic fish ticket system would require that the first receiver's personal computer be properly operating when accepting a landing requiring electronic fish ticket reporting. Therefore, some first receivers may choose to have an additional personal computer or laptop computer as a back-up. To reduce the potential impacts on first receivers should there be a system failure, a waiver could be granted by NMFS that would temporarily exempt a processor from the reporting requirements and allow reasonable time to resolve the electronic fish ticket system problem, similar to what is provided for in the Shorebased IFQ Program at §660.113(b)(4). The duration of the waiver would be determined on a case-by-case basis. Under these circumstance, first receivers would be required to submit, in paper form, the same data as is required on electronic fish tickets within 24 hours of the date received during the period that the waiver is in effect.

Impacts to State Agencies

As mentioned previously, implementation of a Federal electronic fish ticket would be separate from, and in addition to, existing state reporting requirements. Under Alternatives 2 through 4, each sablefish buyer would be responsible for recording sablefish landings on an electronic fish ticket in addition to state (landing receipt) landing requirements. States may decide the extent to which they would like their landing receipt system to overlap with the Federal electronic ticket. In the state of Oregon, a printed copy of the electronic ticket may be submitted in lieu of a paper landing receipt, however in Washington and California, a hand-written landing receipt would likely be required in addition to the federally required electronic ticket. Each state would have access to their state's electronic fish ticket landings data through the PacFIN database. Currently Oregon and Washington receive their state's PacFIN landings data every night, enabling them to check their state landing receipts for quality assurance and quality control. Because the federal electronic ticket is separate from, and in addition to, the state required landing receipts, it is unlikely that any burden due to implementation of a federal electronic ticket would be placed on

state management and enforcement agencies, and the state agencies may benefit from access to more timely and accurate data.

Impacts to Federal Agencies

Section 6.10.1 of the Pacific Coast Groundfish Fishery Management Plan identifies some of the issues involved in managing enforcement risks. The primary goals of enforcement are to ensure a cost-effective way that all fishing is conducted in accordance with fishery regulations, while reducing management complexity, and ensuring that the monitoring methods used are sufficient to enforce existing regulations. As mentioned previously, there are several problems with the current system. The paper-based landing receipts are subject to compromise and typographical error, inconsistently record the federal permit number, and are subject to a time lag of several months. Additionally, the use of inseason estimates for catch accounting purposes does not provide NMFS with sufficient evidence to enforce tier landing overage violations, either inseason or post-season. Implementation of an electronic fish ticket would improve the accuracy and timeliness of landings data, and would provide managers with the real time data necessary to do inseason management of the primary and DTL fisheries. It would also provide enforcement with the permit specific landings data necessary to monitor landings overages in the primary (tier) and DTL sablefish fisheries, and could also help aid enforcement of the owner on board requirement.