

## GROUND FISH MANAGEMENT TEAM REPORT ON TRAWL INDIVIDUAL QUOTA PROGRAM DEVELOPMENT

The Groundfish Management Team (GMT) reviewed and discussed the goals, objectives, constraints, and guiding principles for a trawl individual quota (TIQ) system, the different TIQ alternatives, and the recommendations of the Ad Hoc Groundfish Trawl Individual Quota Committee (TIQC) with Jim Seger at our May meeting, and offers the following comments and recommendations.

### Constraints and Guiding Principles

The GMT recommends adding to the list of constraints, a statement referencing management and administrative costs of implementing and overseeing a TIQ program and complementary catch monitoring programs. With regard to catch monitoring alternatives—specifically, observer coverage and shoreside sampling—the GMT notes that state and federal resources are becoming increasingly limited. Therefore, mechanisms for recovering the increased costs of catch monitoring from the fleet will likely need to be developed and discussed further as the TIQ initiative moves forward.

### TIQ Alternatives

The GMT believes the TIQC made significant progress at its last meeting by focusing on key alternatives and narrowing the scope of the analysis; however, there was some confusion as to which species were covered under alternatives 3 and 4. The TIQC revised alternative 3 to include all groundfish species, except those in the “other fish” category (e.g., Pacific cod, spiny dogfish), and eliminated alternative 4 (all groundfish species). As a result, there is no alternative currently that includes all species and species groups covered under the groundfish fishery management plan. The GMT recommends that the Council consider retaining alternative 4 (individual fishing quota (IFQ) for all groundfish species).

The GMT recommends the TIQC recommendations be approved and that two additional alternatives—one that includes IFQs for overfished species and another based on permit stacking—be included in the suite of alternatives the Council adopts for public review:

### IFQs for Overfished Species

The GMT recommends creating a new alternative that implements an IFQ system for overfished species only. The GMT considers two primary factors in developing trip limits for target species: 1) the amount of incidental catch of co-occurring species and bycatch of overfished species that is estimated to be taken; and 2) the amount of target species estimated to be taken, both of which are predicted using the trawl bycatch model. Logbook and fish ticket data are used to project the amount of individual vessel effort in terms of when and where the vessel has fished, and trip limit achievement for recent years, weighted to the most recent year. In estimating the amount of incidental catch and bycatch of non-targeted species, the GMT uses the NMFS groundfish observer program data and assumes that the vessels covered are representative of the fleet.

In a few cases, target species trip limits are set at levels that are expected to achieve the optimum yield (OY) on an annual basis. The achievement of the OY for those species, however, may be

restricted by the vessel's ability to access the full amount because of Rockfish Conservation Area constraints. In many cases, though, trip limits are set based on the amount of assumed bycatch of overfished species. For these cases, in particular, having IQs for overfished species could allow vessels to access more target species, provided that they acquire sufficient quota pounds to cover their bycatch. This would also encourage fishers to develop mechanisms to avoid overfished species, as doing so would permit them to sell overfished species quota. And, because this alternative implements a more stringent bycatch accounting system, the GMT anticipates that trip limits for target species would be liberalized considerably.

### Permit Stacking

The GMT recommends retaining the previous alternative 6 (which was eliminated by the TIQC). This alternative includes permit stacking and consideration of cumulative catch limits for species with low OYs, such as overfished rockfish. While these elements are contained within alternative 7 (which the TIQ Committee kept in the mix), alternative 7 also includes the element of the extended season. The GMT recommends that a full analysis of alternative 6 (without the extended season) be included.

While permit stacking would not accomplish all of the objectives of an IQ program, it would be considerably less complex, less expensive, and easier to implement and administer, and would move toward achieving the objectives in the Council's Groundfish Strategic Plan. As such, the GMT believes that alternative 6 is a viable alternative and should remain in the suite of alternatives adopted for public review.

As part of the permit stacking alternatives, there are two options: 1) allowing fishers to get the full amount of the permit limit when permits are stacked; or 2) setting a limitation (percentage) on the amount of the permit limit that can be stacked. Under option 1, permit limits would be set to achieve respective OY; whereas under option 2, the cumulative total of permit limits would be higher than respective OYs with the expectation that, as a result of stacking, total catch would remain within the OYs. Therefore, the individual permit limits under option 1 would be lower than those set under option 2. If the permit limits are set at a level that accommodates some individual fishing practices, then option 2 would create a disincentive to stack permits, would run counter to the objective of capacity reduction in the Council's Groundfish Strategic Plan. Additionally, there would be difficulty in estimating how many and which permits would be stacked prior to the fishery and modeling catch projections. Therefore, the GMT recommends keeping permit stacking option 1 and removing permit stacking option 2.

### Cumulative Catch Limits

The GMT identified a couple of issues on cumulative catch limits for the Council's consideration. On the one hand, in implementing cumulative catch limits for low OY species (e.g., overfished species) as is proposed in IFQ alternative 3, the GMT notes that the individual limits (on a periodic basis), in some cases, would be extremely low (e.g., 40-50 lbs/2 mo. for canary, one fish/2 mo. for yelloweye). As these cumulative catch limits would not be transferable, it is unlikely that fishers would be able to access high amounts of target species before a cumulative limit for an overfished species was reached. Also, by using two-month limits, rather an aggregate annual limit, there is a greater potential for "disaster tows" of species, such as canary rockfish, to affect other fishing sectors inseason.

On the other hand, the GMT notes that use of cumulative catch limits (as opposed to landing limits, which are used under status quo), in general, would provide a more accurate catch accounting method. This is becoming increasingly important as we try to manage to particularly low OYs for some species, such as canary rockfish, that are encountered by several fisheries coastwide.

### **GMT Recommendations**

1. Approve the TIQ Committee recommendations with the following changes:
  - a. Add the following statement to the list of Constraints and Guiding Principles:

“Taking into account the management and administrative costs of implementing and overseeing a TIQ program and complementary catch monitoring programs and the limited state and federal resources available.”
  - b. Retain alternative 4 (IFQ for all groundfish species.)
  - c. Add a new alternative for an IFQ program for overfished species only.
  - d. Include former alternative 6 (permit stacking with cumulative catch limits) with permit stacking option 1 only (exclude permit stacking option 2.)

06/01/05