

Review and Update of Open Access Fishery Preliminary Draft Environmental Assessment, Proposed Amendment 22

LB Boydston
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3/12/2009

Basics

Proposed action: (1) Convert directed open access fishery to limited entry management (B permit program) and (2) register all incidental fishery vessels (C permit program).

Why?:

- (1) To cap directed fishery (prevent expansion)
- (2) Begin to reverse trend in reduced trip limits and improve fishery economic performance
- (3) Improve accuracy of inseason catch projections, facilitate law enforcement, and improve information exchange

Species covered: All federal groundfish not including nearshore species (cabezon, kelp greenling, California scorpionfish, nearshore rockfish)

Which landings count toward B permit qualification?: Only those made during April 1998-September 2006 (window period) in which >50% of revenues were B species groundfish and open access gear was used (excludes A permit vessels).

Who gets the B permit?: Current owners of qualifying vessels; PacFIN database will be used to determine qualifying vessels.

When could program be implemented?: January 1, 2011, if Council takes final action at March 2009 meeting.

Who will administer program?: National Marine Fisheries Service, Northwest Region

B Permit Alternatives

(Elements can be mixed and matched)

	A-1 (no action)	A-2 (register)	A-3	A-4	A-5	A-6 (preferred)
Initial fleet size goal:	n/a	n/a	680 or 713 vsls	none	390 vsls	none
Fleet size goal:	n/a	n/a	none	none	170	none
Permit transferability:	n/a	n/a	yes	yes	no 1/	yes, after first year
Previous year landing:	n/a	n/a	no	no	yes	no
State landing endorsement:	n/a	n/a	yes	no	no	no
A & B permit use on same vessel:	n/a	n/a	yes 2/	yes 2/	no	yes 2/
B permit criterion:	n/a	n/a	3 picks	many	3 picks	≥100 lbs
Species endorsement:	n/a	n/a	no	no	no	yes 3/

1/ except for hardships

2/ pre-fishing declaration required

3/ sablefish and lingcod alternatives: (a) ≥1 lb, (b) ≥100 lbs and (c) ≥500 lbs in any year

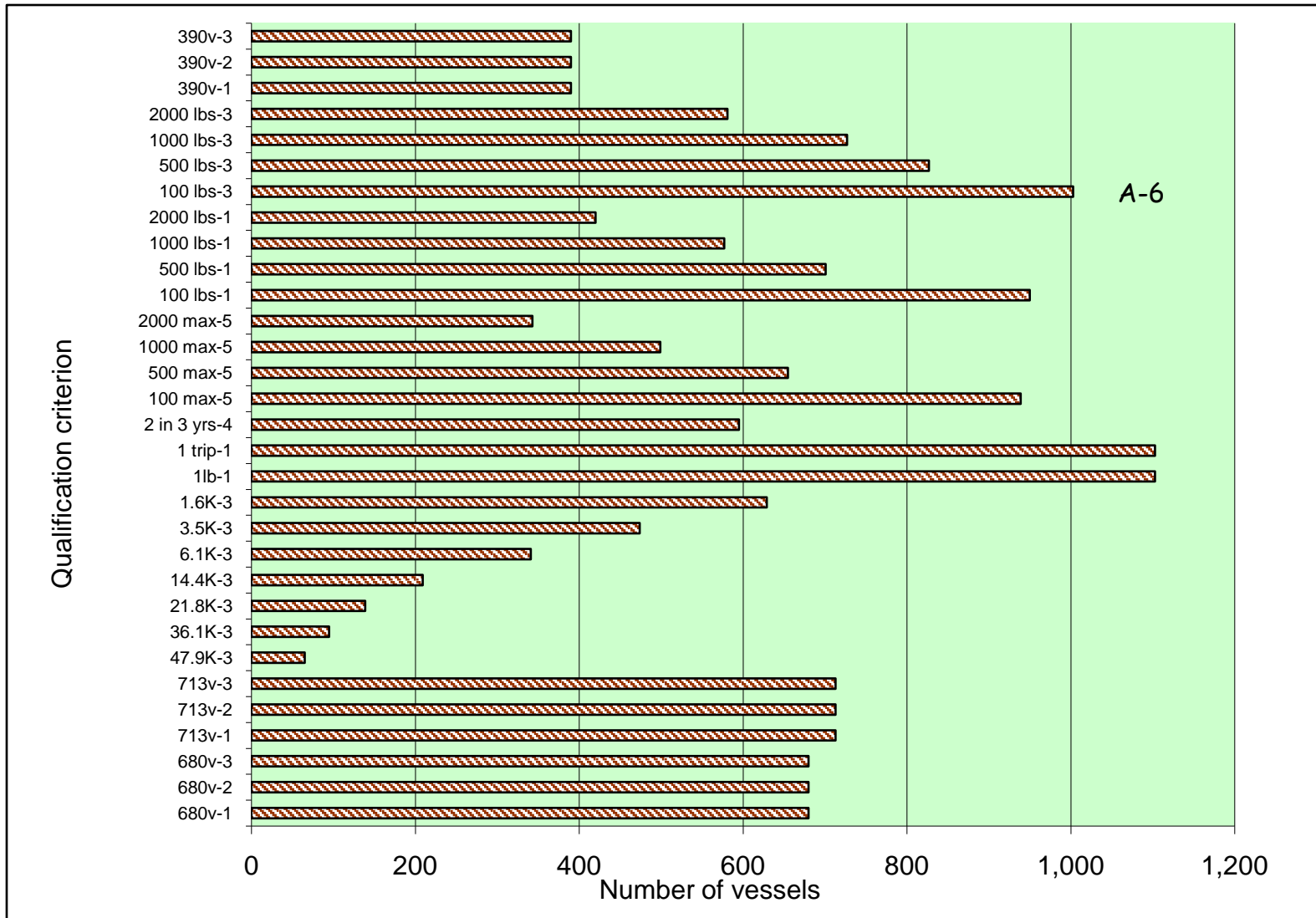
Directed Fishery Characterization

(see Section 3)

- Fishery has taken **93%** of OA lbs and \$\$ in recent years
- The fishery **declined** from 901-638 vsls during window yrs
- Species emphasis now is on **sablefish** (78% of \$\$)
- **Many** different vessels were in fishery during window yrs (2,587)
- Most vessels have **<1200 lbs** of B species catch history
- Most vessels are heavily dependent (**>93% avg**) on other fisheries for \$\$
- Fishery is very small (**<9%**) compared to other West Coast fisheries

Summary of Appendix I: "Analysis of Preliminary Preferred Alternative (Alternative 6)"

Context of A-6 B Permit Criterion



Species Endorsement Vessel Counts

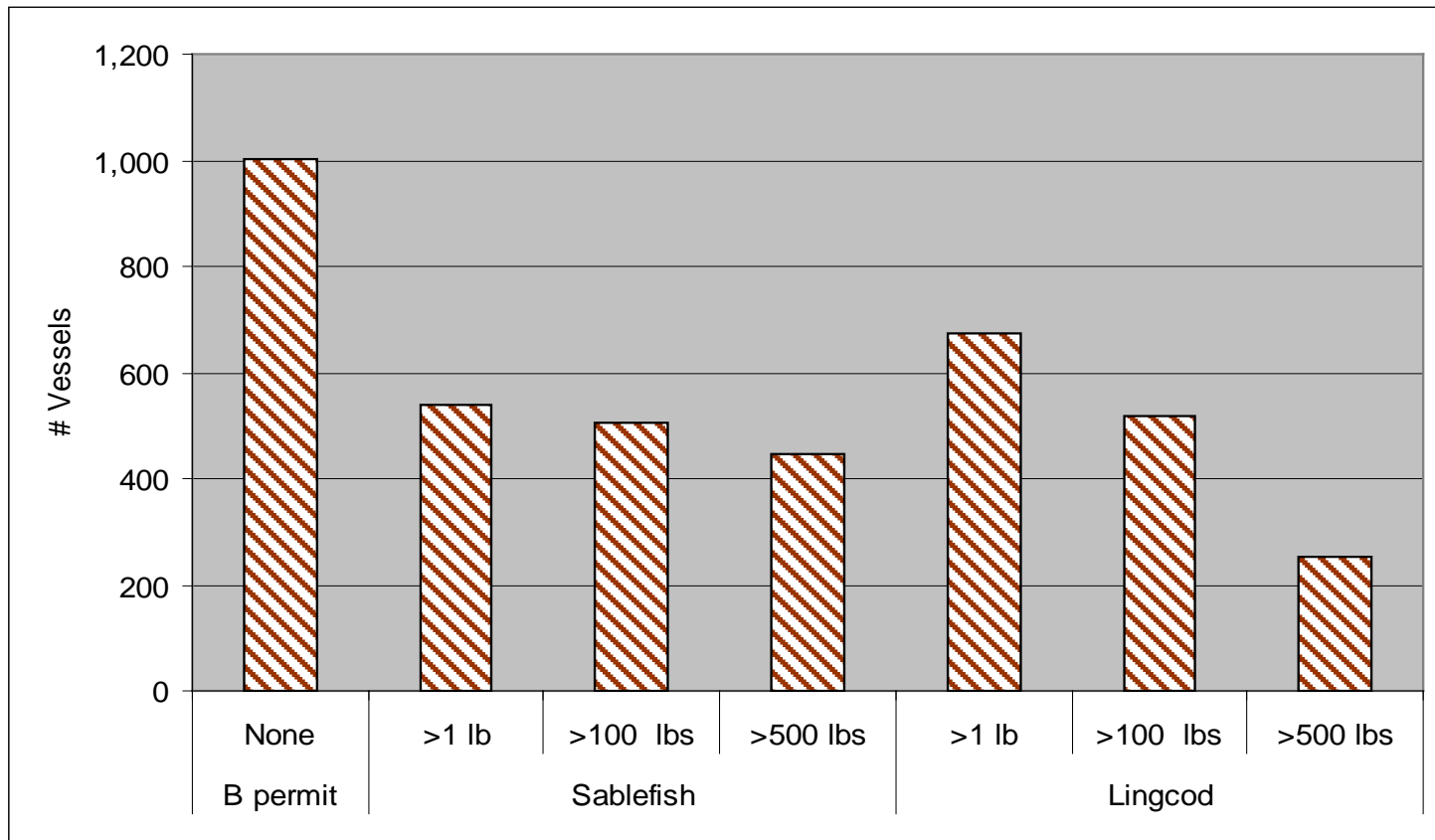


Figure 2. Number of vessels that would qualify for sablefish and lingcod endorsements including number of B permit qualifying vessels under A-6

Dual Endorsements

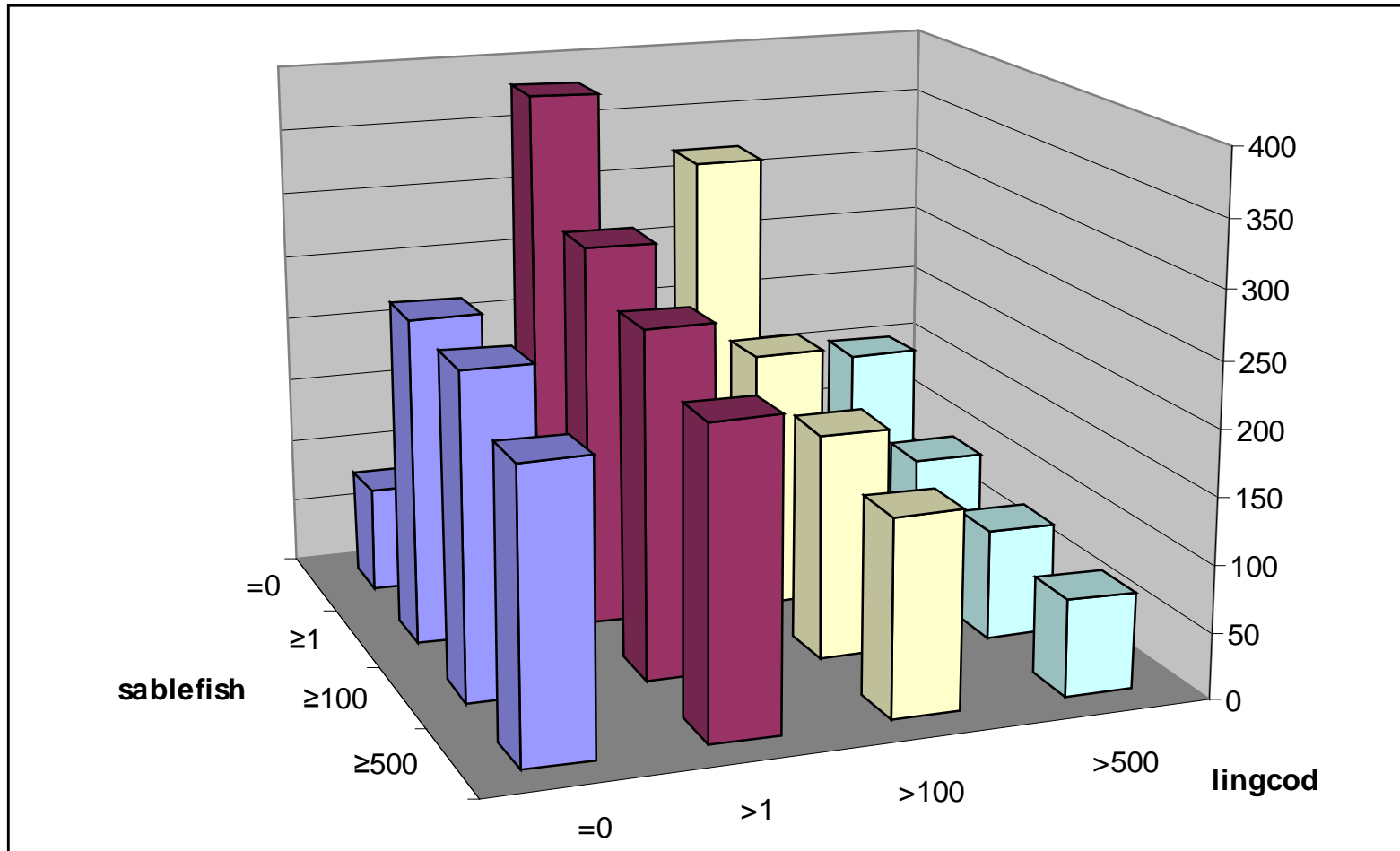


Figure 3. Number of vessels that would qualify for dual sablefish and lingcod endorsements by qualification standard (minimum lbs)

Impact of Lingcod Criteria on Community Economics (Worst-case scenario)

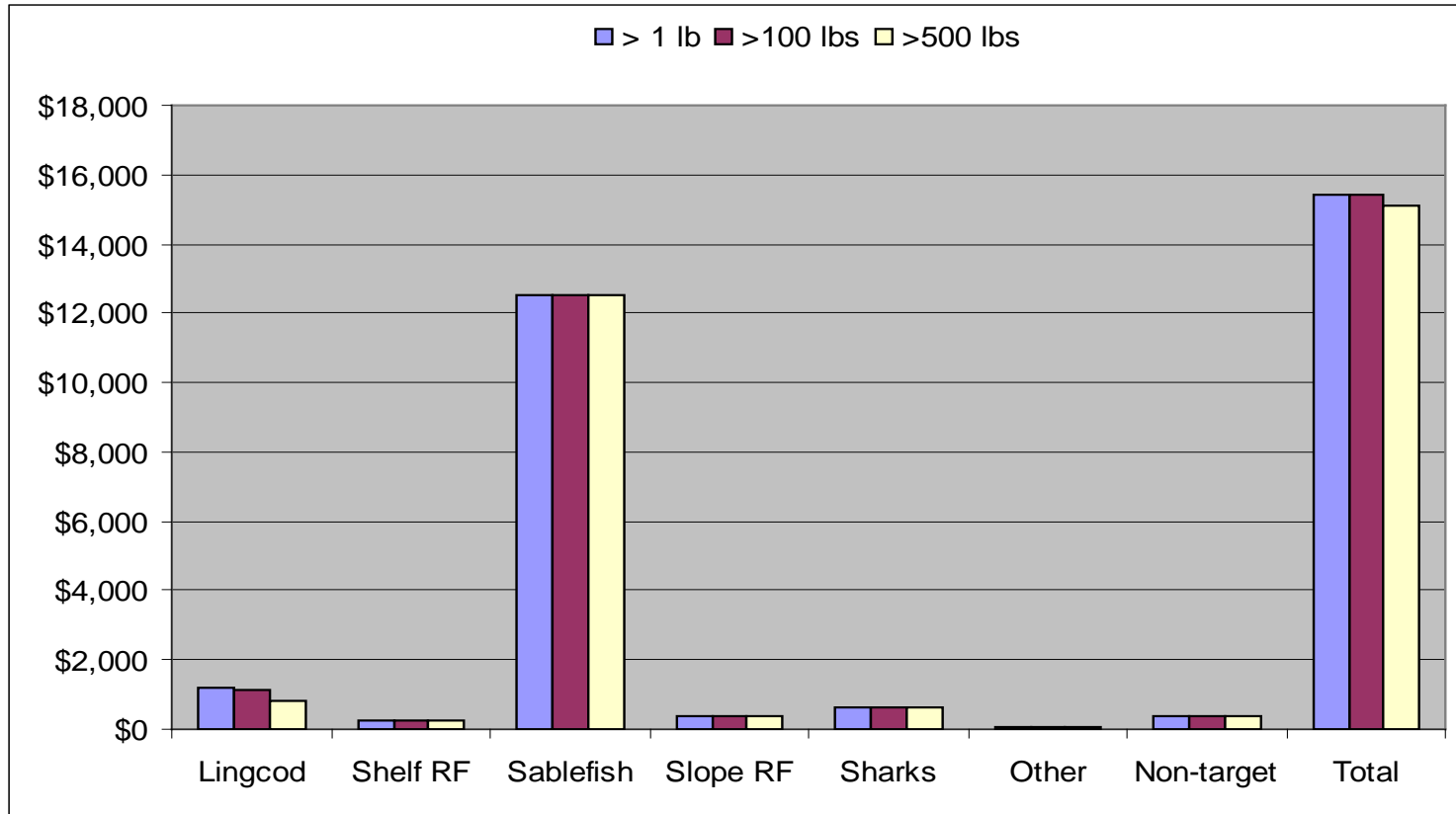


Figure 6. Community economic impact (000s) during 2004-2006 by vessels that would qualify for a lingcod endorsement under A-6 criteria

How Many C Permits?

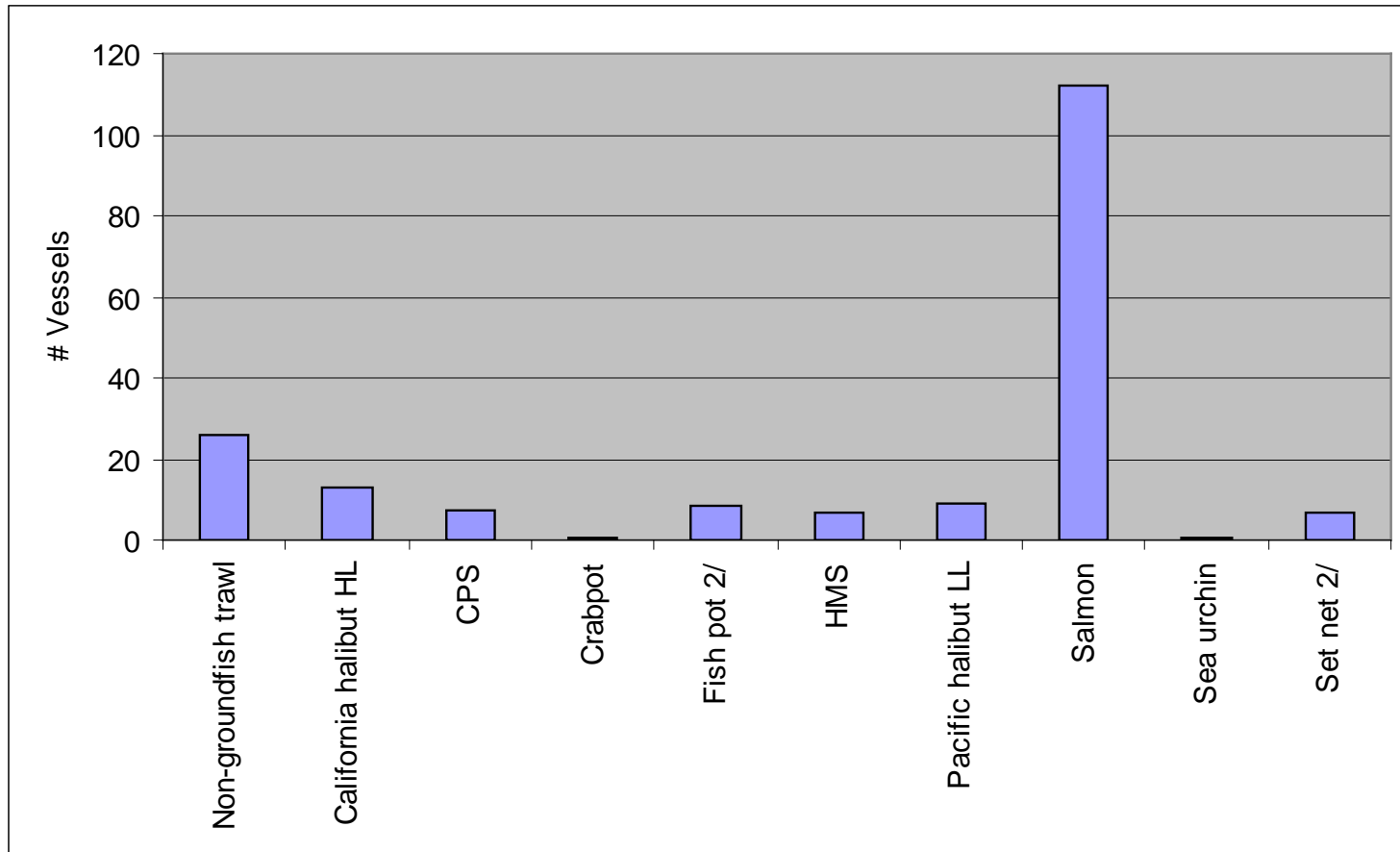


Figure 7. Average number of vessels that made B species incidental fishery landings during 2004-2006 by fishery type. Not included are vessels that qualified for B permits under A-6 or made nearshore landings (and may be able to use their state-issued nearshore permits in lieu of C permits).

How Many Pounds for C Permit Vessels?

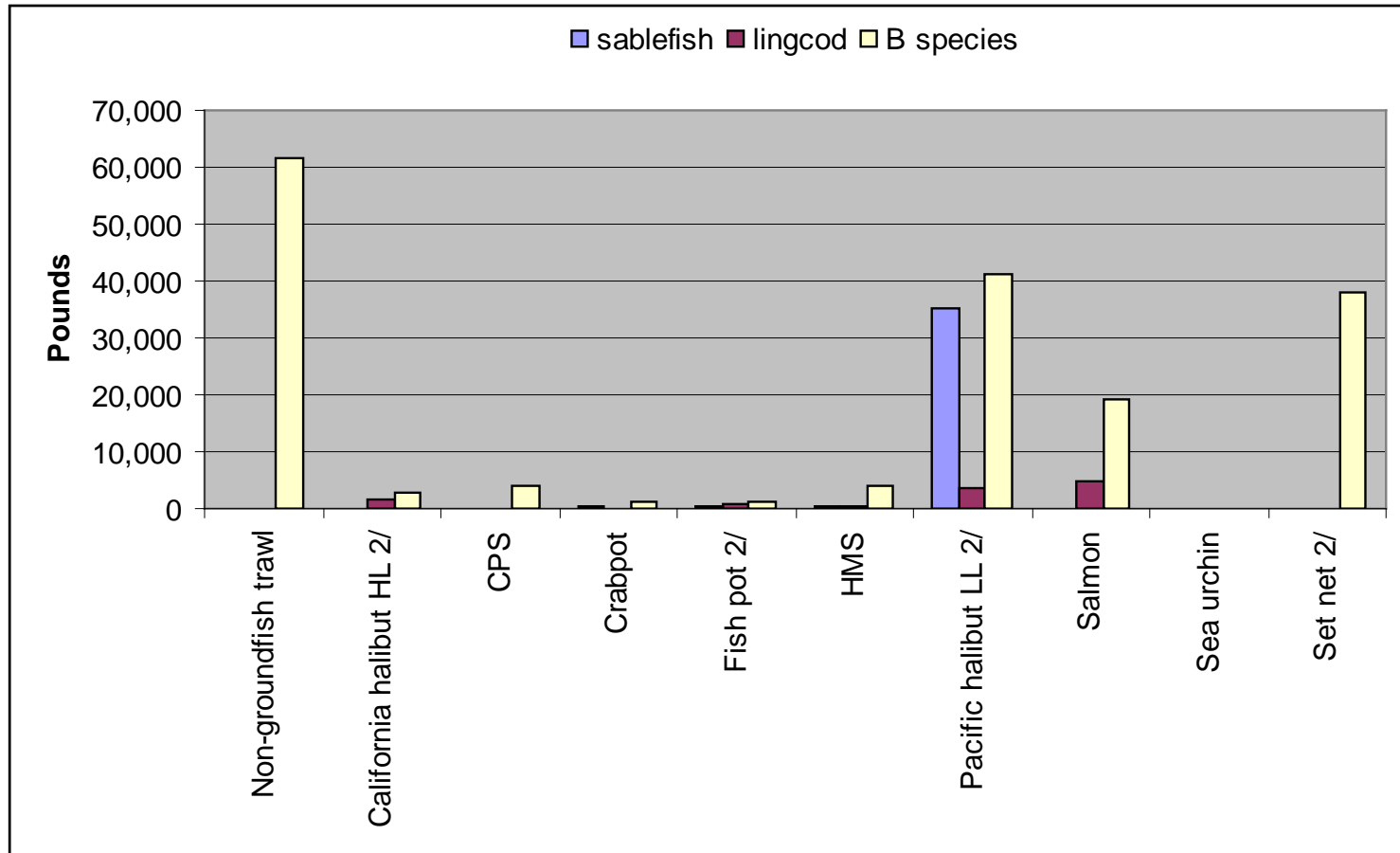


Figure 8. Sablefish, lingcod and B species average landings data for vessels making incidental B species groundfish landings during 2004-2006 window period years by fishery type. Data include landings by vessels that would qualify for a B permit but did not meet the 50% revenue criterion or landed fish using non-open access gear.

For Your Information

A-6 has the potential to create the third largest limited entry program on the West Coast (800 vessels) behind salmon (~2700) and Dungeness crab (~1300)

Questions about Appendix I?

Other Additions to EA

Cumulative Impacts (Section 4.7)

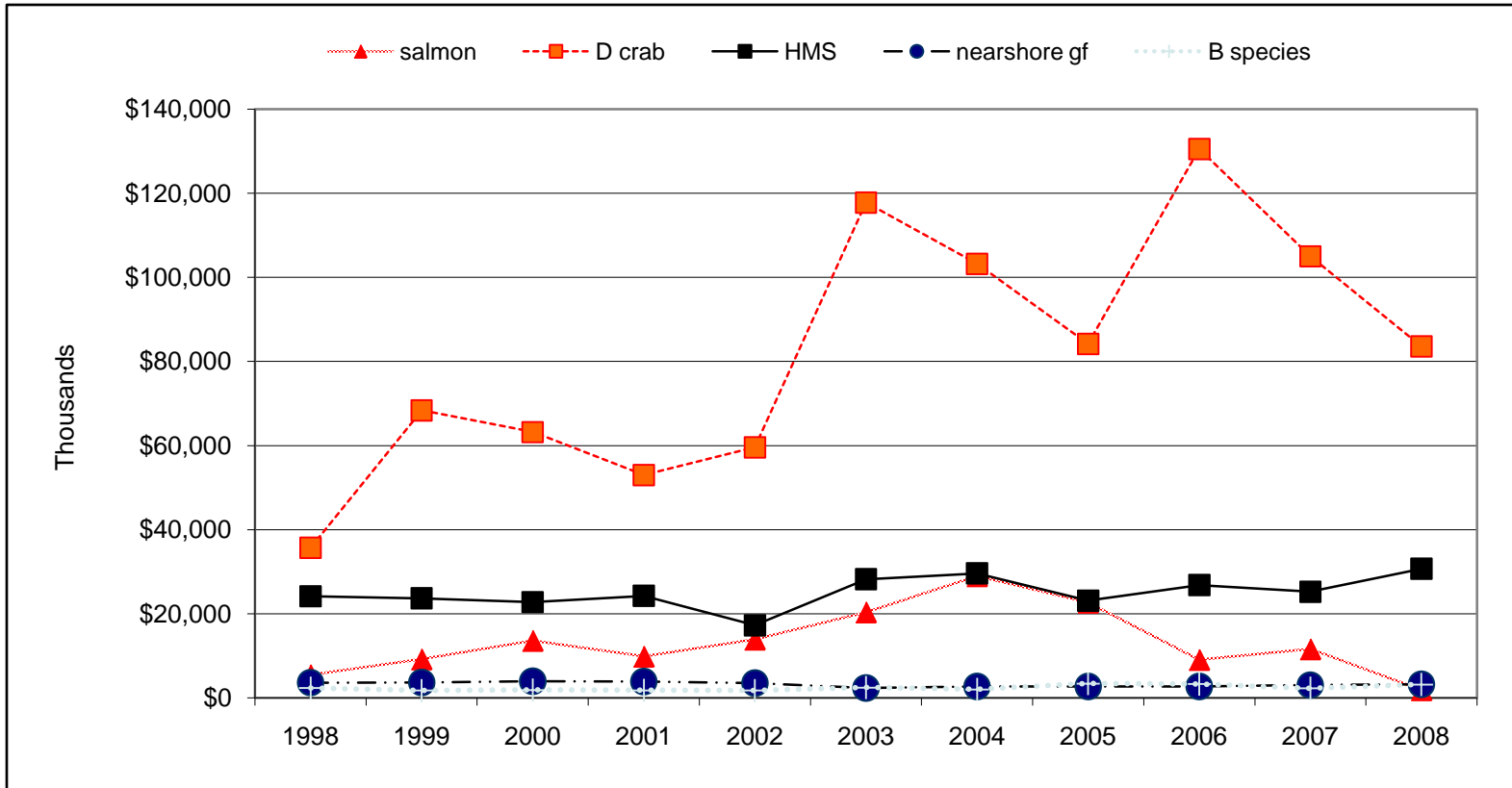


Figure 4-6 WOC fisherman revenues for species of major importance to B species directed fishery vessels, 1998-2008.

Post Window Period Data (New data; see Supplemental Report)

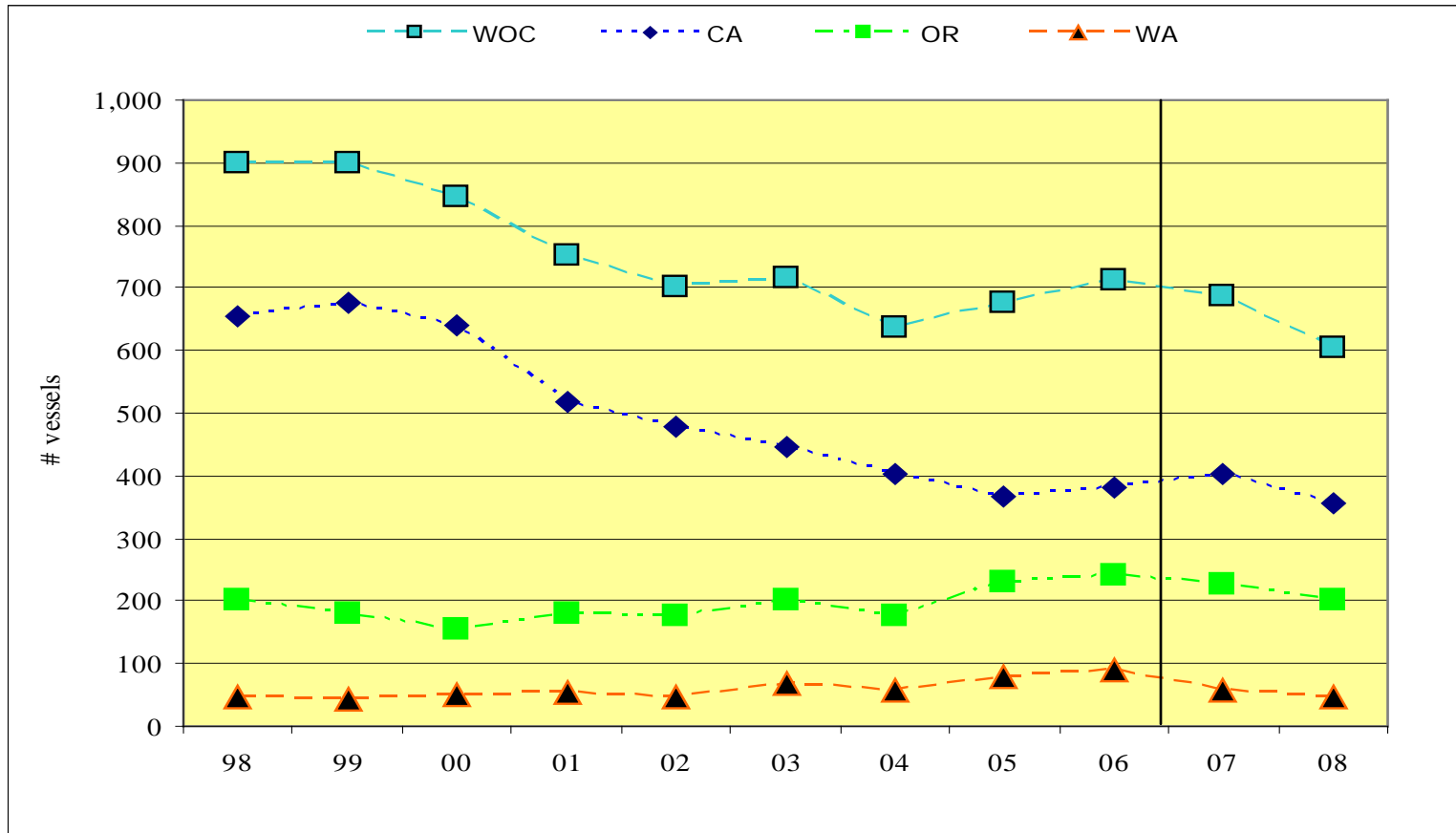


Figure S-1. Number of open access fishery directed fishery vessels by state, in total and year, April 1998-2008. The 2006 count is higher by 14 vessels than previously reported because of new post window period fishery entrants.

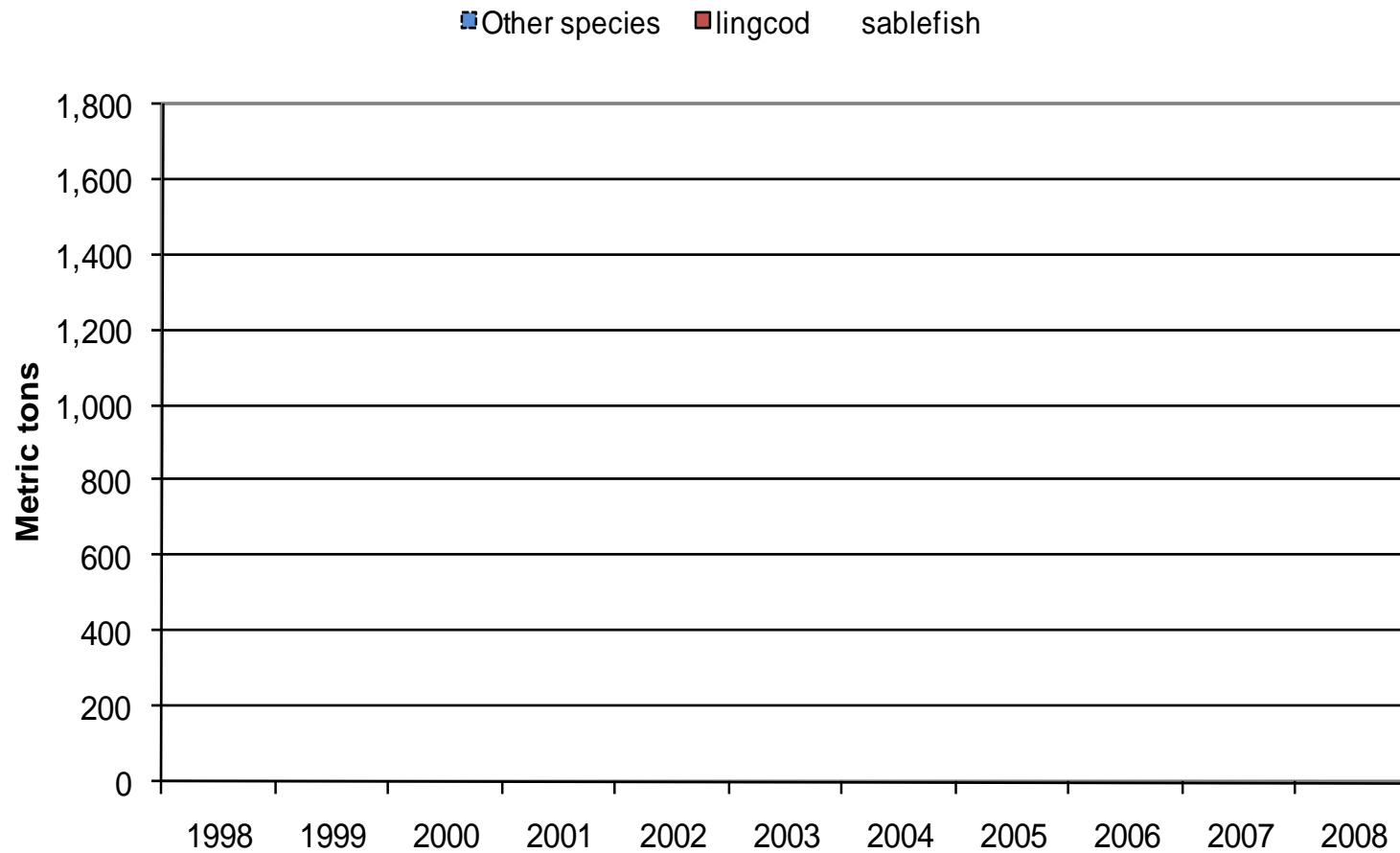


Figure S-2. Annual WOC directed open access directed fishery tonnage landed of sablefish, lingcod and other species.

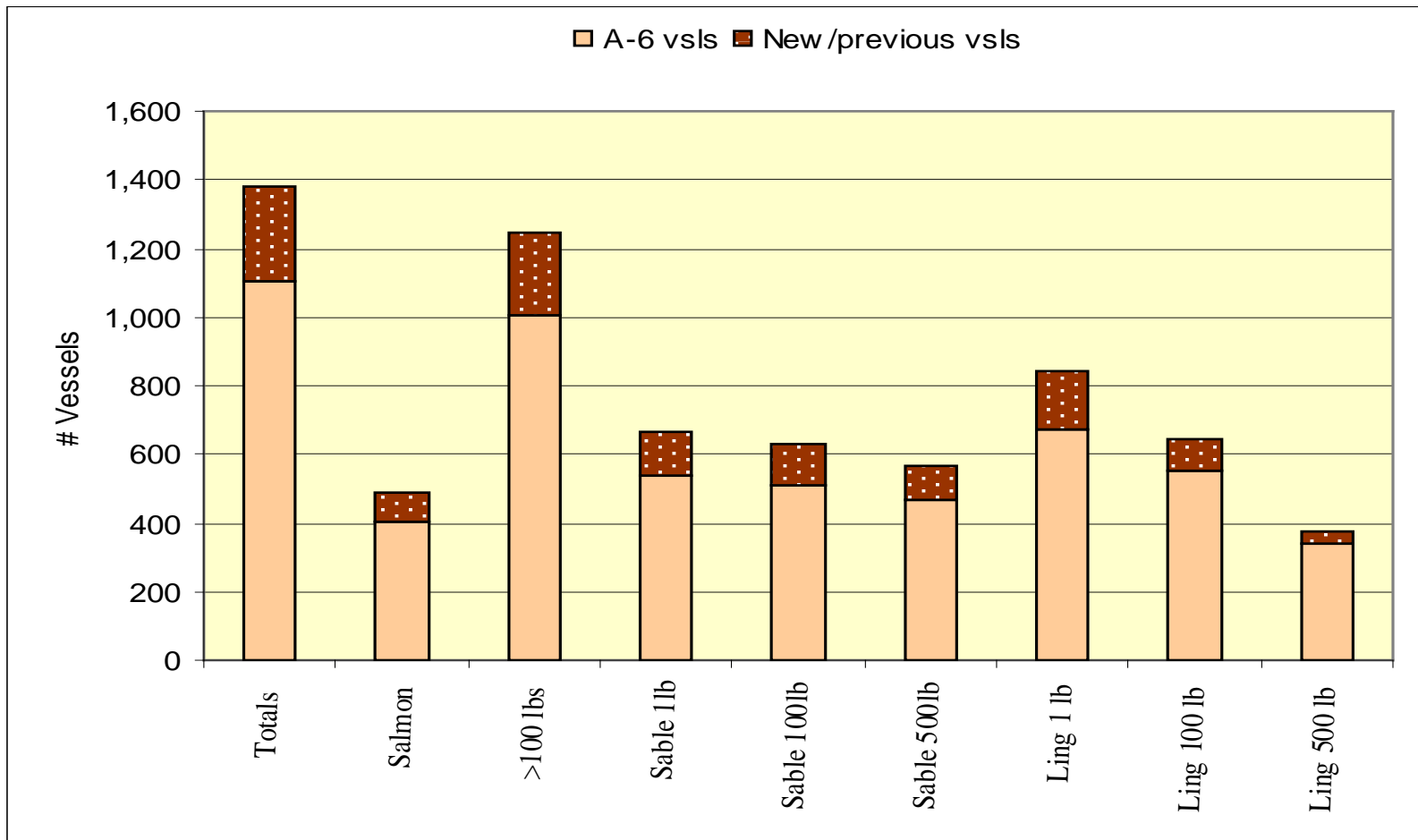
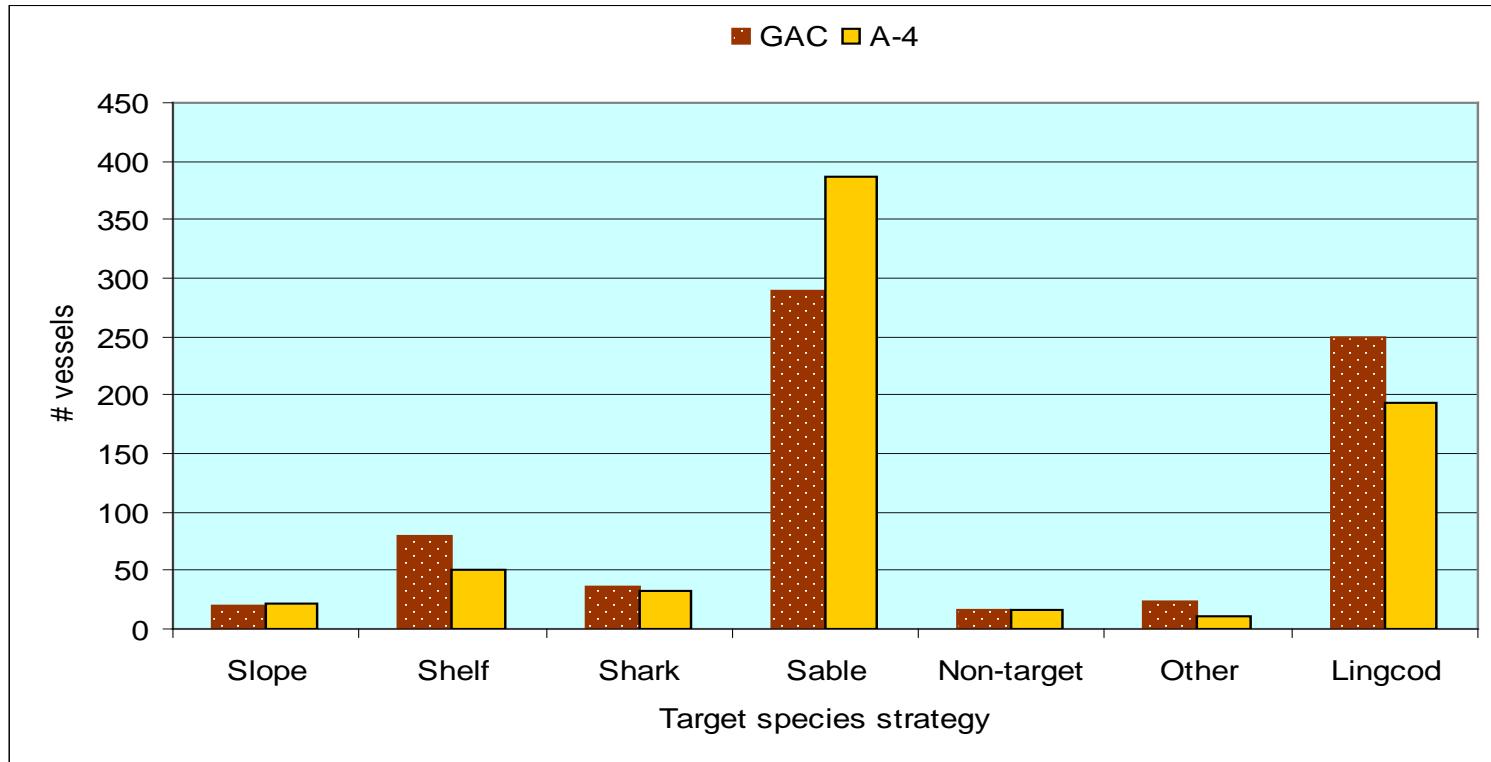


Figure S-3. Numbers of new and previous directed fishery vessels that would qualify for a B permit and species endorsement under A-6 qualification criteria

GAC Request Analysis (Attachment 2)



GAC Figure 1: Number of vessels that would qualify for B permits under the GAC request (consider target species strategy) and A-4 (total lbs approach) by vessel target species strategy. Fleet size goal=713 vessels.

Notification Flyer

(Attachment 1)

- A notification flyer was completed in late-December 2008.
- The states provided mailing lists to Council staff.
- Over 6 thousand flyers were mailed out in early January 2009.
- About 70 phone calls were received through early March 2009; callers were urged to write the Council describing their situation.
- About half the calls were related to the license limitation issue, the remainder to other fishery issues (VMS in particular).

Possible Implementation Timeline

(Attachment 4)

Council adopts final action	March 2009
NMFS develops permit issuance requirements	April-May 31, 2009
NMFS drafts proposed regulations and prepares proposed rule package	April-July 31, 2009
NMFS publishes proposed rule	September 1, 2009
30-Day comment period on proposed rule ends	September 30, 2009
Final rule/compliance guide published	November 30, 2009
Application period/public outreach	January - June 30, 2010
Deadline for B permit application	June 30, 2010
NMFS issues C permits	Continuous starting in late 2010
B and C permits required	January 1, 2011

Note: The current plan is that NMFS would provide applicants 45 days to make an appeal after a NMFS decision to disapprove a B permit application. NMFS would have 90 days to review an appeal and issue the final agency decision. NMFS anticipates that initial decisions on B permit applications will be issued both during the application period and after the application period (if applications are received near or on the application deadline date).

Council Action

(after public comment)

1. Take final action.

- Consider cumulative impact, GAC Request, and post window period data. Then decide on the following.
- Confirm/modify B permit qualification criterion contained in A-6 (≥ 100 lbs-3).
- Confirm (1) alternate use of A and B permits, and (2) B permit transferability after first program year.
- Decide on species endorsement(s): sablefish- none, ≥ 1 lb, ≥ 100 lbs or ≥ 500 lbs; lingcod-none, ≥ 1 lb, ≥ 100 lbs or ≥ 500 lbs.
- Some B permit alternatives (suggestions):
 - Allow for species endorsement severability from B permit (see NMFS report).
 - Specify exceptions for permit issuance to replacement vessels (e.g., lost vessel) or delayed permit application for heirs of recently deceased vessel owners. Other exceptions? Request NMFS to develop these?
- Confirm need for C permit program.

2. Discuss Implementation Schedule

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Relative Dependence of Low and High Production Vessels on B Species Groundfish

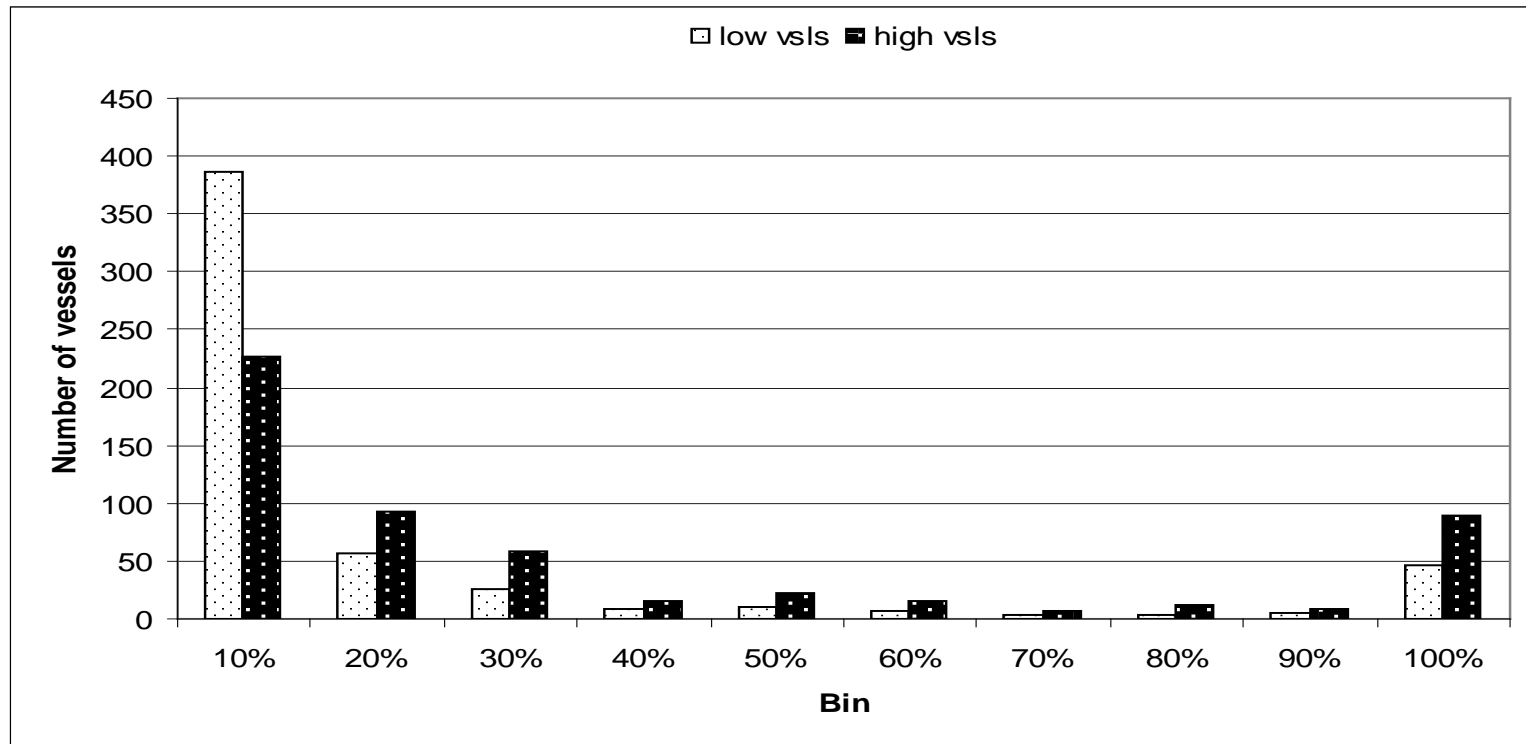


Figure 3-6b B species revenue frequencies expressed as a proportion of total commercial fishery revenues for B species directed fishery vessels during 2004-2006 window period years. Data are partitioned into "low" and "high" B species revenue groups. Revenue groups are separated at the median B species revenue value of \$1,830; revenue frequencies are combined based on 10 percentage point bins.

Possible Regulatory Framework for B permit Vessels (i.e., status quo framework, information only)

Table 3-1a. Generalized description of Table 5 to Part 660, subpart G: Trip limits for open access gears dated January 1, 2009 (north and south of 40°10' N. Lat) 1/

Management issue	General regulations
Rockfish Conservation Areas (RCAs)	Boundaries vary by area, time of yr, depth, and gear type used
Minor slope rockfish & darkblotched rockfish	<25% of sablefish landed except for Conception area
Sablefish	Daily/weekly/ 2-mo landing limits apply
Thornyheads	Closed except for Conception area
Flatfishes	300 lb/ mo except for Pac sanddab
Whiting	300 lbs/ mo
Shelf rockfish (minor and specified exceptions)	≤1000 lbs/ mo depending on time and area
Canary and yelloweye rockfish, cowcod (south)	No retention
Bocaccio (south)	≤200 lbs/ 2-mo depending on area and time of year
Minor nearshore rockfish and Black rockfish	Variable between species and areas
Lingcod	400 lbs/ mo (May-Nov only)
Pacific cod	1000 lbs/ 2-mo
Spiny dogfish	100K-200K/ 2-mo
Other fish	Not limited
Non-groundfish trawl groundfish limits	
Pink shrimp	500-1500 lbs/ trip; lingcod, sablefish, and overfished species bans apply
CA halibut, prawn and cucumber	300 lbs/ trip; various other restrictions apply
Salmon troll-yellowtail rockfish (north, not subject RCAs)	1 lb/ 2 lbs salmon; 200 lbs/ mo

1/ Open access gear includes all gear types except (1) long-line or trap gear to which an A permit gear endorsement is attached and (2) groundfish trawl (72 FR 69162, December 7, 2007)

Possible Framework to Use in Developing C permit Regulations (no action needed at this time)

Table 4-4. Itemization of possible modifications needed to Table 5 to Part 660, subpart G-
Trip limits for C permit vessels 1/

Rockfish Conservation Areas (RCAs)	Same as B permit vessels
Minor slope rockfish & darkblotched rockfish	NEED TO DETERMINE
Sablefish	NEED TO DETERMINE
Thornyheads	NEED TO DETERMINE
Flatfishes	NEED TO DETERMINE
Whiting	NEED TO DETERMINE
Shelf rockfish (minor and specified exceptions)	NEED TO DETERMINE
Canary and yelloweye rockfish, cowcod (south)	No retention
Bocaccio (south)	NEED TO DETERMINE
Minor nearshore rockfish and Black rockfish	NEED TO DETERMINE
Lingcod	NEED TO DETERMINE
Pacific cod	NEED TO DETERMINE
Spiny dogfish	NEED TO DETERMINE
Other fish	NEED TO DETERMINE
Non-groundfish trawl groundfish limits	
Pink shrimp	Same as B permit vessels
CA halibut, prawn and cucumber	Same as B permit vessels
Salmon troll-yellowtail rockfish (north, not subject RCAs)	Same as B permit vessels

1/ See table 3-1a for generalized description of current open access fishery regulatory tables.

Proposed Open Access Fishery Discussion Items (after public comment)

- Confirm B permit qualification criterion contained in A-6 (100 lbs-3) for March 2009 meeting.
- Confirm (1) alternate use of A and B permits, and (2) B permit transferability after first program year.
- Decide on species endorsement(s) as follow: sablefish- none, >1 lb, >100 lbs or >500 lbs; lingcod-none, >1lb, >100 lbs or >500 lbs
- Some B and C permit usage alternatives (suggestions):
 - Do NOT require B permit and/or nearshore vessels to obtain C permits when fishing for and possessing non-groundfish species (i.e., exempt B permit and nearshore vessels from C permit requirement).
 - Allow for species endorsement transfer to other B permit vessels separate from the original B permit.
 - Specify any exceptions for permit issuance to replacement vessels (e.g., lost vessels) or delayed permit application for heirs of recently deceased vessel owners. Other exceptions? Allow NMFS to develop these?
 - The GMT will likely have other issues for discussion.

September 2008 Council Action

- Mr. Steve Williams moved and Ms. Culver seconded a motion (Motion 18) to adopt the following as a preliminary preferred alternative for limiting the directed groundfish open access fishery:
- Alternative A-4, as specified in the Preliminary Draft Environmental Assessment for Amendment 22 (Agenda Item I.4.a, Attachment 1) with a **minimum landing criteria of 100 pounds.**
- **Qualifying Framework QF-3 (1998-2006, with one trip in 2004-2006).**
- No long-term fleet size goal.
- Allow for permit transferability after the first year of the program.
- Allow for use of A and B permits on the same vessel in the same year using a declaration process.
- No state landing (or vessel length) endorsement provision.
- No previous year B species landing requirement to renew or transfer permit.
- **Separate species endorsements for sablefish and lingcod** for vessels that qualify for a B permit; using the following qualifying criteria for analysis: **one pound, 100 pounds, and 500 pounds in any one year used in the analysis from 1998-2006 (window period).** All other B species will be managed under a general B permit.
- **Council Guidance: Notify all commercial fishery permit/license holders who landed any groundfish since 2004 in Washington, Oregon, and California that the PFMC proposed action may limit their opportunities in groundfish open access.** This is to ensure notification of those affected by both the “B” and “C” permit alternatives. Include easily understood documents that clearly display the preliminary preferred alternative, that there are other alternatives for consideration, and where they can obtain more detailed information. Include a detailed description of what is allowed under the “C” permit (i.e., allow for B species incidental catch while participating in another directed fishery), and how one is obtained. Provide notice of public comment opportunities in early January.
- Mr. Lockhart said the motion slightly changes the direction of the EA, hence we may need to amend or **revise the Purpose and Need statement.**

Sablefish Endorsements by Port Group and State

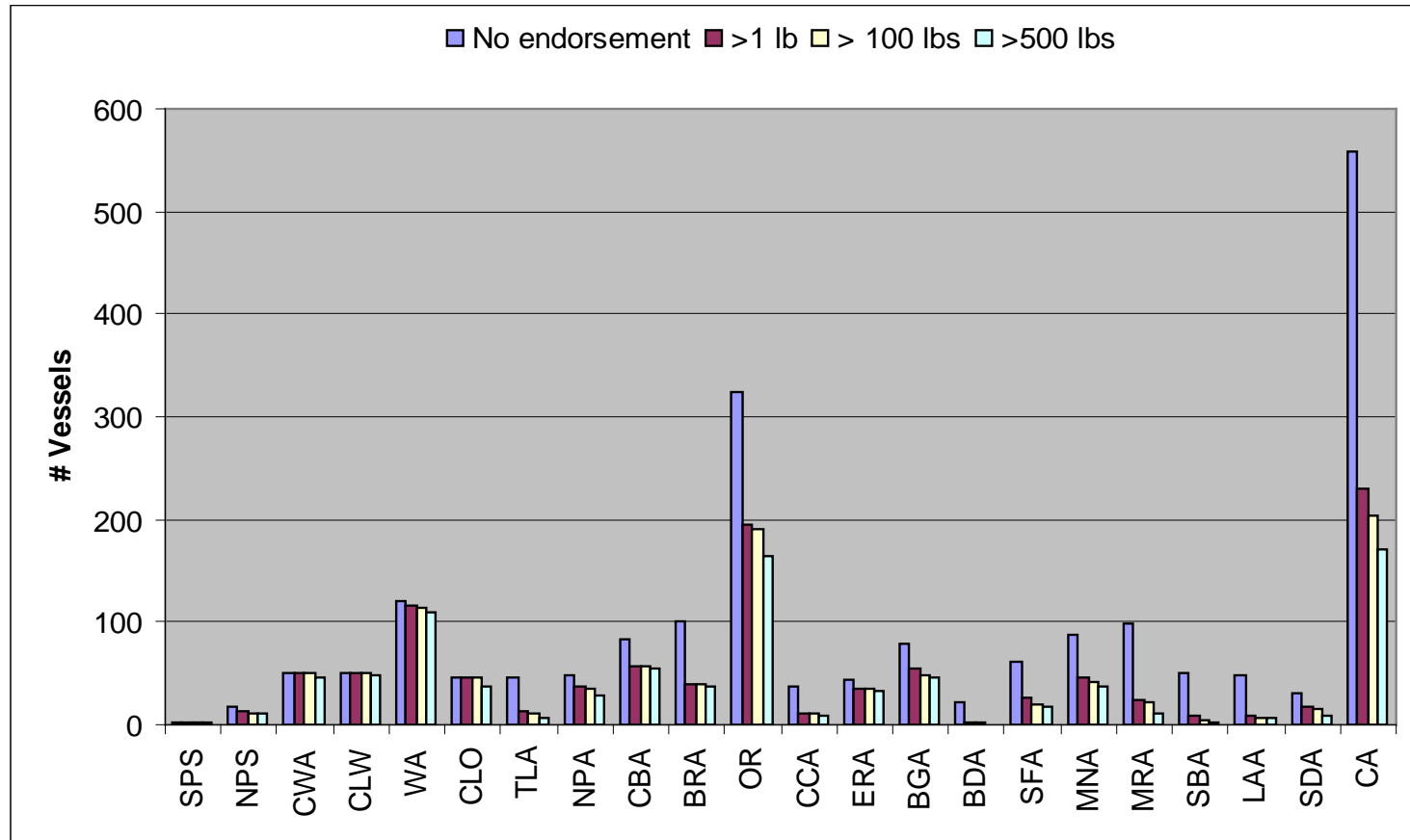


Figure 4. Number of sablefish endorsements by port group and state

Lingcod Endorsements by Port Group and State

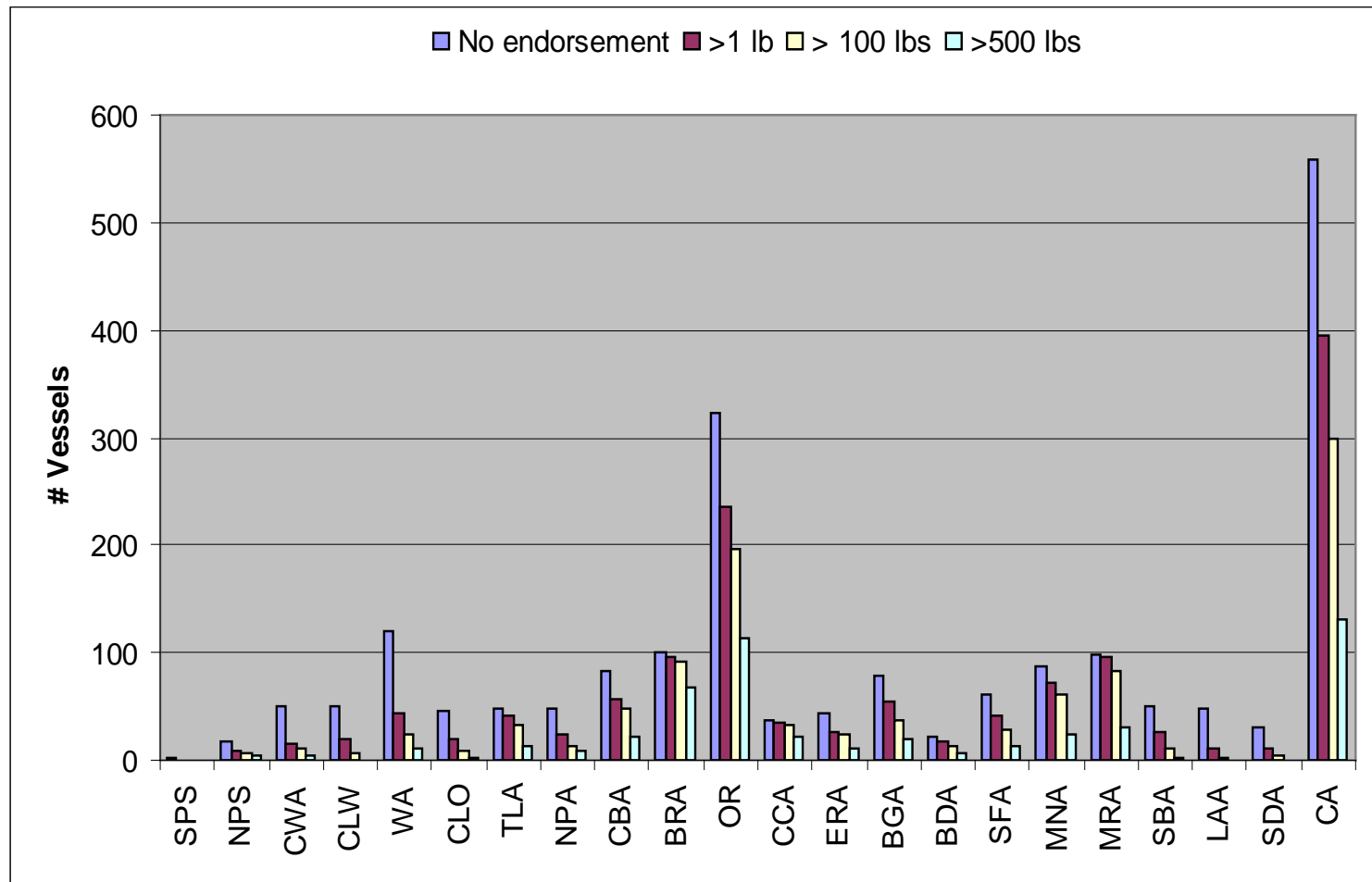


Figure 5. Number of lingcod endorsements by port group and state

Purpose and Need Statement (as amended by staff and GAC)

The proposed action is needed because:

1. The number of vessels fishing for federal groundfish species needs to be limited to ensure that capacity and/or effort is maintained consistent with resource availability. **Allowing unlimited open access to continue creates problems for tracking and monitoring the fishery and creates the potential for expansion of additional target fisheries. Closing the open access nature of the groundfish fishery and preventing additional entrants is an important step in managing fishery capacity.**
2. The directed open access fishery has diverse community impacts, which may require additional protective measures for some species or fisheries in order to maintain future fishery viabilities (e.g., sablefish and lingcod) and to allow for possible fishery expansion or redirection of effort in the event of improved species abundance and/or protective status (e.g., some shelf rockfish species).
3. Restrictive landing limits have been necessary for some groundfish species because of high fishing capacity. Low landing limits reduce the economic potential of the fishery to local communities, and can exacerbate fishery discards due to trip limit overages and species high grading. Limiting capacity or capacity reduction has the potential to increase fishery profits.
4. Registration of all fishery vessels is important to meeting fishery management goals to facilitate projecting fishery catches and discards and efficiently allocating sampling resources to collect fishery biological and economic data among ports.
5. The Pacific Coast states have management programs for their nearshore groundfish fisheries, which has likely pushed unlicensed vessels into federal waters, increasing fishing pressure there.
6. Salmon fishing restrictions have likely resulted in effort shifts by salmon vessels to directed open access groundfish fisheries, which puts added pressure on overfished groundfish stocks and reduces economic viability of affected groundfish fisheries.
7. 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. It would also facilitate dissemination of fishery information including fishery regulations

Other Additions to Preliminary Draft Environmental Assessment

(The points in the following slides are important for GAC discussion and concurrence)

- Table 2-1a (modified) major new points:
 - B permits apply to the directed taking of federal groundfish allocated to the open access fishery not including nearshore species or endorsed species by non-endorsed vessels. However, a small amount of incidental catch of endorsed species may be allowed for B permit non-endorsed vessels.
 - (1) C permits will be required of all vessels (including B permit and nearshore permitted vessels, but not A permit vessels) to take "small" amounts of B species groundfish, possibly including B species endorsed species when (1) fishing with non-open access gear (e.g. salmon troll, non-groundfish trawl) or (2) when participating in non-groundfish fisheries using open access gear (e.g., Pacific halibut longline, California halibut hook and line, setnet to take California-managed species). 1/ Or
 - (2) C permits will be required of all vessels that are NOT registered to an A or B permit or a state-issued nearshore permit to take "small" amounts of B species groundfish when fishing for non-groundfish species. 1/
 - Vessel trip limits will be used to prevent directed fishing by (1) C permit vessels for B species groundfish and (2) non-endorsed B permit vessels for endorsed species.
- 1/ It is expected that additional or modified regulatory tables will be required for each management area (north and south of Cape Mendocino) because of the need for separate regulations for (1) B and C permit (including nearshore) vessels, and (2) vessels with and without species endorsements.

•Table 2-1b (new) major points:

•Government documents must be provided to show proof of current ownership (and that the vessel still exists).

•Only current owners may apply for permits, and permits will be registered to qualifying vessels (not to replacement vessels).

•Permits must be renewed annually by November 30. Expired permits will not be renewed.

•Permits are only valid for vessels with current state-issued commercial fishing vessel registrations (permits will not be valid on vessels with an expired vessel registration).

•Permit transfer requests will be accepted during October-December of the first program year and each year thereafter (no permit transfers allowed in the first year). **Species endorsements may not be separated from their original B permits (thus are transferred when the B permits are transferred).**

•NMFS may adopt exceptions to these conditions (e.g., lost vessel replacement, death of vessel owner, sale of permitted vessels) **FURTHER DISCUSSION MAY BE NEEDED ON EXCEPTIONS**

Table 2-1c (new) major points:

- The NMFS will make a reasonable effort to contact current owners of vessels that are expected to potentially need a C permit based on the PacFin data base.
- C permits will be issued year round to owners of state-registered commercial vessels either for the current year or the following year.
- C permits will NOT be transferable between vessels.